

Report of the Committee of Inquiry into Inland Waterways



*Presented to Parliament by the Minister of Transport and Civil Aviation
by Command of Her Majesty
July 1958*

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Submission to Minister

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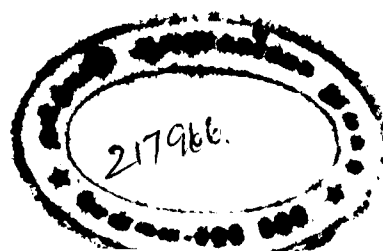
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REPORT OF THE COMMITTEE OF INQUIRY INTO
INLAND WATERWAYS

To the Right Honourable HAROLD WATKINSON, M.P.,
Minister of Transport and Civil Aviation.

SIR,

We were appointed by you on the 1st February, 1956, with these terms of reference:—

1. To consider and report on the future of the country's system of inland waterways and to make proposals for any measures necessary to achieve:—

- (i) the maximum economic use of the system;
- (ii) the future administration of and financial arrangement for such inland waterways as cannot be maintained economically for transport purposes, having regard in particular to the requirements of public health and safety and to the facilities which these waterways can provide for purposes other than transport, such as recreation, water supply, land drainage and disposal of effluents; and
- (iii) the conversion of canal sites to other purposes when this is considered desirable and practicable.

2. To consider the present law relating to the closing of waterways to navigation and to make recommendations.

(2) We have concentrated upon existing artificial canals and canalised rivers and upon natural rivers on which commercial navigation takes place; some of these are nationalised waterways and some independent. We have not attempted to investigate every stretch of water which may have been navigated at some time in the past. We have, with one exception, disregarded docks and waterways controlled by port authorities.

(3) We have interpreted the phrase "maximum economic use of the system" in a broad sense and have not considered it as requiring us to make detailed technical recommendations, though we have, of course, taken note of all that has been told and shown to us in this field.

(4) A general invitation to submit evidence was issued through the Press to all who so desired and many organisations believed to be interested were directly approached. We have received and considered written evidence from 85 bodies and 22 individuals, listed in Appendix A, and we have heard oral evidence from 54 bodies and 4 individuals at hearings occupying 16 days. The Committee have held 24 meetings, and have inspected by land or by water some part of most of the waterways, and their attendant wharves, warehouses, depots, docks and other installations; these inspections occupied much time, but were valuable. We saw for ourselves the various physical conditions of the waterways, the craft at work, the ways in which traffic is handled and the functions other than transport which the waterways perform; we also saw some of the consequences of disuse and decay, and some instances of the re-adaptation of disused waterways or their sites to useful purposes; and we were able to meet on the spot people who maintain and manage the waterways and operate craft upon them.

(5) Evidence was heard in private and as informally as possible. The Scottish evidence was heard in Edinburgh and the remaining hearings took

place in London, with the exception of those concerned with the Broads, which it was convenient to hold locally in the course of a visit to the area.

(6) Our recommendations and the arguments which lead to them do not conform exactly to the separate items in the terms of reference in the order in which they are set out.

We first review the *nationalised waterways of Great Britain*, their present extent, managerial organisation, finances, commercial operation, physical condition and functions (the important subject of water supply and abstraction being discussed in a separate chapter); we then assess the future prospects of the *nationalised waterways of England and Wales* (leaving those in Scotland for separate treatment) and make recommendations as to which of them should form the basis of a permanent navigable system; the improvement and maintenance of that system; its financing; and the charges for its use by commercial vessels. Next, we consider generally the treatment of waterways in England and Wales which cannot be economically maintained for transport, in this chapter including recommendations as to the procedure for closing waterways to navigation.

We then turn to the *nationalised waterways of Scotland*, making recommendations as to which should be retained for navigation and the manner in which certain of our proposals in relation to waterways in England and Wales should be applied to Scottish waterways.

Waterways which have not been nationalised are then considered, a separate chapter being devoted to the Broads.

There follows a chapter which, with the relative appendix, suggests changes in the law which appear necessary or desirable in order to give effect to our recommendations. This covers somewhat wider ground than our second term of reference. Our recommendations are summarised in the final chapter.

(7) In the main our recommendations are unanimous and we differ only upon the questions—important as they are—of the future ownership and management of the nationalised waterways and the means for dealing with the re-development of waterways of all types. Some of us advocate leaving ownership and management with the British Transport Commission and recommend a different procedure for re-development; those of us who hold the contrary view have entered reservations and set out the reasons for doing so, and these appear immediately after Chapter XII of the Report.

(8) It will be found that our Report contemplates the expenditure of public money in dealing with the problem of the uneconomic waterways. In a real sense, however, this is no new burden on the community, for money is being spent already, and as it is inevitable that this should continue in some form or other, our concern has been to devise means for ensuring that any public money spent promotes as much national benefit as possible. We are planning, too, for many years ahead and looking beyond the economic restrictions of the present time.

(9) Thanks are due to all who have helped us in various ways. We have appended lists of those organisations and persons who submitted evidence, and appeared before us, to all of whom we are grateful. We are indebted also to local authorities, river boards, navigation authorities and other bodies who gave us much detailed information about various waterways; to commercial concerns which have given us similar information about their operations as affecting waterways; to the British Transport Commission, the General Manager and officers of British Waterways, both at Headquarters and in the Divisions, and to the management and officers of independent waterways. We wish to record particularly our appreciation of the help and courtesy

extended by all those who, in the course of our visits of inspection, received us, escorted us and put facilities at our disposal.

(10) Finally, we would like to express our thanks to the Secretary, Mr. G. G. D. Hill, and his Assistant, Mr. H. G. Ardley. To enable the Committee to make a comprehensive review of so vast and complex a problem necessarily required of the Secretariat much study and research. The assistance which these gentlemen have given us in handling the large mass of documents, in the recording of evidence and in providing for all our requirements has been invaluable and our mission has been greatly facilitated by the ready, efficient and willing manner in which they have at all times applied themselves to a difficult task.

H. LESLIE BOWES (*Chairman*).

JOHN CORBETT.

G. C. GODBER.

H. E. HOPTHROW.

W. A. MUDDALL.

FRANCIS RITCHIE.

MICHAEL E. ROWE.

J. WILSON.

G. G. D. HILL (*Secretary*).

11th June, 1958.

CHAPTER I

INTRODUCTORY

A. PREVIOUS INQUIRIES

1. The Committee's investigations under the first of their terms of reference took them into a field which has been explored more than once during the last hundred years. Growing Parliamentary anxiety about the effects of railway ownership of waterways and the waning power of water transport to compete led to the appointment of Select Committees in 1846, 1872, 1881 and 1883. Twentieth-century inquiries are dealt with in this section.

The Royal Commission of 1906

2. A Royal Commission was appointed in March, 1906, under the chairmanship of Lord Shuttleworth, to inquire into the canals and inland navigations of the United Kingdom and to report on:—

- (1) their present condition and financial position ;
- (2) the causes which operated to prevent the carrying out of improvements by private enterprise, and whether such causes are removable by legislation ;
- (3) facilities, improvements and extensions desirable in order to complete a system of through communication by water between centres of commercial, industrial, or agricultural importance, and between such centres and the sea ;
- (4) the prospect of benefit to the trade of the country compatible with a reasonable return on the probable cost ;
- (5) the expediency of canals being made or acquired by public bodies or trusts ; and the methods by which funds for the purpose could be obtained and secured ; and what should be the system of control and management of such bodies or trusts.

The Commission reported in December, 1909. They found that haphazard development, lack of standardisation of gauge, variation and complexity of tolls, failure to develop a system of through tolls and the division of ownership among many bodies, had left the waterways in England and Wales unable to compete with railway services for through traffic ; that very little had been done since the advent of railways to improve, enlarge or modernise waterways or their equipment ; in the majority of cases, their material condition was "probably somewhat inferior" to what it had been 80 years earlier. Since 1888, the volume of traffic had been almost stationary, and net revenue had declined, as had, in most cases, the rate of dividend on canal companies' ordinary stock. A few conspicuously successful waterways were excepted.

3. The Commission attributed the failure of private enterprise to improve the waterways to investors' lack of faith in the canals' future. This, in turn, was due to three causes: the haphazard development, multiplicity of ownership and lack of standardisation already mentioned ; the situation produced by railway ownership of important sections of the system ; and, as a consequence of both, a "creeping paralysis" extending over most of it. The chaotic toll structure was commented on, and the Report discussed at some

length the relationship between canals and railways, and the consequences of railway ownership. The Commission found that the material condition of railway-owned canals as a class was in general no worse than that of canals otherwise owned. Some were vigorously worked either as feeders to their owners' railways or as instruments of competition against rival railways, and some probably owed their survival and serviceable condition to the financial and technical resources of their railway owners. The railways, however, were concerned primarily with development of their railway traffic and competition with their railway rivals ; and, except where the ownership of canals—often unsought by the railway companies—served those objects, they were regarded as a burden. Generally, the railway companies fulfilled their minimum statutory obligations to maintain their canals, but they had no incentive to do more, and any development of through traffic by waterway would conflict with their interests. Their possession of important sections of through routes enabled them to hinder such development, and where canal competition existed, they met it by undercutting rates. The result has been that most railway-owned canals had remained in the condition in which they had been at the time of acquisition, perhaps 50 years earlier. The Commission laid the blame upon "the confused and undecided action of Parliament", which, after permitting in the 1840's enough railway acquisitions of canals "to introduce a hopeless chaos into the waterway system" and stultify any development by private enterprise, attempted in the 1870's to remedy matters by measures "powerless to cure a situation inherently vicious".

4. The Commission considered where improvements were most needed ; of what kind they should be ; their probable cost ; and the prospects of a reasonable return on the outlay. They recommended a scheme to improve the four arms of the "Cross" and the Birmingham Canal at its centre, so as to pass 100-ton units throughout and 300-ton units on certain sections, and to permit 750-ton sea-going vessels to reach Nottingham and Worcester, and 600-ton vessels to reach Stourport. The selected routes, after improvement (involving some shortening, and the elimination of many locks) would incorporate 1,048 miles, or about one-third of the waterways of England and Wales at that time. The capital cost (excluding acquisition of the selected undertakings, but including water supplies) was estimated at £17·5 million ; and the Commission put annual charges, including maintenance, management and service of debt, at £1,098,000. The gross income of the selected waterways in 1905 had been £568,000, so that new revenue of the order of £530,000 yearly would have been required. On the assumption that revenue from sources other than tolls would remain unaltered, all the extra revenue of £530,000 per annum would have had to be found from tolls ; on the basis of the average tolls which the Commission assumed would be charged on the unified and improved system, this would have represented an increase of 958·8 million ton-miles in yearly traffic. The Commission could not agree on whether there were prospects of a reasonable, direct return on the capital cost, but the majority agreed that there would be a valuable indirect benefit to the industry of the country in the form of cheaper and more efficient water transport. The results of the Manchester Ship Canal influenced them in forming this view.

5. The cost of acquiring the selected waterways should, the Commission suggested, be borne by the State. The cost of the improvements should be financed by a loan, and the improved system, under unified ownership, should be self-supporting.

6. In considering to whom to entrust the task of acquiring, unifying, improving and managing the selected system, the Commission examined

several possibilities: the leasing of the system, after improvement at State expense, to private canal companies for operation; vesting in a Government Department; a Board, partly nominated by Ministers, and partly elected by industry, commerce, local authorities and public bodies; a number of separate local trusts, with members appointed by local authorities and local trade and industry, on the analogy of the Thames Conservancy or the port authorities on the Clyde, the Mersey and the Tyne. All were rejected, for various reasons, in favour of a Waterway Board of three or five full-time, paid Commissioners, to be named, initially, in the enabling statute.

7. The Board's first task should be the unification, improvement and modernisation of the selected system. Subsequently, it would probably be advisable to extend it by acquiring and modernising one, perhaps two, of the canals joining Lancashire and Yorkshire; some important feeders of the main system; and sections of waterway still belonging to railway companies. Later still, the Board might take over and improve certain natural rivers; and they might even find a use for some waterways which, having fallen into disuse in private hands, their owners wished to abandon.

8. The Commission recognised that, for financial or other reasons, the immediate initiation of the large improvements they recommended might not be approved. Even so, they would still advocate the acquisition and unification of the selected routes by the Waterway Board. This step, apart from large improvements, would appreciably benefit commerce, and administrative economies might bring about a slight reduction in tolls.

9. As regards canals in Scotland, the Commission mentioned proposals, currently under discussion, to build a Forth-Clyde ship canal, either along the line of the existing one, or on a new line, but reserved judgment, recommending only that various interests concerned in Scotland should jointly consider the prospects of raising the very large capital sums required. On the Caledonian Canal, certain expenditure to avoid periodic stoppages through lack of water was recommended, but no large-scale improvement. The Crinan Canal they considered to be worn out, and they thought that it would be more economical, instead of voting a smaller amount for repair and minor improvement of the existing, inadequate canal, to vote a larger sum to carry out current proposals either to reconstruct it so as to make "the ordinary steamboats of commerce", or to supersede it by a canal on a new line. The Caledonian and Crinan Canals, and the execution of the improvement schemes, should be entrusted to the Waterway Board.

10. Of the nineteen members of the Royal Commission, five entered reservations and three made dissenting reports. No action was taken on the Report.

The Departmental Committee of 1920

11. The war of 1914-1918 intervened before the inland waterways again engaged the Government's attention. In 1920, a Committee was appointed by the Minister of Transport, under the chairmanship of Mr. Neville Chamberlain, "to consider and report as to—

- (1) What portions, if any, of the inland waterway system of the country should be acquired by the Ministry of Transport with a view to improvement and upon what terms?
- (2) What should be the form of ownership of such acquired portions whether under the State, through a department of the Ministry of Transport, or through a regional trust or by any other method? If a trust be recommended, what should be its constitution and the nature of its governing body?

- (3) What improvement should be carried out in such acquired portions? What would be the cost of the improvement and how should the necessary funds be raised? Whether such acquired or improved portions would become self-supporting and if not, what deficit would be involved; also what indirect advantage would be obtained to compensate therefor?
- (4) What method should be adopted to ensure that any improvement in the value of the frontages should be secured in part at least to the body carrying out the improvement to the waterway?
- (5) In what manner could co-operation best be developed between transport by water and transport by rail or road?"

12. This Committee issued two interim reports, but no final report. The first interim report made certain recommendations as to the immediate improvement of the River Trent, and was not published. The second was published in June, 1921. The Committee considered that the introduction of the Railways Bill, then before Parliament, made it necessary to lay immediately before the Minister the broad outlines of the policy they recommended for canals. They referred to the recommendations of the Royal Commission, adding that, since the Commission's report, not only had the waterways further deteriorated, but the change in values since the war had "made it useless to put forward any scheme" upon the basis of the 1909 report. Canals were at a serious disadvantage, and although nationalisation was out of the question, unification of ownership was an essential first step to prevent them from becoming derelict. To attain this, they suggested that the principal waterways should be divided into seven groups, viz., the Trent and its connections; the Yorkshire canals; the Lancashire canals; the canals joining Liverpool and the Midlands; the Severn with its connections; the Thames and its connections with the Midlands and Bristol; and the Birmingham Canal and its connection in the Midlands. Ultimately, all the waterways in each group should be brought into one ownership, but a start could be made with one or two groups offering the best chances of success and the least expenditure. Other groups should be dealt with if and when judged advisable in the light of experience gained with the groups first acquired. Railway competition by excessive rate-cutting should be statutorily restrained by the insertion of provisions in the current Railways Bill. Machinery for compulsory acquisition of the waterways should be provided by legislation, and should extend to railway-owned canals. Initially, all the waterways in each group should be acquired, but some might ultimately have to be closed.

13. The waterways in each unified group should, the Committee recommended, be vested in a suitably constituted public Trust, whose financial resources should be supplemented by aid from the State and from local authorities having a special interest in the development of the group. The Trusts should have no monopoly of carriage on their waterways, but should have power to operate as carriers (by contrast, the 1909 report had recommended that the Waterway Board should *not* engage in carrying). Their toll-charging powers should be governed by statute, and they should have the right to apply to the Railway Rates Tribunal for through rates for goods consigned by rail-cum-canal. They should also have powers to construct works and acquire land compulsorily. Following up the recommendations in their first interim report, the Committee advised that the first Trust to be constituted should be that comprising the Trent and eleven associated waterways. This beginning should be made at the earliest possible opportunity.

14. The recommendations in the first interim report were implemented in as much as extensive improvements of the Trent Navigation were carried out by the Nottingham Corporation and the Trent Navigation Company, assisted by Government grants. No action was taken upon the second interim report.

The Royal Commission on Transport, 1930

15. The next official investigation of the inland waterways system was that carried out by the Royal Commission on Transport, under the chairmanship of Sir Arthur Griffith Boscawen, which was appointed in 1928 and reported in December, 1930. Its terms of reference were "to take into consideration the problems arising out of the growth of road traffic and, with a view to securing the employment of the available means of transport in Great Britain (including transport by sea, coastwise and by ferries) to the greatest public advantage, to consider and report what measures, if any, should be adopted for their better regulation and control, and, so far as is desirable in the public interest, to promote their co-ordinated working and development".

16. The Royal Commission took note of both the 1909 and the 1921 reports; they noted also that, after temporarily increased activity during the 1914-1918 war, when traffic had been diverted to the inland waterways to relieve railway congestion, the canals again faced difficulties even greater than before the war. Although they were able to comment approvingly upon the development of the Trent (mentioned above) and the amalgamation of five former companies in the Grand Union Canal Company, they quoted figures of originating traffic on canals (excluding the Manchester Ship Canal) from 1924 to 1929 showing a decline. They did not accept the sweeping contention that canals were an obsolete form of transport, any money spent upon which would be wasted, though they agreed that a good many "ought to be scrapped", and that no extension of the system into new territory "would be considered as a serious proposition". They also recorded the view that the rapid development of road transport had "greatly modified the situation", even since the 1921 report. To widen the narrow boat canals would, they held, be impracticable in many places and prohibitively costly in any event. Nevertheless, they pointed to certain traffics and conditions in which canals could offer competitive facilities (including, as the Chamberlain Committee had done, a reference to services between inland points and ports where sea-going ships can load or discharge cargo overside from or into canal craft). There were routes which could be made more valuable if certain short sections could be improved.

17. A necessary preliminary to improvement, said the Commission, was amalgamation whether voluntary or, as recommended in the 1921 report, compulsory. The unwillingness of railway companies to give up certain important sections of through routes appeared a major obstacle to voluntary amalgamations, and the Commission agreed with the Chamberlain Committee's proposal that, in proceedings for amalgamation affecting any such section, railway objections should be heard only as to terms of acquisition, and not as to the principle of transfer. Failing the early submission of voluntary amalgamation schemes, the Minister of Transport should appoint public Trusts to acquire canals designated by him for preservation and improvement in the national interest. Initially, there might be four Trusts, each amalgamating a part of the "Cross", to be fused ultimately into a single group. The Commission also commented upon the difficulty of obtaining through rates and tolls, and considered that a revision of the toll and charge structure should engage the early attention of public Trusts, if and when set up.

18. No further Government action had been taken by the outbreak of war in 1939. During the war, the railway-owned waterways and the more important independent waterways were brought under Government control. All the controlled undertakings, comprising 17 independent undertakings owning 1,138 miles of waterways, and 965 miles of waterway owned or controlled by railways, were vested in the British Transport Commission by section 12 of the Transport Act, 1947; in addition, the Caledonian and Crinan Canals, formerly vested in the Ministry of Transport, were transferred to the Commission (giving effect, in relation to these waterways, to a recommendation of the Royal Commission of 1906). The Transport Act thus took what the 1909 report had considered the first and most essential step—the unification of ownership of the main system in a statutory Commission; in fact, the nationalised system included substantially more mileage than the 1909 report had recommended.

Disused Navigations and Land Drainage

19. The reports of 1909, 1921 and 1930 had all considered the canal problem exclusively from the point of view of the transport of merchandise. Apart from passing references in the 1909 report to revenue earned from the supply of water, none had considered—nor had they been asked to consider—any other function of waterways. The abandonment of disused waterways was touched upon in the 1909 report, and the 1930 report had noted that many canals "ought to be scrapped", but neither mentioned the ill effects, in fields other than transport, of the existence of an increasing mileage of disused and derelict navigations.

20. The land drainage functions of inland waterways and particularly the consequence to land drainage of their decline has received the consideration of official inquiries. In 1927 a Royal Commission was appointed to inquire into land drainage in England and Wales. They drew attention to the additional burden placed upon drainage authorities by waterways where navigation was inactive and obligations to maintain the waterway for navigation nevertheless remained, though the total revenue was too small to secure proper maintenance. They considered that the existing statutory powers of drainage authorities to take over waterways, by arrangement with navigation authorities, in the interests of land drainage were ineffective because the liabilities involved were normally beyond the resources of small drainage districts. They considered that proper powers should be given to catchment boards covering a much larger area than the old drainage district, the constitution of which boards the Royal Commission recommended.

21. As a result of the Royal Commission's recommendations, powers in this respect were included in the Land Drainage Act, 1930, in sections 40 and 41. Section 40 empowered drainage authorities, with the consent of Ministers, to take over navigations, and this power was renewed on behalf of river boards in section 8 of the River Boards Act, 1948. Section 41 of the Act of 1930 further gave powers to drainage authorities to apply for a Ministerial order varying navigation rights in cases where the navigation authority was not exercising its powers. The powers conferred by the Acts of 1930 and 1948 are, however, exercisable only for the purpose of improving land drainage. Because of this limitation, and of the fears of drainage authorities that, in taking over responsibilities for navigation, they may assume liabilities beyond their resources, the powers have not been much used.

22. Land drainage legislation since 1927 has greatly changed the administrative, financial and legal framework of the land drainage system, but a recent inquiry shows that the land drainage aspect of disused naviga-

tions is still of importance, and sometimes gives rise to problems. In February, 1947, at the request of the Minister of Agriculture and Fisheries, the Central Advisory Water Committee appointed a sub-committee, under the chairmanship of Sir Arthur Heneage, to consider proposals and make recommendations for the amendment and modernisation of the law relating to land drainage. The report was adopted by the Central Committee in November, 1950. The sub-committee again noted the serious land drainage problems which sometimes arise from the dilapidation of disused navigations and their works. It found that provisions in existing legislation, whether for authorising drainage authorities to take over disused navigations or for authorising their abandonment, were ineffective. Proposals to abandon a navigation often elicit objections from vested interests seeking safeguards against prejudicial affection, and the Railway and Canal Traffic Act, 1888, makes no provision for disposing of such objections; whilst the promotion by drainage authorities of orders under drainage legislation would usually result in transferring to the promoters, with the waterway, the navigation authority's obligations towards those interests, and drainage authorities are generally unwilling to assume these burdens. The sub-committee advocated remedying deficiencies in the two codes so as to remove deterrents to initiative by the river boards, and to obviate, by the provision of safeguards for other vested interests, frequent grounds of objection to navigation authorities' applications for warrants of abandonment. To these ends, river boards, on taking over a disused navigation, should be reimbursed from the assets of the navigation in respect of any additional expense involved in maintaining the watercourse adequately for drainage purposes, and empowered to exploit any potentially profitable uses of the waterway (e.g. pleasure boating, angling, supply of water) as a means of recouping their expenditure, and to negotiate with any other authorities or persons who might have an interest in a waterway or its works (e.g. highway authorities, in relation to bridges), or might wish to acquire any part of the channel. Rights, other than those of the navigation authority, existing at the date of transfer should be preserved, or alternative facilities provided. Equipped with such powers in relation to transferred waterways, river boards should also be authorised to prepare schemes for their abolition, to be submitted for Ministerial approval and implementation through a procedure similar to that for making orders under section 8 of the River Boards Act, 1948.

23. On the 5th March, 1957, it was announced in Parliament that the Government had concluded that it would not be justifiable at present to implement the main recommendations of the Heneage Report.⁽¹⁾

The Board of Survey Report, 1954

24. In April, 1954, the British Transport Commission appointed a Board of Survey:

"To survey the use at present being made of the Commission's inland waterways, and to report to the Chairman of the Commission—

- (a) whether all possible steps are being taken to ensure that the maximum economic advantage is being derived from the canal system under the Commission's control; and
- (b) as to the steps to be taken in regard to such of the Commission's inland waterways as can no longer be put to economic commercial use."

The chairman of the Board was Lord Rusholme, a member of the British Transport Commission, and the other two members, Sir Rex Hodges and Mr. R. D. Brown, were independent members. The Board reported on the 29th November, 1954.

25. As the Board of Survey report is so recent, and attracted considerable interest and comment, a very brief summary of its findings will suffice here.

⁽¹⁾ Hansard, House of Lords, col. 253; House of Commons, col. 40.

26. Reviewing the material and financial circumstances of the Commission's waterways, the Board confirmed that, in the main, they were practically in the form in which they were originally constructed; with few exceptions, improvements in the subsequent 150 years had been confined to rivers, canalised rivers and broad waterways where the former navigation authorities had had the necessary financial resources. Between the vesting date and 1953, the Commission had spent over £1 million on making good arrears of maintenance and £500,000 on additional plant and equipment, but the main traffic routes still needed heavy expenditure. Total traffic had increased from about 10 million tons to nearly 13 million tons annually. In 1953, total expenditure, at over £2 million, had exceeded gross receipts by £102,000. About a third of the waterways, consisting in the main of estuarial and canalised rivers connecting with the ports, produced a surplus of over £301,000, whilst the remainder incurred a deficit of over £403,000. The deficit included no contribution towards interest on capital nor towards other central charges borne by the Commission. Some of the Commission's own carrying services were losing substantially, and many private carriers, particularly on narrow canals, had gone out of business. There was also an acute shortage of labour in some sections of the carrying trade.

27. The Report recommended certain changes in the Commission's organisation for the management of inland waterways, notably its separation from the management of the Commission's dock and harbour undertakings. It divided the Commission's waterways into four classes or groups.⁽¹⁾ The first of these, comprising 336 miles of waterway carrying substantial traffic, should be improved and developed. In the second group were 994 miles of waterway which the Board considered to be worth retaining for transport purposes "under existing conditions"; they should be maintained to adequate standard, and every effort should be made to encourage traffic; if, however, further experience proved the retention of any of these waterways for transport purposes to be unjustified, it should be transferred to the third group. This comprised 771 miles of waterway, either disused or carrying so little traffic as not to justify retention as commercial waterways (8 of the 26 waterways listed, amounting to over 180 miles, are already closed to navigation by statute or by abandonment order under the Act of 1888), and involved a yearly loss to the Commission of about £300,000. As regards the waterways in this group, the Board referred to the consideration then being given by Government Departments to the recommendations of the Heneage Report (see paragraph 23 above), and stressed the importance of an early decision by the Government upon measures to enable these waterways to be transferred, upon equitable terms, "to the authorities most appropriate in each case". The fourth group comprised the Caledonian and Crinan Canals, and the Board recommended that these should be transferred to the Secretary of State for Scotland.

✓ B. COMPARISON WITH WATERWAYS IN WESTERN EUROPE

28. Comparisons are sometimes made between the declining traffic on inland waterways in Great Britain and the vitality of inland navigation in some countries in Western Europe. We have not followed the Royal Commission of 1906 in making a detailed investigation of waterways on the Continent, but we have obtained some information about them, mainly in order to consider how far such comparisons are valid. The information about Continental waterways given in this section is taken from various sources,⁽²⁾ but mainly from published official statistics and articles appearing

⁽¹⁾ The waterways comprised in each group are shown in Appendix B. There are also three small waterways forming part of British Railways' undertaking.

⁽²⁾ Publications include: *Bulletin de Statistique*, published by the Belgian Ministry of Economic Affairs; *Journal de la Marine Marchande*; *Revue de la Navigation Intérieure et Rhénane*; *Revue des Deux Mondes*; "La Navigation Intérieure en France" (Jouanique and Morise); *Binnenschiffahrts-Handbuch*, 1955-56; and "Modern Transport".

in the technical press, both here and abroad. Certain information was kindly provided by the Governments of countries concerned. The report of the Royal Commission of 1906 contains useful historical information.

29. The waterways of Belgium, France, Germany and the Netherlands developed upon the framework of great natural rivers and river deltas. These were historic highways of commerce, and were improved, regulated and canalised in places, sometimes purely for navigation, sometimes in the course of works of land reclamation and drainage. Artificial canals were built to link natural waterways with each other, or to enable vessels to penetrate further inland. The dimensions to which these Continental canals were built must have been greatly influenced by the size of vessels which used the connected natural waterways, and the latter provided many canals with water and with traffic.

30. The unique and historic role of inland waterways in the Netherlands appeared to us to place the Dutch system in a class by itself. Flood protection, land drainage and reclamation, which created so much of modern Holland, and water transport, which the character of the country made a necessity for the livelihood of its people, developed together. Supervision of flood protection and waterway conservancy by the central government was established in the eighteenth century. The circumstances which have made the Dutch system what it is are exceptional, and have very little analogy with those of the waterways of Great Britain.

31. The differences between the extent of the Belgian, French, Dutch and German systems, the volume of traffic they carry and the traffic density, as compared with inland waterways in Great Britain, are strikingly illustrated by the following figures:—

Country	Mileage of Navigable Waterway (1956)				Traffic (1956)				Traffic Density (1956) (million ton-miles per mile of waterway) based on:—
	Rivers	Canals	Total	Total in Regular use for transport	Long tons carried (millions)	Long ton-miles (millions)	Average haul (miles)	Total mileage	
Belgium ...	541	588	1,129	1,005	55.0	2,747.6	50.0	2.4	2.7
France ...	4,899	3,094	7,993	4,887	61.6	5,666.9	92.0	0.7	1.2
Western Germany	2,430	767	3,197	2,675	133.7	19,598.5	146.6	6.1	7.3
Netherlands	692	3,514	4,206	not available	121.9	10,210.6	83.8	2.4	not available
Great Britain	761	1,559	2,320	see footnote	10.5	183.8	17.6	0.08	not available

NOTE: The total mileage includes 1,886 miles of waterway owned by the British Transport Commission, of which 1,428 miles were in regular use for transport.

These figures have been obtained from the "Annual Bulletin of Transport Statistics" published by the United Nations from figures supplied by governments.

32. These European waterway systems are navigable by vessels of sizes which few inland waterways in this country, except the approaches to estuarial ports, could accommodate. Indeed, the largest—the 2,000-ton Rhine barges—could use no British canal except the Manchester Ship Canal. In Germany, only 680 miles of the 3,200-miles network is restricted to vessels carrying less than 400 tons, and vessels of 650 tons, which on British canals could use only the Manchester Ship Canal and the Gloucester and Sharpness Canal, can navigate over 550 miles of canals and 1,960 miles of rivers in the Federal Republic. In France first category canals were defined in 1942 as those navigable by 600-ton vessels. Over 700 miles of waterway are navigated by vessels of 600 tons and upwards. In Belgium, less than 150 miles of the system is restricted to vessels of under 300 tons; vessels of 600 tons can navigate 530 miles of waterway and about 190 miles is navigable by 2,000-ton Rhine barges. In the Netherlands, 400-ton vessels can navigate some 1,700 miles of the system, vessels of 650 tons 1,200 miles, and vessels over 1,500 tons 780 miles.

33. An important part of the waterway traffic in these countries is international. Figures for 1956 were:—

Country	Total traffic carried (million tons)	Of which, international traffic:—	
		(million tons)	(per cent. of total)
Belgium ...	55.0	32.2	58.5
France ...	61.6	18.7	30.4
Western Germany	133.7	68.5	51.2
Netherlands ...	121.9	73.7	60.5

A number of the major waterways are navigable by sea-going vessels engaged in coasting and foreign trades. For instance, regular, direct cargo services operate from the inland ports of Gennevilliers and Austerlitz, near Paris, to ports in Germany, Holland, Portugal, Scandinavia and the United Kingdom. Ghent, which is over 30 miles from the coast, is the second port of Belgium, and Brussels is also accessible by small sea-going vessels.

34. Much, though not all, of the Western European inland waterways system traverses a terrain which is excellently suited for the construction of canals and the operation of vessels upon them, having easy gradients (and, therefore, few locks) and good water supplies. On the 3,200 miles of German waterway, for instance, there are 215 locks, an average of over 15 miles per lock; on the 1,886 miles of nationalised inland waterway in Great Britain which are at present open to navigation, there are 1,540 locks, an average of under a mile-and-a-quarter per lock. It is interesting to note that in articles on inland navigation in the French technical press, there are references to the navigational inadequacy of some of the older French canals as a factor in the decline of traffic upon them, and particularly to their circuitous routes and numerous locks and other bottlenecks, which retard transit and thus reduce the productivity of the fleet. Over 90 per cent. of the traffic on French waterways is on those lying north and east of a line from Le Havre to Lyons, where the waterways not only serve populous areas and centres of production, but traverse a mainly easy terrain. In the northern part of this area, the major waterways connect with the similarly favoured

system of Belgium, whose geographical characteristics resemble those of Holland. To the east, they connect with the German system.

35. In these four countries, neither the State nor its subordinate public agencies engage in carrying operations by inland waterways, though in some of them the waterways administration provides towing services. On the other hand, the State intervenes actively to regulate the terms on which private carriers trade. In Belgium, France and the Netherlands, the waterways administration fixes freight rates and maintains an official chartering organisation through which all contracts of carriage between inland waterway carriers and shippers must be concluded; in Western Germany, rates are freely negotiated, but are subject to government approval. These arrangements are designed principally to regulate competition between inland waterway carriers, particularly between owner-boatmen and the larger carrying companies. Administration costs are partly recovered either by a percentage levy on freights, or by special taxation. Tolls or dues for the actual use of the waterways are either non-existent, as on the State-owned waterways of France and the Netherlands, or very low, as in Belgium (average, 0.4d per ton-mile) and Western Germany (where basic rates of toll, according to class of merchandise, range from about 0.08d. to about 0.25d. per ton-mile).⁽¹⁾ Nowhere do the levies upon navigation cover the costs of maintaining and administering the system, the inland waterways in these countries being heavily subsidised. We understand that when certain canals in Belgium and Germany were projected, it was intended that receipts from tolls and dues should provide at any rate a substantial proportion of the cost of maintenance and the interest on capital invested. These aims have not been fulfilled, however, and apparently they are not now pursued. The Royal Commission of 1906, describing Belgian policy said:

“The State expects no return or profit upon the money spent upon construction and large improvements. It is considered in Belgium, as in France, that these works will increase the commerce and wealth of the nation and that the increase of commerce and wealth will strengthen the national public revenue.”

Toll-free navigation on the State-owned waterways in the Netherlands is said to be based on the thesis that the community as a whole benefits from their existence and should, therefore, bear the cost of their upkeep, operation and improvement. There is reason to believe that the German Federal Government take the same view.

36. The position of waterways in Belgium, France and Germany has certain points of similarity. In each country (as also in the Netherlands), central and local government acquired a direct interest in the waterways earlier than was the case in Great Britain. In each, inland navigation on an extensive scale was established long before the advent of railways. In France and Germany, the advent of railway competition led initially to a decline in waterway traffic and development. In all three countries, however, the State participated actively in the development of the railway system, and was thus faced at an early date—roughly, in the second half of the last century—with the need to establish some degree of co-ordination between forms of transport in both of which it was concerned. In each case, the result was substantial State investment in the improvement and extension of the waterways, with considerable emphasis on standardisation; moreover, by different means and to varying extents, inland water transport was shielded from the full force of railway competition; and everywhere these measures,

⁽¹⁾ No comparable figures for Great Britain can be given, since tolls vary widely, not only according to commodity, but from one waterway to another; a typical selection of 52 tolls for a score of commodities ranges between 1d. per ton-mile and 1s. 5d. per ton-mile.

which were concurrent with increasing industrialisation and economic expansion, were followed by great increases in traffic on the inland waterways.

37. In our view, the salient points which emerge from what is set out above are these:

- (1) the inland waterway systems of Belgium, France, Germany and the Netherlands have, for the most part, great natural advantages such as few waterways in Great Britain possess;
- (2) the part which they have played, and still play, in the internal and the international trade of those countries differs not only in degree, but also in kind, from that of the British system, being often akin to the role of coastal shipping in these islands (in this connection it must be remembered that many industrial centres in France and Germany are much farther from the sea than is any point in Great Britain);
- (3) in three of those countries, the State intervened earlier and more vigorously to regulate the relations between inland navigation and railways, not only by negative measures to preserve the former, but by direct investment in improvement and extension;
- (4) in all of them, the inland waterways are maintained as a public service, and revenue from levies on navigation is not expected to show a direct return on investment;
- (5) important new canal works are in hand in those countries, and others are projected;
- (6) the importance attributed by past and present governments to inland waterways in those countries has been reflected in State intervention to foster and regulate their use; and
- (7) geography, history and the past economic policies of governments have affected the development and character of inland water transport here and abroad so differently that in comparing the system in this country with those of our Continental neighbours, we are not comparing like with like.

38. It is sometimes suggested that much could be done to revitalise our waterways by adopting measures and techniques in use abroad. No doubt in this field, as in others, administrators, engineers and technicians can profit by studying the practice and achievements of their foreign colleagues. But our general conclusion from the information we have examined is that to cherish hopes of making our existing inland waterways play a comparable part in the transport system is to ignore the facts of geography and to suppose that the clock can be put back for a hundred years.

CHAPTER II

NATIONALISED WATERWAYS OF GREAT BRITAIN

A. DELINEATION

39. The British Transport Commission control some 2,170 miles of waterways, which are listed in Appendix B and shown on Map 1. About 1,420 miles of these waterways are used by commercial traffic.

40. In England, almost all the nationalised waterways are contained between lines drawn from east to west through the most northerly point of

the Leeds and Liverpool Canal a little north of Skipton, in Yorkshire, and the southernmost point of the Kennet and Avon Canal near Trowbridge, in Wiltshire. The only nationalised waterways outside these limits are part of the Lancaster Canal, the Ripon Canal and the Ure Navigation, in the north, and in the south-west, the Grand Western and Stover canals and the Bridgwater and Taunton Canal and River Tone Navigation.

41. With the exception of the Ouse Lower Improvement and the six waterways mentioned in paragraph 53 below, the nationalised waterways in England are managed, under the Commission, by British Waterways, and the system can most conveniently be described by considering in turn each of the four geographical divisions of their organisation. Each of them includes one of the four major estuaries—the Humber, the Thames, the Severn and the Mersey—from which the principal waterways extend inland.

42. *The North Eastern Division* contains three main systems—the Aire and Calder, the Sheffield and South Yorkshire and the Trent systems. The Commission control the Ouse Lower Improvement, leading from Goole to the Humber, but this waterway, together with Goole Docks, forms part of the undertaking of British Transport Docks and not of British Waterways. From Goole and Selby, on the Ouse, the Aire and Calder system extends inland to Leeds, where it connects with the Leeds and Liverpool Canal, and by another branch to Wakefield, where it joins the Calder and Hebble Navigation, thus giving access to Sowerby Bridge (near Halifax) and Huddersfield. From Goole there is also a connection to the Sheffield and South Yorkshire Navigation. The Aire and Calder system thus links important industrial areas with estuarial ports. It is navigable by craft of 250 tons' capacity as far as Leeds and of 170 tons' capacity to Wakefield. The Sheffield and South Yorkshire Navigation links Sheffield with the River Trent at Keadby, and, via part of the Aire and Calder system, with Goole. It is navigable by vessels with a capacity of 90 tons. On the River Trent, the Commission are the navigation authority upstream from Gainsborough, where the jurisdiction of the Humber Conservancy ends. The river is navigable by craft of 250 tons' capacity up to Newark, and of 200 tons' capacity to Nottingham. Traffic passing upstream of Nottingham leaves the river at Trent Bridge and uses part of the Nottingham Canal and the Beeston Cut, rejoining the river at Beeston Lock.

43. The above are the major waterways of the Division, and they are in active use for the carriage of coal for shipment, for industry and for electricity power stations; of petroleum from the Humber to inland destinations; and of general merchandise taken overside from the Humber ports. In the Division are also the Ripon Canal, the Ure Navigation and the Pocklington Canal; the Fosdyke, leading from the Trent to Lincoln; the River Witham, connecting Lincoln with Boston; the Chesterfield Canal; the easternmost part of the Trent and Mersey Canal; the most northerly part of the Grand Union Canal; and the Grantham, Erewash and Cromford Canals.

44. *The North Western Division.* The main waterways of this Division run north-eastwards and south-eastwards from the River Mersey. The Leeds and Liverpool Canal crosses the Pennines, and a branch at Wigan connects with the (independently owned) Bridgewater Canal at Leigh. The canal accommodates vessels of 50 tons' capacity throughout, and of 60 tons' capacity between Liverpool and Leigh, whilst 80-ton craft move between the canal and the docks of Liverpool and (via the Mersey) of Birkenhead. Further inland, also on the north side of the Mersey, is the St. Helens Canal. On the southern side of the river, two canals follow roughly parallel courses south-eastwards to the Midlands—the Shropshire Union, leading from the

Manchester Ship Canal at Ellesmere Port to the Wolverhampton area and connecting with the Staffordshire and Worcestershire Canal and the network of the Birmingham Canal Navigations, and the Trent and Mersey Canal, further to the east, which links the Bridgewater Canal with the Potteries and the Birmingham network, then turning north-east to join the River Trent. Both are navigable only by "narrow boats" (i.e. craft 70 ft. long and 7 ft. wide, with a capacity of about 25 tons). Between the two, the Weaver Navigation leads from Weston Point Docks on the Manchester Ship Canal to Winsford, in Cheshire. This waterway can accommodate vessels of 400 tons' capacity, and its larger locks will handle four 250-ton barges at a time. At Anderton, near Northwich, a boat-lift allows narrow boats to transfer to and from the Trent and Mersey Canal, 50 feet above the Weaver. The Shropshire Union Canal has three lateral sections leading westwards from its main line, all closed by law to commercial navigation, the Llangollen section (still navigated by pleasure craft), the Shrewsbury section and the Montgomery section.

45. Also in this Division are the Manchester, Bolton and Bury, the Ashton, Peak Forest, Macclesfield, Coalport, Huddersfield (Narrow) and Lancaster Canals. These waterways are disused, or very little used, and several have been closed to navigation.

46. The principal traffics are: on the Leeds and Liverpool Canal, a substantial traffic in coal and general merchandise at the western end, and some coal traffic at the eastern end (very little traffic crosses the summit); on the St. Helens Canal, sugar and chemicals; salt and chemicals on the Weaver; general merchandise on the Trent and Mersey Canal between the Mersey and the Potteries, and on the Shropshire Union Canal, between the Mersey and the Midlands. The main route for traffic between the Mersey and the Midlands follows the northern part of the Trent and Mersey Canal, and passes via its Middlewich branch to the main line of the Shropshire Union Canal. The Trent and Mersey Canal south of the Potteries and the Shropshire Union Canal north of Barbridge Junction are very little used by commercial traffic.

47. In the *South Eastern Division* the principal waterways run northwards and north-westwards from the River Thames. In the London area are the wide waterways, the Lee and Stort Navigation, connecting the Thames at Blackwall and Limehouse with Bishop's Stortford and Hertford, and the most southerly part of the Grand Union Canal system, with its connections at Regent's Canal Dock and at Brentford. The Lee is navigable by barges of 100 to 130 tons' capacity, and the Grand Union Canal, as far as Berkhamsted, by 60- to 85-ton vessels. This canal continues northwards to Gayton, with a connection to nearby Northampton (where there is a junction with the River Nene), and thence to Norton, where it forks, the eastern branch continuing via Leicester to connect with the Trent and Mersey Canal and the River Trent, whilst the western branch leads to Warwick and Birmingham, and joins the Birmingham network. At Braunston there is a junction with the northern section of the Oxford Canal, through which the Ashby, Coventry and Birmingham and Fazeley Canals are reached; it is this junction which gives access to the Warwickshire collieries. At Birmingham, the Grand Union Canal connects with the Birmingham and Fazeley Canal and the Birmingham Canal Navigations. From Berkhamsted to Birmingham, the locks on the Grand Union Canal will pass a pair of narrow boats in one operation. The remaining connection between the Thames and the Midlands is the Oxford Canal, the southern section of which runs from Oxford northwards via Banbury to join the Grand Union Canal at Napton.

48. The Lee and Stort Navigation and the southern part of the Grand Union system are within the London lighterage area and are heavily used. There is a substantial flow of general merchandise traffic between London and Birmingham on the Grand Union Canal, coal from Warwickshire collieries providing return loads. There is little carriage on the Leicester branch, and the southern section of the Oxford Canal is also very little used.

49. In the *South Western Division*, the outlet to the sea is the River Severn. The Gloucester and Sharpness Canal links the Commission's docks at Sharpness with their docks at Gloucester, and accommodates coasting vessels carrying up to 600 tons of cargo; there are no locks between its terminals. Vessels of 400 tons' capacity can navigate the River Severn from Gloucester to Worcester, and of 150 tons' capacity as far as Stourport. From Worcester, the Birmingham area can be reached by the Worcester and Birmingham Canal; from Stourport the Staffordshire and Worcestershire Canal leads to the Wolverhampton area and connects with the Trent and Mersey Canal, and at Stourbridge it is joined by the Stourbridge Canal, leading to the Birmingham network. Both connections to the River Severn are narrow boat canals, and, having to ascend some 400 feet to the Midland plateau, are heavily locked, the locks accommodating only one narrow boat at a time. There is a flight of 30 locks on the Worcester and Birmingham Canal at Tardebigge. The Worcester and Birmingham Canal connects at King's Norton with the Stratford-on-Avon Canal, leading to a junction with the Grand Union Canal at Kingswood. The southern section of the Stratford-on-Avon Canal is disused.

50. From each extremity of the system, waterways converge upon the industrial area surrounding Birmingham, and in this focal area lies the densest network of canals in the whole country, the Birmingham Canal Navigations. Most of this network is in the South Western Division. The network is on several levels, and except for one section of about 30 miles, where craft carrying 40 tons can navigate, it is used only by narrow boats.

51. The South Western Division also contains the Kennet and Avon Canal running from Hanham Mills, below Bath, to Reading. The River Avon section, from Bath to Hanham Mills (whence Bristol can be reached) is navigable by commercial vessels carrying 50 tons.

52. On the Gloucester and Sharpness Canal and the River Severn, imported timber and metals are carried and there is a growing traffic in oil products to large waterside depots. Waterborne traffic consigned to or from the Birmingham area is mainly handled at depots on the River Severn, and collected or delivered by road. The physical difficulties of the connecting canals have caused them to lose traffic to other means of transport. The Birmingham Canal Navigations carry a considerable but decreasing traffic in coal and general merchandise, carried over short distances.

53. In addition to the Ouse Lower Improvement, the following nationalised waterways in England are separately administered: in London, the half-mile long Kensington Canal, which links the Thames with a gasworks where vessels are loaded with coke and gas by-products and the four miles long Gravesend and Higham Canal, of which the basins at Gravesend and Strood are still used; in Devon, the Stover Canal, two miles long and un-navigable, which leads off the River Teign, and the remains of the Grand Western Canal, between Loudwell and Tiverton, 11 miles long, isolated and also un-navigable; in Somerset, the Bridgwater and Taunton Canal and River Tone Navigation, 15 miles long, leading from the River Parrett at Bridgwater to Taunton, which is navigable, but carries no commercial traffic; and, in Norfolk, Haddiscoe Cut, connecting the Rivers Yare and Waveney, two

miles long, which is much used by pleasure craft. The Kensington Canal, the Gravesend and Higham Canal, the Stover Canal and the Haddiscoe Cut are part of British Railways' undertaking, and the other two are managed by British Railways on behalf of British Waterways under an agency arrangement.

54. The nationalised waterways in Wales comprise, besides parts of the Llangollen and Montgomery sections of the Shropshire Union Canal, mentioned in paragraph 44 above, the Swansea, the Monmouthshire and the Brecon and Abergavenny Canals. None of these is now used for commercial navigation, and the last three were, until a month ago, managed on behalf of British Waterways by British Transport Docks.

55. In Scotland, five waterways are vested in the Commission: in the Highlands, the Caledonian and the Crinan Canals, and in the Lowlands, the Forth and Clyde, the Monkland and the Union Canals.

56. The Caledonian Canal runs south-westwards across the Highlands through the Great Glen from Inverness to Fort William, connecting the North Sea with the Atlantic Ocean. Three very deep, natural lochs—Loch Ness, Loch Oich and Loch Lochy—form 38 miles of the 60 miles traversed, the remaining 22 miles being artificial cuts giving access to the sea at either end and connecting the lochs. The artificial canals are about 110 feet wide and at least 14 feet deep. The canal is navigable by vessels of 35 feet beam, and 150 feet length with a draught up to 13 ft. 6 ins., or 160 feet length if the draught does not exceed 9 feet. Vessels with a maximum capacity of 400 tons can pass through.

57. The Crinan Canal, extending for nine miles from Ardrishaig on Loch Fyne to Crinan, on the Sound of Jura, provides a sheltered passage for vessels passing between the Clyde ports and the islands of the West or the Caledonian Canal, nearly 85 miles shorter than the alternative route round the Mull of Kintyre. It normally accommodates vessels 88 ft. long and of 20 ft. beam and 9 ft. 6 ins. draught, with a gross tonnage up to 150 tons. Both the Highland canals are regularly used by coasting and fishing vessels and yachts.

58. Of the three Lowlands canals, only the Forth and Clyde Canal is open to navigation. It is 35 miles long, running from Grangemouth on the Forth to Bowling Harbour on the Clyde, with a four-mile branch in Glasgow running from Maryhill to Port Dundas. The canal accommodates vessels of 68 ft. 6 ins. length by 19 ft. 8 ins. beam and a draught of 8 ft. 6 ins., i.e., with capacity up to 80 tons, and is used by fishing vessels and yachts passing between the Firths of Forth and Clyde, but no longer by vessels carrying cargo, save for a short distance at either terminal.

59. The Monkland Canal is abandoned, but supplies water to the Forth and Clyde Canal, which it joins at St. Rollox, on the Glasgow branch, running eastwards for 13 miles to Woodhall.

60. The Union Canal, 31 miles long, formerly linked Edinburgh with the Forth and Clyde Canal. The flight of locks descending to the junction at Falkirk has been filled in, thus isolating the canal, which carries no traffic.

B. EXISTING MANAGEMENT

Central Organisation

61. The management of the nationalised waterways (with the exceptions mentioned in paragraph 53 above) is the responsibility of the Waterways Division of the Commission, under the direction of a General Manager.

As a matter of internal organisation, three members of the Commission form the Waterways Sub-Commission, whose functions are to assist the Commission in the formulation of policy; to watch over the performance and productivity of British Waterways, giving guidance to the management as required, or drawing attention to any need for improvement which they consider necessary; and to keep the Commission informed of major issues arising from their deliberations. They may give decisions on behalf of the Commission in case of urgency. They are not, however, a link in the executive chain of authority, and the responsibility of the General Manager of British Waterways lies directly to the Commission.

62. The headquarters organisation includes officers responsible for traffic, finance, staff, mechanical and electrical engineering and stores, civil engineering, legal matters and estates.

Local Organisation

63. Local management in England is organised in the four divisions described in Section A above. Each is in the charge of a Divisional Manager, and has a Divisional Engineer, Traffic Officer, Estate Officer and Accountant, and officers responsible for staff and for stores. Maintenance of the waterways is the concern of the Engineering Departments, and the waterways in each Division are sub-divided into districts, for which District Inspectors are responsible; the Traffic Departments are similarly organised in districts for which District Traffic Officers are responsible. Dock Superintendents or Managers are in charge of the docks included in the system.

64. In Scotland, there is no corresponding Divisional organisation. A Manager and Engineer is responsible for the Caledonian Canal, another Manager and Engineer for the Crinan Canal, and one Manager is in charge of the Forth and Clyde, Monkland, and Union Canals.

65. The upkeep and improvement of the nationalised waterways requires a diversity of skills and experience; besides carrying out work on the waterways themselves, with their reservoirs, feeders, weirs, dams, culverts, locks, basins, aqueducts, tunnels and bridges, the Engineering Departments operate repair depots with their plant and equipment, employing craftsmen of a number of trades. The commercial fleet, and maintenance vessels such as dredgers and weed cutters, must also be maintained, requiring other depots, specialised equipment and craftsmen. The Estate Departments are responsible for extensive property, including offices, houses, wharves and storage space; some of this property is occupied and commercially utilised by British Waterways, but much is also let to tenants, and brings in receipts of the order of three hundred thousand pounds yearly. The Traffic Departments operate British Waterways' carrying fleet and the collection and delivery services by road which function as feeder services to water transport, and they manage the extensive waterside warehouses and wharves at which goods (not only goods conveyed by water) are transhipped and stored. Their other main function is to maintain and, where possible, extend the carriage of goods on the waterways, not only by British Waterways' fleet, but also by those of private carriers, with whom they maintain regular liaison.

66. In our visits to the Divisions, we were impressed by the general keenness and good morale of the staff. They were animated by an evident desire to see the system in good condition, its use by traffic increased and its earning capacity maintained and developed. This impression has been

borne out by comments made in evidence about the helpful attitude of the waterways staff, the improvement in conditions of recent years and the good relations usually prevailing between British Waterways and private carriers.

Research

67. The Commission maintain a research station at Hayes, Middlesex, which carries out, on behalf of both the Waterways Division and the Docks Division, research on problems of civil and hydraulic engineering, such as the design of locks, problems of scour, bank erosion and silting, and design of craft.

C. INVESTMENT AND WORKING RESULTS

68. The general financial position of the nationalised inland waterways is set out in this section, which has been prepared with the help of the British Transport Commission.

Investment

69. The capital cost to the Commission of the nationalised waterways can only be approximately estimated. In accordance with the Transport Act, 1947, former owners of railway, canal and inland waterway undertakings which became vested in the Commission were compensated in British Transport stock, and £11.4 million was paid in this way for the inland waterway undertakings (and associated docks) owned otherwise than by railway companies. The ex-railway canals and navigations, however, were acquired as part of the railway undertakings to which they belonged and were not separately valued for purposes of compensation. There is thus no specific amount of stock which can be identified as having been issued in payment for them.

70. The waterway assets which vested in the Commission by the Act of 1947, were, generally speaking, brought into the Commission's accounts at the values at which they stood in the former owners' books. The book value of the independent waterway undertakings' assets exceeded by £6.6 million the cost of acquiring them. On the other hand, the Commission considered that the book value of £7.8 million at which the assets of the ex-railway canals were brought into their books, was more than they were worth. In their first accounts they wrote down the total book value of the fixed assets of the inland waterways as a whole (£25.5 million) by £8 million. In the light of the above figures, the original cost to the Commission can reasonably be estimated as having been in the region of £17 million. The book value of the fixed assets at the 31st December, 1956, was substantially unchanged, but certain assets had been transferred during the intervening years to other Divisions of the Commission; in particular, Goole Docks were transferred to the undertaking of British Transport Docks. A summary of the fixed assets of the Inland Waterways Division at book values at the 31st December, 1956, is in Table I of Appendix C.

71. Since the vesting date the Commission have incurred heavy expenditure on arrears of maintenance work on the waterways, part of which was charged to the general funds of the Commission, and on improvements and additions. Moreover, the working results of the waterways since the vesting date have produced an accumulated deficit of £1.9 million, which is before making any contribution to the Commission's central charges.⁽¹⁾ On the other hand,

⁽¹⁾ These charges include interest on British Transport stock, capital redemption and central administration, and amounted in 1956 to £59 million for the whole of the Commission's undertaking, of which £18 million was attributed to activities other than British Railways. The allocation which might reasonably have been attributed to the Waterways Division is a hypothetical estimate, which the Commission put at about £500,000 yearly—or £4.5 million since the vesting date.

Goole Docks and the Ouse Lower Improvement, included in the original cost of the waterways, have been transferred to the capital account of the Docks Division.⁽¹⁾ Taking into consideration all these matters (some of which can only be the subject of arbitrary allocation), and on the basis of an original estimated cost of £17 million, it would seem that at the 31st December, 1956, the overall cost to the Commission of the waterways, together with the accumulated deficit, must be about £25 million.

72. Important elements in the above estimates of cost at the vesting date and at the 31st December, 1956, are attributable to the waterways as a whole, and not to individual waterways or classes of waterways. It would, however, we think, be realistic to assume that the Class A waterways to which we refer in paragraph 92 below (which are substantially the same as those classified by the Board of Survey as Group I) account for only about £4 million of the original cost of £17 million referred to in paragraph 70 above; at the same time, it must be remembered that the £5.5 million development programme (see paragraph 81 below) is being applied entirely to waterways in this class.

73. The British Transport Commission are required by section 3 (4) of the Transport Act, 1947, so to conduct their whole undertaking that their revenue should suffice to meet "charges properly chargeable to revenue taking one year with another". The Commission expect that the waterways in Group I will be able to meet their working expenses and make a reasonable contribution to the Commission's central charges. For our part, we would attach one important qualification:—that it is necessary to their continued vitality that any surplus from these waterways should be devoted to maintaining them to a high standard and continuing to improve them as developments require. If unexpectedly large surpluses should be earned, the position should, of course, be reviewed.

Working Results

74. Details of the working results for 1955 and 1956 are shown in Appendix C (Table II (A) and (B)—non-carrying operations; Table III—carrying operations; Table IV—docks, harbours and wharves). The following is a summary of the working results for the year to 31st December, 1956:—

	Gross Receipts £	Working Expenses £	Surplus £	Deficit £
Non-Carrying Operations:				
Group I	1,635,220	1,268,787	366,433	—
Group II	830,770	1,167,357	—	336,587
Group III	173,279	439,240	—	265,961
Group IV	20,170	84,036	—	63,866
Canals forming part of British Railways' undertaking (a) ...	2,854	2,656	198	—
	<u>2,662,293</u>	<u>2,962,076</u>		<u>299,783</u>
Carrying Operations	1,023,010	1,192,428		169,418
Docks, Harbours and Wharves...	608,054	623,392		<u>15,338</u>
	<u>£4,293,357</u>	<u>£4,777,896</u>		
Net Deficit for the Year ...			<u>£484,539</u>	

(a) See paragraph 53 above and Appendix B

⁽¹⁾ These docks and the waterway were transferred at a book value of £2 million, but the cost is unknown, since these assets were acquired as parts of the undertaking of the Aire and Calder Navigation.

75. British Waterways in 1956 operated carrying fleets comprising 1,141 vessels with a combined capacity of 41,140 tons. Of these, 409 vessels, with a capacity of 9,844 tons, were narrow boats. The remaining 732, with a capacity of 31,296 tons, were large craft, and included the fleet of coal compartment boats on the Aire and Calder system. This is the only fleet of British Waterways which produced a surplus from its trading. All other carrying activities were conducted at a loss. In 1956, the operation of narrow boats accounted for over 67 per cent of the loss before taking account of the surplus earned by the compartment boats, and over 83 per cent of the net loss. (Corresponding proportions in 1955 were 48 per cent and 71 per cent.) British Waterways, although the largest single carrier on the system, carry little more than 10 per cent of the total tonnage, and they are virtually the only carrier to operate long-distance services with narrow boats. The Commission have pointed out that the trading results of the British Waterways fleets in the last two or three years have been depressed by the fact that a high proportion of the vessels have undergone major overhaul, and that the results of this expenditure will be a reduction in maintenance costs in coming years.

D. PHYSICAL FEATURES

76. The waterways vary greatly in physical condition, which is affected by a number of factors. The area traversed, the availability and nature of water supplies, use or disuse by traffic, all play a part. The earlier examples were contour canals, built on a line governed largely by the contours of the land, whilst engineers later developed the more ambitious cut-and-fill technique, with high embankments and aqueducts, long tunnels and deep cuttings. In some areas waterways are affected by subsidence due to mineral working. Such circumstances greatly affect the amount of work involved in upkeep. River navigations have the advantage of natural water supplies, usually adequate for navigation and, as they do not overcome great heights, are not obstructed by numerous locks. On the other hand, the behaviour of rivers cannot always be controlled, and flood, erosion and silting are problems facing the navigation authority as well as the river board. Canals through country with easy gradients are favourably situated. River navigations and contour canals tend to take a circuitous course, and railways and roads which link the same centres as such waterways often do so by much shorter routes. Many canals traverse hilly country, and locks are numerous. The Worcester and Birmingham Canal, with its fifty-eight locks in thirty miles, is an extreme example, but waterways with a lock, on average, every mile or every two miles are common, and an average of over three miles between locks is unusual. Besides slowing transit, the many locks add to maintenance costs. Bridges are another problem. Typical bridges on the older canals are of brick or masonry, narrow, steep and weak, and a great hindrance to road traffic. They were built when all traffic was horse-drawn and many become unsafe through continual over-stressing. On some canals the construction of arched bridges was avoided by the use of swing or bascule bridges instead. Built usually of timber, their maintenance and periodical replacement are expensive, and if they are made light enough to be operated by hand, their carrying strength for road traffic is often insufficient today. The general practice, except on river navigations, is for the boat crews to operate locks and opening bridges as they proceed along the waterway, but on rivers, and some of the wide navigations, where locks are heavily built and bridges are mechanically operated, lock-keepers and bridge-keepers are in attendance. The vast majority of locks are still manually operated. Mechanically actuated bridges involve, besides manning, the maintenance and periodical renewal of machinery and moving parts as well as of the bridge structure.

77. Disuse by navigation is often followed by an appearance of neglect and decay. Unless there is sufficient rate of flow, water in the pounds, unmoved by the passage of vessels and the filling and emptying of locks, stagnates, and weeds grow fast, their roots hastening the formation of silt beds which progressively encroach upon the channel. Structures suffer much from wanton damage, and in populous areas, disused waterways tend to be used as dumps for every kind of refuse. The superficial signs of disuse do not necessarily mean that the waterway is un-navigable; the presence of weed on the surface, overgrown towpaths, leaking lock gates, rotting hulks of sunken craft, deserted premises and the absence of traffic can make a waterway appear more decayed than it really is. A derelict waterway in rural surroundings may be inoffensive and even picturesque; but in an urban area, and particularly an industrial area, it is dismal, offensive and sometimes dangerous.

78. At the same time, many parts of the waterways, even those which traffic has largely forsaken, have much to commend them. They often traverse attractive country, and sometimes enhance it, bringing water, and associated vegetation and wild life, into otherwise unwatered areas. Our society is increasingly urban and industrial. Both the population and the means to enjoy leisure have grown. These trends increase the value of pleasant surroundings and of opportunities to sail, row, fish, ramble or study natural history, whilst the areas available for these pursuits diminish. The destruction of amenities which can be preserved at any reasonable cost cannot be taken lightly. Of the recreational functions of waterways, we think it right to mention angling in particular, not—and this we emphasise—to disparage in any way the value of the others, but because of the evidence, which our own observations have borne out, of its widespread use. We can make no close estimate of numbers, but hundreds of thousands of people gain pleasure from this hobby on the waterways. Many are town-dwellers, and whilst this enhances the value to them of available fishing near towns, their keenness is also shown by the long distances they are prepared to travel to pursue their sport. Coarse fishing such as takes place in canals is greatly practised by people whose working days are spent in industrial towns, and we believe that the enjoyment of this open-air relaxation by so many people promotes the well-being of the community in a very real way.

79. Some canals were the work of engineers of acknowledged genius, and include aqueducts and other structures impressive in themselves and reflecting the high standards of design and craftsmanship characteristic of their time. On some of the canals, moreover, there are works which are of considerable interest as examples of the mechanical achievements of the early industrial revolution. Avoidable destruction of such things would be deplorable. A measure of negative control, for preventing the wanton destruction of buildings of special architectural merit, is available under the provisions of the Town and Country Planning Acts, but this does not ensure positive preservation; in any case, these provisions do not apply to plant and machinery.

80. For many years before the last war, little or nothing had been done to improve or modernise a great many of the waterways which vested in the Commission upon nationalisation. During, and for some years after the war, the waterways were affected by the general restriction of resources. Previous under-investment and under-maintenance were consequently aggravated. Heavy arrears faced the Commission at the outset. Reinstatement work has been done, and equipment has been renewed, but the process has been slow and is not complete.

81. In January, 1956, following their consideration of the Board of Survey's Report, the Commission embarked upon a £5½ million programme for the improvement of selected waterways. The works to be undertaken consist partly in removing local obstacles to freer navigation, by enlarging and mechanising locks and widening, deepening or straightening the channel; partly in bank protection, where it has hitherto been lacking or insufficient; and partly in modernising workshops, repair yards, and similar installations. New plant, such as dredgers, is also to be provided. Details of some of the major improvements already in hand are set out in Appendix D.

82. Improvements in the Commission's own traffic facilities, such as warehouses, vessels and road delivery services, are also in hand. The most striking of these is the development of a large, modern, terminal depot at Knostrop, near Leeds, on the Aire and Calder Navigation, occupying 28 acres, with berths for eight vessels, cranes, transit and storage accommodation. Adjoining land owned by British Waterways is being developed for industrial use in conjunction with the scheme.

83. These improvements are in addition to the continuing work of over-taking arrears of maintenance elsewhere on the system, priority being given to those routes which are most used by commercial traffic. No works of improvement on nationalised waterways in Scotland are included in the programme, but there has been considerable expenditure on their re-instatement, especially on the Forth and Clyde Canal.

CHAPTER III

NATIONALISED WATERWAYS OF ENGLAND AND WALES : PROSPECTS

Navigation and Other Functions

84. The economic uses of the waterways include a number of functions besides the transport of merchandise. Indeed, on many of the nationalised waterways, water supply brings in almost as much money as do the tolls on traffic. Some of the uses other than navigation are "economic" in the sense of being commercially exploitable; land drainage, on the other hand, produces no revenue to the waterway, and the reception of effluent produces very little, yet these functions are of obvious importance to the economics of adjoining areas. These must not be overlooked in considering the economic use of the waterways.

85. Another economic aspect of the problem has come to the fore in our investigations. When a canal has reached a state where its continued maintenance constantly consumes more value than it produces, its disposal may well present very difficult problems. To deal with it in an adequate way may be so expensive that the relative advantages of eliminating it or keeping it in being as a water channel are delicately balanced, and in such circumstances almost any productive function may make the waterway economic. This is a relevant consideration when the fate of a waterway, with no evident commercial value surviving, is being examined.

Transport Performance

86. In each of the years 1955 and 1956, the contribution which British Waterways made to the internal transport services of the country was just under 184 million ton-miles (10.4 million originating tons of traffic).

In 1957, the figure was 175 million ton-miles (9.9 million originating tons of traffic). In 1956, British Railways' output in goods transport was over 21,472 million ton-miles; the average haul by goods train was 72 miles, the average train-load was 159 tons, and 277 million tons of goods were carried.⁽¹⁾ The tonnage moved by rail was thus nearly twenty-seven times that carried on British Waterways, and the ton-mileage performed upon them was equivalent to the work of less than 1 per cent. of British Railways' goods trains. The performance of road transport in 1952 was analysed in a paper read to the Royal Statistical Society,⁽²⁾ which estimated it in that year at 19,000 million ton-miles. We have consulted the authors of that paper, and asked them to evaluate in terms of road vehicles the equivalent of a hypothetical 50 per cent. increase in the ton-mileage performance of the waterways. Their estimate was that such an increase would represent approximately the performance of 300 five-ton lorries, which is only a fraction of one year's "natural" increase in road goods transport of recent years. This comparison is not intended to disparage the waterways' value where they are intensively used. In terms of the country's inland transport as a whole, their contribution is small; but the two million tons of traffic carried annually on the Lee (for example) would be a troublesome addition to the congestion of industrial road traffic between the London docks and Lee-side premises if the waterway were not used, and in view of the predominance of short-haul traffic on the waterways, this consideration applies in varying degrees on other busy sections of the waterways where industrial traffic on alternative road connections is heavy. It is true that there is spare capacity on the waterways, in the sense of what, in railway parlance, is termed "track capacity", rather than in boats and crews. It is clear to us, however, that suggestions made to us about the greatly diminished congestion, and consequently increased safety, on the roads which would result from diverting heavy, commercial traffic to re-vitalised inland waterways, are over-optimistic.

Cost and Efficiency

87. It has been argued, both before the Committee and elsewhere, that inland waterways are the cheapest form of transport. The assertion is based mainly upon the low tractive effort—and consequently the low cost—required to propel a vessel carrying a given load through water, as compared with the effort required to move the same load on a wheeled vehicle. Evidence from trade and industry, and from those who carry by inland waterways, however, relegates the advantage in traction costs, taken by itself, to a minor place in the economics of operation. Labour costs play a major part, and the relative slowness of transport by inland waterway is a handicap unless offset by the advantages of carrying large loads, which alone can achieve a good result in ton-mileage per man-hour. We therefore reject the generalisation, whilst recognising that, in favourable conditions, inland waterways can provide a means of transport, satisfactory to users, at lower cost or greater convenience than road or railway.

88. The system of inland waterways was developed between 120 and 200 years ago to serve the transport needs of its day. Radical changes in the location and character of industrial production and in communications have transformed the pattern and tempo of commercial transport, and change continues. Where the traffics on which the waterways prospered are still passing, and where adaptation to new traffics has been possible, the system can still serve industry's needs. Elsewhere, commerce has left it.

⁽¹⁾ Ninth Annual Report of the British Transport Commission.

⁽²⁾ The Outlines of the Road Goods Transport Industry, by K. F. Glover and D. N. Miller.

Economic carrying by inland waterways is governed by the ton-mileage performed in relation to capital and working costs, and this in turn is governed by such factors as carrying capacity of craft; full payloads; direct conveyance between waterside points of origin and waterside destinations; speed of loading and discharge; and presence or absence of locks or other impediments to transit. Favourable conditions are seldom found except on broad waterways, accommodating craft of at least 100 tons capacity,⁽¹⁾ especially those linking estuarial ports with inland industrial centres, though intermediate (i.e. inland-to-inland) traffics in bulk commodities, particularly coal, are also important. Some of our witnesses maintained that losses of merchandise through pilfering and breakage are smaller than in other forms of transport. On narrow waterways, short-distance traffic offers better prospects of remunerative trade than do long hauls. Where we have asked for reasons why waterways, apparently offering good facilities, are little used commercially, the answer is usually that double-handling would be involved, or that road transport is more flexible or gives door-to-door delivery; and these are different ways of saying the same thing. From all this we conclude that the general restoration of all the surviving waterways to their original condition would be entirely unrealistic. Rejecting indiscriminate restoration, therefore, we recommend selective treatment, for reasons which we will develop.

Selective Development

89. The Board of Survey, in paragraphs 204 and 205 of their report, set out the traffics for which they considered waterways to be particularly suitable and efficient, and to the development of which the maximum effort should be applied.

They are:—

- (a) traffic imported and for shipment in the ports connected with the inland waterway system, particularly in those instances where over-side delivery from ship to barge or *vice versa* takes place;
- (b) traffic which can be carried from point to point in barge-loads;
- (c) traffic conveyed to or from waterside premises;
- (d) petroleum and liquids in bulk;
- (e) traffic requiring bulk movement and storage in the canal-side warehouses;
- (f) trunk haul to river or canal waterheads with subsequent delivery by road.

They added that "where goods can be loaded or discharged overside either without port dues or with a substantial reduction, water transport has a considerable advantage, but this may to some extent be reduced or lost where, owing to physical limitations, it is necessary to tranship goods at intermediate points into or out of smaller craft". These findings, and especially that at (a), are consistent with those of the Committee of 1920⁽²⁾ and the Royal Com-

⁽¹⁾ This view is supported by the conclusion of the XIX Congress of the Permanent International Association of Navigation Congresses (1957), that "small boats on inland waterways of less than 100 tons seem destined to disappear mainly because of the evolution of road transport".

⁽²⁾ Cmd. 1410, paragraph 5: "Experience shows that for certain kinds of traffic, water transport can more than hold its own with other methods, and in this connection it may be pointed out that where rivercraft can load direct to or from a ship lying in an estuary, lighterage, dock and warehousing charges are avoided".

mission on Transport of 1930,⁽¹⁾ and the evidence we have examined leads us to endorse them.

Waterways of Secondary Importance for Navigation

90. We do not recommend wholesale abandonment of those waterways which no longer pay their way as commercial navigations. There are various reasons why many of them should continue to exist as water channels. Some carry traffic, and on certain assumptions (as to which more will be said below) more traffic might be developed; many are important, in varying degrees, as sources of water supply for industry, for agriculture or for other waterways, or as channels for drainage and the disposal of effluent; and a number of them have considerable value for recreation and as amenities, providing healthy leisure occupation and pleasure to large numbers of people.

Selection for Retention

91. The uses to be considered in assessing the importance of a waterway may be divided into three kinds: commercial uses, such as carrying and water supply; non-commercial uses which are nevertheless of economic significance (in the sense described in paragraph 84 above), such as land drainage; and the social values of amenity and recreation. Several of these are often found together on the same waterway, and the preservation of a waterway for one of them will often enable its use for others to be enjoyed at little extra cost. Some of these waterways could not be obliterated even if it were advantageous to do so. There are certainly waterways, and sections of waterways, whose disappearance would be socially and economically beneficial, and many which no longer serve the purpose for which they were made. But to conclude, as is sometimes done, that they should therefore be scrapped wholesale, oversimplifies the issue by ignoring the gradual accretion of other functions and values which has taken place over more than a century. The main consideration governing the selection of waterways to be retained and developed, therefore, should be their combined commercial and economic uses of all kinds. Frequently social values will be present as well, thus strengthening the case for preservation; but where social values alone are urged as grounds for preserving an otherwise redundant waterway, we consider that a strong case would have to be made out. In general terms, our view is that the waterways which it is in the public interest to keep in being should comprise:

- (1) a navigable system, including those waterways which pay their way and those which, though producing no surplus, combine navigation with other important economic or social uses; and
- (2) those on which there are important economic and social uses other than navigation.

CHAPTER IV

THE PRESCRIBED NAVIGABLE SYSTEM

A. WATERWAYS TO BE INCLUDED

92. We list below the nationalised waterways which we consider should be retained as navigations. They have been chosen because they are navigable, and used or likely to be used, by traffic; because their functions other than

⁽¹⁾ Cmnd. 3751, paragraph 431: "Where there is physical connection with ports, goods for export can be conveyed direct alongside the steamer, and, similarly, imported goods can be discharged overside instead of on to the quay. Factories can be erected at any convenient point on the canal banks, and goods can be transferred direct from factory to barge without interfering with through traffic or without the need, as in the case of railways, for the construction of private sidings".

navigation (which we henceforward term "alien uses") are important; and because, even where practicable, it would be extremely costly to eliminate large portions of this system and convert the sites to useful purposes. We have divided the list into Class A and Class B waterways for reasons which will appear. These are the waterways:—

Class A Waterways

Aire and Calder Navigation.
Fossdyke Canal.
Gloucester and Sharpness Canal and the River Severn (including Sharpness Dock).
Grand Union Canal (Regent's Canal Dock (inclusive), and Brentford, to Berkhamsted).
Kennet and Avon (Avon Section).
River Lee below Enfield Lock.
Sheffield and South Yorkshire Navigation.
River Trent.
River Weaver (including Weston Point Dock).
River Witham.

Class B Waterways

Ashby Canal (used section).
Birmingham Canal Navigations.
Calder and Hebble Navigation.
Coventry Canal.
Grand Union Canal above Berkhamsted.
Kensington Canal.
River Lee (above Enfield Lock) and River Stort.
Leeds and Liverpool Canal.
Oxford Canal (Northern and Southern sections).
St. Helens Canal.
Shropshire Union Canal (main line).
Stourbridge and Stourbridge Extension Canals.
Stratford-on-Avon Canal (Northern section).
Trent and Mersey Canal.
Worcester and Birmingham Canal.

This system comprises 1,315 miles. For convenience and clarity we refer to these waterways as "the prescribed navigable system".

B. COMMERCIAL PROSPECTS

Administrative Economy

93. In considering the financial position, we have necessarily based our calculations upon the figures provided in the accounts of the British Transport Commission. We have assumed that British Waterways have administered the waterways with proper efficiency and economy and that the figures of expenditure are not swollen by extravagant or inefficient methods. It is necessary to make this point because some witnesses were critical of the administration and methods of British Waterways. We do not consider it to be within our terms of reference to conduct an investigation into the administrative efficiency of the organisation, and we have not done so; nor do we assume that, in that organisation or any other, such perfect efficiency has been achieved as to exclude the possibility of improvement. In the circumstances of the waterways, it is clearly necessary that the greatest possible value should be obtained for every penny spent on maintenance and management.

Traffic

94. Evidence from trade and industry, inland waterway carriers, British Waterways and various independent witnesses, as well as our own observations, led us to the conclusions set out in paragraph 89 above, as to the types of traffic, and the attendant conditions, which offer the greatest promise for maintaining the level of inland water transport and, in some cases, increasing it. Physical circumstances favourable to water transport are most markedly present on the waterways which we have included in Class A. Taken together, they should in our view be capable of fulfilling the requirement imposed upon the Commission's undertaking by section 3 (4) of the Transport Act, 1947, subject to the condition which we indicated in Chapter II, paragraph 73 above, that any surplus earned on this part of the system should be used for its maintenance and improvement, and not diverted to the support of other waterways. Most of them are river navigations, and have thus the advantage of natural water supplies, which is a contributory factor in their profitability. Where they are also main rivers of river boards, moreover, it is probable that they derive some benefit from works of bank maintenance and repair carried out by those boards, although the Commission, on the other hand, have represented that works carried out by them in the interests of navigation often enhance the waterways' land drainage functions, but attract no contribution (save in a few exceptional instances) from the responsible river board.

95. The greater part of the 935 miles comprised in Class B is navigable only by narrow boats, and from the evidence given to us on this point we have formed the opinion that these craft operate under considerable handicaps, and, where they are able to provide a satisfactory service at economic rates, do so only because of specially favourable circumstances. Their performance is limited by a combination of small capacity and low speed, many of the narrow waterways being heavily locked. Low ton-mileage per man-hour must mean relatively high labour costs, and restrict the ability to offer competitive rates. The boats do not lend themselves as well to mechanical unloading of bulk cargo as do those of greater capacity, so that scope for improving the rate of discharge cannot be great. The system of family boats adds to these disadvantages; over and above the loss of service to which all craft are subject for such reasons as overhaul, breakdown, adverse weather and so on, boats which are also their crews' homes may be immobilised by domestic causes such as illness. Moreover, the life is often arduous, and lacks many of the amenities which are normal in other occupations. Even if the volume of long-distance traffic could be increased substantially, it is open to question whether enough crews could be found for boats manned in this way. We are informed that operation on short hauls, manned on a shift basis, is generally a more remunerative use of narrow boats than long-distance trading. Although measures proposed below may arrest, or in places reverse, the downward trend of traffic, we see no prospects that receipts on Class B waterways will suffice to meet charges properly chargeable to revenue.

Water Abstraction

96. This important use of the waterways is fully discussed in Chapter VIII. It will be seen from that Chapter (paragraph 237) that an increase in revenue from this use is expected, and part of this increase will accrue to the prescribed navigable system.

Reception of Effluent

97. It is clear from the evidence that the use of the waterways to receive effluent and surface water from adjoining premises is a very important service.

The revenue derived from it, however, is small. In the management of the prescribed navigable system no opportunity should be lost of obtaining fair payment for this facility, particularly if our recommendation in paragraph 114 below is adopted.

Recreational Uses

98. Much has been said in evidence about the great contribution to the waterways' revenue which might be made by the encouragement of two of these uses—pleasure boating and angling. We agree that there are clear indications that both these activities are increasing. A "natural" increase is probable, and might be augmented if measures were taken to improve navigability and fishing conditions where they are now poor. As far as the prescribed navigable system is concerned, availability for commercial navigation serves the needs of pleasure craft at the same time, and also guarantees continued availability for angling, so long as there is proper control of pollution, and the destruction of fish life in the course of maintenance and improvement works is avoided. The amount of additional revenue which can be foreseen from pleasure boating is small in relation to total revenue. A scale of licence charges for private pleasure craft has been stabilised by agreement between British Waterways and the Inland Waterways Association, and this development is to be welcomed. A number of canal reservoirs is used for dinghy sailing, and let to sailing clubs. Further such arrangements, where they are practicable, would increase both the waters available to sailing enthusiasts and the revenues of the waterways. In some cases, however, this is precluded because boating, fishing or shooting rights, or all of them, were reserved to the original owners and their successors when land was acquired for the construction of the reservoirs. Sometimes these rights remain vested in the landowners, but sometimes they have been transferred by them to third parties. In one or two cases, recreational uses are precluded because the reservoir, or adjoining land, has been set aside as a Nature Reserve or scheduled by the Nature Conservancy as a site of special scientific interest, and where this has happened we should not wish to see the position disturbed. The commercial operation of pleasure craft—day tripping, hotel boats or cruisers let for hire for days or weeks to holiday-makers—is a business which has expanded rapidly of recent years; representatives of its trade organisation told us that the demand exceeds what they can supply, and made confident forecasts of continued growth. They estimated that their total payments of tolls to British Waterways in 1957 would be £4,300, and forecast that within ten years, at present rates, those payments might easily reach £18,000 yearly. The total revenue of British Waterways from pleasure craft of all kinds between 1954 and 1956 averaged £20,000 yearly. It might be safe to assume an increase of 50 per cent. during the next five years. The position as regards angling is less clear, for British Waterways do not always own the fishing rights on the waterways, and consequently do not receive all the rents. Suggestions are made in paragraph 116 below which may lead to a change in this position. Present revenues are about £7,800 yearly for all the waterways, and no estimate of the possible scope for increase is reasonably possible; it can only be said at present that the prospects are that receipts from this source will increase and that the prescribed navigable system will share in the increase; but it is also clear that even a steep increase would make no important contribution towards the upkeep of the system.

Prospective Revenue of the System

99. Before taking account of amortisation, servicing of capital or other central charges, or adjusting for maintenance equalisation, the waterways in

Class A, including the dock undertakings, produced surpluses in 1955 of £320,037 and in 1956 of £292,282; those in Class B produced deficits in 1955 of £302,044 and in 1956 of £321,079. (These figures are not contained in the accounts published by the Commission, but have been supplied by them. Working results for each waterway in the prescribed navigable system in 1955 and 1956 are shown in Appendix E.) The current general trend is for working expenses to increase more than revenue. Whilst higher receipts may reasonably be expected as a result, first, of greater traffic on Class A waterways as their capacity is increased by the improvement works now in hand, and secondly, on the system as a whole by reason of the increases in revenue, mentioned in paragraphs 96 to 98 above, from alien uses, we do not consider that any useful forecast of the future financial results can be made. Increases in revenue from the possible sources mentioned will in any event come about only in the course of some years, and the net working results will be much affected by the general trend of costs and by developments in the field of industrial transport. We see no grounds at present which would justify us in assuming any marked improvement over the next few years.

Conclusion as to Commercial Prospects

100. We conclude that the prescribed navigable system *as a whole* cannot cover its operating expenses. It is certainly therefore in no position to meet interest charges on the book value of its assets, far less upon a capital sum augmented by the accumulated deficit since nationalisation.

C. CAUSES OF WEAKNESS AND MEASURES OF SUPPORT

Weakness of Class B Waterways as Transport Media

101. The Class B waterways could cater for considerably more traffic than they carry at present, but the carrying industry has little spare capacity in terms of boats and crews. We noted the scanty traffic on a number of the Class B waterways which are in good working order and are available for anybody who wishes to put boats into service. It must be inferred that the prospects of remunerative operation have been too problematical to attract any significant flow of new capital into such ventures—and this notwithstanding the rising economic activity and heavy demands on the transport system as a whole which have characterised recent years. Some of the reasons advanced in evidence to explain this static condition on the waterways did not convince us. Their alleged poor condition does not explain the lack of traffic on those which are in good repair. Suggestions were made that there was an indifferent, or even hostile, policy towards inland water transport on the part of the Commission. These were belied by some facts: canal carriers, and some of their customers, have commended the Commission's efforts, especially of recent years, to overcome the accumulated results of years of under-maintenance and under-investment; there has also been recognition of the value of British Waterways' own long-distance services on the narrow waterways, which have kept them open, and thus available for more remunerative short-distance trades, whilst being themselves so unprofitable that hardly any by-trader could or would operate them; there is the readiness of British Waterways to help carriers by reducing tolls where a marginal adjustment is critical in keeping, or winning, for water transport a traffic which is threatened with diversion to other forms of transport. We consider the main drawback of the Class B waterways to lie in the low utilisation factor of small craft operating on heavily-locked and often circuitous routes. This is a serious handicap for a form of transport which in this country needs a high ton-mileage performance to offset its

relative inflexibility. Paucity of means for rapid loading and unloading is probably a contributory adverse factor.

Scope for Improvement of Transport Performance

102. To a great extent, these drawbacks are inherent in the nature of the Class B waterways, and it is futile to ignore their limitations. Higher economic performance must depend largely upon technical advances, and, given the basic limitations of the track, the chief field for advance is in the vessels and their operation: better craft, better facilities for loading and unloading, more effective deployment of labour—means, in short, of increasing the ton-mileage moved for each unit of capital equipment and of labour employed. Technical innovations of several kinds, actual or projected, have been brought to our notice. The final judgment on whether, and where, new methods and equipment can advantageously be introduced must rest with those whose businesses stand to gain or lose by the results. Nevertheless, we are grateful to those who have brought these things to our notice; the fact that thought and inventiveness are being applied to the improvement of inland water transport is in itself an encouraging sign. Indeed, a revival of traffic on the Class B waterways depends upon enterprise and ingenuity. No recommendation of ours can replace them, nor can measures of improvement bear fruit without them. For our part, we have addressed our minds to what it is practicable to do to remove deterrents to enterprise and ingenuity and to give them a clear run. We concluded that encouragement can and should be given in three directions: the removal of uncertainty as to the immediate future of the waterways; their reinstatement to, and subsequent maintenance in, full working order; and the navigation levy.

Security of Tenure

103. It has been put to us in evidence that an important factor in the decline of interest in waterways as a means of transport is the uncertainty about their future, brought about by the steady process of abandonment or closure which has reduced the mileage of commercially usable waterways to its present level. The Board of Survey's report, whilst reassuring as regards the major waterways, placed the majority of those we have listed in Class B on probation, as it were, and left their future in the balance. We are convinced that confidence in the future existence of the latter waterways is an indispensable condition of a revival of traffic upon them. Without it, there is no prospect of the investment in craft and equipment which that revival would require. We are therefore convinced that, if our selection of waterways to constitute the prescribed navigable system is accepted, they should be put into good working order, and maintained to prescribed standards, for not less than twenty-five years. We have suggested this period so as to give traders a reasonable opportunity to amortise the capital invested in new boats. We have not considered in detail every part of every waterway listed in paragraph 92 and we recognise that they may include branches or sections here and there which are totally disused for navigation and on which there is no reasonable prospect of commercial carrying being resumed. Adoption of our proposals should not absolutely preclude subsequent consideration of the possible closure of an occasional arm or basin of one or other of these waterways if it becomes obvious that the works concerned have no further value for water transport and can advantageously be adapted to other uses without detriment to the survival of the waterway as a whole. The essence of our recommendation is that the prescribed navigable system should be made an integrated and efficient system of inland navigation, and that any carrier who contemplates increasing or renewing his fleet, or extending his activities, to trade on any waterway in the system should be able

to base his estimates on the firm assumption that that waterway will be available to him and in navigable condition for a lengthy period of time. Before the expiration of that time and in the light of experience meanwhile, some arrangements will have to be made as to what is to happen thereafter.

Reinstatement and Maintenance

104. The Class B waterways should in our view be restored to the widths and depths which will enable the largest craft built for use on them to navigate safely with full payloads. There is no doubt that this has not been universally the case in the past, as evidence before us has shown. Although much work has been done, and more is in progress, much remains to be done. All other works, such as locks, weirs and bridges, should be reinstated to the same intent. We realise that this cannot be done simultaneously throughout the system, and we understand that British Waterways are, in fact, steadily proceeding with reinstatement works on those of the Class B waterways which are most used. A phased programme is clearly desirable and its rate and order of priority should be determined primarily by traffic needs and prospects. We are told, moreover, that reinstatement must necessarily be accompanied by a measure of structural improvement in the shape of bank protection, failing which the passage of powered craft can nullify by erosion the benefits of dredging.

105. Reinstatement should be followed, or accompanied, by works to remove any particularly bad obstructions—bridgeholes with inadequate headroom or lateral clearance, or inadequate locks—causing congestion at busy key points. We have been told of several instances. It is difficult to estimate what it would cost to complete all the necessary works. The Commission consider that, on a conservative basis, the minimum would be in the neighbourhood of £3½ million, most of which would be spent on dredging and bank protection. If traffic increased substantially, however, considerably more would have to be spent on additional bank protection, the renewal of lock gates would have to be accelerated, and water supplies might have to be supplemented. Any additional works resulting from an increase in traffic would, we hope, be gladly undertaken as welcome signs of success in promoting the use of these waterways. Finally, there is the matter of the locks; on the Class B waterways, 500 locks can only admit one narrow boat at a time. Narrow boats usually operate in pairs; single-boat locks, by doubling the locking time, aggravate the handicaps which we have already noted to an extent which may be critical in places. Enlarging the locks will be a considerable undertaking, however, and it will only be possible to assess its justification on particular waterways when the results of the other measures we recommend can be appraised in the light of experience.

The Navigation Levy

106. In paragraphs 90 and 91 above, we stated our view that it is in the public interest to keep the Class B waterways in being because of their multiple functions, of which navigation is one. If this view is accepted, it is clearly desirable to promote the maximum use of what has to be retained. The transport potential of these waterways, although it is not great, should not be disregarded, and the slight relief of pressure on road traffic which would follow from an increase in traffic on them would be an advantage, particularly in congested industrial areas.

107. The evidence leads us to believe that the present level of tolls on these waterways, and the basis on which they are levied, are not conducive to an increase in traffic. It has been represented to us that the tolls now paid on merchandise commonly represent 20 per cent. or more of the total freight

charged, and where competition with other forms of transport is keen, British Waterways find it necessary from time to time to make special reductions in the tolls so as to enable carriers to retain, by lowering freights, traffic which would otherwise be lost to the waterways. We are also impressed by the information about waterways in Western Europe, set out in Chapter I above, showing that in areas where conditions are very much more favourable to inland water transport than on the Class B waterways here, no attempt is now made to finance their provision and upkeep from levies on navigation, and tolls are either non-existent or much lower than here. We conclude that measures to encourage traffic on Class B waterways must include a reduction in the navigation levy. Indeed, failing some reduction, both traffic and revenue therefrom are likely to continue their decline.

108. We consider that a reduction in the amount of the levy should be accompanied by a change in its form. The fact that the last ton of a given commodity which is carried passes at the same rate as the first ton does nothing to encourage greater utilisation of vessels. Moreover, the existing system of different tolls according to commodity, varying from one waterway to another, seems needlessly complicated, and simplification should reduce the administrative burden of payment and collection. In our opinion, the navigation levy on the Class B waterways should combine these features: it should cost carriers substantially less than now; it should be as simple as possible; it should be a fixed sum related to the vessel, not the cargo; and it should apply to movements between all points on the Class B waterways.

109. These conditions would be fulfilled by an annual licence-fee. Special provision would be needed to cater for occasional or seasonal use, which could take the form of monthly or quarterly licences. Licensed vessels should be entitled to carry any commodity between any points on Class B waterways, but when trading upon any other waterway they should be subject to the normal charges current for the use of that waterway. We suggest that the annual fee should be £1 per ton of capacity, representing roughly £25 per narrow boat. The system should extend to the larger craft up to 60 tons such as those trading on the Leeds and Liverpool canal.

110. Having regard to the falling toll receipts and the probability that this fall will continue, the financial effects of this change cannot be easily assessed, but purely as an arithmetical calculation based on the 1956 figures (which are not likely to be maintained), it would mean that craft trading on the Class B waterways would have paid roughly £52,000 in licence fees, whereas receipts in tolls and dues from all vessels using those waterways in 1956 were £216,000. The difference is £164,000. Revenue from licences at fixed rates would increase only if better trading prospects led to more vessels being put into service. More intensive use of existing vessels would produce no increase, but an increase in the volume of traffic handled would add to revenue from wharfage and handling charges. Every 1 per cent. increase in that revenue over its 1956 level on the prescribed navigable system would be an additional income of £1,500.

Possible Major Improvements

111. The potentialities of traffic between estuarial ports and inland industrial centres have led us also to consider whether improvements to the main connections between the Midlands and the four estuaries would be advantageous. Of the large development schemes which have been brought to our notice, the ones which we think deserve fullest consideration are, first, for the improvement of the Grand Union Canal from Berkhamsted to Birmingham. Such a project for increasing the capacity of the Grand Union Canal from London to Birmingham was started in the 1930's and locks were

widened, but the scheme was not completed. A tentative estimate of the cost of making this canal navigable by vessels of 14 ft. beam carrying about 90 tons which could load or unload alongside ships in the Port of London, through to Birmingham without transshipment, is £4.2 million, including works on locks, bridges and culverts, bank protection, dredging and additional water supplies, but not including the cost of acquiring any necessary additional land. The estimated cost does not appear a high one in relation to the addition to the nation's transport facilities which could be expected to result from efficient water transport between Birmingham and the London docks, apart from any increase in intermediate traffic which might arise. Secondly, we have seen proposals for an improved link between Wolverhampton and the Mersey, utilising the Weaver Navigation as its lowest section. This proposal involves largely new works, and is thus only marginally within our terms of reference. Detailed engineering surveys and economic research into traffic prospects would be necessary before the probable value of these improvements could be adequately assessed, and we recommend that those investigations should be put in hand.

D. OTHER RECOMMENDATIONS

Goole Docks

112. On three of the four major estuaries to which the waterways in Class A give access, the connection is formed by docks which British Waterways administer. The exception is Goole Docks and the Ouse Lower Improvement. Whilst we see no reason for the management of the docks and the navigation to be undertaken by British Waterways,⁽¹⁾ the dependence of the Aire and Calder system upon the continued availability of both, makes it necessary that there should be complete unanimity of view between them and British Transport Docks. The British Transport Commission should take particular care to ensure that harmony prevails between the two administrations.

Development of Alien Uses

113. It is clearly desirable that alien uses should be fostered on the prescribed navigable system. At present, in the main, they have little or no recognition in the legal provisions under which the waterways are administered. Their provision and development are not enjoined, nor are general powers for their regulation provided. As far as water supply is concerned, this position has been considered in Chapter VIII, but other alien uses should be dealt with as well, including recreational uses so long as they are not inconsistent with economic functions.

Effluent and Surface Water

114. The reception of effluent and surface water should be placed upon a contractual basis, but the Commission should continue to receive surface water now being lawfully discharged into any nationalised waterway.

Licensing of Pleasure Craft

115. Whilst the majority of pleasure craft which we have seen on the waterways were evidently maintained with the care customary in keen yachtsmen, some were in deplorable condition. Ill-chosen attempts at conversion, sometimes abandoned and waterlogged, and ancient craft rotting and partly submerged, are not only an eyesore, but often an obstruction; moreover, the owners of long-abandoned craft cannot always be traced, and if removal of

⁽¹⁾ If the Ouse Lower Improvement continues to be managed and maintained by British Transport Docks, it will not form part of the prescribed navigable system. We do not, however, suggest that it should fall within item (ii) of our first term of reference, and our recommendations in Chapter V below are not intended to apply to this waterway.

the hulks becomes necessary, its cost falls upon the maintenance of the waterway. It is largely with a view to enforcing reasonable standards of fitness and maintenance that we suggest the licensing of such vessels, but it will also be a small source of additional revenue.

Fishing Rights

116. In paragraph 98 we mentioned revenue from angling. Evidence submitted on behalf of anglers has emphasised the widespread use they make of the inland waterways, and has represented strongly that this use is an important element in the case for keeping in being waterways which cannot be financially self-supporting. If this is to be done, it is important that more of the receipts from the letting of fishing rights should accrue to the revenue of the system. We do not suggest that existing rights of adjoining landowners to fish in nationalised canals from their own land should be disturbed, but we consider that the right to authorise fishing in any nationalised canal by other persons (including the right to lease the fishing to angling clubs) should vest in the body which maintains and administers those waterways. We do not suggest any alteration in the law regarding fishing in rivers.

Towing Paths

117. Towing paths which are not already public rights of way should be open to the public as footways, free of charge, so far as such use is not inconsistent with the use of the waterway for navigation, but the Commission should be empowered to suspend such use in the interests of any other use of the waterway.

Research

118. We consider that much of the research carried out at Hayes could be better done at the Hydraulic Research Station of the Department of Scientific and Industrial Research at Wallingford, where there are greater facilities. There would then be more opportunity for the Hayes station to carry out, for example, development work in the design of craft, methods of propulsion, methods of bank protection, and other pressing problems of the waterways.

Bridges

119. We deal elsewhere with the matter of bridges carrying publicly maintainable roads over waterways which are not included in the prescribed navigable system. As for those passing over waterways of Class A or Class B, we think that any opportunity which presents itself should be taken to make better provision than now exists for enabling such bridges to be vested in the appropriate highway authorities.

E. FINANCIAL CONSEQUENCES OF RECOMMENDED MEASURES

Finances of the Prescribed Navigable System

120. In paragraph 99 above we pointed out that the deficit on the working of the Class B waterways was over £321,000 in 1956, and that we could not foresee its decrease. We think a continued deficit on the working of these waterways inevitable. We also found in paragraph 94 above that the Class A waterways could cover their working expenses and make a reasonable contribution to central charges only on the recommended condition that other waterways are not supported from surplus revenue produced on Class A waterways. It follows that the burden of maintaining the prescribed navigable system cannot be less than the amount by which the revenue earned from all sources on the Class B waterways falls short of what is needed to maintain them to an adequate standard. The hypothetical difference between revenue from navigation on Class B waterways under the licensing system we have proposed, and the toll revenue

which would be received under the existing system if receipts were maintained at the 1956 level, has been roughly estimated at £164,000. Of this amount, about £50,000 can be attributed to a reduction in the Commission's toll payments for their own fleets, and whilst this saving would reduce the deficit on their carrying activities, it would correspondingly increase the deficit of the working results of the waterways. Therefore, the deficit on the working of the Class B waterways, coupled with the reduction in revenue resulting from the introduction of the licensing system, would probably amount to about £500,000 per annum. To this must be added the estimated cost of £3½ million for the measures of reinstatement proposed in paragraphs 104 and 105 above, which we recommend should be completed within five years. It must be added that more intensive use, if it comes about, will mean more maintenance work, but the increase would not be directly proportionate to the increase in traffic, and is so contingent that we have disregarded it, just as we have disregarded potential increased revenue from wharfage and handling.

Financial Provisions

121. The Transport Act, 1947, placed upon the Commission the duty to "provide, or secure or promote the provision of, an . . . integrated system of public inland transport", of which the waterways vested in the Commission were to form part. Subsequent legislation, however, has changed that concept. The nationalised waterways vested in the Commission are as a whole now a losing concern. The loss is merged in the general accounts of the Commission, in which it forms a minute element. The waterways in the prescribed navigable system will not, for any number of years that we can foresee, be able to meet from revenue those charges which properly fall to be met from revenue. We have already emphasised the need to plough back into the maintenance and improvement of the Class A waterways, if they are to continue to be a useful and profitable undertaking, any surplus that may be earned from them. It follows that funds will have to be found to cover the continuing deficit on the working of the Class B waterways and also the cost of their reinstatement. Whether this money should be provided by direct payments from the Exchequer, and if so, what the particular arrangements for such payments should be, or whether some other means should be found, are not questions with which we are qualified to deal. It should be borne in mind that the deficit which those Class B waterways incur is a burden which is being borne by the community now, although it is not generally realised; further decline in their use for navigation will not reduce the burden.

Carrying Activities of British Waterways

122. As has been stated in paragraph 101 above, the operation of British Waterways' fleet is generally welcomed, particularly on the narrow waterways, and we recommend that it should continue. The reduction in navigation charges by the recommended substitution of a licensing system for tolls on the Class B waterways would go some way towards decreasing the loss at which the fleet operates, and it should benefit from any increase in traffic resulting from the adoption of our recommendations. Moreover, we understand that in recent years there has been unusually heavy expenditure on overhauling the fleet. We think that the Commission's carrying activities on the waterways can be regarded as a commercial transport business in the same way, and should continue to form part of their undertaking on the same terms, as their other carrying services. Our recommendation in paragraph 121 above regarding the Class B waterways does not apply to the operation of the Commission's fleet.

CHAPTER V

INLAND WATERWAYS WHICH ARE UNECONOMIC FOR TRANSPORT AND THE CONVERSION OF CANAL SITES FOR OTHER PURPOSES

A. REVIEW OF THE PROBLEM

Terms of Reference

123. The second and third parts of our first term of reference enjoin us to make proposals for any measures necessary to achieve:—

- (ii) the future administration of and financial arrangement for such inland waterways as cannot be maintained economically for transport purposes, having regard in particular to the requirements of public health and safety and to the facilities which these waterways can provide for purposes other than transport, such as recreation, water supply, land drainage and disposal of effluents; and
- (iii) the conversion of canal sites to other purposes when this is considered desirable and practicable.

Uses other than Transport

124. Generally speaking the facilities which waterways can provide for purposes other than transport are the same whether the waterway is still used for transport or not, and these are fully discussed in Chapters III and IV. Most of these ancillary functions are in fact assisted by use for transport where it still continues, since the greater the flow of traffic, the easier it is to keep the waterway free from weeds and other obstructions, while lock gates, sluices and structures generally are likely to be better maintained. The angler, too, likes to see traffic moving, and it is perhaps only those interested in the study of natural history who may prefer that there should be no traffic.

125. Valuable as these ancillary functions often are in themselves, their value to the community has to be set against the cost of maintaining these waterways in their original form or in a modified form and the disadvantages which the continuance of the waterway may entail.

Definition of Terms

126. It will be well to define in advance certain expressions which are frequently used in this Chapter.

127. By the "re-development" of a waterway we mean that it is kept in being as a water channel, adapted to serve *primarily* purposes other than commercial navigation (the latter being, however, not necessarily excluded); and that responsibility for its maintenance and management is entrusted to some entity, not necessarily the existing owners, suited to the proper exercise of those responsibilities.

128. By the "elimination" of a waterway we envisage a situation where all the physical works constituting it have been disposed of for uses other than those of the waterway, and all the rights and liabilities of the owners in relation to the waterway and its works have *either* been extinguished *or*, in so far as they relate to works which have been transferred to other ownership, have passed (in modified form, where necessary) to the transferee. Not every feature of the waterway will necessarily disappear, nor every part of it be de-watered; reservoirs, culverts, dams and other works may remain; the site and surviving works will have passed into the ownership of different

persons or bodies, responsible for maintaining (or demolishing) their respective portions; land drainage will have been restored. The waterway, in short, will have ceased to exist as an entity, and the rights and obligations attaching to it as such will have been abrogated or dispersed. (A waterway which is a river navigation can hardly be "eliminated" in this sense, but a corresponding state would be achieved by the extinguishment of obligations in relation to navigation, reversion to the status of a natural stream and the vesting of responsibility in a suitable authority exercising jurisdiction over watercourses in the same area. This constitutes "re-development" rather than "elimination".) Finally, elimination, in the sense we intend, always connotes positive action, and *never* the abandonment of a waterway to time and neglect.

129. By "navigation", we mean navigation by all kinds of craft; where we refer to "commercial navigation", we mean the commercial carriage of goods.

130. By "owners" we mean the person or authority now responsible for the maintenance and management of a waterway, whether owning the freehold or not.

131. In speaking of "commercial", "economic" and "social" uses, we attach to those terms the meanings which have been explained in Chapter III above (paragraph 91).

The Problem of the Redundant Waterway

132. It is inevitable that a miscellaneous collection of waterways growing up piecemeal over the centuries without any overall plan, and overtaken by the changing conditions of succeeding times, should include a considerable proportion which have outlasted their usefulness for transport. Some hundreds of miles of waterway will need to be reviewed case by case and a fresh assessment made of their value to the community, taking into account such transport potential as they still retain and any other commercial, economic and social uses associated with them.

133. Of the waterways with which we are now concerned, some may still be navigable and some not, whilst some may have been de-watered already. On some stretches, dilapidation and decay have gone so far that there remains no value at all, and in such cases a positive nuisance usually exists. There are, of course, differences in status as well: river navigations may be vested in or controlled by private owners, the British Transport Commission, river boards, navigation authorities, or several of them in combination, and artificial waterways, whether privately owned or nationalised, may or may not have been legally closed to navigation.

Results of Neglect

134. Inaction in relation to disused waterways forfeits opportunities to remedy various evils and inconveniences. The commonest results are listed below:—

- (a) Where navigation has ended, the replacement of bridges by culverts or embankments may be not only convenient, but economic. (Some examples from actual experience are given in Appendix F.)
- (b) Public safety suffers from neglected structures, including lock-chambers, basins and footbridges. Representations have been made to us about the accidents which occur on disused waterways; especially tragic are the deaths by drowning of children, often attracted, it is said, by the opportunities for adventurous play which

unattended waterways offer. We have not been convinced that waterways are inherently more dangerous in this respect than rivers, ponds, lakes, dykes or other natural or artificial expanses of water. But they often pass unfenced through towns, and where the waterway has outlived its usefulness the risk is needless and ought to be remedied.

- (c) Nuisances arise from the deposit of refuse, offensive smells and the opportunity for insects and vermin to multiply.
- (d) Land drainage suffers from seepage, the obstruction of culverts and bursting of banks.
- (e) Land remains lost to agriculture which in favourable circumstances could be reclaimed economically, as has been demonstrated in several places—notably in Wiltshire on the abandoned Wiltshire and Berkshire Canal.
- (f) Town and country planning is impeded where filling or culverting would enable development to proceed more rationally.

Other Reasons for Review

135. Past neglect and unprofitability are not the only reasons which raise the question of review. There are waterways little used for navigation, but earning a substantial revenue, for instance, from the sale of water: in such cases an alteration in legal status or a transfer of ownership may be the best solution. The answer to the question how best the community can secure value for what must be spent in keeping a particular waterway in being and in acceptable condition will sometimes be to restore it for navigation. Both in these examples would be different forms of re-development. On many waterways the facts already speak for themselves, and point clearly to the need for review. Some have been legally closed to navigation, but kept in water (examples are the Cromford, Grantham, Huddersfield (Narrow), Nottingham, Ripon and Rochdale Canals and three branches of the Shropshire Union Canal). Some have been disused and physically incapable of navigation for years (examples are the Derby, Grand Western, Pocklington and Swansea Canals). On some, though they are navigable, commercial navigation is confined to very short sections and prospects of revival are negligible (examples are the Chesterfield and the Manchester, Bolton and Bury Canals). The legal ownership or control of some disused waterways is doubtful, or rests with bodies which have exercised no functions in relation to the waterways for a long time, and may now be incapable of doing so (an example is the Ipswich and Stowmarket Navigation). There are also waterways; now actually or nominally navigable, which are affected or threatened by mining subsidence or other physical problems and can be kept, or made, capable of navigation only by a very heavy and continuing expense, the justification for which will need examination (an example is the Dearne and Dove Canal). In all such circumstances, there is a *prima facie* case for review. There will remain a number of borderline cases where the waterway is navigable, or could easily be made so at a cost.

136. Paragraph 92 above lists those waterways which we recommend for inclusion in the prescribed navigable system and it follows that all the remaining nationalised waterways in England and Wales⁽¹⁾ are, in principle, eligible for review, though it does not follow that there is a need for immediate review of every one of them. To these must be added such of

⁽¹⁾ Except the Ouse Lower Improvement (see footnote to paragraph 112 above, page 36).

the waterways independently owned or controlled as, by their condition and the degree of dissatisfaction which it causes in the localities affected, also demand consideration.

Need for New Procedure

137. There have been in the past three methods by which owners have in practice dealt with the problem of the unwanted waterway which has become obsolete or unprofitable with the passage of time. They could attempt to use the statutory abandonment procedure (often unworkable in practice); or promote a Bill in Parliament by which, after much expenditure of time and money on both sides, some form of re-development would be hammered out; or they could simply allow matters to drift. Some simple and effective method of settling the issues is badly needed.

138. Elimination will be desirable and feasible in some cases, and re-development combined with transfer in others; but when all has been done in these directions that can be, there will remain a substantial mileage which it is impracticable to eliminate, and for which no suitable and willing transferee can be found. Means must be devised of ensuring that elimination or transfer can be brought about as quickly and fairly as possible, and, where neither is practicable, of obviating the ill-effects of disuse and decay to which we have referred. The problem could be approached in various ways, but we have in mind the desirability of avoiding high administrative costs. We have, therefore, not recommended solutions which, though probably effective, would yield results only at disproportionate cost.

139. We consider that matters could be greatly improved through the establishment of a new and independent body which would, in general terms, be able to undertake the preparation of practicable and desirable schemes for re-development (with or without transfer) or elimination, or at their discretion, to secure that such schemes are prepared by the waterway owners or other interested parties; to consult all interests affected by such schemes and conduct any necessary negotiations; to initiate the procedural steps for giving effect to schemes; and to exercise certain reserve powers of enforcement. The membership of this body should comprise persons who command the confidence of the main interests which will be commonly affected when waterways are eliminated or re-developed. Other parties to negotiations and proceedings must have full confidence in the disinterestedness, impartiality and good sense of this body. We refer to them as the Waterways Re-development Board, and we have given in paragraphs 165 to 167 below a fuller outline of what we consider their composition and functions should be.

B. NATIONALISED WATERWAYS NOT INCLUDED IN PRESCRIBED NAVIGABLE SYSTEM

Provisions to apply

140. All these waterways, whether or not schemes for their elimination or transfer are prepared, should be subject to requirements which will prevent further deterioration, and enable existing threats to public health and safety to be removed. To this end, provisions should be enacted—

- (a) requiring the Commission to maintain the waterways in substantially as good a condition as they were in on a date to be prescribed by the measure which imposes these requirements;
- (b) guaranteeing the enjoyment of all rights and facilities actually and lawfully exercised or enjoyed at that date (except as mentioned below);

- (c) imposing upon the Commission certain minimum duties, in the interests of public health and safety and to prevent or abate nuisance or damage to adjoining property by reason of non-maintenance of the waterway.

These duties should be enforceable against the Commission, but they should be protected against any action at law intended to enforce a right of navigation except where and to the extent that the waterway was navigable on the prescribed date.

141. No proposals for the elimination or transfer of any of these waterways should be initiated without the Board's prior approval. The Commission should remain responsible for maintaining them in accordance with the above requirements.

Preparation of Schemes

142. It should be the Board's duty, upon application by the Commission (or, in certain cases, upon the making of an order by the Minister), to examine all practicable means of dealing with these waterways, whether by re-development or by elimination, and to undertake the preparation of a full scheme in each case, or, if they consider it a suitable and more convenient course in any instance, to require the Commission to prepare one. The Board should give public notice that a scheme is in preparation, and that any proposals or representations concerning the waterway in question should be sent to them.

143. The preparation of a scheme would involve the fullest consultation with local, drainage and other public authorities in whose areas the length of waterway under consideration lay, as well as with individuals, organisations or commercial concerns interested in its present and future commercial, economic or social uses, and one of the Board's responsibilities should be to ensure that it had taken place before publishing a scheme.

144. Similarly they should ensure that the scheme takes into account such matters as: the existing and potential uses to which the waterway can be put; the comparative cost of maintaining it for various purposes; the capital cost of works entailed in re-development or elimination and in compensation for the extinguishment of rights; and the benefits expected to accrue to the community from re-development or elimination. Finally the Board should approve a draft scheme, upon which the next formal stage would then be taken.

145. Two points may be emphasised here. Firstly, although every length of waterway must be considered as a whole, that will not preclude the application of different treatments to different sections, branches, or outlying works such as reservoirs; one part might be eliminated, another transferred and a third retained, where this proved the proper course. Secondly, it does not by any means follow that navigation would necessarily be doomed. On the contrary, the scheme could, where appropriate, include provisions for preserving or even restoring it either to the whole or to particular parts of the waterway, possibly with restrictions as to the size or character of craft; or it might contain a permissive power to allow navigation, without imposing any absolute duty to provide and maintain a navigable channel or a given depth of water.

Provision for Transfer

146. An important part of the Board's work will be to ascertain whether there are grounds for transferring the waterway to some authority, body or person, willing to take it over in whole or in part. Transfer should prove feasible in a number of cases. Drainage authorities will be concerned in

those few cases where waterways are of real importance for land drainage ; water undertakings may sometimes have an interest either in a canal or in its associated reservoirs ; local authorities will more often be interested in the re-development of sites of eliminated canals rather than in maintaining waterways as such, but exceptionally the amenity value of a short length may appeal sufficiently to them ; the dependence of industrial concerns on a particular canal for water may sometimes lead them to take it over. There have been suggestions that in some cases transfer could take place to groups of individuals forming themselves into a trust to preserve a particular navigation. Exceptionally this may be feasible and we do not rule it out, particularly in the case of river navigations, but in all cases, and especially where canals are concerned, with the consequences which result from the impounding of water at unnatural levels, we are certain that in the public interest no waterway should be left in existence without a parent of sufficient substance to bear continuing responsibility for it.

147. Many of the obligations which now attach to particular waterways will be susceptible to revision under the proposals which we make elsewhere in this report for changes in the law, but there will still be problems requiring to be dealt with in a manner satisfactory to the transferee, who will be interested only in the use of the waterway for a specific purpose, and not for other purposes which are incompatible. For example, a river board which might consider accepting responsibility for a waterway as a drainage channel would be unlikely to object to the continuance of fishing or the use of the towpath (unless they wished to eliminate it to reduce fencing and other maintenance costs). Full navigational use, however, would normally be incompatible, since it would entail expenses, or frustrate possible economies, by necessitating the maintenance and operation of locks and swing bridges, the regulation of water depths and the maintenance of bridges with suitable headroom—though a modified right of navigation on intervening pounds might be retained even where bridges are lowered and locks dismantled.

Incentives for Transfer

148. In Appendix G are listed those cases in which Government grants may be available towards the cost of improvement for other purposes. There is every reason why the present owners of redundant waterways and the local authorities should together show enterprise in dealing with them. In the past, with a few shining exceptions, there has been too much reluctance to come to terms and, while the local authorities and drainage authorities should not be expected to shoulder the whole burden, they must be ready to play a part. We have ourselves seen a number of cases where a locality has benefited greatly from the action of the local authority in coming to terms with the owners of a waterway, taking over a length, with a payment towards the cost of making good past defaults, and bringing to fruition, with a proper contribution from local funds, some scheme which could not otherwise have been carried out. This should happen more often in the future than it has in the past, and in cases where local authorities' expenditure will continue to attract specific Government grants, the Department concerned should give them every assistance. A Government Department naturally rates any project according to its importance for the purposes for which grant is authorised—be it land reclamation, urban re-development, highway improvement or any other grant-aided activity—and the fact that the project is linked with the re-development or elimination of a waterway is, from that limited point of view, fortuitous. We are convinced, however, that re-development of uneconomic waterways needs and justifies an encouraging and liberal attitude among Departments concerned, and that there should

be a concerted Government policy to ease the process. Thus the transfer of a waterway to a drainage authority should attract grant at a generous rate towards the capital cost incurred in incorporating the waterway in the drainage system. Again, we think that all bridges carrying publicly maintainable roads over a re-developed waterway should vest in the highway authority, subject to a commuted payment of the capitalised cost of the owners' maintenance liabilities. Highway authorities will then be able to improve them and, where navigation is abolished, to lower humpback bridges and replace opening or lifting bridges by culverts or embankments. But no grant is available towards the cost of maintaining or improving bridges carrying unclassified roads, and since any commuted payment, being limited by reference to the owners' limited obligations, will be small, there will be no incentive for the highway authority to accept transfer. To encourage this, a special grant should be available in such cases and wherever grants are normally issued at fixed rates (as in the case of bridge improvements on *classified* roads), there should be a more generous rate for expenditure on grant-aided work which is associated with the re-development of a waterway. This would stimulate co-operation, especially if accompanied by a reasonable time limit.

Compensation

149. Re-development proposals will, of course, disturb existing rights and customary practices. These include navigation, abstraction of water, drainage, discharge of effluent, rights of way and angling. A re-development scheme will preserve or improve some of these uses and curtail or terminate others and questions of alternative facilities or compensation will arise. The right to these should accrue only where the existing service or facility is actively enjoyed, is of tangible value and rests upon lawful authority. Broadly speaking, the basis of compensation should be the difference between the value of the rights before and after the making of the scheme. The enactment of legislation conferring rights to compensation might encourage unscrupulous persons to undertake new activities on a waterway with the object of establishing or inflating claims to compensation, and the desirability of frustrating spurious claims without prejudicing those made *bona fide* will doubtless be borne in mind when any legislation is being framed. Possibly the Lands Tribunal, which we suggest should be made responsible for determining the amount of compensation in cases of dispute, might be given the right to disallow claims where satisfied that the right or facility in respect of which the claim is made, has been exercised solely with a view to establishing such claim.

Completion and Publication

150. The re-development scheme, then, will have to include provision for all the adjustments of legal relationships which are necessary to the particular case ; and to some extent it will give effect to measures which have been agreed in negotiation. In so far as agreement proves impossible, the Re-development Board should put forward their own proposals. The scheme should be published in manner to be prescribed ; all necessary maps, plans, sections and explanatory material should be available for inspection ; and provision should be made for the consideration of objections. If no objections are duly lodged, the scheme should be submitted for Ministerial confirmation. It seems to us that the confirming Minister should be the Minister of Housing and Local Government, since his Department will frequently be concerned with more of the issues (which include physical planning, water supply and public health) than any other Department.

Disputed Schemes

151. It is clearly necessary that any unresolved differences, whether concerned with public or with private rights, should be considered by some impartial tribunal. From enquiries we have made into the functions and procedure of the War Works Commission set up under the Requisitioned Land and War Works Act, 1945, it seems to us that they handle problems sufficiently analogous in kind to those which would face the tribunal we have in mind (even though the draft orders on which the War Works Commission adjudicate are more restricted in geographical extent) to form a useful precedent. We think that the possibility of entrusting this task to the War Works Commission themselves, operating, of course, under new powers designed for the purpose, deserves careful consideration. If this course does not commend itself, we think that an *ad hoc* tribunal on similar lines, and operating under a similar procedure, would meet the case. It should be a body of high standing and authority, including persons with financial, legal and managerial qualifications and experience, and should have power to co-opt expert assessors when technical issues are brought before it.

152. The War Works Commission should be required to adjudicate upon issues of principle in a re-development scheme and upon technical questions. They should not hear disputes which concern merely the quantum of compensation, which we have suggested above should be determined by the Lands Tribunal. Having heard objections, the War Works Commission should be empowered (a) to approve the scheme as submitted, (b) to alter it in such way as they see fit or (c) to require the Board to submit a revised scheme to take account of such matters as in the opinion of the War Works Commission should be provided for.

Approval of Disputed Schemes

153. The scheme, or modified scheme as approved by the War Works Commission, should be submitted by them to the Minister of Housing and Local Government, with their report, in which they should indicate the nature of the objections, the manner in which they have been dealt with and the effect of any modifications they recommend.

154. As a re-development scheme will have the effect of interfering with statutory rights and duties, it will probably be thought necessary that, when approved by the Minister, it should be put into effect by statutory instrument, subject to annulment by either House of Parliament. The Requisitioned Land and War Works Act, 1945, requires the responsible Minister, where he proposes to proceed otherwise than in accordance with the War Works Commission's recommendations, to lay before Parliament the draft order as he proposes to make it, together with the War Works Commission's report and a statement of his reasons for proposing to proceed otherwise, and either House may, within 40 days, resolve that the Minister shall not proceed otherwise than in accordance with the Commission's recommendations. A procedure on these lines would seem well-suited for bringing re-development schemes into operation after reference to the War Works Commission.

Applications by Parties other than the British Transport Commission

155. Our proposals in paragraph 142 above would enable the British Transport Commission to apply to the Board for the review of any waterway not included in the prescribed navigable system. The initiative should, however, also be available to other interested parties such as the councils of counties, county boroughs and county districts, water undertakers, drainage authorities and other public bodies, owners of adjoining property who can show that the existing condition of the waterway affects them detrimentally,

and bodies representing users of the waterway. Where any of these parties wishes to submit proposals for dealing with a waterway, or to stimulate the preparation of a scheme, we suggest that it should be open to them to make application to the Minister of Transport and Civil Aviation to order a review of the waterway. The Minister should have discretion whether or not to grant the application, but his decision would be an administrative, not a judicial act. If satisfied that there was a *prima facie* case for investigating the re-development of the waterway, and that no scheme in respect of it was being prepared, the Minister should make an order bringing the waterway under review by the Board. The procedure should be as simple as possible, and there should be no public inquiry at this stage: questions affecting rights in the use of the waterway would not be decided by the order, but reserved for final determination under the scheme. In order to allow the Commission time to select the waterways for which they wish schemes to be prepared, we suggest that the procedure proposed in this paragraph should not become operative until one year after the date when the general arrangements take effect.

156. If the Minister makes an order bringing the waterway under review, the waterway would be referred to the Board, who should then decide whether to prepare a scheme themselves, or whether the preparation of a scheme should be undertaken initially by the Commission or by the applicants. This would depend upon the circumstances of each case. Sometimes the applicant would be well placed to submit constructive proposals—for instance, if the application arose from proposals of a planning authority for development to which the waterway in its existing condition was a hindrance. In other instances, the case for taking action in relation to the waterway might be well-founded, but the circumstances would be such that the Commission would be best able to prepare practical proposals.

Non-transferable Waterways Kept in Being

157. We have stated that there will be a substantial mileage of waterways which, upon review, it will prove impracticable to eliminate or to transfer. We would emphasise that we do not advocate any measures whereby a waterway should be transferred compulsorily to any authority or body who is unwilling to take it over. We recommend that any nationalised waterway falling into this class should, after re-development, remain the responsibility of the British Transport Commission. Whilst the application of the requirements which we recommend in paragraph 140 above will prevent deterioration and ensure that such waterways are at least inoffensive, more than this is needed. The fact that a measure of re-development has already taken place on some of the Commission's waterways, legally closed to navigation but still extant as water channels for other purposes,⁽¹⁾ shows that it is a mistake to suppose that a waterway which is excluded from the prescribed navigable system and perforce remains with the Commission, cannot be made more useful. Indeed, the continuing importance of alien uses, especially commercial or economic ones, will often be the main reason why elimination is impracticable. It will usually be necessary, in order that the usefulness of such waterways may be increased or their maintenance and management more economically conducted, to untie the Commission's hands by removing obsolete provisions, and the re-development procedure is designed to let this be done.

158. Continuing responsibility of the Commission for waterways retained by them, but not included in the prescribed navigable system, would place upon them a task very remote from their statutory duties as a national transport

⁽¹⁾ For example, the Huddersfield (Narrow) Canal, the Ripon Canal and the Llangollen Section of the Shropshire Union.

authority, and we recommend it simply as the most practical and economical expedient we can see. In justice, they should be relieved of the financial burden. The net cost of maintenance, after deducting whatever receipts can be derived from alien uses, should certainly not fall upon the revenues of the Class A waterways. We recommend that any arrangements adopted in respect of Class B waterways as a result of our recommendation in paragraph 121 above should apply also to this expenditure.

C. INDEPENDENT WATERWAYS

Re-development of Independent Waterways

159. We have not attempted to select a list of independent waterways which are in need of re-development. These waterways, however, present the same range of problems as do the nationalised ones, and the obstacles to satisfactory arrangements for their disposal, under existing procedures, are similar. The main difference is that some private canal undertakings may have limited resources on which to draw for the financing of elimination or re-development; sometimes, indeed, the owners cannot be found.

160. The procedure for elimination or re-development of these waterways should, we consider, begin by an application to the Minister of Transport and Civil Aviation for an order to place the waterway under review, in the same way as proposed in paragraph 155 above. It should be open either to the owners or to any of the other interests set out in that paragraph to initiate the procedure. If neither the owners nor locally interested bodies take this initiative, it is a fair assumption that the waterway presents no urgent problems. The Minister's order, if made, would refer the waterway to the Re-development Board. It should also apply to the waterway the requirements set out in paragraph 140 above, with the substitution of the owners for the Commission. The Board should decide whether to undertake the preparation of a scheme themselves, or to require the owners or applicants to do so. The principles and proposals set out in paragraphs 143 to 149 above should apply, and procedure for publication, the hearing of objections and confirmation of schemes should be the same as for waterways of the Commission.

D. GENERAL

Procedure for Waterways Insufficiently Dealt with under Past Measures

161. There are redundant waterways, both nationalised and independent, which have already been dealt with under the Railway and Canal Traffic Act, 1888, by private Act, or by order under section 41 of the Land Drainage Act, 1930, or section 8 of the River Boards Act, 1948, resulting in the elimination of waterways, or some measure of re-development. What now remains is sometimes satisfactory, and where that is so, the procedure we have proposed should not be available to re-open the matter. Sometimes the results of these measures are far from satisfactory, and in these cases the procedure should provide means of seeking a better treatment of residual problems. We suggest that, where any of the procedures mentioned has been adopted, an application to have what remains of the waterway brought under review should be admissible, but the onus should rest upon the applicant to satisfy the Minister of Transport and Civil Aviation that the waterway has neither been effectively eliminated nor suitably re-developed, and if so satisfied, he should make an order for its review. It is true that the state of affairs brought about by a re-development scheme, however well-contrived, may after a lapse of time be radically altered by events which could not have been foreseen when the scheme was settled. Water consumers, for

instance, may in time cease to depend upon a waterway for supplies, or changes in the character of the surrounding area may ultimately make it feasible to eliminate a length of re-developed waterway which it is at present expedient to keep in water. Such contingencies, however, are comparatively remote and, if necessary, private Bill procedure is always possible if further action is ultimately required.

Control of Assets during Review

162. Once the preparation of a scheme for the re-development or elimination of a waterway has been put in hand, none of the assets of the waterway should be disposed of, otherwise than in the ordinary course of business, without the Re-development Board's consent. This is necessary for several reasons: in the absence of such a control, property comprised in the waterway undertaking might be sold or leased, and subsequently put to uses which would frustrate or prejudice the outcome of the review; secondly, it would be essential that the Board in conducting negotiations should know the whole extent of the undertaking with which they were dealing; and thirdly—a point which is likely to be of particular importance where the re-development of an independent waterway is concerned—the assets of the undertaking will have a contribution to make towards the cost of re-development, and should, therefore, be conserved until the extent of that contribution has been settled. We do not suggest that the assets should be “frozen”, and all possibility of transactions in property precluded, throughout the whole period of preparation of the scheme (which may be a protracted process), but that the Board should be able to exercise control for the purposes mentioned. In any case where the preparation of a scheme originates with an application by the Commission, this control should operate as from the date on which the Board formally decide to prepare a scheme, or require the Commission to do so. In any other case it should operate as from the date of the Minister's order placing the waterway under review.

Disclosure of Information

163. Where a waterway is under review, the Board should have power to require the disclosure by the owners and other interested parties of all information concerning the undertaking.

Annual Reports of Waterways Re-development Board

164. The re-development or elimination of waterways, whether nationalised or not, will affect a wide range of interests and often arouse considerable public attention. Parliament and the public should be regularly informed of progress in this field. We recommend that the Re-development Board should report annually to the Minister of Transport and Civil Aviation and the Minister of Housing and Local Government as to the progress made in initiating and confirming schemes, and that these reports should be laid before Parliament and published. In conformity with our recommendation in paragraph 219 below, they should also report to the Secretary of State for Scotland upon progress in dealing with Scottish waterways. We consider that, so far as concerns *independent waterways which are currently under review*, the Board's annual report should refer to the extent to which their physical condition complies with the requirements set out in paragraph 140 above (which we recommend in paragraph 160 above should apply to independent waterways from the time they are brought under review until schemes are confirmed). Compliance with those requirements in relation to *nationalised waterways* up to the time of confirmation of schemes would be a duty statutorily imposed upon the British Transport Commission, who are already required by section 4 (7) of the Transport Act,

1947, to report each year to the Minister "on the exercise and performance by them of their functions during that year and on their policy and programme", which report has to be laid before Parliament. We recommend that there should be included in the Commission's annual reports some account of the maintenance by them of the waterways in question, and the action they have taken to fulfil the recommended requirements.

E. CONSTITUTION AND FUNCTIONS OF WATERWAYS RE-DEVELOPMENT BOARD

165. The Board must be collectively capable of an unbiased and flexible approach to the variety of interests which will usually be involved in the re-development or elimination of a waterway. It should include, besides members having commercial and financial experience, members with experience of agriculture, land drainage and flood prevention, local government, water supply, natural history and the amenity and recreational aspects of waterways. Members should be appointed by the Minister of Transport and Civil Aviation after consultation with those main interests, and should command their confidence, but should in no sense be their delegates or representatives. We suggest a Board composed of a chairman and five members. We think it desirable also that, after the Board has been appointed, the Minister should retain a discretionary power to appoint, from time to time and for such periods as he thinks fit, additional members, either for the general purposes of the Board, or for specific parts of their work.

166. The responsibilities falling upon the Board, and particularly upon the Chairman, will demand skill in negotiation with local authorities and business interests. It is important that the members should be of the right calibre and status. It would probably be best that the chairman should be selected primarily for his suitability as a negotiator, rather than his familiarity with any of the particular interests concerned. His task is likely to be exacting, and there may well be advantage in making this a full-time appointment, in which case the holder would naturally have to be adequately remunerated. The other members could be appointed *ad honorem*, a method which is well-tried and successful in the case of a number of bodies exercising very important functions, or could be remunerated at a modest rate. The Board would require the assistance of a small staff, but there should be no need for any elaborate organisation.

167. The functions of the Board are summarized below:—

(a) In relation to the preparation of schemes for re-development or elimination, the Board should—

- (i) ensure that any scheme is framed with full regard to the considerations set out in paragraph 144 above, and that it is prepared in consultation with all interests which ought to be consulted;
- (ii) decide whether a scheme should be prepared by themselves, the Commission or other owners, or by applicants other than the owners; and in the first case, prepare the scheme;
- (iii) conduct the negotiations;
- (iv) publish the completed scheme and submit it to the Minister of Housing and Local Government, if no objections are duly lodged. If objections are lodged against the scheme, the Board should appear before the War Works Commission;
- (v) consider applications by owners to dispose of any assets of the waterway.

(b) In relation to any independent waterway which is subject to the requirements in paragraph 140 above (as applied by paragraph 160), the Board should supervise the observance of those requirements by the owners, and should have power to take action in the Courts, if necessary, to enforce compliance.

(c) The Board should report annually to Ministers as recommended in paragraph 164 above.

F. FINANCIAL TERMS OF RE-DEVELOPMENT

General Principles

168. The question of finance will be a major consideration in re-development and elimination, and little progress can be expected unless there is a new approach to it. Procedures now available tend to hinder rather than to advance sound solutions. A better method demands co-operation between the waterway owners and other interested parties in the attempt so to deal with a waterway, or its site, that the maximum use to the community, consistent with proper economy, is obtained. Co-operation is not furthered while the attention of the parties is directed primarily to the financial implications to themselves of any proposals, rather than to what is required in the general interest. Yet this preoccupation is inevitable so long as settlements are attainable only by hard bargaining and there are no general principles, however broad, by which the proper contributions of the parties can be gauged. We suggest that the financial basis of schemes should be governed by the general principles set out below.

169. The elimination or the transfer of a waterway will relieve its owners of certain liabilities, and that relief should be reflected in their contribution to the scheme. If, under the scheme, a length of waterway is to be de-watered and filled in, the owners should de-water it and put it into such condition that any transferee to whom, under the scheme, the site is to pass need do no more than level the dry channel before adapting the site to his purposes. If the length in question is to remain in water, but is not to be available for navigation, it should be the owners' responsibility to dismantle locks and make them safe, providing suitable means of maintaining the flow of water where necessary, and to hand over the waterway in a safe and watertight condition. Any further works required by a transferee to adapt the waterway to his purposes should be his responsibility. As for bridges over the waterway, we have already recommended in paragraph 148 above that those which carry publicly maintainable roads should pass to the highway authority, and section 7 of the Trunk Roads Act, 1946, offers a precedent as to the terms on which the maintenance obligations of the waterway owners could be extinguished. Compensation agreed or awarded in respect of interference with rights in the waterway (including compensation to property-owners for extinguishment of liability to maintain accommodation bridges) should be paid by the owners.

170. In this way, a waterway, or its site would pass from the owners to a transferee or transferees free of continuing obligations to third parties, except such as the transferee could properly assume because (as explained in paragraph 147 above) they were compatible with the purpose for which the waterway was to be used henceforward, and entailed no additional burden to the transferee. Where transfer was to a public authority intending to use the waterway or its site for purposes of a grant-aided public service, our recommendation in paragraph 148 above would apply. Where there is any value in land (including the site of the waterway) or property

comprised in the waterway and passing to transferees, that value should be brought into account in the settlement of compensation payable by the waterway owners.

171. This general outline of the basis on which re-development or elimination should be financed, should give the interests concerned a clearer idea of where they stand, and help the Waterways Re-development Board to bring about fair settlements. One qualification must be made, however. In dealing with independent waterways, it may be that the proper contribution attributable to the owners on the principles we have suggested is entirely beyond their means: indeed, in some cases where remedial action is most needed, the owners may have no resources at all. Proper treatment must not be frustrated on that account, and in such instances there is a case for a contribution from central funds to make up the deficiency.

G. KENNET AND AVON CANAL

172. We have not attempted to discuss the problems of individual waterways in England and Wales. The fate of the Kennet and Avon Canal, however, has aroused so much public interest that we think it right, exceptionally, to make specific reference to it. We have found no justification for restoring the section from Reading to Bath as a through navigation, and we cannot recommend that the waterway should be included in the prescribed navigable system. It is pre-eminently a case for re-development, in the course of which all factors would be taken fully into account, and it may well be decided that different treatments should be applied to the various sections, which have widely differing characteristics. The re-development procedure would give due weight to amenity and recreational values.

CHAPTER VI

FUTURE ADMINISTRATION

Administration of the System

173. In the preceding Chapters we dealt with measures which we propose in relation to the nationalised waterways, both those recommended for inclusion in the prescribed navigable system and those not so included. Adoption of our proposals will involve certain changes in the purposes for which the waterways are administered, in the basis upon which their upkeep and working is financed, and in the statutory framework within which they are managed. Whether it is necessary or expedient for the carrying out of the measures we have recommended that there should also be a change in the body responsible for the management of the prescribed navigable system, must now be discussed.

Principal Views Advanced in Evidence

174. First, however, we outline the principal proposals on this important question which have been placed before us. These fall under two main divisions: proposals that the administration of all waterways for all purposes should be the responsibility of a single, national authority; and proposals that waterways which are important primarily as part of the inland transport system should be administered by the British Transport Commission, other waterways being dealt with separately.

175. One organisation in particular, the Inland Waterways Association, has argued very strongly for the first view, and has elaborated it in some detail. As a basic concept, though with some variations in form and detail, this view has been advocated also by several other organisations and by some individual witnesses. The fundamental argument is that, if the community is to receive the maximum benefit from the whole system of inland waterways, including tidal and non-tidal waters, whether used for navigation or not, natural rivers and artificial channels, their administration and development *for all purposes* must be entrusted to a single, national authority. There are some differences of opinion about how such an authority should operate in practice, the degree of delegation or decentralisation of executive functions to organs of local management, the financial functions of the authority, and so on; one organisation advocated several regional authorities loosely associated at the centre for purposes of co-ordination, in preference to centralised control. But the essential feature was a common administrative framework for the multi-purpose administration of all waterways in Great Britain.

176. The principal arguments put forward in support of the view outlined in the preceding paragraph are:—

- (a) that the local and fragmentary development of the system and its divided ownership proved crippling weaknesses at the onset of railway competition; that unification of the whole system, either in single ownership, or under administrative arrangements which can effectively ensure full co-ordination, is essential (as investigating bodies in the past have recommended) if the damage already suffered is to be made good;
- (b) that multiplicity of control, whether divided geographically or functionally, impedes co-ordination, the development of through traffic and multi-purpose use on a system whose parts are inter-connected and inter-dependent; that although the system should be maintained and developed primarily for its original purpose of commercial navigation, the controlling authority should also have jurisdiction in relation to functions now exercised by other bodies such as river boards and other drainage authorities;
- (c) that the system must be administered by a body which is entirely unconnected with railway management; that the attitudes and actions of the railways in the past played a great part in the decay of the inland waterways; and that the policies and measures of the British Transport Commission have evinced continuing bias against the interests of waterways and in favour of railway interests.

In further support of these arguments, their proponents point to administrative arrangements abroad, especially in the Netherlands, where one government department (the Ministerie van Verkeer en Waterstaat) is in charge of inland waterways in all their aspects, as well as other forms of transport. At home, they point to the success of the Thames Conservancy, an all-purpose authority for the river from its source down to Teddington Lock.

177. Evidence from some other organisations favours the separate administration of those inland waterways which have important transport functions, and different arrangements for managing—or, possibly, disposing of—those which have not. Supporters of this view had, perhaps, a more empirical approach to the question, and the arguments put forward in its favour were less systematically developed. The main reasons given were, first, that in so far as inland waterways retain a significant role in the

internal transport system, it is best that they should be administered by a national body responsible for transport generally; and secondly, that the institution of an all-purpose authority, exercising all functions in relation to all waterways, would be likely to blur important financial distinctions: charges levied in respect of particular uses should be related to the cost of providing the facilities respectively concerned, and the revenue derived from those charges should not be diverted to support other functions. An avowedly all-purpose administration, it was thought, would not preserve these distinctions. In general, advocates of functional administration were not dissatisfied with the performance of the British Transport Commission, and saw little reason to think that tangible benefits would result from displacing the existing management, although some of them suggested the creation of an independent, advisory body, which should promote co-ordination between the nationalised waterways, other inland navigations and port authorities, so as to encourage through traffic by water between estuarial ports and inland industrial centres.

Consideration of the Two Views

178. It will be clear from our recommendations that we do not fully subscribe to either of these views. We are not satisfied that the arguments advanced in support of a single, comprehensive authority for all waterways are entirely well-founded, or entirely self-consistent. As we have said in Chapter III above, we do not consider that the indiscriminate re-instatement of all surviving inland waterways to navigability would be justified. As far as unification of ownership is concerned, we pointed out in Chapter I, paragraph 18, that the Transport Act, 1947, brought into public ownership the system of waterways recommended by the Royal Commission of 1906, and more besides; indeed, there are grounds for considering that, from some points of view, too much was nationalised. Moreover, the Royal Commission's recommendations were confined to the transport function of waterways, and the Waterway Board they proposed would have been essentially a navigation authority, not an all-purpose body. The creation of a national, all-purpose authority for waterways appears far too ambitious; its advocates may not have intended to recommend that such an authority should absorb the functions of the port authorities responsible for tidal waters on the Clyde, Humber, Mersey, Tyne and Thames and other rivers, though their proposals seem to imply that; but even to supersede river boards and other drainage authorities would involve a complete reversal of land drainage policy, which falls outside our terms of reference. We do not accept the view that, since nationalisation, the British Transport Commission's dealings with their waterways have been inspired by a desire to stifle traffic in the interests of British Railways.

179. On the other hand, the attempt to isolate the transport function, either in the financial or in the wider economic sense, leaves too much out of account. The complete segregation of individual uses, often interdependent, is not feasible and even the attempt to "cost out" various functions would be largely a matter of arbitrary allocation. Most of the operations of routine waterway maintenance benefit two or three different kinds of user at once. In our view, the task of the managing body should be to operate, not, it is true, the comprehensive system described in paragraphs 175 and 176 above, but certainly a multi-purpose one.

180. A far more difficult question for us to decide has been the practical one of whether the measures we have recommended can be satisfactorily brought about without changing the existing ownership and control, or whether the attainment of our objectives requires the creation of an entirely

new body to pursue them. This issue has engaged much time and thought, and it is here that we have been unable to reach agreement.

Reasons for Leaving Responsibility with the Commission

181. Some of us are of the opinion that the control of the nationalised waterways should remain with the British Transport Commission, and we summarise below the reasons which have led us to this conclusion⁽¹⁾:—

- (a) Whatever may be alleged of their railway predecessors, the British Transport Commission's record as regards the nationalised waterways is not discreditable. They attached sufficient importance to these waterways to appoint the Board of Survey and, in pursuance of the recommendations of the Board, to undertake a development programme which far surpasses anything that has been done for the waterways for many years.
- (b) Parallel with the rehabilitation and improvement of important parts of the system, there has been developed under the General Manager's energetic direction an organisation whose keenness and good morale we have already noted. The General Manager gratefully acknowledged to us the full co-operation and support which he has consistently received from the Commission.
- (c) Although the evidence submitted to us contains some sharp criticisms of the Commission, there were also commendations, and significance should be attached to the fact that the independent carriers operating on the waterways were generally appreciative of the Commission's efforts and did not desire that the waterways should be removed from the Commission's control.
- (d) The £5½-million development programme is admittedly being devoted to waterways which we have included in Class A. We have, however, received no evidence to lead us to believe that any substantial development expenditure on the other canals would be economic, and therefore the Commission could have been criticised had they incurred any such expenditure under their existing statutory obligations.
- (e) Since the Commission's present governing statute constitutes them as a transport authority, there is technically substance in the view that, where no transport activity survives, it is not part of their proper function to cater for alien uses. Rather, however, than remove these waterways from the Commission's control, we think they should be enabled, by the changes we recommend, to manage the prescribed navigable system for wider purposes and to make better arrangements than are now possible for the maintenance and/or disposal of the other waterways or parts of them.
- (f) If, contrary to our opinion, it were thought preferable in principle to transfer the nationalised waterways from the ownership and control of the Commission and to vest them in a separate body, there are some practical difficulties which might render that course undesirable except for very compelling reasons:—
 - (i) The Waterways' staff at present employed by the Commission would have to be transferred to the successor authority—the human problem thereby involved should not be underrated.

⁽¹⁾ Those members who differ have set out their views in the alternative recommendations appended to the Report.

- (ii) The new organisation would have to make independent arrangements for certain common services now provided by the Commission. It is inconceivable to us that the formation of a new authority would not increase considerably the ultimate overall cost.
- (iii) We have already stressed in paragraph 112 above the need to ensure close co-operation between the organisation controlling Goole Docks and that controlling the Inland Waterways. The severance of the Inland Waterways from the Transport Commission would prejudice the possibility of that co-operation.
- (iv) During the period of transition the consequential adjustments would absorb the time and energies of managerial staff at the expense of the tasks of improvement and operation of the system upon which their attention should be concentrated.
- (v) The financial problems would be material. The British Transport Commission would presumably be left to pay interest on whatever stock might be deemed to be attributable to the waterways, although no longer vested in them, and ultimately to redeem it. Specific sums would have to be provided year by year from public funds to meet the net working loss on the Class B waterways and the cost of reinstating them, and of maintaining non-navigable parts of the system; and the administration costs of the new authority.

Recommended Changes in Present Administration

182. These arguments lead us to conclude that the Commission should remain responsible for the management of the prescribed navigable system and the carrying out of the recommendations we have made as to its improvement, maintenance and administration. We consider also that the changes to which we referred in paragraph 173 above should be accompanied by certain changes in administration. Whilst maintaining the Commission's duty to settle policy, we think there would be considerable advantage in placing the responsibility for administration of the waterways, within the determined policy, upon a statutorily recognised body. We believe that the administration of the prescribed navigable system as a multi-purpose undertaking would be much assisted by the recruitment to the managing body of additional experience from general industry.

183. We therefore recommend that the existing Sub-Commission for the waterways, described in Chapter II, should be re-constituted as a body with a statutorily recognised status, and that its membership should be increased by four, nominated by the Minister. One additional member should be drawn from each of the four geographical Divisions of British Waterways, and should have practical business experience in that area; where possible, it would be desirable that their experience should include use of the waterways for one or other of the purposes which the waterways can serve. These four additional members should not be members of the Commission itself. They should be suitably remunerated.

184. The functions of the re-constituted Sub-Commission should be to ensure that the Commission's policy in relation to the waterways vested in them is carried into effect and, subject to that, to fulfil the duties and exercise the powers which we have recommended should be imposed or conferred on the Commission.

185. In making this recommendation, we have had in mind the Area Authorities for the railways, established in accordance with section 7 of the

Transport Act, 1953, by the British Transport Commission (Organisation) Scheme Order, 1954.⁽¹⁾ The body we visualise would combine the functions of the existing Sub-Commission with functions analogous to those of an Area Authority, with adaptation suitable to management of the different and smaller, but highly diversified, undertaking. We believe that the additional knowledge and experience of industrial and commercial activity in the Divisions would be valuable in the management of the waterways, as it has proved to be in the management of the railways. Moreover, the proposed status and authority of the new body will, we believe, tend to strengthen that confidence in the future development of the system which we consider essential.

CHAPTER VII

THE NATIONALISED WATERWAYS OF SCOTLAND

A. REVIEW

General

186. The Scottish canals present some problems which are quite distinct from those of the canals of England and Wales, with which they are not physically connected. The three canals of the Lowlands (the Forth and Clyde, Monkland and Union) have much in common with many of the barge canals of England, while the Forth and Clyde canal has the special characteristic of providing a through waterway from coast to coast without restriction of headroom. The Crinan and Caledonian canals are in a different category, catering primarily for coastal and other small sea-going vessels: they are, in effect, ship canals on a small scale.

187. The gross receipts and working expenses of the five nationalised waterways in Scotland in 1955 and 1956 were:—

			Receipts	Expenses	Deficit
			£	£	£
1955	...	...	60,498	147,113	86,615
1956	...	...	70,969	203,870	132,901

Originating tonnage, ton-mileage and receipts from tolls and dues on those waterways in the same years were:—

			Originating Tons	Ton-Mileage	Tolls and Dues
					£
1955	...	...	71,000	1,564,000	16,971
1956	...	...	74,000	1,868,000	17,377

The Monkland Canal, being abandoned, carries no traffic, and only pleasure craft use the Union Canal, producing £56 in 1955 and £42 in 1956. For practical purposes, the above figures relating to traffic are for the Caledonian, Crinan and Forth and Clyde canals. Other traffic receipts were from wharfage and handling charges, amounting to £1,329 in 1955 and £1,740 in 1956 (between 85 per cent and 90 per cent of these receipts was attributable to the Crinan Canal), bringing the total receipts from traffic to £18,300 in 1955 and £19,117 in 1956. Total originating tonnage declined from 1951 to 1955, with a slight recovery in 1956.

⁽¹⁾ S.I. 1954 No. 1579.

188. Working results of the five waterways, with some detailed operating statistics from the Caledonian and Crinan canals, are set out in Appendix H.

The Caledonian Canal

189. This waterway has never, since its inception, been a commercially viable undertaking. It was constructed as a ship canal, giving to vessels which used it a more sheltered and direct passage between the North Sea and the west coast of Scotland than the route round the north of Scotland. But the generality of merchant ships now engaged in coastal and short sea trades are too large to use it. It is used predominantly by fishing vessels, the number varying between 450 and 570 a year and representing about 65 per cent of the total number of vessels. It is also used by many yachts. The canal is still used by small, sea-going cargo ships, a number of them of foreign registry and designed to navigate inland waterways and shallow coastal waters on the Continent. Transit of the canal saves fuel, but, except in bad weather, saves little time on a passage as compared with the northerly sea-route. The locks are hand-operated and are slow to fill and empty; in parts, the channel requires cautious navigation; and it is not lit at night. Considered as part of the internal commercial transport system of Scotland, the canal is at a disadvantage through the lack of industrial activity in the area it traverses. The only large concern adjoining it, the aluminium works at Foyers, now makes no use of canal transport, nor do agriculture and forestry, the principal activities of the canal's hinterland, draw their supplies or despatch their products by this means. In the evidence given by Scottish authorities and organisations, there was a general wish that the waterway should be retained and its use increased; but those concerned could not point to any firm prospects of higher demand for canal transport in the area. Much afforestation has been carried out by the Forestry Commission in the Highlands, including the vicinity of the canal; timber is being felled at an increasing rate, and the heavy traffic thus brought onto rural roads causes wear and tear which is giving anxiety to the road authorities. This appeared a potential traffic for the canal, but we were told that there was little prospect of its development, because the destinations to which the timber is sent are not as a rule directly accessible by boat, so that transshipment to land transport at the unloading point would be required; and loading at the canal-side would also involve transfer from road vehicles bringing the timber from where it is felled. Once it is on a lorry, it is quicker and cheaper to take it by road the whole way.

190. In the long term, it was suggested, some additional traffic might arise from the economic development of the Highlands, particularly on the north and west of the canal. Progressive extension of hydro-electric power, and possibly of atomic power, in the north of Scotland may lead to the establishment of light industries, particularly of timber-using and timber-processing industry, adjoining the canal; but no firm forecast of the time and location of such development could be made at present, and it cannot be more than a speculative element in assessing traffic prospects.

191. The canal runs through highland scenery of impressive beauty, and many tourists visit the area. Excursions are run by coach through the Great Glen, and pleasure trips by steamer along the canal were once operated, but have been discontinued for some years. In our hearings of oral evidence, there was some discussion of the possibility of reviving this use of the waterway. Such an undertaking would certainly seem to offer scope for enterprise, and would be welcomed by the Scottish Tourist Board, but there was no indication that anybody at present contemplates investing in such a venture.

192. Possibilities also exist of developing a new, non-transport use of the canal: the generation of electricity. Witnesses from the North of Scotland Hydro-Electric Board gave us some details of such possibilities at three points on the canal where its level and its relationship to other water supplies may make it feasible to utilise the channel for conveying water to new generating stations nearby. It was believed that the use of the canal in this way, once adapted to the purpose, would not prevent the passage of vessels and, if technical investigations show such schemes to be practicable, they would clearly increase the total utility of the waterway.

The Crinan Canal

193. Although this waterway, like the Caledonian Canal, has not for many years produced enough revenue to cover its working costs, the evidence shows that much greater economic importance is attributed to it. The tonnage of goods and the number of vessels passing through it are between twice and three times those on the Caledonian Canal, and it earns higher traffic receipts. The annual tonnage of goods passing through it of recent years has averaged over 50,000 tons, mainly coal and general merchandise. Slightly more fishing vessels use it than use the Caledonian Canal, and it is greatly valued by yachtsmen.

194. There was general agreement in the evidence that this waterway is, and will remain, an important link in communications between the Clyde and the Western Highlands and Islands. There were considered to be some prospects of an increased demand for transport in the area. This must depend upon the development of economic activity, but there are thirteen forests of the Forestry Commission on the western seaboard and islands, so located that fellings could readily be loaded from piers or beaches for shipment to Clyde ports by "puffer" type vessels. Timber from some of these forests is saleable now, and available quantities are said by the Forestry Commission to be likely to reach 20,000 tons from the islands alone by 1960.

195. Evidence was, however, given by ship-owners' representatives to the effect that the canal's present restricted capacity is detrimental to the economic operation of cargo vessels. It was stated that the draught of 9 ft. 6 ins., which is nominally provided, is not always available. This was attributed to insufficient dredging and inadequate water levels, though it was recognised that dredging would not avail at the western end, where the canal is cut through rock. Navigation is made difficult in places by sharp bends. Vessels attempting to carry full payloads through the canal often suffer bottom damage through insufficient water, and damage to the turn of the bilges because of the slightly V-shaped cross-section of the locks. The damage thus sustained was described as "severe and continuous", and was said to have a two-fold effect: a tendency to take the longer route round the Mull of Kintyre in preference to using the canal, and the charging of higher freights when the canal is used, because of the reduction in payloads involved. The older vessels, which are in the majority, carry a payload of 120 tons, but are obsolescent, and modern craft of this type have a payload of 160 tons. To extract the fullest use from the canal, a guaranteed draught (and not merely a guaranteed depth of water) of 10 ft. 6 ins. would be desirable. This would make navigation more remunerative, and also easier by avoiding the need to trim vessels with particular care for transit of the canal so as to maintain a consistent draught forward and aft. An extra foot of draught would increase a vessel's potential carrying capacity by up to 30 tons or thereabouts.

The Forth and Clyde Canal

196. The terminal basins of this canal at Bowling and at Grangemouth are used by vessels carrying cargo, particularly at Grangemouth, where timber unloaded in the port is moved by lighter to the canal basin for storage. Apart from these movements, no goods are conveyed on the canal. The view was expressed that the canal might be made into a useful part of the commercial transport system, but no solid prospect was shown of traffic which could be economically conveyed. A witness who had at one time operated a fleet of boats on the canal, but ceased doing so several years ago, attributed the cessation of traffic in part to the bad condition of the waterway at that time, which had made navigation slow and hazardous. Recently, much work has been, and is being, carried out (as we saw when inspecting the canal), but this fact did not lead the witness to believe that lost traffic could be recovered. Adverse factors were the limited capacity of boats, and the lack of facilities in canal-side industrial plants for receiving or despatching goods by water. Either capital investment in handling equipment or the employment of additional labour would be required. Industries, now organised to use road or railway transport, were unlikely to adopt either of those courses unless canal carriers could offer competitive rates, and this was considered to be out of the question. We are assured that transport by the canal could not be made to pay with boats of less than 100 to 120 tons' capacity. The statement that industrial undertakings adjoining the canal are organised for the use of road or railway transport was confirmed by evidence from other sources, and to some extent by our own observations. From all that we saw and heard, we concluded that a radical transformation would be needed, both in the waterway itself and in the attitude of transport users, before investment in new boats and the organisation of a carrying business could hold out any attractions, and this transformation would seem to us to be improbable.

197. The canal, however, is intermittently navigated throughout its length and in both directions by fishing vessels and yachts. The total fishing vessel movements for the years 1953 to 1956, inclusive, were :—

			West to East	East to West	Total
1953	...	...	97	92	189
1954	...	...	90	63	153
1955	...	...	69	51	120
1956	...	...	52	46	98

The number of boats concerned is less than the numbers of transits shown above, as about half the vessels passed through the waterway more than once in the relative year. The decline in passages during these four years is attributable to a general decrease in fish, considered by some witnesses to be a cyclical trend which might be reversed at any time. Indeed, transits by fishing vessels increased to 184 in 1957.

198. The following account is based on evidence submitted by organisations representing the fishing industry. The fishing boats concerned are the smaller herring boats of the Clyde and the Firth of Forth (not the larger herring drifters, which seldom, if ever, use the canal) and the white fishing fleet of the Firth of Forth. In normal times, the practice of the Forth herring fleet is to fish their home waters in the winter, moving south to the east coast of Scotland in early summer and further south to the Yorkshire coast in late summer, and returning to the Forth about September. Poor catches in all these areas of late years have led some vessels to transfer to the west coast and waters off the Isle of Man in the summer, and a lesser number

to fish the South Minch in the winter. Some boats from the Clyde also pass through the canal to fish off the east coast and the Yorkshire ports in summer. The combined herring fleets of the Clyde and the Firth of Forth in 1955 numbered 128 boats, of which about 25 fished on both east and west coasts ; at the peak of the 1956 season about 80 boats from the Clyde and 25 from the Forth engaged in herring fishing. The gross earnings of the Clyde fleet in that year were estimated at £400,000, and of the Forth boats at £90,000. The westward movement was smaller than usual, owing to poor catches. It was estimated that, if the use of the canal were denied to herring boats, probably 20 of them would be forced to abandon fishing.

199. The movement from east to west is augmented by white fishing boats from the Firth of Forth. Poor catches of sprats in the Forth have led an increasing proportion of these boats to fish in the Ayr district ; and in winter, a smaller number of them fish for hake off the west coast. The number of these craft engaged in fishing which might necessitate the use of the canal was estimated at over 100, but in practice only a few of them actually use the canal, and in the winter season (January/February to early April) about 10 per cent of them fished in the west ; in the 1957 winter season, the figure was more than double.

200. The fishing boats of both kinds do not keep the sea for long periods, but return periodically to their bases to refit or renew their gear, using the canal if they are returning from fishing grounds on the opposite coast.

201. The Caledonian Canal was not considered by our witnesses to be an adequate alternative route to the Forth and Clyde Canal for these boats. Its use would entail an exposed voyage between the Forth and Inverness, which, particularly in winter, would often be too hazardous for such small craft. At any season it would entail a much longer passage, involving not only extra working expense, but also the loss of corresponding time on the fishing grounds.

202. On the other hand, it was represented to us in other evidence that the canal should be closed to navigation. The councils of the city of Glasgow and the burgh of Falkirk regard it as an obstacle to communications and urban development and a source of continuing expenditure no longer justified by its reduced navigational utility ; and both authorities considered it a threat to public safety, the City Council pointing to deaths by drowning in the canal in their area, and the Burgh Council to the weak condition of the banks, which actually burst at one point in their vicinity in 1956. Evidence from county councils supported the view of the waterway as an obstacle to road communications. There are 41 swing or bascule bridges carrying roads and 7 carrying railways over the canal, besides several aqueducts carrying the canal. Many of the road bridges cannot safely carry vehicles exceeding 3 tons in weight. The larger bridges, being mechanically operated, have to be manned, and the machinery maintained and renewed. Road traffic, sometimes heavy, is delayed when the bridges are lifted or swung for vessels to pass. Periodically, bridges have to be renewed. To maintain navigation, new roads, which are planned, will have to be carried over the canal either by opening bridges or by high level bridges, at considerable expense in either case. Maintenance, operation and renewal are sometimes the Commission's responsibility, and sometimes the road authority's.

203. Local authorities have represented that the closure of the canal to navigation would result in considerable economies to themselves and the community, in various ways. First, if opening bridges were not required, there would be economies in maintenance and operation. Figures have been submitted by several authorities. In Glasgow, the maintenance and operation of three opening bridges cost the City Council £10,000 in the financial year

1955-56; if the existing bridges merely remained unopened, a saving of some £7,000 would have been secured. One county council gave the annual cost of operating two opening bridges carrying Class I roads over the canal as £2,700. Secondly, there is the cost of replacement, which was stated to be urgently needed in several cases, or of the construction of bridges to carry new roads, now planned, over the canal. Some estimates were provided by the engineering staff concerned. These are necessarily tentative, since much would depend upon factors of alignment, dimensions and design, according to site conditions; however, estimates from different sources did not vary greatly, ranging from £105,000 to £165,000 for different opening bridges, with higher figures if the bridge were rebuilt to cross the canal askew. Estimates for providing fixed bridges, with ramped approaches, to afford navigable headroom, ranged from £15,000 to £50,000. A crossing at the existing level by means of a solid embankment, piped to allow the passage of water, would reduce these costs substantially. Finally, the delays imposed upon road traffic by the opening of these bridges to allow vessels to pass, increase road transport costs, and thus affect the economy generally. Certain county councils, at our request, provided rough calculations of the possible repercussions, basing their estimates upon the numbers of closures, the average delays, the vehicle-hours and the labour cost involved. Estimates of the annual cost of delay in respect of ten bridges, carrying roads of varying importance in two counties, totalled over £135,000.

204. The Glasgow City Council could use part of the site of the Glasgow arm of the canal for the construction of a new road, without affecting the main line.

205. Like many canals south of the Border, the three Lowland canals in Scotland are important suppliers of water to industry, and also a valuable means of carrying away water which is discharged from industrial premises after use. Figures showing the importance of this use cannot be given for the Forth and Clyde Canal by itself, because it draws part of its water supplies from the Monkland Canal. The reservoirs of these two canals have a combined capacity of 1,470 million gallons, and the annual yield from the gathering grounds and other sources of supply is estimated at 4,887 million gallons. The current annual rate of abstraction is 1,209 million gallons, of which only 39 million gallons is returned after use. In 1956, water rents on the Forth and Clyde Canal produced £21,800. Arrangements are in hand to provide supplies to new industrial concerns on its banks. Representatives of industry and of local authorities in Scotland emphasised the importance of these supplies, which in many places could only be obtained from other sources at considerably greater cost, and in some instances could not be replaced at all. We were told that a representative sample of 18 firms abstract and return to the canal a daily average of 25 million gallons, while there are other large industrial users of water who could draw from the canal, but do not at present do so.

The Monkland Canal

206. The Monkland Canal was abandoned in November, 1950, by order under the Railway and Canal Traffic Act, 1888. Its surviving use, as is made clear above, is as a means of conveying and supplying water, in which it serves industrial establishments and the Forth of Clyde Canal.

207. It traverses urban areas in the City of Glasgow and the adjoining Burgh of Coatbridge, and both the local authorities concerned pointed to the disadvantages commonly attending derelict waterways in such areas. In the Glasgow area, in five years (1951-1956) there were six deaths from drowning in the canal, and nine non-fatal accidents. If the site of this

section could be made available for re-development, the Council would be interested in its possibilities for the construction of an important new road. This possibility is complicated, as they recognise, by the probable need to maintain a flow of water from the further part of the canal to its junction with the Forth and Clyde Canal. The technical solution, they considered, would be to lay adequate pipes beneath the road. The Burgh of Coatbridge are similarly concerned about the present state of the canal, and even more concerned about the obstacle which, passing as it does through the centre of their area, it presents to well-planned urban development. The use of its site for road improvements at a congested junction would be advantageous. Here, as in Glasgow, however, the need to maintain a flow of water would require consideration.

The Union Canal

208. Although not used for commercial navigation, this canal is used to some extent by pleasure craft, including those of rowing clubs. There was one suggestion in Scottish evidence that it might usefully be re-opened for commercial carrying, but by far the greatest importance attached to it was as a source of water supplies for industry. Its reservoir has a capacity of 650 million gallons and the estimated annual yield from the gathering grounds is 1,500 million gallons. Water is abstracted at the rate of 1,137 million gallons yearly, of which 134 million gallons are returned to the canal after use. In some cases, we were told, there is no other source from which supplies could be obtained in the quantities needed.

209. No representations were made about unsatisfactory conditions arising from the disuse of the waterway, such as were made in respect of the Monkland and the Forth and Clyde canals.

210. The Development Plan for the City of Edinburgh makes provision for the construction of a new road on part of the site of the canal within the city, but makes it clear that this long-term project is contingent upon satisfactory arrangements in the matter of industrial water supplies.

Administration of Waterways in Scotland

211. The preponderant, though not exclusive, view expressed in the evidence was that it would be appropriate and convenient that administrative control of Scottish waterways, whether for continued use as navigations or for re-development for other uses, should lie with an authority in Scotland. They are not physically or economically linked with waterways south of the border, and their use and development must necessarily be considered in the light of local economic activity and planning. The Secretary of State was generally considered the most suitable authority by those witnesses who had formed an opinion on this question.

B. RECOMMENDATIONS

The Caledonian and Crinan Canals

212. We consider that a clear case is established for the continued maintenance of the two Highland canals as navigable waterways. We see no prospect that either of them will become a viable, commercial undertaking, but they play an important part in the social and economic life of large areas in the west and north of the country, and if long-term policies in relation to those areas attain their aims, the waterways may become more valuable as transport media. Their financial position is one facet of the problem of transport facilities in an area which is thinly populated, has difficult communications and contains no large concentrations of industry. These water-

ways are a social service, and expenditure on their maintenance and working must be regarded accordingly.

213. There is reason to think that the utility of the Crinan Canal will decline unless it is improved to enable the small coastal vessels which can use it to do so with economic payloads and without damage. It is principally in the matter of draught that improvements have been suggested. The extent of the work involved would be affected by the draught which it may be decided to provide, and as some excavation in rock would be involved, it is particularly difficult to hazard any estimate without detailed technical data.

214. In view of our conclusions in paragraph 212 above on the financial aspect, we consider that the burden of keeping these canals open for navigation should rest with the State, as it did up to 1948, and it appears to us to be a proper charge upon the Scottish Office Vote. Any expenditure on their improvement should also be borne on public funds.

215. The ownership and management of these waterways, if they were financed on that basis, would be a secondary matter, to be decided mainly on grounds of practical convenience. It would obviously be necessary that the Secretary of State should be in a position to satisfy himself that the money made available from public funds was applied to the best advantage, and whoever discharged the executive functions of management would in effect be doing so on behalf of the State. In these circumstances, it seems to us preferable that the two canals should vest in the Secretary of State. They could then be managed directly by his Department, reverting in principle to the pre-1948 situation, but with the substitution of the Secretary of State for the Minister of Transport. Alternatively, it might be found more convenient for the Secretary of State to entrust the management of the canals to the British Transport Commission as his agents or contractors—a course which would avoid some organisational disruption and keep the advantages of having the whole cadre of British Waterways available for appointment to technical and managerial posts, as and when need arose.

The Monkland and Union Canals and the Glasgow Arm of the Forth and Clyde Canal

216. These three lengths of waterway are in our view clear cases for re-development through the procedure outlined in Chapter V above (subject to the adaptations which we suggest in paragraph 219 below). They have no future potential as commercial navigations on any economic terms; they have great importance as sources of water supply; in places, their sites can—subject to suitable arrangements as regards water abstractions and discharge of effluent—be usefully adapted to other purposes; and considerable savings and social advantages could be derived over the years from re-development.

The Main Line of the Forth and Clyde Canal

217. It is clear in our view that the balance of economic advantage would lie in the re-development of this waterway, like the three dealt with in the preceding paragraph, as a water channel, but closed to navigation. Paragraph 203 above gives some indication of the kind of savings to public authorities and to the economy at large which would result. These could be assessed, within reasonable limits, by a much more detailed technical and statistical survey than we are equipped to carry out, if that were thought necessary. We think, however, that a *prima facie* case exists.

218. The closure of the canal to navigation would undoubtedly be a blow to the fishing industry in Scotland which would be only little mitigated by

the continued availability of the Caledonian Canal. It would fall upon a small section of the industry, and its impact there would be likely to be severe. Keeping the canal open for navigation in present conditions is in effect a disguised subsidy to the fishing industry. The burden of that subsidy is not confined to the deficit incurred in the working of the canal, but is diffused over a wider area of Scottish life than is apparent at first sight, and in economic terms we believe that the cost outweighs what is derived.

Re-development Procedure in Scotland

219. We consider that the re-development procedure which we recommended in Chapter V⁽¹⁾ would, with appropriate adaptations, provide a suitable means of dealing with the three Scottish canals which we do not recommend for retention as navigations. It would be desirable that, for the purpose of dealing with these waterways, suitably qualified persons with experience of industry, local government etc., in Scotland should be appointed to the Waterways Re-development Board, and the discretionary power which we suggested in paragraph 165 could be used for this purpose by the Minister, in consultation with the Secretary of State for Scotland. The Secretary of State should be confirming authority for schemes of re-development or elimination, and details of the procedure should be adapted as may be necessary to conform with Scots law and practice.

CHAPTER VIII

WATER SUPPLY AND ABSTRACTION

Methods, Powers and Uses

220. The methods of supplying water to inland waterways are complex. In the majority of cases, the old canal companies were empowered by private Act to impound local streams and springs, build reservoirs, and divert streams as feeders when making the canal. In many cases, these powers were modified by specific protection for named private interests. The instances where a direct feed—without reservoirs—is taken from a river are not numerous, but where it was permitted the Acts provided that flows should be measured or restricted in some manner. In some parts of the system, pumping is necessary and sometimes geological conditions make the retention of a navigable water level difficult and costly.

221. The rights to obtain these water supplies, and the purposes for which the water may be used, vary considerably according to the terms of the numerous private Acts which authorised the making of the navigations. Some of these Acts expressly empower the navigation authority to supply water to other parties, either generally or for specific purposes. We understand that this power is not available in relation to the majority of the waterways under the control of the British Transport Commission; consequently, the right to supply water, or to charge for it, even if the water is returned to the waterway, may be doubtful. On the other hand, sometimes the navigation

⁽¹⁾ See also the alternative recommendations.

authority is required by statute to supply water, or to allow its abstraction, at very low charges, or gratis.

222. Despite the doubtful legal position, large quantities of water are abstracted from waterways for use in adjoining premises; and in many places these supplies are of the utmost value, and in some instances indispensable, to the recipients.

223. It has been brought to our notice that, from time to time in the past, canal owners have entered into water supply arrangements for very long, or even indefinite, periods, the motive behind the arrangement (sometimes but not always explicitly stated) having been to attract traffic to the waterway or, when the waterway was railway-owned, to the railway. Some of these agreements are terminable only at the option of the other party and permit abstraction of water at rates which, by present-day values, are only nominal. Such agreements are burdensome to the waterway owners. The British Transport Commission have succeeded to a number of such agreements, entered into by their predecessors.

224. The private Acts authorising the construction of canals frequently reserved for farmers whose land bordered the waterway the right to use it for watering stock. The importance of this right has usually been recognised by its preservation in Acts authorising the partial abandonment of canals or their closure to navigation, and we consider that where the right has been legally and regularly exercised at any time during the past ten years, it should be retained in relation to canals included in the prescribed navigable system. When, through changing circumstances, this right becomes a burden to the canal owners out of all proportion to the benefit enjoyed by the land-owner, it should be terminable at the option of the canal owners on giving reasonable notice and paying reasonable compensation.

225. The right to use water from natural rivers and watercourses is quite different. It is governed by common law and also by private and general legislation. No alteration of the established law is required in the interests of navigation, and we make no proposals in relation thereto.

226. Water is also taken from canals for the irrigation of crops by various methods, and this demand is likely to increase. We recognise the value and importance of this aid to greater agricultural production, but this water does not return to the canal. We consider such an abstraction to be similar to one for industrial use and that it should only be exercised under licence from the navigation authority, at a reasonable price.

Abstraction from Nationalised Waterways

227. The sale of water is of great importance to waterways in general. It is particularly so on the narrow waterways, where receipts from this use are considerable, and often equal or exceed the traffic income; without it, their financial condition would be much worse than it is.

228. The British Transport Commission have recently recognised the value of this source of revenue and have been reviewing the terms of sale whenever this has been possible; the receipts from the sale of water in 1957 for the system as a whole (including Scottish canals) were £432,224, which is 180 per cent higher than in 1948, and the Commission consider that this is likely to increase to over £500,000 by 1959/60.

229. The following table has been prepared from information supplied to us by the British Transport Commission for waterways under their control.

The watershed yields of natural rivers which are used for navigation are not included. Figures are in millions of gallons.

	England and Wales	Scotland	Total
Capacity of Reservoirs	10,596	3,096	13,692
Estimated annual yield:—			
From reservoirs and gathering grounds ...	28,983	6,807	35,790
From other sources (rivers, etc.) ...	3,385	1,194	4,579
TOTAL	32,368	8,001	40,369
Water supplied free of charge (annually):—			
Returned after use	9,618	1,216	10,834
Not returned	1,148	—	1,148
TOTAL	10,766	1,216	11,982 (a)
Water charged for (annually):—			
Returned after use	177,862	221	178,083 (b)
Not returned	13,555	2,177	15,732
TOTAL	191,417	2,398	193,815
Total water supplied (annually)	202,183	3,614	205,797

(a) There are other unrecorded supplies of water whose volume cannot be estimated.

(b) This figure exceeds the estimated total yield from reservoirs, gathering grounds and other sources for two reasons: it includes large quantities taken (under arrangements which we have not investigated) from a few natural rivers whose sources are not included in the estimated annual yields; and on numerous canals the same water is used and re-used many times over.

230. The figures should be treated with some reserve, because those for the storage capacity of the reservoirs are in general the original maxima—the reservoirs were designed at the outset for the needs of navigation and not as possible sources of non-potable water—and considerable silting has taken place; no allowance has been made for other supplies drawn off from the gathering grounds; many of the abstractions are not measured in any way, no figures for losses of cooling water are available and there are known to be many abstractions without permission. Nevertheless the figures corroborate other evidence we have received, that this facility is of major importance and even vital to a wide range of industry and to some statutory water undertakers. These supplies are quite often irreplaceable, and without them many industrial installations would come to a standstill.

Contribution to National Water Resources

231. The demand by industry for water is increasing rapidly, and it does not always need to be of potable quality. Not only would it be wasteful to use potable water, but in many cases the quantities are so large that they are quite beyond the supplies available to local statutory water undertakers.

232. The existence of canals as water reservoirs has another important feature: fire-fighting. The fire-fighting arrangements of a number of industrial establishments rely upon water from this source. Moreover, they are useful to fire brigades—as, indeed, is any accessible source of water. In rural areas, canals are often the only supply available; in urban areas this would not be the case, but the fire risk is higher and the piped water

supplies are not always adequate for a large fire. Finally, there are some twenty canals which form part of emergency water supplies in Civil Defence planning.

233. We consider that the value to the national economy of inland waterways as suppliers of large quantities of non-potable water has not received sufficient attention. We recommend that the development of non-potable supplies from these sources should be undertaken both in the interests of the economics of the waterways and because of their valuable contribution to the national water resources. We also recommend that to this end the Ministry of Housing and Local Government—in Scotland, the Secretary of State—and the waterway owners should jointly make a survey of these water resources and prepare a development scheme for their greater utilisation. The 25-year period of security which we recommend elsewhere in our Report will be an attraction to the industrialist needing assured water supplies as well as to those whose interests are in water transport. Many new industrial units are now coming into operation, and to some the availability of water is the first consideration. Planning authorities might well make a new appraisal of the possibilities of the country's inland waterways as a source of industrial water when discussing the siting of new industries.

Standardisation and Extension of Powers

234. We further recommend that the defects of the existing law and the many illogical variations as between one canal and another should be replaced by a new code which should remove any doubts about the power to afford and charge for the supply of water surplus to the needs of navigation, in all cases. Provision should be made for enabling this service to be given under terminable contracts at negotiated rates, replacing where necessary (but subject to appropriate safeguards) the one-sided and onerous arrangements to which, as pointed out in paragraphs 221 and 223 above, the Commission have in some cases succeeded. To facilitate the better exploitation of these water supplies where demand exists or is likely to arise, canal owners should have powers to lay and maintain mains and pipes and to break up highways for this purpose, similar to the powers now available to a statutory water undertaker.

235. We have already said that we consider the development and full use of inland waterways for the purpose of non-potable water supplies is of national importance, and we have suggested elsewhere that central funds should be used for the rehabilitation and upkeep of some of the waterways. It seems just, therefore, that those taking water from them should know what they are expected to pay and that such charges should be reasonable. The Minister of Housing and Local Government and the Secretary of State for Scotland should be able to revise rates and charges on appeal.

236. We also recommend that any application for power to increase the supply of water to any inland waterway for any purpose, either from an existing source of supply or a new one, should proceed by way of an order under the Water Act of 1945, or the Water (Scotland) Act, 1946. This would make use of an accepted procedure administered by the appropriate Ministers, who are charged with the duty of holding the balance fairly between one use and another and so provide a safeguard for all other interested parties.

Future Revenue

237. It is difficult to assess the additional revenue which could be obtained from the sale of water, but from figures supplied by the British Transport

Commission, if the archaic and onerous obligations were reduced, a further increase of income would accrue, and if our recommendations of security of tenure and development are adopted there should be a further steady increase of income from water from the waterway system.

238. Whatever the future may hold for traffic on the Class B waterways, as suppliers of industrial water with facilities for the discharge of cooling water they may have no commercial competitor; the supply from them will usually be possible at a lower price than that of a potable piped supply.

Independent Waterways

239. Our information about waterways owned or controlled by independent bodies is less complete, but we have obtained figures from thirteen canals and navigations which appear to us to be representative.⁽¹⁾ (Major natural rivers such as the Thames, the Dee and many others whose functions as sources of water supply are obvious and well-known, have been excluded.) In some cases, the figures given to us were not of actual consumption, but of permitted maximum abstractions; not all the abstractions are metered, so that consumption is not completely known; and in one or two instances, the figures relate to the volume of water which will be taken from the waterway in the near future when new users begin to abstract water under arrangements recently made. Users do not always take all the water which their arrangements with the owners permit, and the maximum permissible abstraction from these waterways jointly is estimated at about 39,600 million gallons yearly. Known current abstractions (excluding un-metered supplies which cannot be estimated) are about 23,530 million gallons yearly, of which roughly 11,500 million gallons (49 per cent) are returned to the waterways after use. The bulk of these supplies is for industrial use, but a large proportion is supplied to local water undertakings. On these waterways, as on British Waterways, the volume of water abstracted for agricultural use is not known. The supply of water from independent waterways, although in total smaller than that from the nationalised system, is of considerable importance in the localities they serve; where the legal position is ambiguous, it should be clarified, so that a proper use can be made of these facilities.

Conclusion

240. Short as it was, the canal golden age was of great importance to the development of the country's industrial strength; it is not beyond the bounds of possibility that these same waterways, slowly being outmoded by economic progress for the purpose for which they were built, could again make a valuable contribution to the national production in a manner never contemplated when they were constructed.

CHAPTER IX.

INDEPENDENT WATERWAYS

General

241. Inland waterways which have not been nationalised present much the same variety of physical condition and of uses as do those which are

⁽¹⁾ River Ancholme, Basingstoke Canal, Bridgewater Canal, Chelmer and Blackwater Navigation, Clifton and Kearsley Canal, Driffield Navigation, Exeter Canal, Neath Canal, Nutbrook Canal, Parkgate Branch Canal, Tennant Canal, Pensnett Canal, Rochdale Canal.

vested in the Commission; and multiplicity of ownership or control further complicates the position. A great many of the waterways which are navigable are natural rivers, large and small, and often the navigable lengths are tidal reaches, extending only a few miles inland and lying within the jurisdiction of port and harbour authorities. In some cases, a port authority has jurisdiction over the lower part of such a river, whilst a drainage authority is the navigation authority for the length further inland. Navigation companies, commissioners or trustees, local authorities and private individuals are responsible in other cases; several rivers are open navigations for which there is no navigation authority; and occasionally the legal responsibility is unknown. Canals and canalised rivers inland are also in various kinds of ownership and control, though private ownership predominates. A number of the privately-owned canals are, in effect, short branches or arms of nationalised canals, linking them to collieries or industrial establishments, and still used by their owners for transport to and from their premises, for water abstraction, the discharge of effluent, or any of those purposes. Some, of which the Bridgewater Canal is the most important, still carry substantial commercial traffic, whilst usually having alien uses as well. On others, the transport use has been largely, or completely, superseded by other uses in practice, although they may remain nominally open to navigation; and occasionally, as in the case of the Rochdale Canal, this practical change has been reflected in a change of legal status, the waterway having been closed to navigation and adapted to other purposes.

Future Ownership

242. We have found nothing to lead us to believe that the nationalisation of further inland waterways would bring practical advantages either to the nationalised system or to the waterways now outside it. Independent waterways on which commercial navigation is now active appeared to us to be efficiently managed, and where commercial traffic passes between such waterways and those vested in the British Transport Commission—as is the case with traffic passing between inland centres and each of the four major estuaries—the change from one jurisdiction to another appears to occasion no serious difficulties to the carriers engaged in those trades. Although we do not recommend any specific transfer of ownership or control of independent waterways to the Commission, we do not exclude the possibility that future developments may make it desirable in particular instances that independent waterways, or parts of them, should be merged in the prescribed navigable system (whether physically connected to it or not) and for this purpose we consider that there should be provision for the transfer of an independent waterway (or of the functions of navigation authority in relation to it) by agreement between the parties.

Powers in Relation to Certain Alien Uses

243. In Chapter VIII we drew attention to the frequent importance of independent waterways as suppliers of water and recommended a clarification of owners' powers in this respect (paragraph 239). The reception of effluent and surface water are also important, and we recommend that means should be provided to enable owners of independent waterways to exercise powers analogous to those which we recommend conferring upon the British Transport Commission in relation to these uses where nationalised waterways are concerned. The necessary powers should, we suggest, be conferred, following application by the owners, by orders to be made by the Minister of Housing and Local Government. Where powers to supply water are concerned, the procedure of the Water Act, 1945, would be appropriate. Orders should empower owners to provide these facilities by contract and to make reason-

able charges therefor, but we do not suggest any provision for rescinding private, statutory rights or over-riding existing contracts.

Re-development

244. On independent waterways, disuse and decay, or the disappearance of traffic whilst other uses remain, present the same problems as they do on nationalised waterways, and there is a similar need for means of bringing about their re-development as useful water-channels, or their elimination. For this reason, we proposed in Chapter V above that the procedure for the preparation of schemes under the aegis of the Waterways Re-development Board should be available, either upon the initiative of the owners or upon that of other interested parties.

CHAPTER X

THE BROADS

General Review

245. The system of rivers and lakes in Norfolk and Suffolk, which is collectively known as "The Broads", presents a problem quite different from anything else in the country and one which is entirely self-contained since it has no link by inland waterway with any other area.

246. At one time these waterways were of considerable importance for the transport of goods by water, but with the exception of the River Yare, over which coasting vessels pass from Great Yarmouth to Norwich conveying a quarter-of-a-million tons yearly, there is no significant transport of goods on the Broadland rivers today. They comprise, in addition to the Yare, the Bure (with its tributaries the Thurne and the Ant) and also the Waveney, all of which discharge into the sea at Great Yarmouth, while an alternative channel to the sea exists at Lowestoft by way of Oulton Broad and Mutford Lock. In the upper reaches these rivers have in time past been canalised, but the locks are now derelict. From a land drainage point of view, the whole area is served by the East Suffolk and Norfolk River Board, which is responsible for the drainage, coast protection and fishery interests. The river navigations, with some exceptions, are part of the port of Great Yarmouth, and are thus within the jurisdiction of the Great Yarmouth Port and Haven Commissioners, but they are required by their local Acts of Parliament to appoint from among their number separate committees to administer the principal rivers, under the Commissioners' general supervision. The statutes also require that the finances of the haven and the rivers shall be segregated. Map 2 shows the river navigations and Broads.

247. The River Board covers a wider territory than the Commissioners, since its jurisdiction extends also to other rivers not connected with the Broads and in particular to those flowing southward across Suffolk.

248. An integral part of the river system is the canal known as the Haddiscoe Cut, which connects the rivers Yare and Waveney and shortens by seven miles the distance by water, and (owing to tidal problems) by some hours the time, between Norwich and Oulton Broad. This canal, which is free of locks, is also toll-free except for a nominal payment for the opening of a bridge. It provides a channel which is safer as well as shorter, an important consideration for the large number of pleasure boats manned by novices. At present vested in the British Transport Commission, who have for some time sought to rid themselves of the burden of maintaining it, the

Haddiscoe Cut will, if the British Transport Commission Bill now before Parliament becomes law, be transferred to the River Board as a result of an agreement between the Commission and the local interests. This will have the effect of preserving it for navigation for at least ten years.

249. We have been told that some 100,000 people spend their holidays on the Broads each year and that the demand continues to increase.

250. The area is also of vital importance to those concerned with the study of wild life and natural phenomena, and the Nature Conservancy have a particular interest in it.

251. Among the unresolved problems of the area are the tendency for some of the Broads to silt and become overgrown, disagreement about the extent of the right of navigation over some of them and the question of re-opening navigation in the upper reaches of the rivers. Several associations have been formed to protect their own particular interests and the two County Councils and the County Boroughs of Norwich and Great Yarmouth have formed a Joint Advisory Planning Committee to which are referred all applications for permission to develop adjacent land.

252. For some years there has been discussion as to whether the Broads should be scheduled as a National Park, but no conclusion has been reached. Recent research on the origin of the Broads has resulted in proposals for a comprehensive survey by the Nature Conservancy to establish the causes of the silting process and possible remedies. The survey alone is expected to cost £80,000 and to take three years. Various engineering reports have been made estimating the cost of dredging and restoring the Broads to their former state, with figures up to £1,000,000 being quoted, but opinions differ widely and vehemently both on the extent of the problem and on the means of its solution.

253. We do not pretend to be able to solve all the problems of the Broads, nor would it be expected that we should attempt to do so. We do, however, think it right to put forward some suggestions which we believe would be a practical contribution to immediate needs.

Physical Measures

254. In the first place, in addition to the use by shipping of the River Yare, it will be universally agreed that the whole area is of immense value scientifically and recreationally. There seems to be strong feeling among those locally who know the Broads best that recent proposals for the solution of the physical problems have lost a sense of proportion and we are convinced that, to begin with, any idea of spending enormous sums immediately would be a totally wrong approach. Both private owners and boat-hiring concerns, as well as the Commissioners themselves, have told us that they would much prefer to see a gradual extension of dredging on lines which have already proved successful, with a progressive programme extending and developing over a long period. At present, apart from bank maintenance undertaken for drainage purposes by the River Board, and a certain amount of work on dredging, weed cutting and restoration of staites carried out voluntarily by a prominent association of hire-boat owners, the work falls upon the Commissioners and we were impressed by the general feeling of confidence which appeared to exist in their ability to carry out all that is necessary, given adequate time and money. The development of this work ought not to be held up pending the possibility of long-term research.

255. It must be understood that a system of waterways, originally developed for the carriage of goods by means of boats propelled by human or animal haulage or by sail, with appropriate landing stages and facilities, has gradually

changed its purpose to catering for pleasure craft, whether privately-owned or hired. In the interim there has been a period when facilities have deteriorated and now there is a strong clamour for their improvement. To meet this the Commissioners have substantially raised the tolls for the pleasure craft and are tackling energetically the problem of dredging and improvement so far as their funds allow. Given greater resources, we are sure they can achieve substantial results.

Charges

256. It has been represented to us that the charges levied on pleasure craft are approaching the economic limit. Bearing in mind the cost of hiring sailing water in other, less favoured parts of the country, these charges are in our view still capable of some increase, especially in regard to craft let out on hire, as to which a differential charge would be justifiable in view of the more continuous use. We believe, however, that fresh sources of revenue are also required, and our recommendation on that matter is in paragraph 261 below.

Administration

257. It is not for us to say whether the Broads should be designated a National Park, but we are far from being convinced that such treatment would be appropriate or that there is any practical advantage in it in this case. We feel that a simpler solution is feasible. We think that the first step that should be taken is the reconstitution of the Port and Haven Commissioners on a more representative basis. There should be more representation of the boat owners (who, if our suggestions are accepted, will be finding more of the money) and nomination by the county borough councils and county councils concerned would be more in keeping with modern practice than nomination by the Justices. The Commissioners should be fully equipped and have adequate revenues and powers to deal with the navigation problems of the present day, while having due regard to other interests. We have not studied the Commissioners' code of private legislation, but the powers which we would consider necessary, so far as not already covered, would include power to provide and maintain mooring and other facilities, to inspect boats and riverside property, to acquire by agreement rights over private water, to deposit dredgings, to borrow money against the security of their revenues, to carry out improvements and probably some of the powers appropriate to a National Park, including powers to secure access to waterways now closed to navigation, to carry out works on adjacent land and to make by-laws. It is indeed a matter for consideration whether the re-constituted Commissioners should include nominees of the National Parks Commission and of the Nature Conservancy, and the conclusions reached by a conference of local authorities in 1947 indicate that this would be welcomed. They should also be empowered to regulate the design and limits of size of boats, which at present are largely controlled only by the dimensions of certain bridges.

258. They should be given power to take over on terms and operate the former river navigations within and beyond the present limits as well as the Haddiscoe Cut and including any Broads whether now navigable or not. It seems at least possible that the navigation could with advantage be re-opened on the River Waveney at any rate as far as Ellingham and on the River Ant from Wayford Bridge to Honing Lock. Some Broads which are open to navigation are not within the jurisdiction of the Commissioners, others only to the extent of certain navigable channels. Some are closed. Sometimes it would be to the advantage of users, and even of owners, if the Commissioners' jurisdiction were extended to such Broads. Exceptionally

it might be of advantage to close a Broad or part of one. Such adjustments should be found by way of the re-development procedure which we outline in Chapter V of the Report. The Commissioners should have authority to vary tolls in accordance not only with the size of the boat, but also with the number of berths provided. The legislative code was presumably based originally on the carriage of cargo and changes are likely to be necessary to deal with the present position.

259. Their combined responsibility for the haven and for the rivers enables the Port and Haven Commissioners to co-ordinate their activities in both spheres; the accounts are kept separate, and working arrangements between the Commissioners as a body and the statutory committees for the rivers appear to function smoothly. Nevertheless, it occurred to us that it might be of advantage to both if they were separate bodies, each having as one of its members a representative of the other in order to ensure necessary liaison. Available time did not allow sufficiently detailed investigation to enable us to make a definite recommendation to that effect, but we do recommend that all parties involved should give it some thought when considering our other recommendations.

Finance

260. Almost the only argument which is locally used in favour of the National Park solution is that it provides a means for seeking money from Government funds. Subject to the possible exception of grants towards capital improvements, however, we have not been convinced of the need for this, but we do consider that the financial problem is of vital importance. No figures have been given to us illustrating the beneficial effect of the Broadland holiday industry (which may embrace, among others, shopkeepers, hoteliers, boat-builders, chandlers, timber merchants, and transport) on local revenues, but it must be substantial directly and indirectly; yet none but boat-owners contributes to the cost. Certainly, if the navigable water deteriorated to the point at which facilities for pleasure craft were severely restricted, the economy of the whole area would suffer considerably and it is in the interest of all who benefit, including the local authorities, to see that this does not happen.

261. The problem is sufficiently unusual to justify an unusual solution of it. We recommend empowering the Commissioners as reconstituted to precept upon the counties of Norfolk and East Suffolk and the county boroughs of Norwich and Great Yarmouth up to a limit of a penny rate. This would naturally involve direct representation of these Councils on the Commission as we have suggested above. The limit might be made subject to variation by Ministerial order or by agreement on the lines of the similar provision in Section 22 of the Land Drainage Act, 1930.

262. There should be safeguards as to the proportion of revenue to be recovered by tolls compared with that to be levied by precepts, and possibly some provision to the effect that the latter should not exceed one-half of the total would be appropriate.

263. The Commissioners spent on river works in the financial year 1957-58 almost £11,000 on the Bure and the Waveney and over £8,000 on the Yare.

264. We understand that an additional £10,000 would enable the Commissioners to put two more dredgers into service. A penny rate on the area would produce £30,000 on the 1957 figures.

265. There are not lacking in other parts of England areas where works which benefit navigation are, in fact, maintained by river boards at the ultimate cost of the ratepayer. We do not advocate in this case the merging

of navigation and drainage responsibilities, as the areas differ and the drainage problem is largely an agricultural one and is quite distinct, nor do we think that any similar measures are called for in any other part of the country where we have investigated navigation problems, but we believe that if the solution we have outlined is adopted, it will be to the benefit of the Broads and of the area as a whole. We think it is likely to command the confidence of those principally affected.

Scientific Interest

266. We do not consider that our proposals would run contrary to the interests of the naturalist and the scientist, especially as there will doubtless remain some Broads which are unlikely to be restored to navigation and can be retained primarily as nature reserves, while the navigable Broads will continue to play their part in this field as they have done hitherto. In a strictly limited number of cases special restrictions, for example on sailing and mooring facilities, might be justified, but we understand that some of the richest areas for the naturalist adjoin Broads already open and full of summer visitors, and that those areas do not appear to have suffered.

Legislation

267. In the circumstances, it seems to us that the Minister of Housing and Local Government, being the Minister primarily concerned with planning functions and with National Parks, should take the initiative in bringing forward the necessary legislation, which if left to private Bill procedure might too easily become the battleground of conflicting interests. Moreover, we have said that there may well be a case for power being reserved to make grants nationally in aid of capital works and this would presumably involve Government sponsorship. We are told that the sum received by the Exchequer in respect of oil duty for fuel consumed on the Broads by hired yachts alone amounts to more than £50,000 a year, but the principal argument in favour of such a provision would be the analogy with the objectives of the National Parks. The legislation should not be delayed for further report. Whatever may be the conclusions from more research, the demand for the use and development now of the rivers and Broads is greater than it has ever been. Their deterioration can be stayed and their improvement ensured by means of a revision of the powers of the Commissioners and a small increase in their income. This will not prejudice any further action which may be thought advisable later if and when further research has been undertaken.

268. We would emphasise that our recommendation is put forward as a special means of dealing with a unique case. We see no parallels elsewhere, though there may be cases where local authorities will wish to take over waterways for their amenity value where conditions are quite different from those obtaining on the Broads.

CHAPTER XI

CHANGES IN THE LAW

Preliminary

269. Most of the waterways the subject of this Report are vested in the British Transport Commission. The following observations are therefore primarily directed to the Commission's waterways, although our recommendations as to waterways which cannot be maintained economically for

transport purposes, and as to the conversion of canal sites for other purposes, apply equally to waterways in independent ownership.

270. On the assumption that no alteration will be made in the ownership of the nationalised waterways, we have considered whether our recommendations could effectively be grafted on to the existing statutes affecting them or whether an attempt should be made to introduce a new code for them all.

Need for a Modern Code

271. The British Transport Commission at present operate under a mass of statutes, both public and private. The private Acts were for the most part inherited from the old canal companies, and though many have a common pattern and contain somewhat similar provisions as to navigation, accommodation works and some other matters, they differ widely as to such important matters as the right to supply water and the right to take water, and are full of protective clauses creating private rights of many kinds. Looked at as a whole, they are both archaic and chaotic. The whole object of our recommendations with regard to the prescribed navigable system is to produce a modern national system of waterways operating under rules suitable to modern conditions. We have concluded that it would not only be very difficult to graft our recommendations on to the existing statutes, but that it would result in even greater chaos and substantially reduce the prospects of securing an efficient system. With regard to those of the British Transport Commission's waterways not included in the prescribed navigable system, we have concluded that the best course is to free them from the legislation to which they are now subject, but to impose on the Commission certain minimum obligations, coupled with certain rights as to supply of water, fishing, etc. But having regard to the likelihood of such waterways being the subject of re-development schemes at an early date we do not recommend any further attempts at defining or limiting private rights in connection therewith.

272. We think, therefore, that the Government should introduce a public Bill to constitute a new code of law for inland waterways. The new code would involve interference with a number of private rights under private Acts, many of which are, we believe, of little or no practical importance today, or are unjustified in modern conditions. To deal with these under the procedure applicable to a "hybrid" Bill would be impossible, but we hope that the nature of the measure proposed would permit of its being treated as a public general Act. The repeal of existing enactments conferring these rights, or from which they derive, would have to be accompanied by provisions for replacing them by arrangements suited to present-day needs, for safeguarding the continuance of essential facilities and for compensation where valuable rights, actively enjoyed, are terminated or substantially curtailed.

273. That Act would also have to provide, according to our recommendations, a new code to deal with waterways which cannot be maintained economically for transport purposes and with the conversion of canal sites to other uses. The only point upon which we found unanimity amongst those interested was the complete futility of the present law as to "abandonment", and we think it is unnecessary to explain in detail why this is so in the body of our Report. A note giving some particulars of the present position and an indication of the main failings is however given in Appendix J.

Proposed Legislation

274. We think that the most satisfactory way of indicating the scope of the legislation we consider necessary would be to set out in skeleton form the principal matters with which it should deal. We have set out in

Appendix K an outline of proposed legislation. This has been drafted with a view to application in England and Wales, and we pointed out in Chapter VII (paragraph 219) that in its application to waterways in Scotland which are to be re-developed the recommended procedure would require adaptation to conform with Scots law and practice. The modifications required in the law relating to the Caledonian and Crinan canals, which in several respects are in a special category, would be much affected by whether they remain vested in the British Transport Commission or are transferred to the Secretary of State for Scotland. In either case, however, it would be possible to adapt for application to those waterways such of our recommendations concerning the prescribed navigable system as are suitable to their special circumstances and calculated to improve their efficiency for navigation or their utility for other purposes.

CHAPTER XII

SUMMARY OF RECOMMENDATIONS

Selection of Waterways

(1) We recommend selective treatment of the nationalised waterways, and no indiscriminate restoration (paragraph 88). We consider that water transport is specially suitable for the types of traffic listed in paragraph 89 and we recommend that the maximum effort should be concentrated upon their development, but we do not recommend the wholesale abandonment of waterways which no longer pay their way as commercial navigations (paragraph 90).

(2) It is in the public interest to keep in being—

- (i) a navigable system, including those waterways which pay their way and those which, though producing no surplus, combine navigation with other important economic or social uses; and
- (ii) other waterways on which there are important economic and social uses other than navigation (paragraph 91).

The Prescribed Navigable System

(3) The prescribed navigable system, consisting substantially of the waterways listed as Class A and Class B in paragraph 92, should be made an integrated and efficient system of inland navigation. To provide reasonable security of tenure, waterways in the system should be put into good working order and maintained to prescribed standards for not less than twenty-five years (paragraph 103).

(4) Any surplus earned on the waterways in Class A should be used for their maintenance and improvement, and not diverted to the support of other waterways (paragraphs 73 and 94).

(5) The waterways in Class B should be restored over a period of five years to the widths and depths which will enable the largest craft built for use on them to navigate safely with full payloads; obstructions causing congestion at busy points should be removed. If traffic should increase substantially, further work on bank protection and accelerated renewal of lock gates would be needed (paragraphs 104 and 105).

(6) On Class B waterways, the present system of tolls should be replaced by a system of licences for vessels of a capacity up to 60 tons, with fees at the rate of £1 per ton of capacity per year (roughly £25 per narrow boat). Licensed vessels should be entitled to carry any commodity between any

points on Class B waterways without further payment, but when trading upon any other waterway they should be subject to the normal charges current for the use of that waterway (paragraph 109).

(7) Investigations should be put in hand in order to assess the value of—

- (i) improving the Grand Union Canal so as to enable craft of 90 tons' capacity to load or unload alongside ships in the Port of London and carry cargo without transshipment between London and Birmingham; and
- (ii) making a new waterway, usable by large craft, to link the Mersey, via the Weaver, with a waterhead near Wolverhampton (paragraph 111).

(8) Uses other than navigation should be fostered on the prescribed navigable system, including recreational uses, so long as they are not inconsistent with economic functions (paragraph 113).

(9) Principally with a view to enforcing reasonable standards of fitness and maintenance, pleasure craft using the waterways in the prescribed navigable system should be registered and licensed, at appropriate fees (paragraph 115).

(10) Financial relief should be given to the British Transport Commission in respect of the working deficit of Class B waterways and of the cost of their reinstatement, recommended at (5) above (paragraph 121).

(11) The Commission's carrying operations on the waterways should continue, and should continue to form part of their undertaking on the same terms as their other carrying services (paragraph 122).

Goole Docks

(12) The British Transport Commission should take particular care to ensure that the policies and activities of the Docks Division and the Inland Waterways Division in relation to the use of Goole Docks and the Ouse Lower Improvement by inland waterways traffic are harmonised (paragraph 112).

Research

(13) It is suggested that the research station at Hayes should concentrate on development work in the design of craft, methods of propulsion and of bank protection and other pressing problems of the waterways (paragraph 118).

Nationalised Waterways: Water Supply and Abstraction

(14) Provision should be made for enabling authority to be obtained under the Water Act, 1945, or the Water (Scotland), Act, 1946, to augment existing water supplies of nationalised waterways, or to develop additional sources of supply, for any purpose (paragraph 236).

(15) Standardised powers should be enacted authorising the supply under contract from any nationalised waterway, other than a natural river, of water which is surplus to the needs of navigation, at negotiated rates, subject to revision, on appeal, by the Minister of Housing and Local Government or the Secretary of State for Scotland. These powers should supersede, subject to appropriate safeguards, provisions in private Acts, or long-term or non-terminable contracts, to which the British Transport Commission have succeeded (paragraphs 234 and 235).

(16) Powers similar to those of statutory water undertakers should be provided to authorise the laying of pipes and the breaking up of streets for the purpose of supplying water from nationalised canals (paragraph 234).

(17) Rights of owners or occupiers of land adjoining nationalised canals to take water for watering stock should, if legally and regularly exercised at any time during the past ten years, be preserved; but if they become disproportionately burdensome to the Commission, they should be terminable on giving reasonable notice and paying reasonable compensation (paragraph 224).

(18) Abstraction of water for irrigating crops should be treated on the same basis as abstraction for industrial use (paragraph 226).

Nationalised Waterways: Other Alien Uses

(19) The reception of effluent and surface water into nationalised waterways should be placed on a contractual basis, but surface water now being lawfully discharged should continue to be received (paragraphs 97 and 114).

(20) The British Transport Commission should have the sole right to permit fishing in nationalised canals, except by owners or occupiers of adjoining land now lawfully entitled to fish from such land, and the sole right to make a charge for such permission. Existing rights to fish in natural rivers should not be disturbed (paragraph 116).

(21) Towing paths which are not already public rights of way should be open to the public as footways free of charge so far as such use is not inconsistent with the use of the waterway for navigation, but the Commission should be empowered to suspend such use in the interests of any other use of the waterway (paragraph 117).

Re-development of Nationalised Waterways

(22) A Waterways Re-development Board, constituted as recommended in paragraph 165, should be set up for the purpose of preparing, or securing the preparation of, schemes for the re-development or elimination of waterways (paragraph 139).

(23) The preparation of a scheme for any nationalised waterway in England and Wales not included in the prescribed navigable system should be undertaken upon the application of the Commission to the Board, who should decide whether to prepare a scheme themselves, or to require the Commission to do so (paragraph 142).

(24) Where no application for the preparation of a scheme has been made by the Commission, specified authorities and persons should be enabled to apply to the Minister to make an order referring the waterway to the Board for review. The Board should have discretion themselves to undertake the preparation of a scheme, or to require the Commission or the applicants to do so (paragraphs 155 and 156).

(25) The Board should give public notice in each case that a scheme is being prepared; should undertake any necessary consultation and negotiation with interested parties; and thereafter should publish a draft scheme (paragraphs 142, 143 and 150).

(26) A scheme should make provision for the future use or disposal of the waterway concerned (with different treatments for different sections, where necessary), including provision for the transfer by agreement of the waterway to another authority or body for use as a water channel; its adaptation for purposes other than navigation; the treatment of bridges and

other works; the restoration of land drainage; the modification, preservation or extinction of rights of navigation, or of rights to other uses; and the disposal of the site upon elimination (paragraphs 127, 128 and 145 to 147).

(27) If, upon publication, no objections are received to a draft scheme within a prescribed period, the Board should submit it to the Minister of Housing and Local Government, by whom orders giving effect to schemes should be made (paragraph 150).

(28) If objections are duly lodged, they should be considered by the War Works Commission (or a specially appointed tribunal with similar powers and constitution), who should have power to approve the scheme, alter it as they see fit, or require the Board to submit a scheme revised to take account of such matters as the War Works Commission consider necessary (paragraphs 151 and 152).

(29) Schemes approved, with or without alteration, by the War Works Commission should be submitted by them, together with their report, to the Minister of Housing and Local Government, who should be empowered to make orders giving effect to schemes in accordance with the War Works Commission's recommendations; if he intends to make an order otherwise than as recommended, he should so report to Parliament and it should be open to either House to resolve that he should not do so (paragraphs 153 and 154).

(30) It should be the policy of the Government to ease the process of re-development and elimination, and where schemes involve the carrying out of work of a kind which is eligible for grant from any Government Department, grants should be made at a generous rate (paragraphs 148).

(31) Bridges carrying publicly maintainable roads over a re-developed waterway should be vested in the appropriate highway authority (paragraph 148).

(32) Where existing rights, actively enjoyed, are terminated or curtailed by the re-development or elimination of a waterway, alternative facilities should be provided or compensation should be paid, the amount to be settled by the Lands Tribunal in case of dispute (paragraph 149).

(33) The financial terms of transfer or elimination should be based upon the general principles set out in paragraph 169.

(34) Pending the coming into operation of schemes, the British Transport Commission should be under statutory (and enforceable) obligations to ensure that waterways not included in the prescribed navigable system do not deteriorate, are not dangerous, insanitary or nuisances, and that rights and facilities actually and lawfully enjoyed in relation to them by any person on a prescribed date are (to the extent that they were so enjoyed) preserved (paragraph 140).

(35) The re-development procedure should be available on Ministerial order in relation to waterways already abandoned or closed to navigation, but not effectively eliminated or suitably re-developed (paragraph 161).

(36) Financial relief should be given to the British Transport Commission in respect of the cost of maintaining waterways not included in the prescribed navigable system pending their re-development or elimination, and thereafter in the case of any such waterway remaining in their ownership or control (paragraph 158).

(37) From the inception of procedure for the preparation of a scheme until it comes into effect, none of the assets of the waterway concerned should be disposed of, otherwise than in the ordinary course of business, without the consent of the Waterways Re-development Board (paragraph 162).

(38) The Waterways Re-development Board should report annually to Ministers and their report should be laid before Parliament and published. The British Transport Commission should include in the annual reports required of them by the Transport Act, 1947, an account of the maintenance by them of nationalised waterways not included in the prescribed navigable system (paragraph 164).

Administration of Nationalised Waterways

(39) Except where transferred under re-development schemes, nationalised waterways should (subject to recommendation (40) below) remain vested in the British Transport Commission and should be administered (within policy determined by the Commission) by a statutorily constituted body, exercising delegated powers broadly comparable to those of the Area Boards for British Railways and including, besides members of the Commission, persons with business experience in each of British Waterways' geographical Divisions (paragraphs 141, 157 and 182 to 185).

Nationalised Waterways in Scotland

(40) The Caledonian and Crinan Canals should be retained, and the latter improved for navigation. The cost should be borne on the Scottish Office Vote, and it may be preferable that they should vest in the Secretary of State for Scotland (paragraphs 212 to 215).

(41) Schemes should be prepared for the re-development of the three Lowland canals in Scotland, through the procedure outlined in recommendations (23) to (37) above, with suitable adaptation (paragraphs 216 and 217). Orders to give effect to schemes in Scotland should be made by the Secretary of State for Scotland (paragraph 219).

Provisions to Give Legal Effect to Recommendations

(42) To give effect to the recommendations concerning nationalised waterways, a new code of powers and duties should be enacted to replace the miscellany of public and private legislation to which they are now subject, most of which should be repealed (paragraphs 271 to 273).

(43) As respects waterways in the prescribed navigable system, the new code should provide for terminating or modifying (with appropriate safeguards and provision for compensation) private rights conferred by or derived from repealed enactments, and for applying recommendations (14) to (21) to all nationalised waterways (paragraphs 271 to 273).

(44) On nationalised waterways not included in the prescribed navigable system, termination or modification of any private rights other than those covered by recommendations (14) to (21) should be provided for, as necessary, in schemes of re-development or elimination (paragraphs 271 and 273).

Independent Waterways

(45) No change in the ownership or management of independent waterways is suggested, but there should be provisions whereby any such waterway, or part thereof, could be acquired by the Commission by agreement and treated as part of the prescribed navigable system (paragraph 242).

(46) Owners of independent canals should be enabled to apply to the Minister of Housing and Local Government for orders empowering them to supply water in manner similar to that proposed for the British Transport Commission in recommendations (15) and (16) above (such order to be made under the Water Act, 1945) and for orders empowering them to receive effluent and surface water as proposed for the British Transport Commission in recommendation (19) above (paragraphs 239 and 243). Recommendation (14) above also applies to independent waterways (paragraph 236).

ALTERNATIVE RECOMMENDATIONS

General

(1) In Chapter VI are set out recommendations as to the future ownership and administration of the prescribed navigable system and in Chapter V the procedure recommended for re-development of redundant waterways. Although on all other essentials the Committee reached unanimous conclusions, we have reluctantly found ourselves unable to agree with our colleagues on these matters.

(2) We wish to emphasize that there is no difference between us as to the problems to be faced, the objectives to be pursued and the practical measures necessary to attain them; the divergence of our views is limited to questions of ownership and administration, as to which we now set out our reasons and our alternative proposals.

Administration

(3) The British Transport Commission were created by statute as a transport authority; they are predominantly carriers on a very big scale. Not only are their waterways a minute part of their undertaking, but within the Waterways Division the carrying operations are a trivial element.

(4) In endorsing the Board of Survey's recommendation that they should be relieved of responsibility for maintaining waterways which are useful for purposes other than transport, the Commission acknowledge this inescapable fact. But the transport element in the problems of the waterways can seldom be disentangled from the remainder. For example, on Class B waterways, where some traffic still passes, the alien uses, commercial, economic and social, are sometimes more important and often produce more revenue.

(5) The Commission are still under the statutory obligation (suspended only temporarily by the Act of 1957 as far as their railways alone are concerned) to meet out of revenue all charges properly chargeable to revenue, taking one year with another, and it is the policy of the Government that their undertaking shall be commercially viable and competitive. The waterways as a whole have operated at a steady loss, which the Committee are satisfied will continue, and which has been paid for from other of the Commission's activities, in truth by the public.

(6) Our conclusions are not coloured by suggestions that the Commission have set out deliberately to stifle traffic on the waterways in the interests of the railways; on the other hand, we are not convinced that the appointment of the Board of Survey and the £5½ million programme of work on the waterways are evidence of a desire of the Commission to foster business on them. Both followed pressure of public opinion and Parliamentary criticism. The Commission's reluctance to devote time and money to the waterways is not surprising, for the waterways are not primarily or even substantially a transport business, nor is there any profit in them.

(7) Our colleagues' proposal to reconstitute the Commission's Waterways Sub-Commission to include four members drawn from outside does not appeal to us as a solution of any of the problems. The existing Sub-Commission consists of three members, all of them members of the Commission, but it is not an executive body and it is subject to the financial and, therefore, policy control of the Commission. In the newly constituted Sub-Commission the members who are to be drawn from outside will constitute a majority; it will be very difficult for them to be anything but strangers within the Commission's fold. We cannot but conclude that the new body, on which the Commission's representatives are in a minority, will have little effective power.

(47) The procedure for review by the Waterways Re-development Board and the preparation of schemes should be available in relation to any independent waterway if the Minister, upon application by the owners or other specified persons, so orders (paragraph 160). Recommendations (35) and (37) above also apply to independent waterways (paragraphs 161 and 162).

Further Development of Canals as Sources of Water Supply

(48) The Minister of Housing and Local Government, the Secretary of State for Scotland and canal owners should jointly survey the water resources of canals as suppliers of non-potable water and prepare a scheme for their greater utilisation (paragraph 233).

The Broads

(49) The Great Yarmouth Port and Haven Commissioners should be reconstituted on a more representative basis, to include nominees of the county borough councils and county councils concerned (in place of members nominated by the Justices); greater representation of boat owners; and possibly nominees of the National Parks Commission and of the Nature Conservancy (paragraph 257).

(50) The Commissioners as reconstituted should operate the river navigations and carry out all necessary works both within and beyond the present limits of their jurisdiction, with powers to acquire (by arrangement or by the re-development procedure) navigation rights on Broads not now navigable (paragraphs 257 and 258).

(51) The Commissioners should be empowered to make charges for the use of the waterways for navigation, and to make different or higher charges for vessels let out for hire, and different charges according to the size of vessels or the number of berths provided therein (paragraphs 256 and 258); to borrow money; and to precept upon the counties of Norfolk and East Suffolk and the County Boroughs of Norwich and Great Yarmouth up to the limit of a penny rate or half the Commissioners' total revenue, whichever is less (paragraphs 257, 261 and 262). Legislation should empower the Government to make grants to the Commissioners towards the cost of capital improvements (paragraphs 260 and 267).

(52) The work of dredging, clearing and restoring waterways and facilities for traffic thereon, begun by the Port and Haven Commissioners, should be continued and extended (paragraph 254).

(53) Changes in the extent of publicly navigable waters within the Commissioners' jurisdiction, and the imposition of new or the removal of existing restrictions on navigation, should be brought about, where desirable, by means of the re-development procedure recommended in Chapter V (paragraph 258).

(54) The possible advantages of entrusting the administration of the rivers and Broads to an authority, constituted on the lines of recommendation (49), but separate from the administration of the Haven (with provision for liaison between the two bodies) should be considered (paragraph 259).

(55) Legislation to give effect to recommendations (49) to (51) should not be deferred pending further research and investigations concerning the Broads, but should be introduced as soon as possible as a Government measure (paragraph 267).

Note: Certain of the above recommendations are not supported by the signatories of the *Alternative Recommendations*, which are summarised on pp. 90-92.

(8) We believe that the tasks facing any form of administration of the waterways will be :—

- (a) management, maintenance and improvement of Class A waterways as a self-financing business, ploughing back surpluses ;
- (b) management of Class B waterways as a subsidised undertaking, exploiting all commercial uses, fostering other economic uses, maintaining social uses and encouraging navigation as much as possible ;
- (c) management of nationalised waterways not included in the prescribed navigable system and the promotion of their re-development or elimination ; and
- (d) —as described in (25) below—duties to be undertaken, for lack of any suitable alternative, in respect of some waterways not now controlled by the British Transport Commission.

(9) Carrying is barely part of this picture. The Commission's fleets on the waterways are small and operate at an overall loss. Their carrying capacity of 41,140 tons is trivial compared with the remainder of the Commission's carrying business which includes, for example, railway freight vehicles of 16 million tons' aggregate capacity and the most intensive passenger carrying service in the world. We cannot see the Commission, faced as they are with the extensive modernization programme for the railways and having to carry competently the great burdens of a huge transport undertaking in a highly competitive market, being able to equip themselves for, or finding the time or inclination to deal adequately with, such entirely different problems. The imposition of new statutory duties on the Commission is in itself no remedy ; the canals have long been decaying monuments to unfulfilled statutory duties.

(10) Another grave disadvantage of control by the Commission is the dependence of British Waterways for survival on the Commission's benevolence. Although no charges for service of capital or for the general overheads of the Commission are at present debited to the waterways, a contrary decision of the Commission could radically increase the deficit on the waterways at any time. We have heard in evidence that some of the heaviest traffic on Class A waterways is carried by water because there is a balance of convenience to the owners of the goods rather than because it is cheaper than rail or road. This balance is often delicate, and changing circumstances (including intensified competition from other forms of transport) may well disturb it ; if the Commission wished to divert such traffics to rail or road, a moderate increase in the waterway toll (if approved by the Transport Tribunal) or, in some cases, a mere refusal to reduce the toll, would probably suffice. Again, as we have indicated in paragraph (15), the remunerative traffic on the Aire and Calder could be stopped by the Commission imposing dock dues on inland waterways craft. In brief, we think it inevitable that in the event of a conflict between British Railways and British Waterways, the interests of British Railways will predominate. We believe also that this situation must not only tend to undermine the confidence of British Waterways and its staff, but also be discouraging to those nationalised industries and private enterprises which might otherwise contemplate investing in craft and shore installations.

(11) The business of waterway administration and management has little in common with the administration and management of British Railways and the London Transport Executive's railways, both of which are monopoly carriers on a track wholly owned by them—or with British Road Services, which is a competitive carrier on a publicly-owned track. It is true that both the former are extensively involved in engineering, though only as a

service ancillary to the primary business of carrying. But for the waterways, construction, maintenance and management for navigation and other uses is a substantial engineering business in its own right, while re-development is a planning and land agency business.

(12) We therefore conclude that :—

- (a) the basic requirements for the administration of waterways differ from those for the administration of a nationalised carrying business ; and
- (b) the controlling body must be able to give its whole attention and effort to the varied and exacting tasks visualised, free from pre-occupation with the many problems which face the British Transport Commission on their rail and road services.

It follows that what needs to be done can only be done well by a new authority organised and equipped for those tasks and nothing else. We see no serious financial, administrative or legal problems in transferring the whole of British Waterways' staff and property to such an authority ; in fact, we believe it will be simpler than amending the Transport Acts and altering the constitution of the Commission as recommended in Chapter VI of the Report. We recommend the establishment of such an authority—which we call the Inland Waterways Corporation (IWC)—and the transfer to it of all nationalised waterways, including those in Scotland.

(13) The Corporation would consist of nine Directors, one of whom would be Chairman. The Chairman and four other Directors would be full-time, the remainder part-time. All would be paid. The General Manager for the time being of British Waterways would be a Director. The full-time Directors would be appointed by the Minister of Transport and Civil Aviation. Three part-time Directors would be appointed by the Minister of Transport and Civil Aviation after consultation with the Minister of Housing and Local Government. The part-time Directors would be chosen for their knowledge and experience of local government, water supply, land drainage, industry and other matters which will arise not only in the management of the waterways but in their re-development. One part-time Director would be appointed by the Secretary of State for Scotland. The Corporation would be primarily responsible, and would report annually, to the Minister of Transport and Civil Aviation and would produce its own programmes and estimates annually for submission through the Minister to the Treasury.

(14) It will be for IWC to devise the most effective form of internal organisation for dealing with its overall responsibilities. It is sufficient here to stress three points :—

- (a) The existing headquarters organisation of British Waterways need be little increased.
- (b) Too much reference to the centre should be avoided. The maximum practical devolution of executive authority to the Regional Offices would achieve this.
- (c) The importance of the work of re-development must be recognised in the arrangements made for dealing with it, both in the headquarters organisation and regionally.

(15) There would be transferred to IWC the whole of the British Waterways undertaking, including its staff, waterways, docks, workshops and warehouses, plant, equipment and craft and all land held or managed by it together with those waterways and ancillary services and appurtenant property now managed by British Railways or other branches of the Commission. It is, however, particularly important that the British Waterways Docks should be included

in the transfer. Not only have they been constructed in the past by the canal undertakings, but they are vital to the working of each of the waterways they serve, and the ownership or management of these docks by any other authority would be a continuing threat to the life of the waterways. In this context we include Goole Docks and the Ouse Lower Improvement. These were developed in the first place by the Aire and Calder Navigation as an outlet for its substantial traffic from Yorkshire, and that traffic, whether using Goole Docks as a terminal or as a route to the estuary, has always been free from dock dues. The certain continuation of these facilities is vital to the Aire and Calder Navigation. It could best be ensured by transferring the dock undertaking to IWC and granting to British Transport Docks a long lease, as in fact was done before nationalisation, or a licence, so that they may enjoy the facilities they need for shipping not connected with inland waterways. This would then follow the pattern of a deep water dock coupled with a navigation which is so successful on the other Class A waterways, e.g. River Severn—Gloucester and Sharpness Docks; River Weaver—Weston Point Dock; Grand Union Canal—Regents Canal Dock. (It is not our intention to transfer to IWC functions now performed by drainage authorities).

(16) The Commission's existing fleets and carrying business should be transferred to IWC and operated as a self-financing commercial concern.

(17) It has been suggested to us that once the waterways have been separated from the Commission the latter would resort to ruthless competition, and a large proportion of the present traffic on the waterways would be lost. We do not think so. If our recommendations in paragraphs (28) and (29) below are accepted, Class A waterways will have sufficient financial flexibility to maintain a competitive position with other forms of transport. But to safeguard IWC against unfair cutting of rates, there should be provision for a reference to the Transport Tribunal. Class B waterways are to be kept open for reasons other than transport; they are to be subsidised and tolls abolished; the maintenance of traffic on them, though useful, is not essential and if it cannot be obtained under these conditions it should be permitted to pass to other forms of transport.

(18) In making these recommendations we have not overlooked the points raised in paragraph 181. By making the General Manager a Director of IWC we believe that not only will the Corporation benefit, but the staff will no longer have cause to feel that they are the poor relations of an enormous organisation, which can have little time available to devote to their interests. Their morale will not only be maintained but improve, and what is also important, recruitment of ambitious young people to the Corporation will be stimulated.

(19) We foresee no serious increase in cost due to the withdrawal from the waterways of the common services provided by the Commission. Many of them cover the same functions as existing departments of British Waterways. We believe that it will be more economical in the long run for the waterways to have an organisation shaped to their purpose and whose cost can readily be ascertained.

Re-development

(20) We are in broad agreement with Chapter V of the report so far as it concerns the aims to be pursued in re-development. In particular we agree with paragraphs 144 to 149, but we differ from our colleagues on the means. If, as we have recommended, the waterways of the British Transport Commission are transferred to a new authority (IWC), a Waterways Re-development Board will not be necessary. The Board's functions are to prepare

schemes of re-development or elimination, or secure that others prepare them; to consult interested parties and conduct negotiations; to initiate procedure; and to exercise powers of enforcement. The Board of Survey's report recommended (paragraph 221) that unwanted waterways should be transferred to other authorities and all financial responsibility for adapting them to other purposes placed on the transferees. The Commission accepted this recommendation, and their attitude is not entirely unreasonable for, as our Report points out in paragraph 158, continuing responsibility of the Commission for waterways not included in the prescribed navigable system would place upon them a task very remote from their statutory duties as a national transport authority; to this we would add that the tasks of redevelopment and elimination, if carried out in conformity with the recommendations in Chapter V, are equally remote. Reasonable or not, however, the attitude suggests clearly enough what the Commission's approach to re-development would probably be; and the evidence given to us showed that there is a widespread feeling that they are concerned to abandon or dispose of all unwanted canals, without regard to any public interest larger than their own. If these waterways were to remain vested in the Commission, some means of allaying these misgivings would no doubt be needed, and the appointment of an independent body to stimulate and supervise re-development might appear expedient for that purpose.

(21) We do not believe that the new Board proposed will remove these difficulties. The procedure it must follow is complicated, the work painstaking, time-absorbing, and so extensive that a Board which includes but one full-time member and has only a small staff will be quite incapable of handling it, and its relations with the Commission will be very tender.

(22) Our proposal is that IWC should be constituted and organised specifically to deal with re-development and elimination (as well as with other matters).

(23) The procedure for re-development will then be briefly as follows:—

- (a) The first step will be that the owner of a waterway, whether nationalised or independent, or any interested party (e.g. local authority, drainage authority, riparian landowner) will apply to the Minister of Transport and Civil Aviation for a Re-development Review Order in respect of the whole or part of a waterway. (It is expected that IWC will apply for Orders for all their waterways not included in the prescribed navigable system, but possibly not all at once.)
- (b) The Minister makes the Order. The purpose of this stage is threefold:—
 - (i) to nominate the re-development authority;
 - (ii) to start the procedure of re-development review; and
 - (iii) to arouse local interest in re-development.
- (c) The Minister of Housing and Local Government appoints a Re-development Consultative Committee (RCC) for each scheme.*

* The purpose of this Committee is to encourage co-operation between the IWC (or other re-development authority) and all those interests which will be affected by re-development. It would consist of members selected because of their knowledge of local affairs. Thus it should include persons able to speak for the interests of the local authorities most closely concerned, and others with knowledge of the social, recreational and scenic interests to which the waterway had previously contributed or to which it might contribute after re-development. Members of these committees should be unpaid and should elect their own Chairman. Their number will partly depend upon the extent of the waterway involved and need not be prescribed. The IWC should provide secretarial facilities and pay the expense of meetings. We attach considerable importance to the valuable part these committees will play in securing the sense of co-operation and of joint purpose in the solution of what is a joint problem.

- (d) The re-development authority prepares a scheme.
- (e) The scheme is published together with the comments of the RCC. Interested parties are given an opportunity to object or make representations.
- (f) If no objections are made, the scheme is submitted to the Minister of Housing and Local Government (see (h) below);
- (g) If objections are made, the scheme and the RCC's report are referred to the War Works Commission.
- (h) The War Works Commission will hold an inquiry and approve, amend or reject the scheme. The approved or amended scheme is sent by the War Works Commission to the Minister of Housing and Local Government, who lays it with a confirming Order before Parliament. If the Minister amends the scheme he reports his reasons to Parliament. (The procedure on reference to the War Works Commission is the same as the current practice of that Commission and the same as recommended by our colleagues in paragraphs 151 to 154 of this Report.)
- (i) Executive action on the scheme will be carried out by those to whom functions are assigned in it. The re-development authority will be responsible for general supervision and co-ordination.

(24) As from the passing of the Act implementing these recommendations, the proposals in paragraph 140 of the Report should apply to IWC waterways. Similarly, as recommended in paragraph 160, they should apply to each independent waterway from the date of the Re-development Review Order for that waterway. A simple and cheap procedure by way of a magistrates' court should be available to those who wish to complain of non-compliance (as in Section 18 of the British Transport Commission Act, 1956).

(25) The making of a Re-development Review Order by the Minister of Transport and Civil Aviation will be purely an administrative act, and there should be no provision for objections or representations to it. The publication of the Order should, however, be accompanied by a request from the Minister for all interested parties to make forthwith suggestions for re-development to the re-development authority. The re-development authority will usually be IWC for its own waterways, but the possibility of some other party being selected if special circumstances demand is not to be excluded. For other waterways it will be at the discretion of the Minister to choose the owners, IWC, or some other party. (It is necessary to make provision for the use of IWC as the owners of some waterways can no longer be found, and the owners of others may prefer to have the expert services of IWC.) Where an independent waterway is brought under review, the provisions for the control of assets referred to in paragraph 162 would be exercised by the Minister and operate from the date of his Order.

(26) We believe that as IWC will be primarily a waterways authority (and not only a transport authority) and as it will be specifically organised and equipped to deal with re-development, a strong stimulus to re-develop will come from within the Corporation. The local consultative committee will promote co-operation with other interests involved and create a sense of partnership in solving complicated problems in which they have a common interest.

Finance

(27) Our recommendations will lose much of their point if we do not emphasize their financial aspects. Since vesting day in 1948 and for very

many years before, the waterways owned by the Commission have been running at a loss. The accumulated deficit on the trading accounts for the years 1948 to 1956 amounts to £1.9m. In the same period no contribution has been made towards interest charges on British Transport Commission Stock, capital redemption or central administration. At the rate of £500,000 annually referred to in paragraph 71 (where the value of the Commission's interest in the waterways is discussed) these would have amounted to about £4.5m. by the end of 1956 (footnote (1), page 26). There is no prospect of these arrears being met from the waterways' revenues. They are no longer a deficit; they are an irretrievable loss which should not be transferred to IWC.

(28) As capital charges have not been met in the past and as we see no better prospect for the future, we recommend that no British Transport Stock or its equivalent should be transferred to IWC. (It is not strictly within our terms of reference to make recommendations about the servicing of British Transport Stock or for the disposal of the accumulated deficits, but it seems inappropriate that after transfer these burdens should continue to be borne, as now, by other activities of BTC. On the other hand, BTC will be relieved of a continuing trading deficit on the waterways and of payments to transferees on re-development. We have considered whether because of this relief the Commission should make any payments to IWC, but as in any event it will be paid by the public, we have rejected it. If the Commission consider, as we do, that these burdens should not be carried by other parts of their business, no doubt they will discuss some form of relief with the Government.)

(29) Our recommendations for financing IWC are as follows:—

- (a) Class A waterways have an annual working surplus sufficient to maintain and improve them (but as recommended in Chapter IV, none of it must be used for the maintenance of other Classes). It may sometimes be desirable to carry out schemes of capital development in the national interest which on commercial grounds would not be viable; powers should, therefore, be given to the Minister in consultation with IWC to arrange for the necessary facilities from public sources. Such developments apart, Class A waterways should be self-supporting.
- (b) Class B waterways. The cost in excess of revenue must be met from public funds.
- (c) Nationalised waterways not included in the prescribed navigable system will also be a charge on public funds until they are re-developed. In addition, funds will be needed from time to time to finance those parts of re-development schemes which cannot be financed by existing Government grant services. (We notice that under our colleagues' recommendations these extra costs will be met by the Commission, and we assume that these would come from the profits of some other branches of the Commission's business.)
- (d) The Caledonian and Crinan Canals, like Class B waterways and nationalised waterways not included in the prescribed navigable system, will be a charge on public funds. (Our colleagues suggest that it may be preferable for these waterways to be transferred to the Secretary of State for Scotland. We believe it will be more efficient to transfer them with all other nationalised waterways to IWC. Scottish interests will be safeguarded through the Secretary of State's nominee on the Corporation.)

(30) We cannot make a close estimate of the annual cost, but the following is a guide. Class A waterways will be self-financing. The estimated annual deficit for the first five years on the remainder is as follows:—

	£
Class B waterways	1,200,000*
Nationalised waterways not included in the prescribed navigable system	246,000
The Caledonian and Crinan canals	64,000
	£1,510,000

* This figure includes the annual instalment of the reinstatement works recommended in paragraphs 104 and 105.

In addition, there will be some contributions to re-development. We can make no estimate of these as so much depends on the efficiency and speed at which re-development is achieved. As it is achieved the deficits on nationalised waterways not included in the prescribed navigable system should decrease.

(31) IWC should, therefore, be run as a public service substantially at the public expense and have no capital structure. It would submit annual estimates to the Treasury through the Minister. Organised in this way we believe that the waterways will cost the public less than if they are left with the Commission and saddled with a Re-development Board.

(32) The problems we have been asked to solve are of national moment and we can see no financial solution that will avoid the bill being paid by the nation. This is not new, but it has been largely unnoticed. Our solution will ensure that waterways worth developing for navigation will be developed and the remainder devoted to other uses. It will also ensure that the public, who have been paying for years, and who under any form of administration will continue to pay, will know that they are paying, and why. The accounts will still be in the red, but the public will no longer be in the dark. Most of the problems have existed since the beginning of the century, or earlier. Many reports have been written and little done. We hope that on this occasion the Minister will accept and implement the report as modified by these recommendations.

Summary of Alternative Recommendations

(33) Our recommendations are summarised below:

- (i) The whole undertaking of British Waterways (including their docks) and other waterways now vested in the British Transport Commission should be transferred to and vest in an Inland Waterways Corporation constituted as recommended in paragraph (13).
- (ii) Goole Docks and the Ouse Lower Improvement should also be transferred to the Corporation, but the latter should, by lease or licence, enable British Transport Docks to enjoy the facilities they need for shipping not connected with inland waterways.
- (iii) The inland waterway carrying services now operated by British Waterways should be operated by the Corporation as a self-financing, commercial concern.
- (iv) The Corporation should be organised to deal with the re-development or elimination of nationalised waterways not included in the prescribed navigable system.

- (v) The Corporation should be enabled to apply to the Minister of Transport and Civil Aviation to make a Re-development Review Order in respect of any waterway, or part thereof, not included in the prescribed navigable system. By the making of such an Order, the re-development authority should be nominated, the procedure of re-development review begun and local interest in re-development aroused.
- (vi) Following the making of a Re-development Review Order, the Minister of Housing and Local Government should appoint a Re-development Consultative Committee for the waterway concerned, so as to encourage co-operation between the re-development authority nominated by the Order and local interests which will be affected by re-development. Members should be selected for their knowledge of local affairs, including persons able to speak for local authorities concerned and other persons with knowledge of social, recreational and scenic interests.
- (vii) The re-development authority should prepare a scheme for the waterway concerned and publish it, together with the comments of the Re-development Consultative Committee.
- (viii) Procedure following publication should be as in recommendations (27) to (29) in Chapter XII.
- (ix) The Inland Waterways Corporation should normally be nominated as re-development authority for any nationalised waterway under review, but appointment of other parties should not be excluded. In ordering the review of any independent waterway, the Minister should have discretion to nominate the owners, the Corporation or any other party to be the re-development authority.
- (x) Legislation giving effect to these recommendations should impose upon the Inland Waterways Corporation, in relation to waterways vested in them, but not included in the prescribed navigable system, the obligations recommended in paragraph 140 of the Report, and similar requirements should apply to any independent waterway as from the making of a Re-development Review Order in respect of it.
- (xi) The scope and purposes of re-development review should in other respects be as recommended in Chapter V of the Report.
- (xii) No capital debt or accrued deficit should be transferred from the British Transport Commission to the Inland Waterways Corporation, which should be run as a public service, substantially at the public expense, and have no capital structure.
- xiii) Class A waterways should be operated as a self-financing commercial concern and, as recommended in Chapter IV (paragraph 94), any surpluses earned on them should not be diverted to the support of other waterways. The Minister should be empowered to make available to the Corporation, from public sources, funds for the carrying out in the national interest of schemes of capital development on waterways of Class A which on commercial grounds would not be viable.
- xiv) The cost of reinstatement of the Class B waterways and the working deficits of Class B waterways, of the Caledonian and Crinan

canals and of nationalised waterways not included in the prescribed navigable system, together with the Inland Waterways Corporation's contributions to re-development, should be met from public funds, the Corporation submitting annual estimates through the Minister of Transport and Civil Aviation to the Treasury.

(Signed) G. C. GODBER.
H. E. HOPTHROW.
FRANCIS RITCHIE.
MICHAEL E. ROWE.

APPENDIX A

ORGANISATIONS AND INDIVIDUALS SUBMITTING EVIDENCE

(Oral as well as written evidence was given by those marked *)

- *Advisory Panel on the Highlands and Islands.
Mrs. E. A. Airy.
"Angling Times".
- *Association of County Councils in Scotland.
- *Association of Drainage Authorities.
- *Association of Master Lightermen and Barge Owners.
- *Association of Municipal Corporations.
- *Association of Pleasure Craft Operators on Inland Waterways.
Bathavon Rural District Council.
- *Mr. G. L. H. Bird.
Brigham Sailing Club.
B.P. Refinery (Llandarcy) Ltd.
British Travel and Holidays Association.
- *British Waterworks Association.
Capt. H. E. Bulley.
Mr. A. J. Burkart.
Central Council of Scottish Chambers of Commerce.
- *Central Electricity Authority.
Chelmsford Boating Club.
- *Cheshire County Federation of Ratepayers and Kindred Associations.
- *Mr. E. W. H. Christie.
- *Clyde Yacht Clubs' Conference (also representing orally the views of the Clyde Cruising Club and the Royal Highland Yacht Club).
- *Coatbridge Burgh Council.
- *Country Landowners' Association.
- *County Councils Association.
Coventry City Council.
Messrs. Dodson and Pulman, Solicitors.
Mrs. Duffield.
Mr. D. H. Durbin.
Mr. L. A. Edwards.
Edinburgh Corporation.
- *Falkirk Burgh Council.
- *Federation of British Industries.
- *Firth of Forth Fishermen's Association.
- *Gas Council.
- *Glasgow and Clyde Ship Owners' Association.
- *Glasgow Corporation.
Mr. F. C. Gray.
The Headmaster, George Heriots School,⁽¹⁾
- *Herring Industry Board (also representing orally the views of the Scottish Herring Producers Association Ltd.).

Note: ⁽¹⁾ Letter written to the Under Secretary of State for Scotland and forwarded to the Committee.

- Mr. R. Hutchinson.
- *Inland Waterways Association.
- *John Gould (Waterways) Ltd.
Messrs. D. Johnston and Co.
Messrs. E. C. Jones and Son.
- *Kennet and Avon Canal Association.
Land Agents' Society.
London County Council.
- *Rt. Hon. Earl of Lucan.
- *"Maid Line" Cruisers, Ltd.
- *Manchester City Council.
Mr. John Miller.
Montgomeryshire Field Society.
- *National Association of Inland Waterway Carriers.
- *National Association of Parish Councils.
- *National Coal Board.
National Farmers' Union.
National Farmers' Union of Scotland.
- *National Federation of Anglers.
National Joint Council for the Inland Waterways Industry (Employees).
National Joint Council for the Inland Waterways Industry (Employers).
National Parks Commission.
- *National Union of Manufacturers.
National Union of Townswomen's Guilds.
- *Nature Conservancy.
New Basingstoke Canal Co., Ltd.
- *North of Scotland Hydro-Electric Board.
- *Oxford Canal Association.
Pedestrians Association for Road Safety.
Messrs. Peter Keay and Son.
- *Mr. R. S. W. Pollard.
Ramblers Association.
- Regional Boards for Industry:—
East and West Ridings
Eastern.
North Midland.
*Scottish.
Southern.
South Western.
Welsh.
- *River Boards' Association.
Rev. F. A. Roughton.
Royal Fine Art Commission.
Royal Yachting Association.
- *Rural District Councils Association.
- *Scottish Amateur Rowing Association.
- *Scottish Council (Development and Industry).
Scottish Gas Board.

- *Scottish Landowners' Federation.
Scottish Office.
 - *Scottish Tourist Board.
Mr. K. O. Shelford.
Mr. R. Shephard.
Rt. Hon. the Viscount Sidmouth.
Sinfen Moor Drainage Authority.
South of Scotland Electricity Board.
Stratford-on-Avon Canal Society.
Surrey Amenity Council.
Mr. J. A. Sutherland.
 - *Traders' Co-ordinating Committee on Transport.
 - *Urban District Councils Association.
Waterway Projects, Ltd.
Mr. G. H. Whetton.
Dr. D. White
 - *White Fish Authority (also representing in writing the Scottish Inshore White Fish Producers' Association, Ltd., the Scottish Herring Producers' Association Ltd. and the Clyde Fishermen's Association).
 - *Willow Wren Canal Carrying.
Mr. J. N. Wilson⁽¹⁾
 - *Wiltshire County Council.
- Oral evidence only was given by the following organisations:—
- Broads Joint Advisory Planning Committee.
 - Broads Yacht Owners Association.
 - Clyde Fishermen's Association.
 - East Suffolk and Norfolk River Board.
 - Federation of British Industries (Scottish Office).
 - Forestry Commission.
 - Great Yarmouth Port and Haven Commissioners.
 - Norfolk and Suffolk Yachting Association.
 - Oulton Broad Joint Committee.
- ⁽¹⁾ Letter written to Wing-Commander Grant Ferris, M.P., and forwarded by him to the Committee.

APPENDIX B

WATERWAYS OF THE BRITISH TRANSPORT COMMISSION (Grouped according to the Report of the Board of Survey) (References in paragraphs 27 and 39)

Group I

- Aire and Calder Navigation (including Ouse Lower Improvement).
- Gloucester and Sharpness Canal and the River Severn.
- Grand Union Canal (Regent's Canal Dock and Brentford-Berkhamsted).
- Sheffield and South Yorkshire Navigation.
- River Lee (below Enfield Lock).
- River Trent.
- River Weaver.

Appendix B (contd.)

Group II

Ashby Canal (used section).
Birmingham Canal Navigations.
Calder and Hebble Navigation.
Coventry Canal.
Fossdyke Canal.
Grand Union Canal (above Berkhamsted).
Kennet and Avon Canal (River Avon section).
Kensington Canal.
Leeds and Liverpool Canal.
Oxford Canal (northern section).
River Lee (above Enfield Lock) and River Stort.
St. Helens Canal.
Shropshire Union Canal (Main Line).
Staffordshire and Worcestershire Canal (but see below).
Stourbridge and Stourbridge Extension Canals.
Stratford-on-Avon Canal (northern section).
Trent and Mersey Canal.
Worcester and Birmingham Canal (but see below).
Ure Navigation.

Note: The Board recommended that "the Commission should carefully consider the facilities which these canals (i.e. Staffordshire and Worcestershire and Worcester and Birmingham) provide and the traffic at present carried, with the object of determining which of these two canals should be retained as a connection between the Severn and the Midlands system".

Group III

Ashby Canal (upper part).
Ashton, Peak Forest and Macclesfield Canals.
Barnsley Canal.
Bridgwater and Taunton Canal and River Tone Navigation.
Chesterfield Canal.
Cromford Canal.
Dearne and Dove Canal.
Erewash Canal.
Forth and Clyde Canal (including Monkland Canal).
Grand Western Canal.
Grantham Canal.
Huddersfield (Narrow) Canal.
Kennet and Avon Canal (Reading to Bath).
Lancaster Canal.
Manchester, Bolton and Bury Canal.
Monmouthshire and Brecon Canal.
Nottingham Canal.
Oxford Canal (southern section).
Pocklington Canal.
Ripon Canal.
Shropshire Union Canal (Welsh section).
Shropshire Union Canal (Montgomery and Shrewsbury sections).
Stratford-on-Avon Canal (southern section).
Swansea Canal.
Union Canal (Scotland).
Witham Navigation.

Group IV

Caledonian Canal.
Crinan Canal.

Other Commission Waterways Not Included in the Above Groups

Gravesend and Higham Canal.
Haddiscoe Cut.
Stover Canal.

APPENDIX C

**FIXED ASSETS AND WORKING RESULTS OF BRITISH TRANSPORT
COMMISSION INLAND WATERWAYS**

TABLE I

***Statement of Fixed Assets at 31st December, 1956**
[Reference in paragraph 70]

	£	£	
<i>Land, buildings, docks, canals and other works</i> (Renewals of these assets are dealt with as a revenue charge)			
Non-carrying operations	22,127,972		Note 1
Docks, harbours and wharves	1,461,914		Note 2
		23,589,886	
	Gross Book Value	Accumulated Depreciation	Net Book Value
	£	£	£
<i>Craft, vehicles, plant and equipment</i>			
Carrying operations	675,795	388,382	287,413
Non-carrying operations	1,704,236	849,584	854,652
Docks, harbours and wharves	209,698	137,447	72,251
	£2,589,729	£1,375,413	£1,214,316
			1,214,316
TOTAL FIXED ASSETS (at book values)			£24,804,202
			Note 6

- Notes:*
1. This figure is taken from the published accounts of the B.T.C. for 1956 on V-4 page 33, and V-10, page 57.
 2. This figure is included in docks, harbours and wharves on V-4, page 33, and V-10, page 57, of the 1956 published accounts.
 3. These figures are taken from the 1956 published accounts:—
Gross book value—V-4, page 32, and V-8, page 43.
Depreciation—V-4, page 32, and V-9, page 49.
 4. These figures are taken from the 1956 published accounts:—
Gross book value—V-4, page 32, and V-8, page 45.
Depreciation—V-4, page 32, and V-9, page 51.
 5. These figures are included in docks, harbours and wharves in the 1956 published accounts:—
Gross book value—V-4, page 32, and V-8, page 45.
Depreciation—V-4, page 32, and V-9, page 51.
 6. No adjustment is made in this total in respect of the £8 million referred to in paragraph 70.

TABLE II

Non-Carrying Operations—Working Results

(A) ANALYSIS OF GROSS RECEIPTS

(The Groups referred to are those adopted by the Board of Survey Report—see Appendix B)
[Reference in paragraph 74]

	Group I		Group II (a)		Group III		Group IV		Railway Canals (b)		Total	
	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956
Tolls and dues	£ 968,579	£ 991,541	£ 216,542	£ 225,018	£ 6,067	£ 6,171	£ 14,400	£ 14,996	£ 2,432	£ 2,455	£ 1,208,020	£ 1,240,181
Wharfage and handling charges	120,312	162,140	78,616	89,745	441	428	1,237	1,629	—	—	200,606	253,942
Warehousing and other rents:—												
Warehousing	53,561	64,928	75,940	83,372	544	583	—	—	—	—	130,045	148,883
Water	80,318	98,692	180,091	185,718	101,733	113,884	237	238	387	396	362,766	398,928
Other	130,427	146,677	122,175	125,591	46,089	47,012	2,579	2,533	—	—	301,270	321,813
Miscellaneous:—												
Hire of craft...	13,054	16,884	7,256	7,138	792	591	14	240	—	—	21,116	24,853
Road delivery services	7,895	118,844	49,506	69,574	—	—	—	—	3	3	57,404	188,421
Other...	62,357	35,514	22,488	44,614	4,390	4,610	1,516	534	—	—	90,751	85,272
	£1,436,503	£1,635,220	752,614	830,770	160,056	173,279	19,983	20,170	2,822	2,854	2,371,978	• 2,662,293

Reference to the Commission's published Accounts for 1956, VI-10.

(a) Figures for the Kensington Canal are excluded from Group II and included under Railway Canals.

(b) i.e., the Kensington Canal, the Gravesend and Higham Canal, the Haddiscoe Cut and the Stover Canal—see paragraph 53.

(c) The Commission's Report for 1956 records in paragraph 306 instances in which the 1955 figures are not strictly comparable.

(B) ANALYSIS OF WORKING EXPENSES

(The Groups referred to are those adopted by the Board of Survey Report—see Appendix B)
[Reference in paragraph 74]

	Group I		Group II (a)		Group III		Group IV		Railway Canals (b)		Total	
	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956	1955 (c)	1956
Wages of toll clerks, lock-keepers, etc. ...	£ 211,545	£ 240,394	£ 138,078	£ 134,201	£ 20,713	£ 21,131	£ 31,476	£ 34,165	£ 879	£ 985	£ 402,691	£ 430,876
Maintenance of canals, structures, plant and equipment:—												
Salaries and wages	338,660	354,986	403,341	434,500	199,923	229,587	18,260	19,071	974	1,357	961,158	1,039,501
Stores and materials	204,842	184,205	135,108	150,987	30,930	51,906	6,867	16,009	—	—	377,747	403,107
Outside contracts	68,179	109,798	44,073	45,784	24,971	16,773	—	4,920	—	—	137,223	177,275
Administration (engineering)	40,009	51,741	51,075	56,893	23,386	23,576	637	711	—	—	115,107	132,921
Depreciation of plant and equipment	32,010	46,546	23,367	28,047	2,913	3,515	785	641	—	—	59,075	78,749
Water Supply...	5,988	6,114	24,901	31,872	5,275	5,542	—	—	—	—	36,164	43,528
Compensation for damage or loss of goods, property, etc. ...	(54)	218,094	140	1,728	5,262	4,646	—	—	—	—	9,181	6,320
General	169,116	—	160,895	189,581	56,626	60,823	6,305	7,210	278	297	393,220	476,005
Miscellaneous expenses:—												
Hire of plant	—	—	—	67	—	—	—	—	—	—	—	67
Rents including amortisation	6,608	6,548	20,629	20,296	19,014	19,837	109	110	—	—	46,360	46,791
Others	52,420	100,591	55,009	64,904	2,077	1,904	1,143	1,199	15	17	110,664	168,615
	£1,133,156	£1,318,963	£1,056,616	£1,158,860	£391,090	£439,240	£65,582	£84,036	£2,146	£2,656	£2,648,590	£3,003,755
Less: transfer from Maintenance Equalisation Account ...	73,775	50,176	31,233	(8,497)	—	—	—	—	—	—	105,008	41,679
	£1,059,381	£1,268,787	£1,025,383	£1,167,357	£391,090	£439,240	£65,582	£84,036	£2,146	£2,656	£2,543,582	£2,962,076

References to the Commission's published Accounts for 1956, VI-10.

(a) Figures for the Kensington Canal are excluded from Group II and included under Railway Canals.

(b) i.e., the Kensington Canal, the Gravesend and Higham Canal, the Haddiscoe Cut and the Stover Canal—see paragraph 53.

(c) The Commission's Report for 1956 records in paragraph 307 instances in which the 1955 figures are not strictly comparable.

TABLE III
Carrying Operations—Working Results
[Reference in paragraph 74]

1955(a) £		£	£	1956 £
<i>Gross Receipts</i>				
<i>Freight:—</i>				
973,504	Water conveyance	954,582		
40,852	Road conveyance	43,746	998,328	
2,614	Hire of craft and plant	3,836		
7,190	Miscellaneous	20,846	24,682	
<u>1,024,160</u>				1,023,010
<i>Less: Working Expenses</i>				
<i>Operation of craft and road vehicles:—</i>				
219,071	Salaries and wages	197,343		
55,393	Stores and materials	61,196	258,539	
<i>Maintenance of craft and road vehicles:—</i>				
93,654	Salaries and wages	125,712		
68,117	Stores and materials	67,849		
23,640	Outside contracts	44,660		
14,602	Administration (engineering)	14,027	252,248	
20,339	Depreciation of craft and road vehicles		16,832	
<i>Other traffic expenses:—</i>				
177,513	Payments to sub-contractors	79,225		
96,069	Terminal services	275,600		
8,797	Compensation and insurance for damage, etc. to goods	4,230	359,055	
210,458	Inland Waterways tolls		201,112	
135,419	General		104,642	
<u>1,123,072</u>				1,192,428
<u>£98,912</u>	Net deficit for the year			<u>£169,418</u>

Reference to 1956 B.T.C. Accounts VI-8.

(a) The Commission's Report for 1956 records in paragraphs 299 and 300 instances in which the 1955 figures are not strictly comparable.

TABLE IV
Docks, Harbours and Wharves—Working Results
[Reference in paragraph 74]

1955 £		£	£	1956 £
<i>Gross Receipts</i>				
<i>Dock dues:—</i>				
34,525	Ships	29,833		
33,273	Goods	26,983	56,816	
2,158	Wharf and pier dues—goods		2,547	
3,065	Dock railways		2,453	
903	Dry docks		1,475	
27,332	Warehousing and other rents		26,443	
515,863	Discharging, loading and other services		515,040	
2,030	Miscellaneous		3,280	
<u>519,149</u>				608,054
<i>Less: Working Expenses</i>				
<i>Operating expenses:—</i>				
21,519	Docks, harbours and wharves	21,064		
3,496	Dock railways	2,590		
176,558	Cranes, hoists and tips	385,289	408,943	
<i>Maintenance and renewal:—</i>				
31,004	Docks, harbours and wharves	30,961		
7,922	Dock railways	6,562		
12,621	Buildings	14,586	52,109	
22,012	Maintenance of cranes, hoists, tips and tugs		23,818	
11,480	Dredging including maintenance of dredging plant		24,108	
6,021	Depreciation of cranes, hoists, tips and tugs		6,167	
2,971	Compensation for damage or loss of goods, property, etc.		2,399	
59,500	General		81,318	
13,863	Miscellaneous		13,767	
<u>18,967</u>			612,629	
2,000	Add: transfer to Maintenance Equalisation Account		10,763	
<u>0,967</u>				623,392
<u>8,182</u>	(Surplus) Net deficit for the year			<u>£15,338</u>

The above figures are included in VI-9 of the 1956 B.T.C. Accounts.

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APPENDIX D

DETAILS OF MAJOR IMPROVEMENTS CONTAINED IN THE BRITISH TRANSPORT COMMISSION'S £5½ MILLION IMPROVEMENT PROGRAMME

(Reference in paragraph 81)

The following are the major improvements on selected waterways which are already in hand, or for which contracts have been let:

- (a) In the North Western Division, the River Weaver Navigation is being improved by the re-alignment of bends and the mechanisation of locks. These works will increase the waterway's capacity by enabling vessels to navigate more easily and at higher speed.
- (b) In the North Eastern Division, works of the same kind will similarly speed the passage of craft on the Aire and Calder Navigation and enable it to carry more traffic. The chief boat repair centre for the northern area of the Division will be enlarged and improved. On the Sheffield and South Yorkshire Navigation, the provision of a new lock at Long Sandall will enable the standard 250-ton Aire and Calder craft and trains of compartment boats, hitherto unable to reach Doncaster, to reach a point beyond that town and some seven miles further inland than at present. On the River Trent, traffic will be facilitated by new or strengthened weirs, the mechanisation of locks and the extension of the lowest lock (Cromwell Lock) to accommodate eight standard Trent barges or three large oil tankers at once.
- (c) In the South Western Division, works to improve the River Severn and the Gloucester and Sharpness Canal include widening of the channel, the provision of a new lock at Gloucester to accommodate either a large and a small tanker, or two small tankers, thus relieving congestion, the mechanisation of the principal locks on the Severn and the reconstruction of ten swing bridges.
- (d) In the South Eastern Division, improvements to the Grand Union Canal between London and Berkhamsted, which include dredging and the reconstruction of Thames and Brentford Locks and certain lock sills, culverts and bridges, will enable the Lee-type barges of 135 tons to reach the wharves and warehouses at Brentford Depot, and craft carrying at least 90 tons to navigate as far as Berkhamsted. On the River Lee (below Enfield Lock) the duplication of locks at Tottenham, Stonebridge, Picketts and Ponders End, each capable of taking the 135-ton Lee barge, will relieve congestion of traffic.

Bank protection work and new dredging plant are part of all these programmes.

APPENDIX E

WORKING RESULTS OF THE PRESCRIBED NAVIGABLE SYSTEM

TABLE I
Class A Waterways
[Reference in paragraph 99]

Waterway		Gross Receipts	Working Expenses	Surplus	Deficit
		£	£	£	£
Aire and Calder Navigation	1955	407,664	182,586	225,078	—
	1956	449,240	244,863	204,377	—
Fossdyke Canal	1955	9,673	19,500	—	9,827
	1956	10,747	19,508	—	8,761
Gloucester and Sharpness Canal	1955	199,576	162,790	36,786	—
	1956	195,447	155,611	39,836	—
Sharpness Dock	1955	125,426	110,759	14,667	—
	1956	102,617	104,542	—	1,925
River Severn	1955	110,024	90,210	19,814	—
	1956	142,004	113,609	28,395	—
Grand Union Canal (Berkhamsted to Brentford)	1955	250,041	242,682	7,359	—
	1956	267,438	262,963	4,475	—
Regent's Canal Dock	1955	462,797	431,619	31,178	—
	1956	468,620	467,852	768	—
Kennet and Avon Canal (Avon section)	1955	1,535	3,923	—	2,388
	1956	1,297	4,137	—	2,840
River Lee (below Enfield Lock)	1955	107,775	82,922	24,853	—
	1956	108,411	92,471	15,940	—
Sheffield and South Yorkshire Navigation	1955	119,250	98,094	21,156	—
	1956	157,698	125,664	32,034	—
River Trent	1955	154,936	186,016	—	31,080
	1956	218,857	236,585	—	17,728
River Weaver	1955	83,183	87,856	—	4,673
	1956	91,916	87,197	4,719	—
Weston Point Dock	1955	30,926	36,589	—	5,663
	1956	36,817	40,235	—	3,418
River Witham	1955	10,935	18,158	—	7,223
	1956	9,518	17,317	—	7,799
Revenue from advertising on the above waterways	1956	4,209	—	4,209	—
TOTALS	1955	£2,073,741	£1,753,704	£380,891	£60,854
	1956	£2,264,836	£1,972,554	£334,753	£42,471

NET SURPLUSES ... 1955 £320,037
1956 £292,282

Note: These figures are not adjusted by transfers to or from the Maintenance Equalisation Account.

TABLE II
Class B Waterways

Waterways		Gross Receipts	Working Expenses	Surplus	Deficit
		£	£	£	£
Ashby Canal (used section) ...	1955	2,050	7,916	—	5,866
	1956	1,504	7,837	—	6,333
Birmingham Canal Navigations ...	1955	213,142	186,647	26,495	—
	1956	238,408	210,313	28,095	—
Calder and Hebble Navigation ...	1955	28,021	44,761	—	16,740
	1956	32,221	45,100	—	12,879
Coventry Canal	1955	18,516	34,025	—	15,509
	1956	20,341	34,797	—	14,456
Grand Union Canal (above Berkhamsted).	1955	183,518	248,110	—	64,592
	1956	210,964	272,265	—	61,301
Kensington Canal	1955	969	46	923	—
	1956	749	41	708	—
River Lee (above Enfield Lock) ...	1955	22,134	15,264	6,870	—
	1956	20,090	11,291	8,799	—
River Stort	1955	707	4,265	—	3,558
	1956	908	4,422	—	3,514
Leeds and Liverpool Canal ...	1955	120,369	201,607	—	81,238
	1956	127,449	259,965	—	132,516
Oxford Canal (North and South Sections).	1955	20,171	40,056	—	19,885
	1956	20,062	46,187	—	26,125
St. Helens Canal	1955	12,220	14,634	—	2,414
	1956	10,110	16,419	—	6,309
Shropshire Union Canal (Main Line).	1955	35,633	84,956	—	49,323
	1956	55,362	80,853	—	25,491
Stourbridge and Stourbridge Extension Canals.	1955	4,459	2,810	1,649	—
	1956	3,288	3,720	—	432
Stratford-on-Avon Canal (Northern section).	1955	1,936	8,482	—	6,546
	1956	1,796	4,607	—	2,811
Trent and Mersey Canal	1955	48,678	114,115	—	65,437
	1956	49,677	104,214	—	54,537
Worcester and Birmingham Canal	1955	15,576	22,449	—	6,873
	1956	16,902	28,879	—	11,977
TOTALS	1955	£728,099	£1,030,143	£35,937	£337,981
	1956	£809,831	£1,130,910	£37,602	£358,681

NET DEFICITS ... 1955 £302,044
1956 £321,079

Note: These figures are not adjusted by transfers to or from the Maintenance Equalisation Account.

APPENDIX F

TREATMENT OF BRIDGES ON CLOSED NARROW CANALS IN SHROPSHIRE (Reference in paragraph 134)

There are sixty-six miles of closed narrow canals in Shropshire which are crossed by fifty-seven bridges carrying county roads and three bridges carrying trunk roads. When the canals were closed under the L.M.S. Railway (Canals) Act, 1944, provision was made for the bridges to be transferred to the Highway Authority (in most cases the County Council). The Railway Company paid to the County Council the sum of £19,475 in respect of fifty-five bridges transferred to them, an average of £354 per bridge representing the capitalised value of the maintenance expenditure saved to the Railway Company.

The Highway Authority are at liberty to deal with the bridges as they see fit but they are under an obligation to repay to the Canal Authority any additional expense in maintaining the canal reasonably incurred by them by reason of any alteration of any of the bridges.

The following tables show the cost at 1957 figures of dealing with those bridges which have been reconstructed. Bridge No. 12 was in fact reconstructed just before the war with full headroom and has been included (at corrected figures) as a typical case for this type of work. The actual cost of dealing with the abandoned bridges naturally varies according to the circumstances both of the waterway and of the road. The bridges listed below include every type of road from unclassified road to trunk road.

TABLE I

Canal bridges replaced by solid embankments with no more than a 6" pipe for drainage

Name of Bridge	Culvert	Roadworks, etc.	Total
	£	£	£
1. Uffington (dewatered) ...	—	5,700	5,700
2. Shade Oak (dewatered) ...	—	3,400	3,400
3. Hordley Grove (dewatered) ...	—	4,200	4,200
4. Madeley (dewatered) ...	—	4,700	4,700

TABLE II

Bridges replaced by low culverts, the minimum size of which is determined by the need for access for maintenance purposes, i.e. a pipe of 2' 0" diameter with provision for blocking for canal maintenance purposes

Name of Bridge	Culvert	Roadworks, etc.	Total
	£	£	£
5. Queen's Head	2,800	2,550	5,350
6. Redwith	1,860	3,440	5,300
7. Brick-kiln	1,800	2,500	4,300
8. Berwick Wharf	2,400	2,800	5,200
9. Berwick Wharf	1,100	2,900	4,000
10. Wheat Leasowes	900	1,400	2,300
11. Trench Lock	3,770	770	4,540

TABLE III

Bridges reconstructed with full 7' 6" headroom

Name of Bridge	Bridge	Roadworks, etc.	Total
	£	£	£
12. Wrexham Road	10,100	7,800	17,900
13. St. Martins Moor	3,640	4,960	8,600
14. Grindley Brook	6,950	9,900	16,850

TABLE IV
Timber lifting bridges replaced by fixed reinforced concrete slabs

Name of Bridge	Bridge	Roadworks, etc.	Total
	£	£	£
15. Isombridge	240	35	275
16. Marsh Green	275	60	335
17. Rodington	275	25	300

TABLE V
Timber lifting bridge renewed to existing strength (4 ton axle load)

Name of Bridge	Bridge	Roadworks, etc.	Total
	£	£	£
18. Brick Walls	350	—	350
19. Windmill Lane	280	—	280

TABLE VI
Timber deck bridge renewed in reinforced concrete slab and carriageway hump removed

Name of Bridge	Bridge	Roadworks, etc.	Total
	£	£	£
20. Withington (Lees Road) ...	740	500	1,240

APPENDIX G

GOVERNMENT GRANTS FOR WHICH SOME PROCESSES IN THE RE-DEVELOPMENT OR ELIMINATION OF WATERWAYS MAY QUALIFY

(Reference in paragraph 148)

1. Agriculture. (Source: Ministry of Agriculture, Fisheries and Food).

(i) Land Drainage

If a land drainage authority took over a waterway as a drainage channel and carried out upon it works of *bona fide* drainage improvement, such works would be eligible for grant under S. 55 of the Land Drainage Act, 1930 (if carried out by a river board) or S. 15 of the Agriculture Act, 1937 (if by an internal drainage board). (Rate of grant: for river boards, variable according to circumstances. May range up to 75 per cent. for non-tidal works. For internal drainage boards, normally 50 per cent.)

If the elimination of a waterway detrimentally affected the drainage of adjoining land, and works were necessary in order to restore adequate drainage, the cost could attract grant under the Agriculture (Miscellaneous War Provisions) Act, 1941, as extended by the Agriculture Act, 1947, and the Agriculture (Miscellaneous Provisions) Act, 1954. (Rate of grant: 50 per cent.)

(ii) Land Improvement

Grants may be available in some circumstances to farmers towards the cost of reclaiming for agriculture the site of an eliminated canal. (Rate of grant variable.)

(iii) Water Supply

If the draining and filling in of a waterway deprived a farmer of water supplies and necessitated substitution of alternative supplies, grant might be considered.

2. Public Health, Planning and Development. (Source: Ministry of Housing and Local Government.)

(i) Rural Water Supplies

A canal or reservoir might figure in a rural water scheme attracting grant under the Rural Water Supply and Sewerage Acts. (Rate of grant variable.)

(ii) Town Development

A canal or reservoir might feature in a town development scheme attracting grant under the Town Development Act, 1952. (Rate of grant: 50 per cent.)

(iii) Recreational Purposes

Approved works for the improvement of a waterway in a National Park area, to make it fit for recreational use, could attract grant under the National Parks and Access to the Countryside Act. (Rate of grant: up to 100 per cent.)

(iv) Urban Re-development: Areas of Extensive War Damage, Bad Lay-out or Obsolete Development

If a waterway is included in an area of comprehensive development in course of re-development under the Town and Country Planning Acts with the aid of planning grants, works in connection with the waterway may possibly come within the definition of clearing and preliminary development. The inclusion of those works would depend upon the value of the land to be made available, in relation to the cost of the works. (Rate of grant: 50 per cent. of notional loan charges on expenditure, payable annually for a period not exceeding 60 years.)*

(v) Reclamation of Derelict Land

Planning grants may be made for this purpose, primarily towards the cost of removing spoil heaps or reclaiming the site of surface mineral workings. If a general derelict area included a waterway, the filling in or reclamation of the relative length of waterway could be considered for grant as part of the wider scheme. As in (iv) above, the question of cost as compared with the final return would be decisive.*

(vi) Acquisition, Clearing, and Development of Land for Public Open Space

Grants may be available under the Town and Country Planning Acts on much the same basis as at (iv) and (v) above. (Rate of grant: 50 per cent.-75 per cent.)*

* If the Local Government Bill now before Parliament becomes law, these grants will (with certain exceptions relating to war-damaged areas) be merged in the general grant after the 31st March, 1959.

3. Bridges. (Source: Ministry of Transport and Civil Aviation)

(i) Improvement

The cost incurred by highway authorities in improving bridges carrying, or crossing over, highways vested in them attracts grant at rates which vary according to the classification of the road. Where the bridge is not

Appendix G (contd.)

vested in the highway authority, grant is only payable towards any contribution made by them, under an agreement with the bridge owners, in respect of improvement works which are of benefit to the highway.

Rates of grant are:

	Per cent.
For Class I roads	75
For Class II roads	60
For Class III roads	50
Unclassified roads attract no grant.	

(ii) *Maintenance*

Maintenance (which includes "minor improvement") of bridges vested in a highway authority attracts grant at the above rates, except in "block-granted areas", i.e. county boroughs in England and Wales and large burghs in Scotland.

(iii) *Transfer of Bridges*

Machinery exists under the Bridges Act, 1929, for securing the transfer of road bridges from private owners to highway authorities. The transfer of a bridge to vest in the highway authority attracts no grant. If it is brought about—as is not uncommon—in conjunction with a scheme for the improvement of the bridge, the highway authority's contribution attracts grant at the appropriate rate, as indicated in (i) above; and in any case their subsequent expenditure on maintenance will attract classification grant, as indicated in (ii) above. Transfers commonly include the payment of a capital sum by the private owners in commutation of the maintenance liability transferred with the bridges; as grants are payable on *net* cost to highway authorities, such capital payments are credited to the maintenance account, i.e., they are excluded from grant-earning expenditure.

(iv) *Trunk Roads*

With a few special exceptions, all bridges carrying trunk roads were vested in the Minister by the Trunk Roads Act, 1946, and thus no bridge carrying a trunk road over a canal remains vested in the canal undertaking. If any existing road becomes a trunk road in future, the same position will be applied as an automatic consequence of "trunking" the road.

(v) *Special Grants*

The only unusual rate of grant paid by the Minister is 100 per cent. in respect of expenditure on additional strength or extra dimensions (including headroom over the road) over and above the Ministry's standards, provided on bridges on the national grid of routes for abnormally heavy and bulky loads.

APPENDIX H

OPERATING STATISTICS FOR THE CALEDONIAN AND CRINAN CANALS AND WORKING RESULTS FOR THE FORTH AND CLYDE, MONKLAND AND UNION CANALS

TABLE I

[Reference in paragraph 188]

Caledonian Canal—Operating Statistics

	1951	1952	1953	1954	1955	1956
Traffic						
Commercial craft (Nos.)	176	146	146	96	118	107
Fishing Vessels (Nos.) ...	569	504	448	546	439	448
Other Craft (Nos.) ...	130	136	144	140	103	141
TOTAL (Nos.) ...	875	786	738	782	660	696
Coal (Tons)	1,083	Nil	Nil	Nil	Nil	584
Liquids (Tons)	2,330	871	308	230	557	564
Other (Tons)	25,010	22,727	20,397	11,999	19,175	24,356
TOTAL (Tons) ...	28,423	23,598	20,705	12,229	19,732	25,504
Income (£)						
Tolls and Dues	7,751	6,707	6,991	6,082	6,649	7,336
Wharfage and Handling Charges	Nil	315	378	414	95	71
Water Rents	94	167	226	225	226	226
Other Rents	1,504	1,517	1,502	1,512	1,519	1,538
Miscellaneous	139	561	378	120	1,445	701
TOTAL (£)	9,488	9,267	9,475	8,353	9,934	9,872
Expenditure (£)						
Maintenance	12,166	12,227	13,241	13,050	13,567	26,533
Other	25,022	31,551	27,284	28,787	29,127	31,588
TOTAL (£)	37,188	43,778	40,525	41,837	42,694	58,121
Net Deficit (£)	27,700	34,511	31,050	33,484	32,760	48,249

TABLE II
Crinan Canal—Operating Statistics

	1951	1952	1953	1954	1955	1956
Traffic						
Commercial Craft (Nos.)	963	945	840	738	787	701
Fishing Vessels (Nos.) ...	712	627	438	462	435	388
Other Craft (Nos.) ...	689	719	697	749	725	701
TOTAL (Nos.) ...	2,364	2,291	1,975	1,949	1,947	1,790
Coal (Tons) ...	35,264	32,423	32,855	33,690	28,703	26,055
Liquids (Tons) ...	6,400	5,787	4,718	4,551	5,294	5,277
Other (Tons) ...	24,498	26,351	21,258	17,772	17,114	16,893
TOTAL (Tons) ...	66,162	64,561	58,831	56,013	51,111	48,225
Income (£)						
Tolls and Dues ...	8,325	8,611	8,535	7,730	7,751	7,660
Wharfage and Handling Charges ...	182	454	556	1,262	1,142	1,558
Water Rents ...	12	12	12	12	11	12
Other Rents ...	896	951	993	1,027	1,060	995
Miscellaneous ...	144	87	363	77	85	73
TOTAL (£) ...	9,559	10,115	10,459	10,108	10,049	10,298
Expenditure (£)						
Maintenance ...	12,302	12,165	12,379	12,388	12,197	14,178
Other ...	8,569	11,642	10,079	10,303	10,691	11,737
TOTAL (£) ...	20,871	23,807	22,458	22,691	22,888	25,915
Net Deficit (£) ...	11,312	13,692	11,999	12,583	12,839	15,617

TABLE III
Forth and Clyde Canal—Working Results

	Gross Receipts	Working Expenses	Deficit
	£	£	£
1955 ...	29,545	65,286	35,741
1956 ...	36,456	99,291	62,835

Monkland Canal—Working Results

	Gross Receipts	Working Expenses	Deficit
	£	£	£
1955 ...	5,720	7,110	1,390
1956 ...	7,145	8,340	1,195

Union Canal—Working Results

	Gross Receipts	Working Expenses	Deficit
	£	£	£
1955 ...	5,250	9,135	3,885
1956 ...	7,198	12,203	5,005

APPENDIX J

DEFECTS OF EXISTING PROCEDURES FOR ABANDONMENT OF INLAND WATERWAYS OR CLOSURE TO NAVIGATION (Reference in paragraph 273)

(1) Three procedures are used in practice for dealing with inland waterways which are disused for navigation, or derelict:—the provisions of the Land Drainage Act, 1930, sections 40 and 41; abandonment by warrant and order under section 45 of the Railway and Canal Traffic Act, 1888 (as amended, in relation to Waterways vested in the British Transport Commission, by section 37 of the Transport Act, 1947); and the promotion of private legislation.

(2) The scope and purposes of sections 40 and 41 of the Land Drainage Act, 1930, are briefly outlined in Chapter I, paragraph 21, in which the limited application of these powers, and other reasons for their infrequent use, are mentioned.

(3) The procedure of section 45 of the Railway and Canal Traffic Act, 1888, allows a canal company to apply to the Minister (originally, to the Board of Trade) for a warrant authorising the abandonment of a canal, which he may issue if it appears to him that the canal is *unnecessary* for the purposes of public navigation. Application may similarly be made by local authorities or by owners of land adjoining a *derelict* canal, in which case the Minister may issue the warrant if satisfied that the canal has been disused for at least three years, or that the owners have allowed it to become unnavigable or injurious to adjoining land, and cannot or will not repair it. Certain conditions must be satisfied before a warrant is issued in respect of an *unnecessary* canal, notably that compensation has been made to all persons entitled to compensation by reason of the proposed abandonment. After the issue and publication of the warrant (which, of itself, appears to have no legal effect), the Minister may make an order releasing the owners from all liability to maintain the canal, and all statutory or other obligations in respect of it, or of its abandonment.

(4) Where a *derelict* canal is concerned, the Minister has discretion to make the issue of a warrant conditional upon arrangements for the transfer of the canal to a local authority or other body or person, and to make a Provisional Order embodying a scheme for its future management by the transferee.

(5) The provisions relating to *unnecessary* canals are seriously defective. The section, whilst empowering the Minister to determine the amount of compensation, gives no indication of the persons entitled, the grounds of their entitlement or the basis of assessment. Payment of compensation is, however, a condition precedent to the issue of a warrant, and in the absence of procedure for settling claims, agreement between the applicants and any claimants is the only alternative. Claims may be both numerous and substantial and some applications for abandonment have been inconclusive because negotiations have broken down.

(6) A further defect is the lack of any provision enabling the Minister to attach to the warrant, or order, conditions for the protection of parties interested in the use of the canal for purposes other than navigation, or in its proper maintenance, or effective disposal, after abandonment. The making of an abandonment order absolves the owners from all responsibilities in respect of the canal, and the only means available for adjusting such matters is agreement between the applicants and the other parties concerned before an order is made. There is thus no means of providing selectively for the retention of useful functions of the canal.

(7) A local authority or other approved party can only take the initiative in respect of *derelict* canals, and the provisions concerning these are also defective. It is believed that they do not empower the Minister to authorise abandonment on condition that the canal or its site should be used for some purpose other than navigation. Moreover, whilst the provisions relating to *unnecessary* canals contain requirements as to compensation which are almost unworkable, those applicable to *derelict* canals are silent upon that matter.

APPENDIX K

OUTLINE OF PROPOSED LEGISLATION (Reference in paragraph 274)

PART 1

I. Definitions

"Waterway" includes all land, buildings, works and other assets which vest in the British Transport Commission by virtue of the transfer to them of any waterway undertaking under the Transport Act, 1947, or which have since been acquired by the Commission for the purposes of any such undertaking or which are vested in the owners of any independent waterway: but does not include Goole Docks or the Ouse Lower Improvement.

"The prescribed navigable system" means the waterways specified in Chapter IV, paragraph 92 as Class A or Class B waterways.

"Class C waterways" means all other waterways now vested in the British Transport Commission, except the Caledonian and Crinan Canals.

"Independent waterway" means any waterway which is not now vested in the British Transport Commission, but is subject to any private Act or Charter providing for navigation thereon.

"Passenger-carrying vessels" includes vessels used for pleasure, recreation and exercise as well as vessels carrying passengers for reward.

"The appointed day" means the day on which the Act comes into force.

"The Minister" means the Minister of Transport and Civil Aviation.

"The Commission" means the British Transport Commission.

"The Board" means the waterways Re-development Board (see Chapter V, paragraph 139).

"Public authority" includes the councils of counties, county boroughs and county districts, drainage authorities and any statutory undertaking.

"Scheme" means a scheme for the re-development or elimination of a waterway or part of a waterway (see Chapter V, paragraphs 127 and 128).

II. Repeals

1. All private Acts or Charters relating to all Class A, B or C waterways shall cease to have effect.

2. All provisions in public general Acts relating to the maintenance or management of inland waterways, or their abandonment, shall cease to have effect.

It is not desired to affect the provisions of the Transport Act, 1947, relating to the vesting of waterways in the Commission, or (except as recommended in Chapter V, paragraph 161 of the Report) the provisions of any private Act relating to the partial abandonment, closure or disposal of any waterway of Class A, B, or C. Nor is it desired (except as far as may be required for any re-development scheme) to affect the application to waterways of any provisions of either public or private Acts which deal with the powers of other public authorities in relation thereto. An example would be sections 40 and 41 of the Land Drainage Act, 1930.

III. Sources of Water Supply

1. The Commission shall continue to enjoy in relation to every waterway vested in them the same sources of supply in the manner and to the extent that they enjoyed them at the appointed day.

2. The Commission shall be able to apply to augment existing supplies or develop additional sources of supply under the Water Act, 1945, and the Water (Scotland) Act, 1946.

(8) The section was enacted at a time when there was much concern about the decline of canals and their abandonment by their owners, particularly by canal-owning railway companies, and was evidently intended to make difficult the abandonment of canals which were still useful for transport, or could be restored therefor. In practice, the obstacles it presents to abandonment have discouraged either canal owners or other interested parties from seeking a solution to the difficulties by this procedure, and it is rarely used.

(9) Section 37 of the Transport Act, 1947, amended section 45 of the Act of 1888, in relation to canals vested in the British Transport Commission. It was intended to remedy certain of the defects in the earlier enactment by allowing questions of compensation to be settled after the issue of a warrant, but before the making of an order; providing for arbitration upon disputed claims for compensation; and permitting the Minister to authorise the use of the abandoned canal for purposes other than navigation. As, however, the Minister has been advised that a warrant under the Act of 1888 has in itself no legal effect, and that the Commission would still remain under all statutory liabilities in relation to a canal until all questions of compensation had been disposed of and an order made, the section has failed to achieve one of its main objects, and the Commission have not, in fact, made use of it.

(10) The insufficiencies of other procedures have led to the promotion of private Bills in order to deal with the problems presented by disused or derelict canals. There are various drawbacks to this method, and Parliament has itself indicated a preference for general legislation: the Select Committee which considered the Rochdale Canal Bill, in reporting the Bill, said:—

"The Committee consider that the whole question of the future of canals should be dealt with by public legislation, following a general inquiry into the matter; that the findings of the Committee on these Bills should not prejudice any decisions that might be arrived at as the result of such an inquiry, nor should such findings be taken to create precedents for the treatment by Private Bill Committees of future Bills dealing with Canals".

The promotion of private legislation and opposition to it by Petition involve much expense of time and money; and as the principles evolved by it are not of general application, every such Bill provides a fresh battleground for the contending parties in which the individual private objector can seldom afford to take part.

(11) A major consideration in dealing with proposals to abandon an inland waterway or to close it to navigation is that, even though traffic may have forsaken it permanently, the obligation to maintain it in navigable condition is often the only available means of ensuring its upkeep in reasonably safe, sanitary and watertight condition, and the continued enjoyment, whether by right or by customary practice, of many uses and facilities other than navigation. The procedure of the Act of 1888 makes no effective provision for such matters, and private legislation procedure has in this respect the drawbacks noted above. The frequent opposition, by interests not themselves concerned with navigation, to proposals for abandonment or closure results from this defect, and there is much evidence of the need for a procedure which will ensure that matters other than the navigation issue are adequately considered, the widely varying circumstances of different stretches of waterway selectively dealt with and appropriate provision made for their maintenance, use or disposal when their legal status as means of commercial navigation is terminated.

IV. General Duties of the Commission in relation to the Prescribed Navigable System

1. To make the system an integrated and efficient system of inland navigation and thereafter to maintain the same.
2. To promote and develop other uses of the waterways of the system compatible with 1, which will make them more economic or of greater benefit to the community.
3. To make no application to the Board for a review of any of the said waterways for 25 years from the appointed day, except as recommended in Chapter IV, paragraph 103 of the Report.

V. Particular Duties of the Commission in Fulfilment of the General Duties in Section IV

1. Within 5 years of the appointed day to put each and all of the waterways comprised in the system into such a condition that they can be navigated and used safely and conveniently by vessels not exceeding a size to be prescribed by the Minister for each of such waterways.
2. During the 5 years referred to in 1. to maintain each waterway and every part thereof (subject to the provisions of section XII hereof as to the re-development of unnecessary parts) in at least as efficient a condition for the passage of boats whether carrying passengers or cargo as they were in on 1st January, 1958.
3. To encourage the use of the system by both cargo and passenger-carrying vessels (hereinafter called "the navigational uses").
4. To utilise the powers hereinafter given to promote and develop other uses of the system.
5. To co-operate with other public or local government authorities with a view to making the best use of the waterways in the public interest.
6. So to conduct Class A waterways (subject to the provisions of the Act) as to secure that the revenue therefrom is not less than sufficient to provide for the meeting of charges properly chargeable to revenue under section 93 of the Transport Act, 1947.
7. To utilise any surplus of revenue over expenditure in respect of Class A waterways for the improvement of Class A waterways or the reduction of charges thereon (see paragraphs 94 and 120).
8. To apply to the revenue account of Class B waterways the rents and profits of any lands, buildings, premises or works included in any waterway of Class B which may from time to time be let out and to the capital account of Class B waterways the proceeds of the sale of any such lands, etc.

VI. General Powers in Interests of the Navigational Uses on the Prescribed Navigable System

1. To do all such things by way of the physical improvement or maintenance or repair of the waterways or the provision of facilities for the reception and handling of traffic as may be conducive to the increase of any kind of traffic thereon.
2. To carry on the business of conveying passengers or cargo on or for the purposes of the system and to operate cargo or passenger-carrying vessels.
3. To build craft for use on the system.
4. (a) To charge—
 - (i) licence fees on an annual, quarterly or monthly basis in respect of every cargo-carrying vessel of a capacity not exceeding 60 tons using a Class B waterway, such licence fee to cover navigation on every waterway of that Class;
 - (ii) tolls in respect of cargo-carrying vessels using Class A or Class C waterways and of cargo-carrying vessels of a capacity exceeding 60 tons using Class B waterways.

(b) To register and license passenger-carrying vessels and to charge fees therefor.

5. All licence and registration fees and tolls aforesaid shall be in accordance with a scale to be determined by the Minister after consultation with the Commission and other persons or bodies appearing to him to be interested.

6. To acquire by agreement any independent waterway or any part thereof, or to assume by agreement the functions of navigation authority in relation thereto.

7. To prescribe with the consent of the Minister standards of construction and equipment for vessels using the prescribed navigable system.

8. To engage in research likely to increase the efficiency, safety and usefulness of the waterways or the vessels using them.

9. To let on lease or otherwise any land or buildings in order to advance any of the purposes aforesaid, or to dispose of any such land or buildings as may be surplus to requirements.

VII. Provisions as to Other Uses of the Prescribed Navigable System

A. Water, except in Natural Rivers

1. If any person has at any time regularly watered stock at a waterway from adjoining land during the 10 years prior to 1st January, 1958, he shall be entitled to continue to do so as of right so long as such use does not materially interfere with the navigational use of the waterway. (See paragraph 224.)

2. Any contract for the supply of water from any waterway made between the Commission and any person since 1st January, 1948, shall continue in force.

3. Save as aforesaid no person shall after the appointed day have any right to take water from any of the waterways except in accordance with the following provisions:

(a) The Commission may contract to supply water from any waterway to the owner or occupier of any land abutting on such waterway on such terms as may be agreed or in default of agreement may be determined by the Minister of Housing and Local Government: Provided that any such contract shall be subject to suspension or modification if it cannot be fulfilled without detriment to the navigational standard required under section V.1.

(b) The Commission may also contract to supply with water from any waterway any other person or body on terms to be agreed or settled by the Minister of Housing and Local Government, either by agreement with the local water undertaker, or failing such agreement, if the Minister of Housing and Local Government permits as provided for in the Water Act, 1945, and provided that such supply can be given without detriment to the navigational standard required under section V.1.

4. To enable any supply under 3 (b) to be given the Commission shall have the powers of a statutory water undertaker as to the laying of pipes, acquisition of easements, etc.

5. The Commission shall not cut off any supply in fact being afforded on the appointed day for 3 years thereafter but such supply shall be paid for either at the rate determined for any new contract or at a price to be agreed or determined by arbitration.

B. Effluent and Surface Water

The Commission shall continue to receive surface water lawfully discharged into any waterway and shall have power to make agreements for the reception of effluent and surface water into any waterway subject to due observance of existing legislation as to the prevention of pollution.

C. Fishing

1. Fishing from any land or works forming part of any waterway any boat thereon or any bridge thereover shall be prohibited except under licence from the Commission.

2. The Commission shall issue collective or individual licences. Collective licences shall be issued to clubs or organisations and may give exclusive rights of fishing on particular stretches of water. Individual licences shall be obtainable from any waterways office of the Commission or any lock-keeper upon payment of such fee as the Commission may determine. The Commission shall publish a scale of fees for such licences of daily, weekly, monthly, quarterly or yearly periods for each waterway or part thereof.

3. Fishing from any other land abutting on any waterway by the owner or occupier of such land (or by any person authorised by him in manner similar to that provided by the Ground Game Act, 1880) shall be permitted.

4. Saving for any existing rights of fishing in natural rivers.

D. Towing Paths

1. Towing paths, in so far as they are not already public rights of way, shall so far as such use is not incompatible with the proper conduct of the waterway, be open to the public as footways free of charge, subject to the right of the Commission at any time to suspend such use in respect of any part of any towing path if they deem it desirable so to do in the interests of any other use of the waterway.

2. The Commission shall have power to make by-laws in respect of the use of towing paths.

VIII. Application of Section VII to Class C Waterways

These provisions shall apply to Class C waterways.

IX. Provisions as to Private Rights on Waterways of Class A or Class B Consequential upon Repeal (other than those dealt with in Section VII)

1. Where any person was on the appointed day in active enjoyment of a right to which he was entitled under any Act repealed by this Act, or under any contract made in pursuance of such an Act, the Commission shall not interrupt such enjoyment for a period of 3 years thereafter.

2. During those 3 years the person entitled may by notice in writing require the Commission either to enter into a new contract defining the right and the terms upon which it may be exercised or to give 12 months' notice of determination. Any such new contract may include the payment by the Commission of a capital sum by way of commutation for any diminution in the period or extent of the right.

3. If no agreement on terms of new contract within 12 months from notice, arbitration.

4. If notice of determination given, the Commission shall pay compensation limited to any actual loss (including any diminution in the current market value of the claimants' land or any business carried on there) to be assessed in default of agreement by the Lands Tribunal.

5. If any person claims that he is entitled under any such repealed Act to any right which though not actively enjoyed at the appointed day is still of value, he may give notice as under 2, with results as in 3 and 4.

6. Power to High Court or County Court to extend any time limit if satisfied in any particular case that justice requires it.

7. If no notice given under 2 or 5 the right shall be finally extinguished at the end of the 3 years.

X. Administrative Arrangements of the Commission in respect of Waterways

1. For the purpose of enabling the Commission the better to perform the powers and duties placed upon them by this Act there shall be constituted a committee of the Commission to be called the Inland Waterways Committee of the Commission.

2. The said Committee shall consist of 7 members appointed by the Commission, of whom the Chairman and two others shall be members of the Commission, and four shall be nominated by the Minister as being persons likely to be of assistance in the development of the waterways whether for commercial or other purposes and as having local knowledge of different parts thereof.

Provision for payment to the Minister's nominees.

3. The Commission shall delegate to the said Committee the function of ensuring that the policy of the Commission in relation to the waterways vested in the Commission is carried into effect and subject thereto the functions of fulfilling the duties imposed on the Commission and of exercising the powers conferred on the Commission by this Act.

XI. Enforcement of Duties

1. The Commission shall be liable in the ordinary courts to any person who can prove that he has suffered loss by any breach of any duty imposed on them whether that breach is one of non-feasance or misfeasance: Provided that the Commission shall not be liable (a) for any loss due to a cause which could not reasonably be foreseen or (b) for any loss consequent upon the closure of a waterway for a reasonable period, if such closure is essential for the execution of repairs or maintenance or improvement and not less than 28 days' public notice of such closure and its probable duration has been given.

2. The council of any county, borough or county district shall be empowered to apply for an injunction, mandatory or otherwise, if in its opinion any breach of duty (including non-feasance) by the Commission is detrimental to the interests (including commercial interests) or amenities of its area.

3. These provisions shall be subject to the limitation that the Commission shall not be liable for non-feasance during the period of 5 years from the appointed day.

XII. Additions to or Subtractions from the Prescribed Navigable System

1. A Scheme may provide that any other waterway or part of one shall be transferred to the Commission and become part of the prescribed navigable system.

2. If in the opinion of the Commission any part of a waterway being within the prescribed navigable system is unnecessary for the purposes of the navigation of that waterway (see Chapter IV, paragraph 103) the Commission may apply to the Minister for an order remitting that part for review by the Board.

The procedure thereafter shall be in accordance with section XVIII.

XIII. Financial Provision

Provision to give effect to the recommendations in paragraphs 121 and 158.

PART 3

RE-DEVELOPMENT PROCEDURE

XIV. Constitution and Function of Waterways Re-development Board

1. The Board shall consist of a chairman and 5 members, all of whom shall be appointed by the Minister of Transport and Civil Aviation after consultation with the interests referred to in paragraph 165.

2. The Minister shall be empowered to add members for special purposes.

3. The chairman shall be full-time and paid. Others shall be part-time and either unpaid or paid on a modest scale.

4. The main functions of the Board shall be—

(a) to prepare or secure the preparation of Schemes in accordance with the provisions hereinafter contained;

(b) to supervise the maintenance of waterways of Class C, and of any independent waterway which is the subject of an order of the Minister referring the same to the Board for review, until a Scheme comes into force in relation thereto and thereafter as hereinafter provided.

5. In determining the financial terms of any Scheme the Board shall have regard to the general principles set out in paragraphs 169 to 171 of the Report.

6. The Board shall have power to require all information they reasonably require from the Commission, the owners of any independent waterway, any public authority and any other person or body affected or likely to be affected by a Scheme.

7. The Board shall make a report annually to Ministers and such report shall be laid before Parliament. (See paragraph 164.)

8. Power to employ staff, etc.

XV. Contents of Schemes

A Scheme may *inter alia*—

- (a) provide for the termination of all rights of navigation over the whole or such part of the waterway as is the subject of the Scheme or may require that the waterway or some part or parts thereof be maintained by its owners or by any other person specified in the Scheme in such a condition as to be navigable by vessels of such a kind as may be specified therein ;
- (b) provide for the transfer of a waterway or any part thereof from its present owners to some other person for purposes specified in the Scheme upon such terms as the Scheme may provide ;
- (c) require that the waterway or some part thereof shall be dewatered and provide whether such part is to be filled in and if so by whom and at whose cost and for what purposes it shall thereafter be used ;
- (d) as to any part of a waterway not required to be dewatered, prescribe the minimum width and depth of water to be maintained therein and the purposes for which such part is to be used and the condition in which it is to be maintained ;
- (e) require the execution of any works to any land, buildings or works forming part of any waterway by its owners or by the person to whom it or they are transferred and provide for the subsequent maintenance of such works ;
- (f) provide for contributions by other persons to any expenditure incurred by the owners or transferees in carrying out any requirements of the Scheme ;
- (g) provide for the termination of any rights exercisable by any person over or in relation to a waterway and if such person will suffer loss by reason of such termination, shall provide for the payment of compensation to such person not exceeding the actual loss he will suffer and for the assessment of such compensation in default of agreement by the Lands Tribunal ;
- (h) provide that in so far as no specific provisions are contained in the Scheme relating to any part of a waterway, it shall be maintained and managed in accordance with section XXI *infra* ;
- (i) repeal or modify any private Acts or Charters ;
- (j) make such further incidental provisions as may be advisable.

XVI. Preparation of Schemes for Class C Waterways

1. It shall be the duty of the Commission in relation to every Class C waterway to consider whether such waterway or any part thereof should cease to be in law a navigable waterway (whether or not it is in fact navigable).

2. If they decide that the waterway or any part thereof can usefully and properly be included in the prescribed navigable system they shall so notify the Board and thereupon that waterway or that part thereof shall become part of the prescribed navigable system.

3. If they reach any other conclusion they shall apply to the Board to review the waterway.

4. The Board shall then determine whether a Scheme for such waterway or any part thereof should be prepared and if so whether they will themselves prepare it or will direct the Commission to do so.

5. The Board shall give public notice of their decision, such notice to be given in manner to be prescribed and to invite all interested persons to submit any proposals or representations concerning the waterway to the Board.

6. When a Scheme has been prepared, the Board shall consult with all public authorities through whose area the waterway or the relevant part thereof passes and with such other persons as are or might be interested in or affected by its re-development.

7. In preparing a Scheme themselves or before publishing a Scheme prepared by the Commission the Board shall ensure that the Scheme takes into account the matters referred to in paragraph 144.

8. During the preparation of a Scheme none of the assets of the waterway shall be disposed of otherwise than in the ordinary course of business without the Board's consent.

9. As soon as all necessary consultations have been concluded the Board shall publish a draft Scheme in manner to be prescribed (which shall include provision for the deposit and public inspection of all necessary maps, plans, etc.) The Scheme shall include proposals to give effect to any agreements reached during such consultations.

10. The notice of publication shall require that any objections to the Scheme shall be lodged with the Board within a specified time.

11. If within that time the Board have received no objections they shall submit the Scheme to the Minister of Housing and Local Government who may make an order putting the Scheme into effect.

12. If the Board have received any objections, they shall refer the Scheme and the objections to the War Works Commission (or a specially constituted Commission, see paragraph 151).

13. The Board shall appear before the War Works Commission upon its consideration of any such Scheme ; procedure shall otherwise be in accordance with rules made for that purpose.

14. The War Works Commission may approve a Scheme or alter a Scheme in any manner they think fit, or may approve it as so altered or may require the Board to submit a revised Scheme to take account of such matters as in the opinion of the War Works Commission should be provided for.

15. When the War Works Commission has approved a Scheme with or without alterations they shall submit the same to the Minister of Housing and Local Government together with a report thereon.

16. Upon receiving from the War Works Commission a draft Scheme and their report thereon, the Minister of Housing and Local Government—

- (a) shall publish the report and send a copy thereof to any person who duly lodged an objection to the draft Scheme under 10 ;
- (b) may make an order giving effect to the Scheme in accordance with the recommendations of the War Works Commission ;
- (c) may make an order in such other terms as he considers expedient ; Provided that before making an order otherwise than in accordance with the recommendations of the War Works Commission, he shall lay before both Houses of Parliament copies of the draft Scheme and the War Works Commission's report thereon and a statement of the reasons why he intends to make an order otherwise than in accordance with the report, and if either House of Parliament within forty days resolves that no order shall be made otherwise than in accordance with the report, he shall make no such order.

XVII. Supplementary Provisions as to Schemes for Class C Waterways

1. At any time after the expiration of 1 year from the appointed day application may be made to the Minister to order a review by the Board of any Class C waterway or any part thereof by any of the following persons:—

Any public authority through whose area the waterway passes.

An owner of any land adjoining such waterway.

Any body appearing to the Minister to represent users of the waterway or any class of users of the waterway.

2. If the Minister is satisfied that there is a *prima facie* case for review and that no Scheme is in course of preparation for the waterway, he shall direct the Board to review the waterway or any part thereof and as soon as may be the Board shall determine whether a Scheme should be prepared and if so whether they will prepare it themselves or will direct the Commission or the applicants to do so.

3. If more than one such application is received affecting different parts of a waterway the Minister or the Board may direct that the proceedings thereon shall be consolidated.

4. Thereafter the procedure shall be similar to that in Section XVI.

XVIII. Preparation of Schemes for Independent Waterways

1. The owners of an independent waterway and any persons of the classes enumerated in Section XVII 1 may apply to the Minister to order a review by the Board of that waterway or any part thereof.

2. If the Minister is satisfied that there is a *prima facie* case for review he shall order the Board to review the waterway or any part thereof and as soon as may be the Board shall determine whether a Scheme should be prepared and if so whether they will prepare it themselves or will direct the owners or the applicants to do so.

3. Thereafter the procedure shall be similar to that in Section XVI but subject to the right of the Board to consolidate applications.

XIX. Preparation of Schemes for Waterways already Abandoned (paragraph 161)

Provisions similar to those in Section XVII or Section XVIII above (according to ownership) shall be made, but the Minister shall not order a review by the Board unless the applicant has first satisfied him that the steps already taken in relation to such waterway have not resulted in a satisfactory elimination or re-development (see paragraphs 127 and 128) of such waterway.

XX. Enforcement of Schemes

1. Any provision in a scheme for the transfer of a waterway or any part thereof shall as between the owners of the waterway and the transferee be enforceable as a contract for the sale of land.

2. The Board shall be empowered to apply to a Court for an injunction mandatory or otherwise with a view to ensuring the due carrying into effect of the provisions of the Scheme. The same remedy shall also be available to any public authority interested therein and to any person who can show that he is adversely affected by the non-performance of any provision of the Scheme.

3. The Board, any public authority or any other person directly affected shall also be entitled to complain to a magistrates' court in manner similar to that provided in Section 18 of the British Transport Commission Act, 1956.

XXI. Duties of Commission and Independent Owners pending Final Approval of Schemes

1. Until an order is made giving effect to a Scheme relating to a Class C waterway or to any part of parts of such waterway it shall be the duty of the Commission

(a) to maintain the waterway in substantially as good a condition as it was in on a date to be prescribed by the Act;

(b) to permit the continued enjoyment of all rights and facilities actually and lawfully exercised or enjoyed on that date except in so far as such rights and facilities may be affected by acts done in pursuance of section VII of Part 2 hereof:

Provided that no alleged right of navigation shall be enforceable except in so far as such a right was actually and regularly exercised by the complainant at the prescribed date;

(c) to prevent the waterway being or becoming prejudicial to health or a nuisance.

2. The provisions of 1. shall apply with the substitution of the owners for the Commission to any independent waterway in respect of which the Minister makes an order under section XVIII as from a date to be prescribed in that order.

3. Enforcement as in Section XX.3.

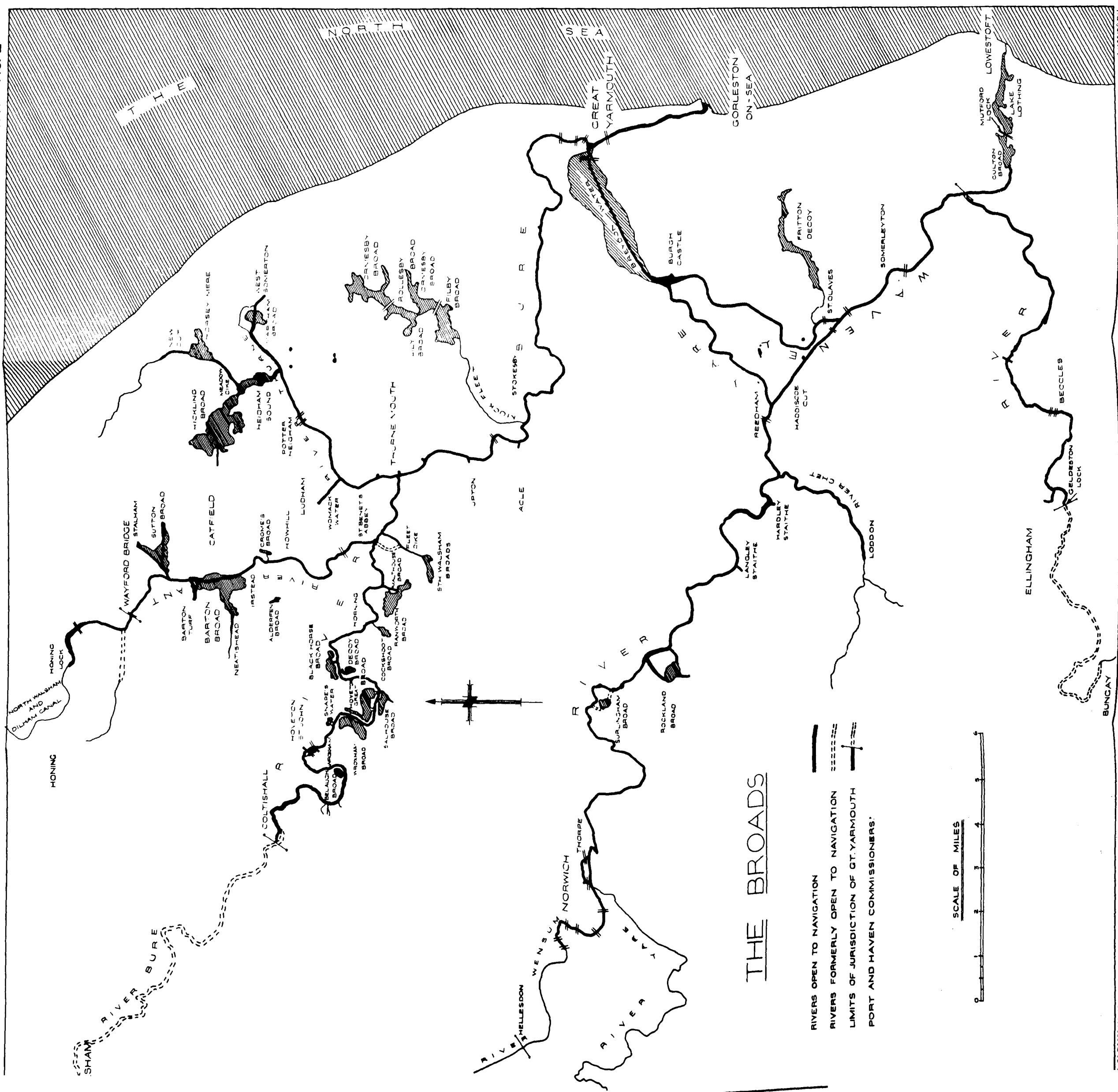
PART 4

XXII. Supplementary Provision as to Independent Waterways

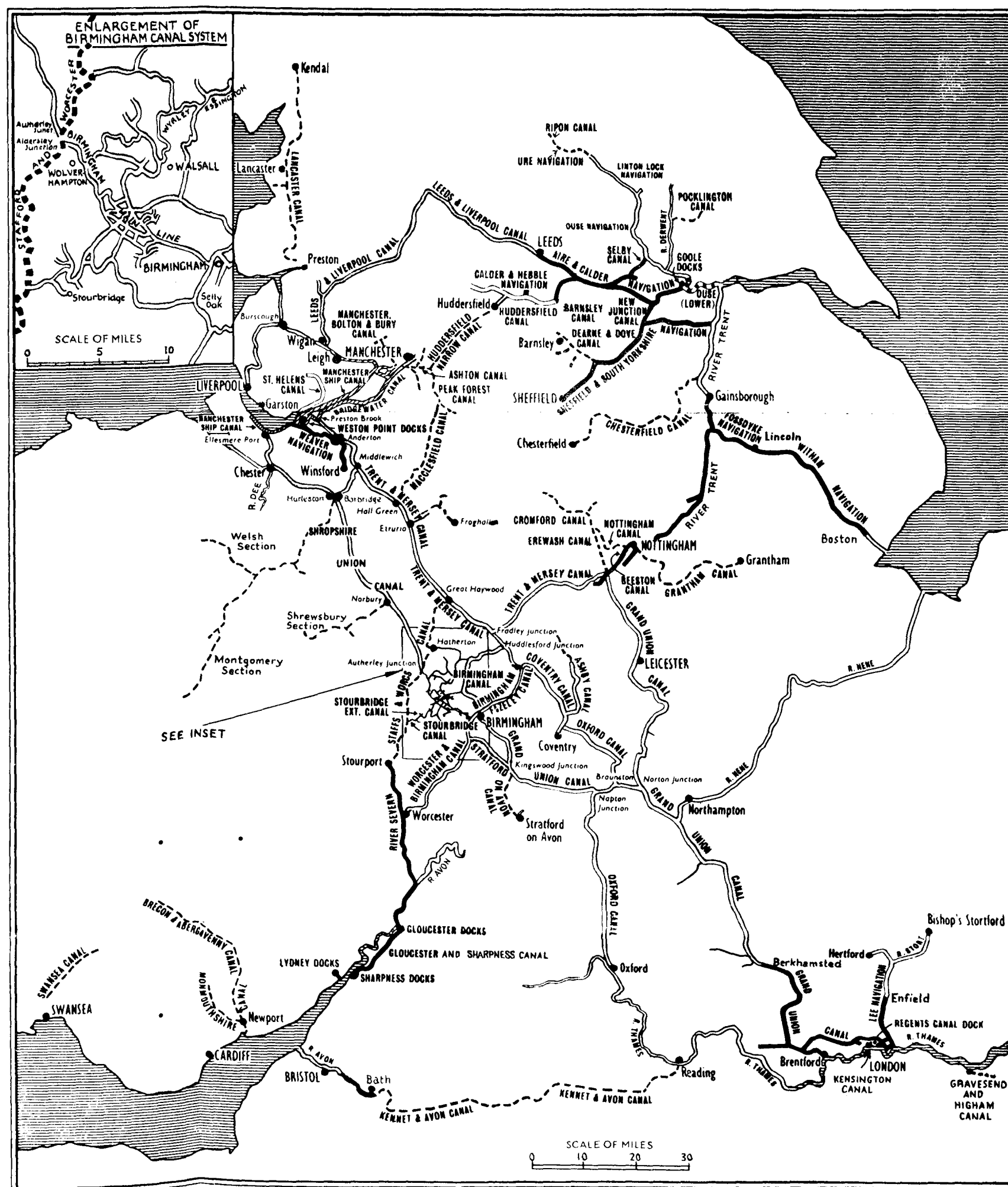
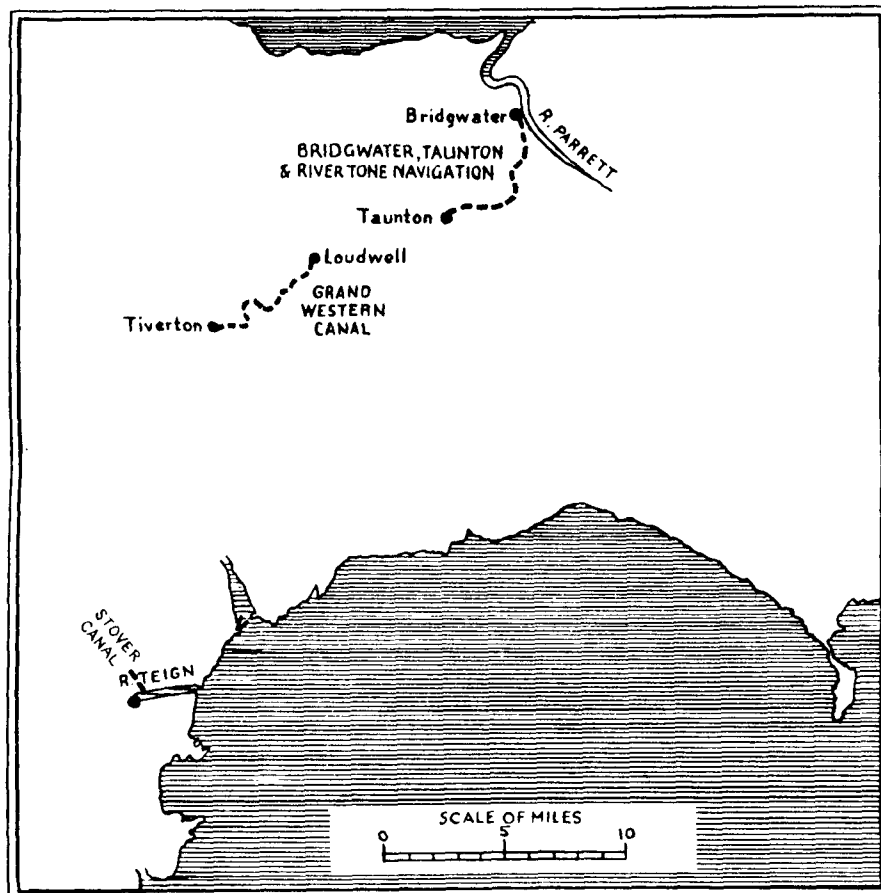
1. No general repeal of the Acts governing independent waterways is suggested, but the owners of any such waterway shall be able to apply to the Minister of Housing and Local Government to make an order giving to them powers similar to the powers given to the Commission by sub-paragraphs 3 (a) and (b) and 4 of Section VIIA and by Section VIIB, such order to be made as under the Water Act, 1945.

2. The owners shall be authorised (if they cannot already do so) to transfer their undertaking as a whole to the Commission without a Scheme.





MAP 1.



CLASS	A.	————	CALEDONIAN & CRINAN CANALS
CLASS	B.	=====	& OUSE LOWER IMPROVEMENT.
OTHERS		- - - - -	

6 60S:P&D)L