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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 1207 Press Mis.-

179-180.

Dated 26-8- 1873.

516

179-180

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
26th August 1873.

No. 179. Read the following Proceedings of the Board of Revenue, dated 7th August 1873, No. 1517:—

Read the following letter from J. B. PENNINGTON, Esq., President of the Local Fund Boards, Trichinopoly District, to J. GROSE, Esq., Secretary to the Board of Revenue, dated 28th June 1873, No. 31:—

With reference to the Resolutions of the Local Fund Board and of the Municipalities of Trichinopoly and Srirungum, dated 28th May, 26th April, and 8th May 1873, respectively, copies of which are enclosed, I have the honour to request that Government may be moved to sanction the change briefly sketched in the motion on which the proposal was founded.

2. As observed by the Municipal Commissioners of Trichinopoly, the subject is one of general importance, which can be satisfactorily disposed of only by Government; but, so far as I can see, there is only one argument in favour of the present arrangement, and that is, that the Trichinopoly Municipality have enjoyed the tolls for six or seven years.

3. The Commissioners themselves do not even pretend that it is not against all principle for them to levy a transit duty on all the traffic, not only of the district but of the whole country to the south of the Presidency town; and as to the argument that for the Local Fund Board to levy the same tax is only a shade less iniquitous, it is sufficient to observe that, so long as every Local Fund Board is allowed to levy tolls on account of the use made of the roads in its circle, every one is on the same footing, and there is not much more inequality (though the tax may be much heavier) than if a universal wheel-tax were established (as would probably be fairer) and *all* tolls abolished.

4. It is obviously fairer that Local Fund Board should levy a toll on the Cauvery Bridge than that the Municipality should, the bridge having been handed over to the Local Fund Board to be kept in repair; and by far the largest portion of the tolls are due no doubt to the presence of the Cauvery Bridge.

5. If it were possible for through traffic to avoid Trichinopoly altogether,* it would be a matter of less moment, though even then I think the necessities of the Local Fund Board would require that the bridges should be tolled; and as to the remark of the Commissioners that the revenue derived from tolls is very much required in the town, that is no doubt very true, and when the Professional tax is abolished, it will be still more required; but the question appears to me to be one of principle entirely, and there can surely be no doubt the Local Fund Board have a greater right to the revenue derived from the traffic of the district and the Presidency; so that I do not consider it necessary to consider which party has the greatest need of the money, though I may state generally that I am inclined to think, even now, that the Local Fund Board has the most extensively increasing demands of the two, and *will* want the money even more than the Municipality. It should be remembered, too, that the town has derived more than 28 per cent. of its gross income by this illegitimate means for the last six or seven years, and ought, therefore, to be satisfied.

* As is the case, I believe, now in the still more glaring instances of Tinnevelly and Palamcottah.

6. If the Government would allow an octroi duty on grain sold for consumption within the town*—a compulsory grain market, in fact—I have very little doubt that the amount would be almost made up from the town's-people themselves in the most legitimate manner.

* As proposed in my letter (as President Municipal Commission), No. 26, dated 24th September 1872.

7. Setting aside the rival claims of the Local Fund Board and the Municipality, there are many minor advantages which would follow the transfer I am advocating. In the first place, the Srirungum Municipality would receive its fair share of revenue derived from tolls; a *very* small share it is true, but still an amount which is of considerable importance to a very poor Municipality; and an addition to its income, to which it is morally as much entitled as the Trichinopoly Municipality, is to a share in the proceeds, and of which it has been most unfairly deprived hitherto, owing to the existence of the tolls of another Municipality in such close proximity; so that the Trichinopoly Municipality has not only deprived Srirungum of a means of revenue to which it has precisely the same right as itself, but has imposed a heavy tax on the constant traffic from Srirungum to Trichinopoly, and has only this year at last allowed the inhabitants to take out licenses at the same rate as residents in the Trichinopoly Municipality.

8. Then, the Local Fund Board will be able to raise more from tolls than the Municipality can, with no unfair burden on any one; because by tolls at the southern extremity of the Coleroon† Bridge and at the road from *Combaconum* to *Srirungum*, they will catch all the traffic to *Srirungum* as well as that for Trichinopoly, and will recoup themselves for the serious falling off in the revenue derived from the Iyar Bridge, owing to the Salem traffic having been diverted from that road to Road No. 8 (from Ahtur via *Torriore* to Trichinopoly)—a road which will in consequence have to be made first class in all probability, and so involve the Board in very largely increased expenditure on construction and maintenance.

† As shown in the plan accompanying.

9. I should propose to distribute the proceeds rateably to the three parties concerned according to any principle the Government think proper; strictly speaking, I think it should be in proportion to the amount spent on roads by each; but, if necessary, it might be in accordance with an estimate of the amount of traffic to each town, exclusive of through traffic.

10. I have sent a copy of this letter to each of the Municipalities, so that they may make any further remarks on the subject without unnecessary loss of time. I think the change should be introduced next year.

11. Of course, if the Local Fund Board are allowed to work the present existing municipal tolls, there will be no need for the establishment of any others in the district except the two specified in paragraph 8; and it is clear that, as far as situation goes, they will all fulfil the requirements of Government.

ENCLOSURE No. 1.—Resolution of Local Fund Board and of the Municipalities of Trichinopoly and Srirungum.

ENCLOSURE No. 2.—Map.

SUBMITTED for the orders of Government.

2. The question is whether the tolls collected by the Municipality of Trichinopoly should be handed over to the Local Fund Board.

3. As to the injustice of allowing Municipalities to collect such tolls, the Board pronounced a strong opinion at the time when Acts III. and IV. of 1871 were under discussion, but they were overruled then by Government and the Legislature; and they do not think that the present time, just as the Municipalities have been told they must do without the Professional tax, is a favourable one for re opening the discussion.

4. A grain octroi, such as the President describes in paragraph 6, would probably be oppressive to the poorer classes; at all events, it would be novel, and must be deprecated on that account.

(A true Copy and Extract.)

(Signed) J. GROSE,
Secretary.

No. 180. ORDER THEREON, 26th August 1873, No. 1207.

The Governor in Council can have no objection to the proposal that the collection of all municipal tolls in Trichinopoly and Srirungum should be handed over to the Local Fund Boards, who will share them with the Municipalities; but the proposition is so crude as to be scarcely intelligible. No explanation is given of what tolls exist, or are proposed, and how the partition of the proceeds is to be made.

(True Extract.)

Chief Secretary.

To the Board of Revenue, with two enclosures returned.
,, President of the Municipal Commission, Trichinopoly.
,, ,, ,, ,, Srirungum.

Exd. J. Wright.

Govt. of Madras
FINANCIAL.
To
The BOARD OF REVENUE.
&c., &c., &c.
Dated August, 25th.
Read.
G. O., 20th August 1873, No. 1207.
AUGUST.
Nos. 179-180.
Trichinopoly Circle.—Board of Revenue informed that the Government have no objection to the proposal that the collection of all municipal tolls in Trichinopoly and Srirangum should be handed over to the Local Fund Boards, who will share them with the Municipalities.

No. 1,517.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 7th August 1873.

Read the following letter from J. B. PENNINGTON, Esq., President of the Local Fund Boards, Trichinopoly District, to J. GROSE, Esq., Secretary to the Board of Revenue, dated 28th June 1873, No. 31:—

WITH reference to the Resolutions of the Local Fund Board and of the Municipalities of Trichinopoly and Srirangam, dated 28th May, 26th April, and 8th May 1873, respectively, copies of which are enclosed, I have the honour to request that Government may be moved to sanction the change briefly sketched in the motion on which the proposal was founded.

2. As observed by the Municipal Commissioners of Trichinopoly, the subject is one of general importance, which can be satisfactorily disposed of only by Government; but, so far as I can see, there is only one argument in favour of the present arrangement, and that is, that the Trichinopoly Municipality have enjoyed the tolls for six or seven years.

3. The Commissioners themselves do not even pretend that it is not against all principle for them to levy a Transit-duty on all the traffic, not only of the district but of the whole country to the south of the Presidency town; and as to the argument that for the Local Fund Board to levy the same tax is only a shade less iniquitous, it is sufficient to observe that, so long as every Local Fund Board is allowed to levy tolls on account of the use made of the roads in its Circle, every one is on the same footing, and there is not much more inequality (though the tax may be much heavier) than if a universal wheel-tax were established (as would probably be fairer) and *all* tolls abolished.

4. It is obviously fairer that Local Fund Board should levy a toll on the Cauvery bridge than that the Municipality should, the bridge having been handed over to the Local Fund Board to be kept in repair; and by far the largest portion of the tolls are due no doubt to the presence of the Cauvery bridge.

5. If it were possible for through-traffic to avoid Trichinopoly altogether,* it would be a matter of less moment, though even then I think the necessitie of the Local Fu[illegible] Board would require that the bridges should be tolled; and as to the remark of the Commissioners that the revenue derived from tolls is very much required in the town, that is no doubt very true, and when the Professional-tax is abolished, it will be still more required; but the question appears to me to be one of principle entirely, and there can surely be no doubt the Local Fund Board have a greater right to the revenue derived from the traffic of the district and the Presidency; so that I do not consider it necessary to consider which party has the greatest need of the money, though I may state generally that I am inclined to think, even now, that the Local Fund Board has the most extensively increasing demands of the two, and *will* want the money even more than the Municipality. It should be remembered, too, that the town has derived more than 28 per cent. of its gross income by this illegitimate means for the last six or seven years, and ought, therefore, to be satisfied.

* As is the case, I believe, now in the still more glaring instances of Tinnevelly and Palamcottah.

6. If the Government would allow an Octroi-duty on grain sold for consumption within the town*,—a compulsory grain market, in fact,—I have very little doubt that the amount would be almost made up from the town's people themselves in the most legitimate manner.

* As proposed in my letter (as President Municipal Commission), No. 26, dated 24th September 1872.

7. Setting aside the rival claims of the Local Fund Board and the Municipality, there are many minor advantages which would follow the transfer I am advocating. In the first place, the Srirangam Municipality would receive its fair share of revenue derived from tolls; a *very* small share it is true, but still an amount which is of considerable importance to a very poor Municipality; and an addition to its income, to which it is morally as much entitled as the Trichinopoly Municipality, is to a share in the proceeds, and of which it has been most unfairly deprived hitherto, owing to the existence of the tolls of another Municipality in such close proximity; so that the Trichinopoly Municipality has not only deprived Srirangam of a means of revenue to which it has precisely the same right as itself, but has imposed a heavy tax on the constant traffic from Srirangam to Trichinopoly, and has only this year at last allowed the inhabitants to take out licenses at the same rate as residents in the Trichinopoly Municipality.

8. Then, the Local Fund Board will be able to raise more from tolls than the Municipality can, with no unfair burden on any one; because by tolls at the southern extremity of the Coleroon* bridge and at the road from *Combaconum* to *Srirangam*, they will catch all the traffic to *Srirangam* as well as that for Trichinopoly, and will recoup themselves for the serious falling off in the revenue derived from the Iyar bridge, owing to the Salem traffic having been diverted from that road to road No. 8 (from Ahtur via *Torriore* to Trichinopoly),—a road which will in consequence have to be made first class in all probability, and so involve the Board in very largely increased expenditure on construction and maintenance.

* As shown in the plan accompanying.

9. I should propose to distribute the proceeds rateably to the three parties concerned according to any principle the Government think proper; strictly speaking, I think it should be in proportion to the amount spent on roads by each; but, if necessary, it might be in accordance with an estimate of the amount of traffic to each town, exclusive of through-traffic.

10. I have sent a copy of this letter to each of the Municipalities, so that they may make any further remarks on the subject without unnecessary loss of time. I think the change should be introduced next year.

11. Of course, if the Local Fund Board are allowed to work the present existing Municipal tolls, there will be no need for the establishment of any others in the district except the two specified in paragraph 8; and it is clear that, as far as situation goes, they will all fulfil the requirements of Government.

Enclosure No. 1.—Resolution of Local Fund Board and of the Municipalities of Trichinopoly and Srirangam.

Enclosure No. 2.—Map.

Submitted for the orders of Government.

2. The question is whether the tolls collected by the Municipality of Trichinopoly should be handed over to the Local Fund Board.

3. As to the injustice of allowing Municipalities to collect such tolls, the Board pronounced a strong opinion at the time when Acts III. and IV. of 1871 were under discussion, but they were over-ruled then by Government and the Legislature; and they do not think that the present time, just as the Municipalities have been told they must do without the Professional-tax, is a favourable one for re-opening the discussion.

4. A grain octroi, such as the President describes in paragraph 6, would probably be oppressive to the poorer classes; at all events, it would be novel, and must be deprecated on that account.

(A true Copy and Extract.)

J Grote

Secretary.

To the Chief Secretary to Government, Financial Department,
with two Enclosures.

„ the President of the Local Fund Boards, Trichinopoly.

Exd. F. R. Bantleman.

1873.

Board of Revenue,

MADRAS.

PROCEEDINGS, 7TH AUGUST 1873, No. 1,517.

Encl. 2

Received 15. August 73.

AUGUST.

No. 1,517.

Tolls—collected by Municipalities of Trichinopoly and Srirangam.—Proposal of Local Fund Board for transfer of — to that Board, submitted to Government for orders.