

*Proceedings of the Madras Government, Marine Department,
for the month of January 1860.*

No. 9. Read the following letter from J. J. FRANKLIN, Esq., Superintendent of Marine; to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 24th December 1859, No. 5120.

I have the honor to acknowledge the receipt of Proceedings of Government of the 17th instant, No 582, regarding the performance by contract of the packet service between Madras, the Northern ports and Rangoon, and to offer thereon the following remarks and suggestions, observing that the delay in my reply has been occasioned by negotiations and inquiries on the subject.

2. In my letter to Government of the 8th March last, No. 995, 3rd paragraph, I recommended that the line should be made over to Messrs. McKinnon Mackenzie and Co., in the full expectation that the Steamers at our disposal would be unequal to the task of keeping it up. My anticipations have been verified, for since the departure on the 12th ultimo of the "Prince Arthur" for Bombay to be repaired, no Government vessel has been available for that or any other service, nor can we calculate with any degree of certainty when any will be available. This uncertainty is occasioned in a great measure by the vessels not being entirely under our control; and so long as Madras, with a large proportion of her forces across seas, and having more need of steam transports than either of the other Presidencies, remains dependant on the Governments of Bengal and Bombay for steam aid, it must continue.

3. But irrespective of the anticipation that the Government Steamers would fail in keeping up the line, I have always been of opinion that it would be more advisable to transfer it to a private Company, if such could be effected with advantage. It is a mercantile undertaking and should be entrusted to mercantile energy. The Right Honorable the Secretary of State for India and the Government of Madras entertaining these views, the question is under what arrangements the transfer should be made.

4. The Government in the 2nd paragraph of the Order under acknowledgment express an opinion that the contracting parties should engage to carry *all* treasure, troops, stores, &c., at certain fixed rates. I beg respectfully to point out that if this is intended to mean that the Company should be bound to carry all the Government had to send, no one could undertake with certainty to perform such a service, as during the season at which the reliefs are made—January to April—the demand for passage would be much greater than could possibly be complied with without keeping up additional Steamers, for which during the remainder of the year there would be comparatively little work.

5. I have been doubtful whether it would be of much avail to advertise for tenders for this service. So little is known of the private traffic likely to be brought into operation by such a line—for no sound data on this point can be obtained from the operations of the Government Steamers, as there was always too much doubt regarding the reception of private cargo to induce the public freely to resort to them—that parties would hesitate to tender unless with a promise of such support from Government as would ensure the success of the undertaking as a mercantile speculation. Besides which there are no parties in India, as far as I am aware, in a position to make an offer for the service except the Agents of the Bay of Bengal Steam Navigation Company; namely, Messrs. McKinnon Mackenzie and Co., of Calcutta, Messrs. Begbie and Co., of Rangoon, and Messrs. Dymes and Co., of Madras.

6. I have been from time to time in communication with Mr. Dymes on the subject, and some few months back mentioned in conversation what I thought might meet the views of the authorities in this country. The scheme was this: that on the line being taken up by vessels of from 600 to 800 tons, of from 150 to 200 horse power, leaving twice a month with the mails and following in its main features the course adopted by the Government Steamers, a subsidy of

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(2,500) two thousand and five hundred Rupees should be paid for each trip and a guarantee of freight and passage to the extent of (3,000) three thousand Rupees more, thus making the assistance from Government (11,000) eleven thousand Rupees a month for the two vessels. This suggestion was sent home to Messrs. McKinnon and Co., who are the actual proprietors of the Bay of Bengal S. N. Company, but they have decidedly refused to enter into engagements which they declare must entail certain loss.

7. On their side they have stated the views they entertain regarding the assistance they must look for from Government to make the undertaking profitable. Their proposals are as follows:

To Masulipatam.....	15	1st. A subsidy of 10,000 Rupees a month, and,
„ Coringa.....	20	2nd. A guarantee of 10,000 Rupees a month in passage
„ Vizagapatam.....	25	and freight, basing the former on that adopted in the Govern-
„ Rangoon.....	35	ment line and the latter on the scale noted in the margin, which
		is lower than the Government rates.

8. For this they would be disposed to run two Steamers a month, commencing with the "Governor Higginson," and sending out as early as possible two others of 800 tons and 150 horse power to keep up the communication. They however, intimate, at the same time, that being doubtful whether with this assistance the line could be worked profitably, they would be unwilling to come under penalties for delays.

9. I have had much conversation on this matter with Mr. Dymes, and have represented to him, that I could not recommend to Government any such arrangement as his correspondents propose; but at the same time, I suggested to him whether it would not be practicable for the Company he acts for to run one Steamer each month as an experiment for a year, the Government granting a subsidy of (3,000) three thousand Rupees for each trip for the conveyance of the mails, and guaranteeing freight and passage to the extent of (7,500) seven thousand and five hundred Rupees more. The objection on his part to this is that to ensure the due performance of the stipulation as to dates of departure, two Steamers would be required, the expense of keeping up which would not be covered by the proceeds. My objection on the other hand to one Steamer is that even granting her some latitude as to dates, it would be impracticable to keep up the line with one for any length of time. Engines require occasional rest, and if constantly worked without sufficient time being afforded to the Engineers for the various operations required to keep the machinery in a state of efficiency, they break down. Finally Mr. Dymes at my suggestion proposed to the Bay of Bengal Steam Navigation Company, to run one Steamer a month, the "Governor Higginson" for a year unless previously disabled under the guarantee and subsidy above named; but Messrs. McKinnon Mackenzie and Co. have now stated that they cannot accept such low terms. They remark that nothing under (5,000) five thousand Rupees subsidy and (35) thirty-five Rupees passage money for a specified number of troops, making in the aggregate about 10,000 ten thousand Rupees, appears to hold out a fair prospect of advantage to their Company.

10. Our object at present should be, I think, to offer some encouragement to a firm or Company to undertake the line. Hitherto there has been so little direct trade between Madras and Burmah that no one without a heavy subsidy and guarantee of freight and passage from Government, will engage in it for a lengthened term under penalties on the chance of its more ample development. It ought therefore to be our policy to induce parties by a moderate amount of assistance to make the experiment. After a short time it would then be seen what prospects are unfolded and if, as I anticipate, an active and remunerative trade between the ports visited is called into existence, the Government, as well as the owners or Managers of the Steamers, will be in a better position for concluding a contract for the service, if finally this be decided upon.

11. I think however that better terms than those asked by Messrs. McKinnon Mackenzie and Co. may be obtained: the subsidy demanded being high and the rate of passage considerably beyond what is generally paid, which varies from 15 to 25 Rupees a head for deck passage. Although there may be no firm in a position to keep up a bi-monthly communication, parties may perhaps be found able to run one Steamer a month. I would therefore recommend that tenders be invited in the Gazette of the 3 Presidencies for offers to run one Mail Steamer a month without

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penalties, with a guarantee of (7,500) seven thousand and five hundred Rupees in freight and passage on each trip for one year on the following occasions:

- 1st. That a Steamer be dispatched to Rangoon two days after the arrival of the first or second Suez Steamer of the month as may hereafter be decided, touching at Masulipatam, Kakinada and Vizagapatam and that she return to Madras by the same route.
- 2nd. That she carry all Mails free of further expense to Government.
- 3rd. That she shall afford the regulated space below decks for at least 100 Natives, cabin accommodation for 5 officers, and stowage in the hold for 30 tons of stores.
- 4th. That the freight and passage money shall be according to the following scale of charges for freight and passage by the Madras, Northern Ports and Rangoon line of Steamers.

Between.	Cabin passage.	Quarter Deck passage.	Children, Cabin or Quarter Deck.		Deck passage.				Freight per ton of 50 cubic feet.	Treasure.	
			Above 7 and under 15 years.	Under 7.	Europeans.	Natives.					
					Children $\frac{1}{2}$ fare.						
Madras and Masulipatam...	60	45	0 30	0 15	0 16	0	0 12	0	0	18 $\frac{1}{2}$	per cent.
„ „ Coringa...	70	52	8 35	0 17	8 17	5	4 12	10	8	21	„
„ „ Vizagapatam...	80	60	0 40	0 20	0 18	10	8 14	0	0	24	„
„ „ Rangoon.	150	112	8 75	0 37	8 26	10	8 20	0	0	45	„
Masulipatam and Coringa...	30	22	8 15	0 7	8 8	0	0 6	0	0	15	„
„ „ Vizagapatam...	40	30	0 20	0 10	0 9	5	4 6	10	8	18	„
„ „ Rangoon.	155	101	0 67	8 34	0 24	0	0 18	0	0	40	„
Coringa and Vizagapatam...	30	22	8 15	0 7	8 8	0	0 6	0	0	15	„
„ „ Rangoon.	120	90	0 60	0 30	0 21	5	4 16	0	0	35	„
Vizagapatam and Rangoon.	105	79	8 52	8 26	0 18	10	8 14	0	0	30	„

5th. That each cabin passenger be permitted to carry 3 cwts. of baggage, and each deck passenger 40 lbs. exclusive of their arms and knapsacks and that extra space be allowed for the men's provisions which will be supplied by the Commissariat.

6th. That the Commander be held responsible for the custody and issue of the provisions in the mode adopted on board Government transports or other vessels carrying troops and

7th. That in the event of the Steamer failing to keep to her time of departure from Madras, the subsidy and guarantee shall not be claimable and that in all cases the subsidy shall not be payable until the vessel has accomplished her voyage out and home.

12. An arrangement of this nature would enable the parties concerned to make a trial without risking any serious loss and if the Government approve, an advertisement will be submitted for their consideration.

13. Having recorded my opinion as to the best course to be adopted for transferring the line to private parties, I proceed to shew the actual receipts and the expenditure, as far as the latter can be ascertained, of the Government vessels employed on this service. This information which is contained in the table appended is strictly correct as regards the receipts; the Government freight and passage being calculated at that which would have been paid in private vessels. The expenses can only be given approximately as the accounts do not pass through my office, and do not include any allowance for repairs, depreciation, or interest on first outlay, which would very considerably swell the total of the expenses.

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Statement of the earnings and estimated expenses of the Steamers engaged in the Rangoon and Northern ports line of packets.

Vessel.	Private.		Public.		Freight earned on each trip.		Estimated expense of establishment.	Remarks.
	Passage.	Freight.	Passage.	Freight.	Total.	Total.		
Steamer "Coromandel" H. M. I. N.	2,694 0 0	972 1 11	17,797 8 0	15 6	3 21,479 0	2 23,500 0	0 0	
" " " Sydney" B. M.	3,172 12 0	1,600 15 6	19,823 0 0	4,241 1	4 28,837 12	10 22,700 0	0 0	
" " " Dalhousie" H. M. I. N.	1,374 0 0	117 1 7	15,379 8 0	94 7	0 16,965 0	7 19,066 1	6 0	
" " " Sydney" B. M.	4,744 8 0	618 4 11	20,261 0 0	1,653 8	9 27,277 5	8 22,700 0	0 0	
" " " Sydney" B. M.	1,343 8 0	652 15 8	29,549 0 0	1,007 6	9 32,552 14	5 22,700 0	0 0	
" " " Prince Arthur" H. M. I. N.	426 8 0	21 2 6	23,970 0 0	5 1	4 24,418 15	10 21,432 10	6 0	

(Signed) J. J. FRANKLIN,
Superintendent of Marine.

No. 10.

ORDER THEREON, 14th January 1860, No. 24.

Resolved that the Superintendent of Marine be directed to submit a draft advertisement to the effect proposed in paragraph 11 of his letter, for publication in the Gazettes of the three Presidencies.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

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be of the substance

Marine Department

N^o 100

From
The Superintendent of Marine
Dated 24th December 1859.

For Orders

I think Govt. should act upon the sug-
gestions of the Supdt. of Marine as contained in
para's 11, 12 of his letter, and sanction the issue of
the advertisement proposed -
6 Jan 1860.

The
I should do ~~not~~ nothing but should
just address the paper - well

1-20 Aug 60
1859 Sept
of Marine
of Secretary
For the Secretary
1859 Sept
1859 Sept

failing to keep to her time of departure
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the Government approve and
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13 Having recorded my

actual receipts and the expenses
as the latter can be ascertained
ment vessels employed on
information which is contained
appended is strictly correct as

in private vessels. The expenses
be given approximately as they
not pass through my office