Marine (1899) Department.

G.O., No. 953 marine

DATED 13-10-99

14/10/99

[Despatch Abstract.]

Harbour dues on coal.

Stating that, pending submission of certain information called for, the Gov must defer its assent to the propo of the Harbour Trust Board to redu the

11/10

18/10/99

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government (1899) of Madras.

MARINE.

Recd. } 1899. Enclosures
Regd. } Spare copies

G.O., No. 953, 13th October 1899.

OCTOBER.

Harbour Dues on Coal

Stating that, pending submission of certain information called for, the Government must defer its assent to the proposal of the Harbour Trust Board to reduce the —.

GOVERNMENT OF MADRAS.

MARINE DEPARTMENT.

Read—again the following paper :—

G.O., No. 470, Marine, dated 31st May 1899.

Read—also the following papers :—

Letter from the Secretary, Kolar Gold Field Mining Board, Marikuppam, dated 20th June 1899.
Letter from Messrs. BEST and CO., dated 28th June 1899, No. G.T.B. 1/297.
" the Chairman, Harbour Trust Board, Madras, dated 26th June 1899, No. 262.
Office-note from the Joint Secretary to Government, Public Works Department, Railway Branch, dated 6th July 1899.
Letter from the Acting Secretary, Indian Mining Association, Calcutta, dated 17th July 1899, No. 275 R.
Letter from the Secretary, Chamber of Commerce, Madras, dated 22nd August 1899.

From the Hon'ble Mr. C. E. P. VansAGNEW, Esq., Chairman, Chamber of Commerce, Madras, to the Secretary to Government, Marine Department, dated 4th September 1899.

In continuation of my letter of the 5th July, I have now the honour to inform you that the Chamber, having considered the question of the proposed reduction of the harbour dues on coal from 12 annas to 4 annas per ton, in the light of the information afforded to it by the Chairman of the Harbour Trust Board, in his letters of the 25th idem and 3rd August—copies of which are forwarded herewith—for information—has resolved as follows :—

"(1) That, in the opinion of the Chamber, the proposed reduction in the dues on coal is advisable, but that inasmuch as the revenues of the Board are likely to receive a considerable addition from the Port Funds by reason of the cost of the proposed new coast lights being defrayed from dues specially levied for the purpose, it strongly deprecates any addition being made to the dues on other goods until same has been shown absolutely necessary.

"(2) That the trade in coal is of recent date, and by the exercise of rigid economy the Chamber is of opinion that the reduced revenues of the Harbour Trust Board ought to be sufficient to meet all expenses.

"(3) That in the event of this not being found to be the case, the Chamber would be glad to consider any other proposals which the Harbour Trust Board might make."

ENCLOSURES.

From HERBERT BRADLEY, Esq., I.C.S., Chairman, Harbour Trust Board, Madras, to the Chairman, Chamber of Commerce, Madras, dated 25th July 1899, No. 309.

Referring to your letter, dated 5th July, addressed to Government in reference to the proposed reduction of Harbour dues on coal from twelve to four annas per ton, copy of which has been communicated to me by the Secretary to Government, Marine Department, with instructions to furnish you with the information asked for, I have the honour to inform you that the total tonnage imported and exported during the year 1898–99 was ... 553,069 tons.

Tonnage of coal	222,505 tons.
	RS.
Dues at 12 annas thereon	1,66,878
The Board expects to retain half the trade, say 111,250 tons; dues on which at 4 annas	27,812
Deficit to be made good	1,39,066

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2. The total tonnage exclusive of coal was 553,069 *minus* 222,505 equal to 330,564 tons, general cargo upon which extra dues must be imposed to meet the deficiency of Rs. 1,39,066, which in round figures would necessitate an all-round enhancement at the rate of nearly seven annas per ton.

This would raise the due for landing and shipping on all goods except coal to Rs. 1-3-0 per ton.

3. It would probably be a much more convenient arrangement to retain the present principle of collecting the same rate of harbour dues upon all goods imported and exported, so as to avoid all questions of classification of imports or exports. If you would prefer differential rates, and would like to make suggestions on the subject, I will lay your proposals before the Board.

From HERBERT BRADLEY, Esq., I.C.S., Chairman, Harbour Trust Board, Madras, to the Secretary, Chamber of Commerce, Madras, dated 3rd August 1899, No. 309/1.

In answer to your letter of the 1st August, I have the honour to state that, so far as can be at present foreseen, it is probable that the receipts of the Harbour Trust Board will fall considerably below the estimates in any case, whether dues on coal are reduced or not. It will therefore be necessary to raise dues on general cargo in any case.

Order—No. 953, Marine, dated 13th October 1899.

The papers read above relate to the proposal of the Harbour Trust Board to reduce the dues on seaborne coal from 12 annas to 4 annas per ton.

2. Before sanctioning the proposal, the Government desired to have the opinion of the Chamber of Commerce. The Chamber has now sent a final reply in its letter, dated 4th September 1899, from which it will be seen that it gives a conditional assent to the proposed reduction of dues.

3. It assumes that the effect of the imposition of light dues, which is under separate consideration, will relieve the Port Fund and thus produce such an enhancement of the contribution now made by this fund to the Harbour Trust Board as will render unnecessary any addition to the dues on other goods so as to compensate for the loss of over a lakh of rupees involved in the reduction of the dues on coal. It thus becomes necessary to consider what will be the actual effect on the Port Fund of Madras of the imposition of light dues.

4. The receipts under the Madras Port Fund are shown in the current year's budget as	Rs.	1,13,390
The ordinary Civil charges to be met from these receipts amount to	"	*92,832
The balance therefore which can in the future be transferred to the Harbour Trust Board will amount to	"	20,558
But from this balance, the Public Works charges, other than lighthouse charges, will have first to be met. In the current year's budget, these charges amount to	"	2,669
Deducting this amount, the net balance available for transfer will be	"	17,889

At present, the Madras Port Fund makes a contribution to the Pilotage Fund of about Rs. 12,000 per annum; but proposals for enhancing pilotage fees have recently been sanctioned, and it is expected that the receipts will in future balance the expenditure. No provision need therefore be made for pilotage. Similarly, under the light dues scheme, charges on account of lighthouses will no longer fall on the Port Fund. Thus a sum of about Rs. 18,000 in round numbers may fairly be assumed as the surplus for future years.

	RS.
* General administration	13,934
Establishment	30,578
Fees	800
Miscellaneous	47,520
Total ..	92,832

5. Under the proposal now before Government to reduce the dues on coal, the Harbour Trust Board stand to lose Rs. 1,39,066 per annum, while the expected surplus from Port Funds, as shown above, is not likely to be more than Rs. 18,000 per annum. There thus seems no good ground for the optimistic view of the Chamber of Commerce as to the future enhancement of the Harbour Trust Board's revenues from Port Funds.

6. But the Chamber is further of opinion that by the exercise of rigid economy, the Harbour Trust Board should be able to meet all its expenses even with the reduced revenue consequent on the reduction of coal dues. There is nothing before the Government in support of this opinion.

7. The Trustees apprehend that, unless the proposed reduction of rates is sanctioned, the sea-borne coal will be ousted from the market by the rail-borne coal from Singareni. It has been ascertained that, at present advertised rates, Singareni coal can be delivered in Madras for Rs. 13-5-6, supposing the cost of coal at the mines to be the same as it was in 1896, viz., Rs. 6. Messrs. Best & Co., say that, if harbour dues are reduced to 4 annas per ton, Bengal coal can be delivered at Madras for Rs. 13 per ton. This means that if the dues are retained at their present figure, Bengal coal can be delivered for Rs. 13-8-0. Now in G.O., No. 389 Ry., dated 9th March 1898, the efficiency of Bengal (Kurhurbaree) coal as compared with Singareni coal is stated to be as 1 to 1·2. This means that to compete with Bengal coal, Singareni coal must be delivered at five-sixths of the price of Bengal coal, so that it should cost at Madras Rs. 11-4-0 per ton if dues are not reduced, and Rs. 10-13-4 if they are. The figures before Government seem to show that it is impossible, without great reduction of the railway rates lately advertised, or of cost of production, to deliver coal at Madras from Singareni so cheaply as this. The Chairman of the Harbour Trust Board is accordingly requested to verify the apprehension of the Trustees by definite figures.

8. The attention of the Trustees is also called to the condition considered necessary by the Chamber of Commerce, viz., that the reduction of dues on coal should not involve an increase of dues on other goods.

9. Pending submission of the information called for in these Proceedings and of an assurance by the Harbour Trust Board that no compensating increase of dues will be necessary, His Excellency the Governor in Council must defer his assent to the proposal made by the Harbour Trust Board to reduce the dues on coal.

(True Extract.)

Under Secretary to Government.

To the Chairman, Harbour Trust Board.
" the Chairman, Chamber of Commerce, Madras.
" the Secretary, Indian Mining Association, Calcutta.
" the Secretary, Kolar Gold Field Mining Board, Marikuppam.
" Messrs. Best & Co.

Exd. T. K. Narayana Aiyangar.

Marine DEPARTMENT.

Read again the following:—

G.O. 470 Marine, dated 31st May 1899. Read also,

Letter from the Secretary, Kolar Gold Field Mining Board, Marikuppam, dated 20th June 1899.
Letter from Messrs. Best & Co. No. G. T. B. 1/297 dated 28th June 1899.
Letter from the Chairman, Harbour Trust Board, Madras, No. 262 dated 26th June 1899.
Office Note from the Joint Secretary to Government, P.W.D. Railway Branch, d/ 6th July 1899.
Letter from the Ag. Secretary, Indian Mining Association, Calcutta, No. 275 R., dated 17th July 1899.
Letter from the Secretary, Chamber of Commerce, Madras, dated 22nd August 1899.
Letter from the Chairman, Chamber of Commerce, Madras, dated 4th September 1899.

Circulated to

6 P

ORDER. No. 953 Mar of 13-10-99

The papers read above relate to the proposal of the Harbour Trust Board to reduce the dues on Seaborne coal from 12 annas to 4 annas per ton.

2. Before sanctioning the proposal the Government desired to have the opinion of the Chamber of Commerce. The Chamber has now sent a final reply in its letter dated 4th September 1899, from which it will be seen that it gives a conditional assent to the proposed reduction of dues.

3. It assumes that the effect of the imposition of light dues, which is under separate consideration, will relieve the Port Funds and thus produce

Marine de. 18.12.99

P. W. 42-A.
1,000—2-3-99.

produce such an enhancement of the contribution now made by this fund to the Harbour Trust Board as will render unnecessary any addition to the dues on other goods so as to compensate for the loss of over a lakh of rupees involved in the reduction of the dues on coal. It thus becomes necessary to consider what will be the actual effect on the Port Fund of Madras of the imposition of light dues.

4. The receipts under the Madras Port Fund are shown in the current year's budget as Rs 1,13,390

The ordinary Civil Charges to be met from these receipts amount to Rs 92,832

	Rs
General administration	13,934
Establishment	30,578
Fees	800
Miscellaneous	47520
Total Rs	92,832

The balance therefore which can in the future be transferred to the Harbour Trust Board will amount to Rs 20,558

But from this balance, the Public Works Charges, other than Lighthouse Charges, will have first to be met. In the current year's budget, these Charges amount to Rs 2,669

Deducting this amount, the net balance available for transfer will be Rs 17,889

At present, the Madras Port Fund makes a contribution to the Pilotage Fund of about Rs 12,000 per annum; but proposals for enhancing pilotage fees have recently been sanctioned, and it is expected that the receipts will in future balance the expenditure. No provision need therefore be made for pilotage. Similarly, under the light dues scheme, charges on account of lighthouses will no longer fall on the Port Fund. Thus a sum of about Rs 18,000 in round numbers may fairly be assumed as the surplus for future years.

5. Under the proposal now before Government to reduce the dues on coal, the Harbour Trust Board stand to lose Rs 1,39,066 per annum, while the expected surplus from Port Funds, as shown above, is not likely to be more than Rs 18,000 per annum. There thus seems no good ground for the optimistic view of the Chamber of Commerce as to the

the future enhancement of the Harbour Trust Board's revenues from Port Funds.

6. But the Chamber is further of opinion that by the exercise of rigid economy, the Harbour Trust Board should be able to meet all its expenses even with the reduced revenue consequent on the reduction of coal dues. There is nothing before the Government in support of this opinion.

7. The Trustees apprehend that, unless the proposed reduction of rates is sanctioned, the seaborne coal will be ousted from the market by the railborne coal from Singareni. It has been ascertained that, at present advertised rates, Singareni coal can be delivered in Madras for Rs 13-5-6, supposing the cost of coal at the mines to be the same as it was in 1896, viz., Rs 6. Messrs Best and Company say that, if harbour dues are reduced to 4 annas per ton, Bengal coal can be delivered at Madras for Rs 13 per ton. This means that, if the dues are retained at their present

present figure, Bengal coal can be delivered for Rs 13-8-0. Now in G.O. 389 Railway dated 9th March 1898, the efficiency of Bengal [illegible] (Kurhurbaree) coal as compared with Singareni coal is stated to be as 1 to 1.2. This means that to compete with Bengal coal, Singareni coal must be delivered at five-sixths of the price of Bengal coal, so that it should cost at Madras Rs 11-4-0 per ton if dues are not reduced, and Rs 10-13-4 if they are. The figures before Government seem to show that it is impossible, without great reduction of the railway ~~receipts~~ rates lately advertised, or of cost of production to deliver coal at Madras from Singareni so cheaply as this. The Chairman of the Harbour Trust Board is accordingly requested to verify the apprehension of the Trustees by definite figures.

8. The attention of the Trustees is also called to the condition considered necessary by the Chamber of Commerce, viz., that the reduction

reduction of dues on coal should not involve an increase of dues on other goods.

9. Pending submission of the information called for in these Proceedings and of an assurance by the Harbour Trust Board that no compensating increase of dues will be necessary, His Excellency the Governor in Council must defer his assent to the proposal made by the Harbour Tr[illegible] Board to reduce the dues on coal.

R.G.

13.10.99

To The Chairman, Harbour Trust Board
The Chairman, Chamber of Commerce,
Madras,
" Secretary, Indian Mining Assocn., Calcutta
" Secretary, Kolar Gold Field Mining Board,
Marikuppam.
Messrs. Best and Company

D 3/10/99

Marine DEPARTMENT.

95316

READ again the following :—

G.O. 470 Marine, dated 31st May 1899.

Read also

Letter from the Secretary, Kolar Gold Field Mining Board, Marikuppam, d/ 20th June 1899.
Letter from Messrs. Best and Company. No. G.T.B. 1/297, dated 28th June 1899.
Letter from the Chairman, Harbour Trust Board, Madras No. 262, dated 26th June 1899.
Office note from the Joint Secretary to Govt. P.W.D. Railway Branch, dated 6th July 1899.
Letter from the Acting Secretary, Indian Mining Association, Calcutta, No. 275 R, d/ 17th July 1899
Letter from the Secretary, Chamber of Commerce, Madras, dated 22nd August 1899.
Letter from the Chairman, Chamber of Commerce, Madras, dated 4th September 1899.

Reduction of harbour dues on Coal.

Circulated to

~~H. E. the Governor~~
~~The Hon. Mr. Arundel C.S.I~~
~~The Hon. Mr. Winterbotham~~

FOR ORDERS

The papers read above relate to the proposal[x] of the Harbour Trust Board [illegible] reduce the dues on sea-borne coal from 12 annas to 4 annas per ton.

2. Before sanctioning the proposal, the Government desired[⊕] to have the opinion of the Chamber of Commerce. The Chamber has now sent a final reply[#] in its letter dated 4th September 1899, from which it will be seen that it gives a conditional assent ~~on~~ to the proposed reduction of dues.

3. It assumes that the effect of the imposition of light dues, which is under separate consideration, will relieve Port Funds and thus produce such an enhancement of

x Flag II

⊕ G.O. 470 Mar. G. 31st May 1899 Flag Y.

Flag III

R 11.10.
HMI 11.10.
12.10.99.

[P. W. 43. / 1,000—28-2-99.]

of the contribution now made by this Fund to the Harbour Trust Board as will render unnecessary any addition to the dues on other goods so as to compensate for the loss of over a lakh of rupees involved in the reduction of the dues on Coal. It thus becomes necessary to consider what will be the actual effect of the imposition of light dues on the Port Fund of Madras.

4. The receipts under the Madras Port Fund are shown in the current years budget as Rs 1,13,390.

The ordinary Civil Charges to be met from these receipts amount to Rs 92832*

	Rs	Page of the Budget — Flag VI
*. Genl: administration	13,934	12
Establishment "	30,578	14
Fees	800	18
Miscellaneous	47520	18
Total	92,832	

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But from this balance, the Public Works Charges, other than Lighthouse Charges, will have first to be met. In the Current Years' budget these Charges amount to Rs 2,669.

Deducting this amount, the balance available for transfer will be Rs 17,889

At present the Madras Port Fund makes a contribution to the Pilotage Fund of about Rs 12,000 per annum, but proposals have recently gone up to the Government of India for equalising expenditure and receipts. No provision is therefore now made for pilotage.

5. Similarly, under the light dues scheme, Charges on account of lighthouses will no longer fall on the Port Fund. Thus a sum of about Rs 18,000 in round numbers may fairly be assumed as the surplus for future years.

6. Under the proposal now before Government to reduce the dues on coal, the Harbour Trust Board stand to lose Rs 1,39,066 per annum, while the expected surplus from Port Funds is not likely to be more than Rs 18,000 per annum. There thus seems no good ground for the optimistic view of the Chamber of Commerce as to the future enhancement of the Harbour Trust Board's revenues from Port Funds.

This should be pointed out.
MA

7.

[1,000—28-2-19.]

7. But the Chamber is further of opinion that by the exercise of rigid economy, the Harbour Trust Board should be able to meet all its expenses even with the reduced revenue consequent on the reduction of coal dues.

?

8. There has intermediately been a considerable mass of correspondence, principally in the public press, for and against the proposed reduction of coal dues, and figures have been put forward on both sides of the question which it is difficult to check or to reconcile. The Chamber ^ of Commerce confines itself to a general view of the question; and, if its opinion which has been specially sought by Government is adopted, it will perhaps be unnecessary to analize the figures put forward by the various controversialists.

^ Most of the letters on the subject will be found in the file

WS
11-10-99.

R.S. I recommend that the H.T. Board be asked to verify its apprehensions by figures. vide Note for orders flagged 1/.

This should be done. The H.T. Bd. should note the conditions laid down by the Chamber of Commerce, viz. that there shd. be no increase of dues on other goods. Some small + increase would seem inevitable.

A.A. 1.10.99 J.J.H. 10.10.

Urgent

READ the following :—

…ter from the Secretary, Kolar Gold Field Mining Board, Marikuppam, dated 20th June 1899.

…tter from Messrs. Best & Co. No. G.I.B. 1/297, dated 28th June 1899.

… from the Chairman, Harbour Trust Board, Madras, No. 262 dated 26th June 1899.

Harbour Dues Coal

…ulated to

Excellency the Governor

FOR ORDERS

When the proposal of the Harbour Trust Board to reduce the import dues on coal from 12 annas to 4 annas per ton first came up, it seemed apparent, from the correspondence submitted, that the reduction was in the interest of a single importing firm; and as the matter was one which affected other interests and the public at large, it was decided in G.O. 470 Marine, dated 31st May 1899 to obtain the views of the Madras Chamber of Commerce in the matter.

2. In his letter read above, the Chairman, Harbour Trust Board, explains that the proposal was not made in the interests of a single firm, and says that the Trustees protest against the suggestion that in making their proposal

P. W. 43.
1,000—28-2-19.

posal, they were not acting in the public interests. They also protest against the reference which the Government has thought it desirable to make to the Chamber of Commerce.

3. In regard to these protests, it is submitted that the Government is within its rights in seeking for as much information as possible before according sanction to a proposal which involves an immediate sacrifice of revenue, calculated by the Board at over a lakh of rupees per annum, especially at a time when, according to the Board's own showing, the resources of the Trust have to be most carefully administered, and when the question of coming to the relief of the Board by a grant-in-aid of Provincial funds is under the consideration of Government.

It is also submitted that so far as the Government could see, the Resolution of the Trustees approving of the reduction in rates was based entirely on a letter dated the 5th of April 1899 from Messrs. Best and Company. The Resolution

states

states expressly that the rates were to be reduced for the reasons given by Messrs. Best & Co. There were other interests involved - notably those of the Deccan Mining Company and of the East Coast Railway, whose interests are opposed to those of Messrs. Best & Co. The Government had before it at the time, the protest, of the Agent and General Manager of the former Company, against the proposed reduction in import dues which would, it was stated, so lower the price of seaborne coal in Madras that the railway borne coal would be ousted from the markets of Southern India. The statement now made by the Harbour Trust Board that it took into consideration all the interests involved is, therefore, not supported by the evidence which the Government had before it when it recorded its proceedings No. 470 Marine dated 31st May 1899.

4. The fact that the Board did not give that close consideration to the matter which it now professes

to

posal, they were not acting in the public interests. They also protest against the reference which the Government has thought it desirable to make to the Chamber of Commerce.

3. In regard to these protests, it is submitted that the Government is within its rights in seeking for as much information as possible before according sanction to a proposal which involves an immediate sacrifice of revenue, calculated by the Board at over a lakh of rupees per annum, especially at a time when, according to the Board's own showing, the resources of the Trust have to be most carefully administered, and when the question of coming to the relief of the Board by a grant-in-aid of Provincial Funds is under the consideration of Government. It is also submitted that so far as the Government could see, the Resolution of the Trustees approving of the reduction in rates was based entirely on a letter dated the 5th of April 1899 from Messrs. Best and Company. The Resolution states expressly that the rates were to be reduced for the reasons given by Messrs. Best & Co. There were other interests involved – notably those of the Deccan Mining Company and of the East Coast Railway, whose interests are opposed to those of Messrs. Best & Co. The Government had before it at the time, the protest, of the Agent and General Manager of the former Company, against the proposed reduction in import dues which would, it ~~is~~ was stated, so lower the price of seaborne coal in Madras that the railway borne coal would be ousted from the markets of Southern India. The statement now made by the Harbour Trust Board that it took into consideration all the interests involved is, therefore, not supported by the evidence which the Government had before it when it recorded its proceedings No. 470 Marine dated 31st May 1899.

4. The fact that the Board did not give that close consideration to the matter which it now professes to

to have done is further borne out by the admission made in the last paragraph of the present letter. The Chairman here says that by "an oversight" the possibility of coal being exported was "overlooked," in consequence of which the Board now supplements its original proposal by a further suggestion to make a corresponding reduction in the *Export* dues on coal.

5. It is further submitted that the fact that, on the Harbour Trust Board, there are several members of the Chamber of Commerce, is not conclusive that the Chamber must necessarily agree with every measure approved by the Harbour Trust Board. It is quite conceivable that the Chamber of Commerce, in its collective capacity, may hold a different view on a commercial question from that entertained by the Harbour Trust Board as a Corporation.

6. Messrs. Best & Co. say, in their letter read above, that the reduction in the rates will not benefit them, but only the Consumers, as provision is made, they say, in all their principal contracts, that the Consumer shall reap the benefit of any reduction in dues. It is submitted that, notwithstanding this arrangement, Messrs. Best & Co. still have a personal interest in the reduction of harbour dues, inasmuch as, if these rates are not reduced, they are likely to lose their agency and therewith their trade profits.

7. Messrs. Best & Co. also put forward figures with the intention of showing that, even after the reduction of harbour dues on seaborne coal, the railborne coal from the Deccan will be still in a position to undersell the former. Before any useful opinion can be formed on these figures, they should be subjected to the criticism of the representatives of the opposing interests. I have ascertained from the Railway Branch (vide linked file) that, at present advertised rates

Singareni coal can be delivered in Madras for Rs 13.5.6, supposing the cost of coal at the mines to be the same as it was in 1896, viz Rs 6 – Messrs Best & Co say that if harbour dues are reduced to 4 as per ton, Bengal coal can be delivered at Madras for Rs 13 per ton – This means that if the dues are retained at their present figures, Bengal coal can be delivered for Rs 13-8-0 – Now in G.O. 389 Ry of 9 Mar: 96 the efficiency of Bengal (Kurhurbaree) coal as compared with Singareni coal is stated to be as 1 to 1.2. This means that to compete with Bengal coal, Singareni coal must be delivered at $\frac{5}{6}$ of ~~its~~ the price of Bengal – So that it should cost at Madras Rs 11.4.0 per ton if dues are not reduced, & Rs 10.13.4 if they are –

+ Flag V.

Linked file Flag W.

The protests of the H.T.B. may be recorded.

The H.T.B. may be asked to verify their statements by figures; but I think, before asking them to do this, we had better wait for the reply of the Chamber of Commerce. Please see my Note on the lower files.

A.G.H.
8.7.99

Flag Z

Await reply to G.O. on C. No: 922 + G.O. 834
10.7.99

10.7.99

The figures given ~~by Mr. Lyle in linked file~~ before Govt seem to show that it is impossible without great reduction of the railway rates ~~alrea~~ lately advertised or of cost of production, to deliver coal at Madras from Singareni so cheaply as this, & I think the H.T.B. should be asked to verify their apprehensions by definite figures – Their present attitude of indignation at Govt's refusal to accept so large a reduction in their revenue without positive proof of its necessity is absurd. Attention is also invited to letter dated 20 June from the Secretary, Kolar Gold Field Mining Board, read above

L. Bell
7.7.99

The figures given by the
Kolar Goldfields Board to
show that it is impossible
without great reduction of
the existing rates also
cheap introduction or
cost of production, to
deliver coal at Madras
for fuel purposes so cheaply
as this, & think the
H. T. B. should be asked
to verify their apprehensions
by definite figures.
Their present attitude of
unwillingness to be
supposed to accept the large
reduction in their revenue
without positive proof of
its necessity is observed.
Attention is also invited
to letter dated 30 June
from the Secy Kolar Gold
Fields Mining Board

Marine (1899) Department.

CURRENT No. 818

From The Secretary
Kolar Gold fields Mining Board
Marikuppam
Mysore State

No.

Dated 20-6-99.
Received
Registered } 22-6-99
Enclosures ..
Spare copies ..

acknowledge receipt of letter & say the matter is under consideration & will be settled shortly

Await reply from the Chamber of Commerce to G.O. 470 Mar. 31st May 99

23.6.99

SUBJECT.

requesting that the recommendations of the Madras Harbour Trust Board on the subject of a reduction in the Madras Harbour Dues on coal be favourably considered.

[P. W. 29. / 2,000—15-39-9.]

470 Mar
31-5-99

BACK PAPERS.

G.O.	No.	Department.	Date
	634		10-7-99
	335		4-7-99
G.O.	470	Mar	31-5-99
G.O.	551	Mar	29.6.98
G.O.	1031	Mar	16-12-97
G.O.	1000	Mar	8. 12-97

FURTHER PAPERS.

G.O.	No.	Department.	Date.

THE KOLAR GOLD FIELD MINING BOARD,
MARIKUPPAM,
MYSORE STATE,
S. INDIA.

20th June 1899

The Secretary
Government of Madras
Marine Department
Ootacamund.

Sir,

I have the honor to address you on the Subject of the proposed reduction in the Madras Harbour dues on Coal, which is a matter of great importance to the Mining Industry on the Kolar Gold Field

Government no doubt are aware that we are by far the largest importers of Coal in Southern India, the quantity landed at the Port of Madras for the Mines on this Field being between 140,000 and 180,000 Tons per annum.

Unless the rate is reduced as recommended by the Madras Harbour Trust Board, the Bengal seaborne Coal will not be able to Compete with land borne Coal. The

present

70 Mar
1-5-99

BACK PAPERS.

G.O.	No.	Department.	Date
	634	10-7-99	
	835	4-7-99	
G.O.	470	Mar. of	31-5-99
G.O.	551	Mar. of	29.6.98
G.O.	1031	Mar. of	16-12-97
G.O.	1000	Mar. of	8. 12-97

FURTHER PAPERS.

G.O.	No.	Department.	Date.

No. 320 E of 26-6-99.

Marine Department

To

The Secretary to the
Kolar Gold Fields Mining Board
Marikuppam.

Sir,

I am directed to acknowledge the receipt of your letter dated 20th June on the subject of the reduction of the rate of import dues on coal proposed by the Harbour Trust Board, and to say that the matter is under consideration and will be settled shortly.

I have &ca

Despd 28/6

R.S.

470 Mar
31-5-99

BACK PAPERS.

G.O.	No.	Department.	Date
	634	10-7-99	
	332	4-7-99	
G.O.	470	Mar	31-5-99
G.O.	551	Mar	29.6.98
G.O.	1031	Mar	16-12-97

No. 320 E of 26-6-99.

Marine Department

To

The Secretary to the
Kolar Gold Field Mining Board

2

present quarantine regulations in force at Madras on vessels arriving from Calcutta increases the Cost of Bengal Coal by eight annas per ton, this also militates against Seaborne Coal, so that unless a reduction is promptly made in the dues the time is not far distant when the Mines will Consider it advisable to procure Coal from other Sources, instead of as at present through the Port of Madras.

The Board therefore beg that Government will give the matter the Consideration it deserves.

I have the honor to be,
Sir,
Your most obedient Servant,

Secretary.

Note
The Mines naturally want to get their Coal as cheap as possible: hence their extreme solicitude on behalf of the H.T.U.! But this letter is hardly an argument in favour of reducing the dues.

9.9.99

470 mar
31-5-99

BACK PAPERS.

G.O.	No.	Department.	Date
	634	10-7-99	
	832	4-7-99	
P.	470 Mar	31-5-	99
P.	551 Mar	29.	6.98

No. 320 E of 26-6-99.

Marine Department

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The Secretary to the
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I am directed to acknowledge the receipt of your letter dated 20th June on the subject of the reduction of the rate of import dues on coal proposed by the Harbour Trust Board, and to say that the matter is under Consideration and will be settled Shortly.

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26.6.

Despd 28/6.

R.D.

Marine (1899) Department.

CURRENT No. 873.

From Messrs. Best & Co.
Madras

No. G. T. B. 1/297.

Dated 28-6-99
Received } 30-6-99
Registered }
Enclosures 3
Spare copies –

SUBJECT.

expressing their views on the proposed reduction in the dues on coal.

Await reply from the Chamber of Commerce to 4703 mar. of 31-5-99.
f.o.:

3.7.9

[P. W. 29. / 2,000—15-39-9.]

BACK PAPERS.

G.O.	No.	Department.	Date.
320	Ed	26 . 6	98

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Statement shewing the gross trade of the Port for the year ended 1st March 1899 and the dues contributed by coal and the remaining Imports nd Exports.

iption	Gross value	Harbour dues collected	Trade Percentage	Percentage of total dues collected.
1	Rs. 34,18,335	170,917	3.13	41.20
Imports	" 541,27,293	182,936	49.61	44.10
Imports	" 575,45,628	353,853	52.74	85.30
Exports	" 515,71,660	60,949	47.26	14.70
Trade	" 1,091,17,288	414,802	100.00	100.000

The Coal trade which amounts in value to little more than 3% of the total trade the port contributes 41.20%, of the total dues collected, ~~or~~ nearly three times as ch as that contributed by the total Export trade, valued at 515¾ lakhs of rupees.

Statement shewing the gross trade of the Port for the year ended 31st March 1899 and the dues contributed by coal and the remaining Imports and Exports.

Description		Gross value	Harbour dues collected	Trade Percentage	Percentage of total dues collected.
Coal	Rs.	34,18,335	170,917	3.13	41.20
Other Imports	"	541,27,293	182,936	49.61	44.10
Total Imports	"	575,45,628	353,853	52.74	85.30
Total Exports	"	515,71,660	60,949	47.26	14.70
Total Trade	"	1,091,17,288	414,802	100.00	100.000

N.B.

The Coal trade which amounts in value to little more than 3% of the total trade of the port contributes 41.20%, of the total dues collected, or nearly three times as much as that contributed by the total Export trade, valued at 515¾ lakhs of rupees.

Statement shewing the percentage (advalorem) paid in dues by the principal commodities Imported and Exported.

Commodity.	Approximate value	Percentage paid in dues	Remarks.
Coal	Rs. 15 per ton weight	5.00	At 12 as. per ton (Beach rate)
Iron	" 125 "	.60	—"—
Piece Goods & Yarns (grey)	" 900 per ton measurement	.11	At Rs.1/- per ton Pier rate.
Piece Goods & Yarns(colored)	" 1250 "	.08	—"—
Hides	" 1250 "	.08	—"—
Skins	" 2500 "	.04	—"—
Indigo	" 2500 "	.04	—"—
Cotton Raw	" 400 "	.25	—"—
Seeds & Grain	" 100 "	1.00	—"—

BEST & CO.

WHEN REPLYING PLEASE QUOTE
REFERENCE No. [illegible] 299.

Madras, 28th June, 1898.

To

The Secretary to Government,
Marine Department,
OOTACAMUND.

Sir,

With reference to G.O.No.470 Marine dated 31st ultimo, asking the Madras Chamber of Commerce to favor His Excellency the Governor in Council with their views on the proposed reduction in the dues on coal from annas twelve to annas four, we, as the firm specially referred to, feel it incumbent on us to bring the following facts to the notice of Government.

2 " The tonnage of Coal, Coke, and patent fuel imported into Madras by sea "during the year ending 31st March last, amounted to 227,889 tons, and the dues "collected on it to no less a sum than Rs.170,217 out of a total of "Rs.353852-11-0 collected on the whole of the imports during the same period." "Excluding coal the gross value of the imports for this period amounted to " "Rs.541,27,323 (vide Chamber of Commerce reports) and the value of the Coal " "(at Rs.15 - per ton, an outside rate) to Rs.34,18,335."

3 "In other words, Coal imports valued at only 5·94% of the total imports " "of the Port contributed 48·30% of the dues collected, whilst the remaining " "94·06% of the imports contributed only 51·70%."

4 " So long as there was no competition and the "interests of a single " "importing firm" only affected, there was perhaps a reason for this anomaly," "but it has now resolved itself into a question of whether a portion at least "of the trade in seaborne Coal can be retained, and the revenues of the Harbour Trust augmented to a proportionate extent."

5 "If the trade is entirely diverted, the dues on other goods will undoubtedly have to be increased, and the Trust in our opinion, have adopted " "the wisest course for minimising and deferring this unpleasant alternative."

6 "In addition to the "interests of the single importing firm" we think" "the interests of the large and increasing body of Coal consumers should be"

Statement shewing total revenue of the Harbour Board for 1898-99 from goods Exported and Imported and the amounts received from Coal.

	Amount.	On Coal	From all other Imports & Exports.
Imports	353,853	170,917	182,936
Exports	60,949		60,949
Craneage	42,860		42,860
Porterage	135,122	85,458 *	49,664
Entry of vehicles	18,704	12,000 *	6,704
Wharfage	8,929	7,500 *	1,429
Storage	1,296		1,296
Demurrage	718		718
Water supplied	9,615		9,615
Rent	691		691
Sundries	1,345		1,345
	634,082	275,857 = 43½ % of total receipts	358,207 = 56½ % of total receipts

* approximate

697 = 497 – 589-83 = 486

BEST & CO.

WHEN REPLYING PLEASE QUOTE REFERENCE No. Ord 4 299.

Madras, 28th June, 1899.

2

To

The Secretary to Government,

Marine Department,

O O T A C A M U N D.

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5 "If the trade is entirely diverted, the dues on other goods will un- "doubtedly have to be increased, and the Trust in our opinion, have adopted " "the wisest course for minimising and deferring this unpleasant alternative."

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Commodity.	Approximate value		Percentage paid in dues	Remarks.
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Hides	"	1250 "	.08	---"---
Skins	"	2500 "	.04	---"---
Indigo	"	2500 "	.04	---"---
Cotton Raw	"	400 "	.25	---"---
Seeds & Grain	"	100 "	1.00	---"---

Mar 873/99

BEST & CO.

When Replying Please Quote
Reference No. Ca 4 294.

Madras, 28th June, 1899.

To

The Secretary to Government,
Marine Department,
OOTACAMUND.

Sir,

With reference to G.O.No.470 Marine dated 31st ultimo, asking the Madras Chamber of Commerce to favor His Excellency the Governor in Council with their views on the proposed reduction in the dues on coal from annas twelve to annas four, we, as the firm specially referred to, feel it incumbent on us to bring the following facts to the notice of Government.

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3 "In other words, Coal imports valued at only 5·94% of the total imports " "of the Port contributed 48·30% of the dues collected, whilst the remaining " "94·06% of the imports contributed only 51·70%."

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5 "If the trade is entirely diverted, the dues on other goods will undoubtedly have to be increased, and the Trust in our opinion, have adopted " "the wisest course for minimising and deferring this unpleasant alternative."

6 "In addition to the "interests of the single importing firm" we think" "the interests of the large and increasing body of Coal consumers should be"

"be considered, and not subordinated to the interests of the Hyderabad "
"Deccan Company and the East Coast Railway".

7 "Singarenni Coal is conveyed to Madras at a little over Rs.6 - per"
"ton, and if the minimum rate $\frac{1}{10}$ pie per maund per mile is adopted, it is"
"susceptible of a reduction to Rs.5/1 per ton. With a reduction of 8 An-"
"nas in the Harbour dues, the minimum price at which seaborne Coal can be"
"landed is from Rs.12/8 to Rs.13 - per ton. Taking the lower rate and al-"
"lowing Rs.1/8 per ton for the superiority of Bengal Coal over Singarenni"
"in quality, the latter at Rs.11 - can easily hold its own. Deducting Rs.6"
"for rail haulage, this makes the value of the Coal at the pit's mouth to "
"be Rs.5 - or considerably more than double what the Bengal Colliery owners
"are glad to accept for their out-put."

Can it? Where is the proof

9.5.0

8 "If the present dues are persisted in, the trade in seaborne Coal "
"will be diverted, and the Singarenni Mines given a monopoly to the detri-"
"ment of industrial enterprise, and at the expense of an important and grow-"
"ing community, viz:, the Coal consumers of the Presidency."

9 "Another point that should be noted is, that out of 573 steamers "
"which visited this port in the year ended 31st. March 1899, no less than "
"47 were steamers with full cargoes of Coal, and 6 with part cargoes. If
"the trade in seaborne Coal is diverted this will mean in addition to the "
"loss in dues on Coal itself, the port will lose nearly 10% of the port & "
"pilotage dues."

10 "A reference to the annexed tables will illustrate some of the ano-"
"malies of the present system of levying Harbour dues by weight without "
"regard to the value of the goods."

11 In conclusion we think it right in view of the special allusion made to us in the above referred to Order to inform Government that we personally shall derive no pecuniary benefit from the proposed reduction in the dues, as the sole object of the reduction is to meet the competition from railborne Coal.

12 We may also add that provision is made in our principal contracts that the consumer shall reap the benefit of any reduction in the dues.

We have the honor to be,
Sir,
Your obedient servants.

Best & Co

urgent

Marine (1899) Department.

CURRENT No. 888

Order

From

The Chairman,
Harbour Trust Board,
Madras.

No. 262

Dated 26.6.99

Despatched 1.7.99

Received 3-7-99

Enclosures

Spare copies

SUBJECT.

Replying to G.O. No.470 Marine dated 31st May 1899 in re proposed import dues on coal at Madras.

BACK PAPERS.

G. O.	No.	Department.	Date.
	3332		4.7.99
	3208		26.6.99
	470 Mar		31-5.99

FURTHER PAPERS.

G. O.	No.	Department.	Date.

Harbour Trust Office.

MADRAS, 26th June 1899.

Despatched 1st July

No.______

FROM

Herbert Bradley Esq, I.C.S.,

CHAIRMAN, HARBOUR TRUST BOARD,

MADRAS.

TO

W. E. deWinton Esq.,

SECRETARY TO GOVERNMENT,

Marine Department.

Sir,

I have the honor to acknowledge the receipt of G/O No. 470 Marine dated 31st May 1899 in reference to the proposed import dues on coal at Madras.

2. The letter from the Agent and General Manager Hyderabad (Deccan) Company Ld. strongly testifies to the soundness of the policy of the Harbour Trust Board, that by the proposed reduction in dues it will probably retain at any rate a portion of the seaborne coal traffic, and by inducing competition between the Bengal and Singareni mines. will still further cheapen the price of coal to consumers.

3. Referring to para 3 of the G.O. I am requested to state that Government is in error in supposing that the reduction is to be made in the interests of a single importing firm. It is a matter of indifference to that firm whether the coal supplies for the consumers whom they represent come from Singareni, Bengal, England or Australia, and the Trustees respectfully protest against the suggestion that in making the proposal to reduce the rate they were not acting in the Public interest. On the other hand the Trustees would point out that if the request of the Hyderabad Co. be acceded to it will be in the interests of a single coal producing Company.

BACK PAPERS.

G. O.	No.	Department.	Date.
	3332		4-7-99
	3208		26.6.99
	470 Mar		31-5-99
		Spl	

FURTHER PAPERS.

G. O.	No.	Department.	Date.

Harbour Trust Office.
MADRAS, 26th June 1899.
Despatched 1st July

No.

From

Herbert Bradley Esq, I.C.S.,

Chairman, Harbour Trust Board,
MADRAS.

To

W. D. deWinton Esq.,

Secretary to Government,
Marine Department.

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4. With regard to the reference to the Chamber of Commerce, the Trustees would further point out that four members of the Chamber are also members of the Harbour Trust Board, and three of them are the elected representatives of the Chamber of Commerce.

The Trustees therefore beg to protest against the slur thrown upon these Gentlemen by the suggestion that their views do not represent those of the Chamber of Commerce.

5. By an oversight the possibility of coal being exported was overlooked as there has never yet been any export of coal from this port. But if railway rates are reduced to compete with the proposed reduction of Harbour dues it is not impossible that Singareni coal may be exported from Madras, and the Board is quite willing to reduce its export dues to 4 as per ton upon coal exported.

I have the honour to be,

Sir,

Your Obedient Servant,

Herbert Ridley

Chairman,

Harbour Trust Board.

Secy.

LO 175

Marine (1899) Department.

CURRENT No. 921.

From The Joint Secretary to Govt Railway Branch

No.

2.94
8.7.99

Dated 6.7.99

Received } 7.7.99.
Registered }

Enclosures Plans " Others " } total nil

Spare copies

SUBJECT.

Furnishing information regarding the selling price of coal on board railway trucks at Singareni at pit mouth.

Await reply to P.O. on C No 922

+ G.O. 634 Mar 10-7-99.

Wd 10-7-99

P. W. 29.
2,000—15-39-9.

R-417

BACK PAPERS.

G.O.	No.	Department.	Date
	389 Ry		9 3 98

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Urgent

No. 333 E

Government of Madras.

Marine DEPARTMENT.

~~Madras,~~ Ootacamund, 4.7 1899.

OFFICE NOTE.

From W

To R.

Can you tell me what the selling price of coal on board railway trucks at Singareni is, or at pits mouth?

4.7.99

I send a copy of G.O No 389 Ry which gives information as to cost of coal at pits mouth in the year 1896, I do not think any change has been made.

Coal can now be brought to Madras by the E. C. Ry & I put up a Madras Mail which gives the rates at which it is carried. I make out the cost of Singareni coal in Madras now to be.

Jellandu to Bezwada	–	2-8-6
Bezwada to Madras	–	4-13-0
Cost at the mines	–	6-0-0
		13-5-6

There is probably some small extra terminal charge at Madras but on the other hand the E. C. Ry may have made some arrangement with the Nizam's line to reduce the freight on the length Jellandu to Bezwada. I have no reliable information on these points.

Waljee Laljee, Madras are the Agents & will no doubt [P. W. 48. / 500–1-2-98.] quote their rate for your information.

6.7.99

BACK PAPERS.

Urgent 20175

Marine (1899) Department.

CURRENT No. 1012

Order

From The Indian Mining Association, Calcutta

No. 275 R

Dated 17 Jul 99
Received 24 Jul 99
Enclosures —
Spare copies 6.

SUBJECT.

Harbour dues on Coal.

Hoping that H. E. the Governor in Council, Madras, will see his way to sanction the proposal to reduce the — imported into Madras by Sea.

Await reply to G.O. 634 Marine d/10 Jul 99
Flag XVI

26. VII

M. 4.
500—14-5-97.

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

Urgent

INDIAN MINING ASSOCIATION,
ROYAL EXCHANGE BUILDING,

No. 275-R. *Calcutta, 17th July 1899.*

From

THE ACTING SECRETARY,
INDIAN MINING ASSOCIATION.

To

THE SECRETARY TO THE GOVERNMENT OF MADRAS,
MARINE DEPARTMENT.

SIR,

THE attention of the Committee of the Indian Mining Association has recently been directed to a proposal made to your Department by the Madras Harbour Trust Board to reduce the Harbour dues on coal imported into Madras by sea from 12 annas to 4 annas per ton. The Committee understand that the Harbour Trust Board urged in support of their proposal that unless such a reduction were made Bengal sea borne coal would not be able to compete in the Madras market with coal from the Singareni mines brought down by the East Coast Railway; and that they would in consequence lose the whole of the Bengal coal trade which, if once diverted, would be very difficult to regain. The proposed reduction would, the Committee note, entail a loss to the Harbour revenues of a lakh of rupees per annum, and they observe that the Board propose to make good this loss by raising the dues on other classes of goods. The Committee have also learned that the Agent of the Hyderabad (Deccan) Company has protested, on behalf of that Company, against the proposed reduction, on the ground that if it comes into force Singareni coal, transported by the East Coast Railway, will not be able to hold its own in Madras against Bengal coal, notwithstanding the recent reduction in rates made by that Railway.

2. The question of the heavy charges levied on coal imported into Madras is one which has been carefully watched by the Committee of this Association since 1897. They recognised then that so soon as the East Coast Railway—at that time under construction—reached Madras, Bengal coal would be driven from that market by Singareni coal unless the Harbour dues were considerably reduced. They urged that a reduction should be made, and the matter was pressed upon the attention of the Harbour Trust Board by the Madras Chamber of Commerce. The Board at that time, however, were unable to recommend any change. The East Coast Railway has since been linked up with Madras, and the low rates of freight at which coal is carried on it prove that the Committee's contention—which is now urged by the Harbour Trust Board—was correct. Singareni coal is conveyed to Madras by the East Coast Railway for a little over Rs. 6 per ton, and is put on the market there at Rs. 11 per ton or thereabouts. Even with the proposed reduction of 8 annas in the Harbour dues the minimum price at which Bengal coal can be landed at Madras is Rs. 13-8 to Rs. 13 per ton. Allowing Re. 1-8 per ton for its superiority to Singareni coal, the latter should still be able to hold its own, notwithstanding the contention of the Agent of the Hyderabad Company. There is, therefore, not the slightest probability of the reduction driving Singareni coal from the Madras market. It will, the Committee submit, only enable Bengal coal to compete on less onerous terms than at present with Singareni coal at Madras, and thereby prevent the Singareni mines obtaining a monopoly of the trade, to the detriment of industrial enterprise, and at the expense of the coal consumers of the Presidency. The Committee would also respectfully protest against the assertion made in your Department's order No. 470 of 31st May 1899, that the proposed reduction would only be in the interest of a single importing firm. They maintain on the other hand that the existing arrangement tends more in the direction of benefiting only a single concern, and that the reduction is a question of great importance to the colliery owners in Bengal as a whole, as well as to all consumers of coal in Madras. Moreover, as the Harbour Trust Board propose to increase the charges on other and more valuable goods to meet the loss they expect to sustain by the 8 annas reduction on coal, it appears to the Committee that if the coal dues are not lowered, and the trade leaves the port, other classes of goods will require to be taxed to a still greater extent to make up the whole difference.

13-8 –
1-8 –
12-0 –

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

---

urgent

INDIAN MINING ASSOCIATION,
ROYAL EXCHANGE BUILDING,
Calcutta, 17th July 1899.

No. 275-R.

From

THE ACTING SECRETARY,
INDIAN MINING ASSOCIATION.

To

THE SECRETARY TO THE GOVERNMENT OF MADRAS,
MARINE DEPARTMENT.

SIR,

THE attention of the Committee of the Indian Mining Association has recently been directed to a proposal made to your Department by the Madras Harbour Trust Board to reduce the Harbour dues on coal imported into Madras by sea from 12 annas to 4 annas per ton. The Committee understand that the Harbour Trust Board urged in support of their proposal that unless such a reduction were made Bengal sea borne coal would not be able to compete in the Madras market with coal from the Singareni mines brought down by the East Coast Railway; and that they would in consequence lose the whole of the Bengal coal trade which, if once diverted, would be very difficult to regain. The proposed reduction would, the Committee note, entail a loss to the Harbour revenues of a lakh of rupees per annum, and they observe that the Board propose to make good this loss by raising the dues on other classes of goods. The Committee have also learned that the Agent of the Hyderabad (Deccan) Company has protested, on behalf of that Company, against the proposed reduction, on the ground that if it comes into force Singareni coal, transported by the East Coast Railway, will not be able to hold its own in Madras against Bengal coal, notwithstanding the recent reduction in rates made by that Railway.

2. The question of the heavy charges levied on coal imported into Madras is one which has been carefully watched by the Committee of this Association since 1897. They recognised then that so soon as the East Coast Railway—at that time under construction—reached Madras, Bengal coal would be driven from that market by Singareni coal unless the Harbour dues were considerably reduced. They urged that a reduction should be made, and the matter was pressed upon the attention of the Harbour Trust Board by the Madras Chamber of Commerce. The Board at that time, however, were unable to recommend any change. The East Coast Railway has since been linked up with Madras, and the low rates of freight at which coal is carried on it prove that the Committee's contention—which is now urged by the Harbour Trust Board—was correct. Singareni coal is conveyed to Madras by the East Coast Railway for a little over Rs. 6 per ton, and is put on the market there at Rs. 11 per ton or thereabouts. Even with the proposed reduction of 8 annas in the Harbour dues the minimum price at which Bengal coal can be landed at Madras is Rs. 13-8 to Rs. 13 per ton. Allowing Re. 1-8 per ton for its superiority to Singareni coal, the latter should still be able to hold its own, notwithstanding the contention of the Agent of the Hyderabad Company. There is, therefore, not the slightest probability of the reduction driving Singareni coal from the Madras market. It will, the Committee submit, only enable Bengal coal to compete on less onerous terms than at present with Singareni coal at Madras, and thereby prevent the Singareni mines obtaining a monopoly of the trade, to the detriment of industrial enterprise, and at the expense of the coal consumers of the Presidency. The Committee would also respectfully protest against the assertion made in your Department's order No. 470 of 31st May 1899, that the proposed reduction would only be in the interest of a single importing firm. They maintain on the other hand that the existing arrangement tends more in the direction of benefiting only a single concern, and that the reduction is a question of great importance to the colliery owners in Bengal as a whole, as well as to all consumers of coal in Madras. Moreover, as the Harbour Trust Board propose to increase the charges on other and more valuable goods to meet the loss they expect to sustain by the 8 annas reduction on coal, it appears to the Committee that if the coal dues are not lowered, and the trade leaves the port, other classes of goods will require to be taxed to a still greater extent to make up the whole difference.

13-8
1-8
12-0

3. The maintenance of the Harbour dues at their present high level seems to the Committee to be indefensible on any grounds. Coal is at present the most heavily taxed of all imports into, or exports from, Madras, paying as it does, 5 per cent. on its value, while no other class of goods pays more than one per cent. There appears to the Committee to be no good reason for this disproportionate tax on sea borne coal, and they are strongly of opinion, as they were in 1897, that a substantial reduction should be made. They trust, therefore, that H. E. the Governor in Council, will see his way to sanction the proposal, which must, in their opinion, ultimately tend to a material addition to the revenues of the Harbour Trust Board.

I have the honor to be,
Sir,
Your most obedient servant,
Taylor
Acting Secretary

Enclosures :—*Nil.*

6 S.C.

[C. P.—100—17-7-99.]

Marine (1899) Department.

CURRENT No. 1151

Order

From The Secretary
Chamber of Commerce
Madras

No.

Dated 22-8-99
Received 24-8-99
Enclosures Nil
Spare copies –

SUBJECT.

Proposed reduction of the Harbour dues on coal:— Stating that the subject of the — is under consideration by the Chamber

There is another letter from 'Merchant' in Victoria. Wait
put up vide (8) [illegible]
20-8

Await the further communication promised.

[M. 4. 500—14-5-97.]

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

The Chamber of Commerce,
Madras, 22nd August 1899.

The Secretary to Government
Marine Department
Ootacamund

Sir,

With reference to your Reminder No. 470 Mar, dated the 17th instant, re the proposed reduction of Harbour dues on Coal, I have the honour to inform you that the papers relating to the subject are still under consideration by members of the Chamber, whose views will be submitted to you as soon as possible.

I have the honour to be,
Sir,
Your most obedt. Servant
A Manton
Secretary.

---

in Connection with the proposed reduction of the ——

M. 4.
500—14-5-97.

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

The Chamber of Commerce,
Madras, 22nd August 1899.

The Secretary to Government
Marine Department
Ootacamund

Sir,

With reference to your Reminder No. 470 Mar, dated the 17th instant, re the proposed reduction of Harbour dues on Coal, I have the honour to inform you that the papers relating to the subject are still under consideration by members of the Chamber, whose views will be submitted to you as soon as possible.

I have the honour to be,
Sir,
Your most obedt. Servant

A Manton
Secretary.

Marine (1899) Department.

CURRENT No. 1213

Order

From The Chairman
Chamber of Commerce
Madras

No.

Dated 4-9-99.
Received 6-9-99.
Enclosures 2 {Plans nil / others 2}.
Spare copies –

SUBJECT.

Harbour dues on coal:- Furnishing further remarks in connection with the proposed reduction of the ——

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

The Chamber of Commerce,
Madras, 22nd August 1899.

The Secretary to Government
Marine Department
Ootacamund

Sir,

With reference to your Reminder No. 470 Mar, dated the 17th instant, re the proposed reduction of Harbour dues on Coal, I have the honour to inform you that the papers relating to the subject are still under consideration by members of the Chamber, whose views will be submitted to you as soon as possible.

I have the honour to be,
Sir,
Your most obedt. Servant
A Marston
Secretary.

Marine (1899) Department.

CURRENT No. 1213

Order

From The Chairman
Chamber of Commerce
Madras

No.

Dated 4 - 9 - 99.
Received 6 - 9 - 99.
Enclosures 2 { Plans - nil / others - 2 }.
Spare copies –

SUBJECT.

Harbour dues on coal:- Furnishing further remarks in connection with the proposed reduction of the ——

M. 4.
500—14-5-97.

BACK PAPERS.

No.	Date.

FURTHER PAPERS.

No.	Date.

451

Madras Harbour Trust,
25th July 1899

No. 309.

From

Herbert Bradley Esq I. C. S.
Chairman, Harbour Trust Board.
Madras.

To

The Hon'ble Mr. C. E. P. Vans Agnew
Chairman,
Chamber of Commerce.

Sir,

Referring to your letter dated 5th July addressed to Government in reference to the proposed reduction of Harbour dues on coal from 12 to 4 annas per ton, copy of which has been communicated to me by the Secretary to Government Marine Department, with instructions to furnish you with the information asked for, I have the honour to inform you that the total tonnage imported and exported during the year 1898-99 was — 553,069 tons.

Tonnage of coal —	222,505 tons
Dues at 12 annas thereon —	Rs 166,878
The Board expects to retain half the trade, say 111,250 tons; dues on which at 4 annas	= Rs 27,812
Deficit to be made good	Rs 139,066

2 The total tonnage exclusive of coal was

was 553,069 minus 222,505 equal to 330,564 tons general cargo upon which extra dues must be imposed to meet the deficiency of Rs 139,066, which in round figures would necessitate an all round enhancement at the rate of nearly 7 annas per ton.

This would raise the due for landing and shipping on all goods except coal to Rs 1-3-0 per ton.

3. It would probably be a much more convenient arrangement to retain the present principle of collecting the same rate of harbour dues upon all goods imported and exported, so as to avoid all questions of classification of imports or exports. If you would prefer differential rates, and would like to make suggestions on the subject, I will lay your proposals before the Board.

I have the honour to be,
Sir,
Your Obedient Servant,
(signed) Herbert Bradley
Chairman,
Harbour Trust Board.

(True Copy)
Secretary
C T C

---

5 Sp

Madras Harbour Trust,
3rd August 1899

No. 309/1

From
Herbert Bradley Esq, I.C.S.,
Chairman, Harbour Trust Board
Madras.

To
The Secretary,
Chamber of Commerce,
Madras.

Sir,

In answer to your letter of the 1st August, I have the honour to state that so far as can be at present foreseen, it is probable that the receipts of the Harbour Trust Board will fall considerably below the estimates in any case, whether dues on coal are reduced or not. It will therefore be necessary to raise dues on general cargo in any case.

I have the honour to be,
Sir,
Your Obedient Servant,
(signed) Herbert Bradley
Chairman,
Harbour Trust Board

(True Copy)
Secretary
C T C

E.C.
mar 12/3/99

28

The Madras Chamber of Commerce,

Madras, 4th Sept 1899.

FROM

The Hon'ble Mr. C.S.P. Vans Agnew.
CHAIRMAN, CHAMBER OF COMMERCE,
MADRAS.

To

The Secretary to Government
Marine Department.
Ootacamund.

Sir,

In continuation of my letter of the 5th July, I have now the honour to inform you that the Chamber, having considered the question of the proposed reduction of the Harbour dues on Coal from twelve Annas to four annas per ton, in the light of the information afforded to it by the Chairman of the Harbour Trust Board in his letters of the 25th idem and 3rd August copies of which are forwarded herewith for information – has resolved as follows:–

"That, in the opinion of the Chamber,
"the proposed reduction in the dues
"on Coal is advisable, but that
"inasmuch as the revenues of
"the Board are likely to receive
"a considerable addition from
"the Port funds by reason of
"the cost of the proposed new
"Coast lights being defrayed
"from dues specially levied for the
"purpose, it strongly deprecates
"any addition being made
"to the dues on other goods until
"same has been shewn absolutely
"necessary.

"(2) That the trade in Coal is
"of recent date, and by the
"exercise of rigid economy
"the Chamber is of opinion
"that the reduced revenues

"of the Harbour Trust Board ought to
"be sufficient to meet all expenses.

"(3) That, in the event of this not
"being found to be the case, the
"Chamber would be glad to
"consider any other proposals
"which the Harbour Trust Board
"might make."

I have the honour to be,
Sir,
Your most obed^t. Servant,

Chairman.

A Lawson
Secy

H.C.

Please place this article, the letters attached & 2 others which appeared subsequently in the Mail in the file on this subject

3.8.99

R.O. clerk

Please place these papers with the file on the subject

11/8/99

9-820 - 934 - 847

1898
1 - 144 - 1019

1897
023 - 1053 - 192

The Madras Mail.
25th July 1899.

(1)

The Madras Coal Trade.

A LETTER FROM THE MINING ASSOCIATION.

The Secretary of the Indian Mining Association has addressed the following letter to the Government of Madras on the subject of Harbour dues and the Madras coal trade :—

The attention of the Committee of the Indian Mining Association has recently been directed to a proposal made to your Department by the Madras Harbour Trust Board to reduce the Harbour dues on coal imported into Madras by sea from 12 annas to 4 annas per ton. The Committee understand that the Harbour Trust Board urged in support of their proposal that unless such a reduction were made Bengal sea borne coal would not be able to compete in the Madras market with coal from the Singareni mines brought down by the East Coast Railway ; and that they would in consequence lose the whole of the Bengal coal trade which, if once diverted, would be very difficult to regain. The proposed reduction would, the Committee note, entail a loss to the Harbour revenues of a lakh of rupees per annum, and they observe that the Board propose to make good this loss by raising the dues on other classes of goods. The Committee have also learned that the Agent of the Hyderabad (Deccan) Company has protested, on behalf of that Company, against the proposed reduction, on the ground that if it comes into force Singareni coal, transported by the East Coast Railway, will not be able to hold its own in Madras against Bengal coal, notwithstanding the recent reduction in rates made by that Railway.

The question of the heavy charges levied on coal imported into Madras is one which has been carefully watched by the committee of this Association since 1897. They recognised then that so soon as the East Coast Railway—at that time under construction—reached Madras, Bengal coal would be driven from that market by Singareni coal unless the Harbour dues were considerably reduced. They urged that a reduction should be made, and the matter was pressed upon the attention of the Harbour Trust Board by the Madras Chamber of Commerce. The Board at that time, however, were unable to recommend any change. The East Coast Railway has since been linked up with Madras, and the low rates of freight at which coal is carried on it prove that the Committee's contention—which is now urged by the Harbour Trust Board—was correct. Singareni coal is conveyed to Madras by the East Coast Railway for a little over Rs. 6 per ton, and is put on the market there at Rs. 11 per ton or thereabouts. Even with the proposed reduction of 8 annas in the Harbour dues the minimum price at which Bengal coal can be landed at Madras is Rs. 13-8 to Rs. 13 per ton. Allowing Rs. 1-8 per ton for its superiority to Singareni coal, the latter should still be able to hold its own, notwithstanding the contention of the Agent of the Hyderabad Company. There is, therefore, not the slightest probability of the reduction driving Singareni coal from the Madras market. It will, the Committee submit, only enable Bengal coal to compete on less onerous terms than at present with Singareni coal at Madras, and thereby prevent the Singareni mines obtaining a monopoly of the trade, to the detriment of industrial enterprise, and at the expense of the coal consumers of the Presidency. The Committee would also respectfully protest against the assertion made in your Department's order No. 470 of 31st May, 1899, that the proposed reduction would only be in the interest of a single importing firm. They maintain on the other hand that the existing arrangement tends more in the direction of benefiting only a single concern, and that the reduction is a question of great importance to the colliery owners in Bengal as a whole, as well as to all consumers of coal in Madras. Moreover, as the Harbour Trust Board propose to increase the charges on other and more valuable goods to meet the loss they expect to sustain by the 8 annas reduction on coal, it appears to the Committee that if the coal dues are not lowered, and the trade leaves the port, other classes of goods will require to be taxed to a still greater extent to make up the whole difference.

The maintenance of the Harbour dues at their present high level seems to the Committee to be indefensible on any grounds. Coal is at present the most heavily taxed of all imports into, or exports from, Madras, paying as it does, 5 per cent. on its value, while no other class of goods pays more than one per cent. There appears to the Committee to be no good reason for this disproportionate tax on sea borne coal, and they are strongly of opinion, as they were in 1897, that a substantial reduction should be made. They trust, therefore, that H. E. the Governor in Council will see his way to sanction the proposal, which must, in their opinion, ultimately tend to a material addition to the revenues of the Harbour Trust Board.

The Madras Mail
27th July 1899.

(2)

The Madras Coal Trade.

SIR,—In a letter from the Secretary of the Indian Mining Association on the effect of the proposed reduction of the Harbour dues, which appears in your issue of the 25th instant, I notice a few discrepancies, which, as they are calculated to mislead the public, I shall, with your permission, endeavour to confute. The Secretary states, on what basis I cannot say, that Singareni coal "can be put on the market at Madras at Rs. 11 per ton," whereas the actual cost aggregates much more, as the following figures will show:—

Coal cost at pit's mouth	Rs.	4	8	0
Rail freight from Yellandu to Bezwada	"	2	4	0
Rail freight from Bezwada to Ennore 258 miles at 4 pies (the present rate).	"	5	6	0
Ennore to Madras at 10 pies... ...	"	0	9	0
Haulage charge from Royapuram to Salt Cotaurs	"	0	2	3
Total ...	Rs.	12	13	3

I will now proceed to show how groundless is the Secretary's contention that Singareni coal "can hold its own" in competition with the Bengal coal, as follows:—

BENGAL COAL.

Good Coal (F.O.B. Calcutta), per ton...	Rs.	7	4	0
Steamer freight to Madras, about ...	"	3	8	
Harbour dues, Madras, including Boatage, Porterage, &c.	"	2	1	0
Rail freight, Madras to Kolar Gold Field	"	4	4	0
Actual charges ...	Rs.	17	1	0
Deduct for "superiority" to Singareni coal, as claimed by the Secretary ...	"	1	8	0
	Rs.	15	9	0
Less allowance for proposed reduced Harbour dues	"	0	8	0
Total cost per ton, delivery at Kolar Gold Field	Rs.	15	1	0

SINGARENI COAL.

Cost and freight charges to Madras (as shown above)	Rs.	12	13	3
Freight from Madras to Kolar Gold Field	"	4	4	0
Total cost per ton delivery at Kolar Gold Field	Rs.	17	1	3

So that, it goes without saying that the Singareni coal, which costs Rs. 2 more per ton, at the Kolar Gold Field, is by no means in a position to compete with the Bengal coal, even in the absence of the proposed Harbour dues reduction.

It will be noted, as above shown, that the total cost of Bengal coal per ton delivered at Kolar Gold Field is about Rs. 15·1 per ton, whereas I learn the rate now being paid for Bengal coal at the Field is Rs. 19 per ton. Were the actual charges even Rs. 16 per ton, there would still be the immense margin left for profit of Rs. 3 per ton! and I think the Secretary must make out a much stronger (and more accurate) case before Government will, I opine—should the above figures come before it—ever consent to the reduction of the Harbour dues by 8 annas per ton.

Having, I hope, refuted the conclusions arrived at by the writer, I may add that the Kolar Gold Field is the most important consumer of coal in Southern India, so that most of the Bengal coal arriving in our Harbour finds its way there, and as I have shown above, there being no necessity for Government to reduce the Harbour dues on the coal supplied to the Kolar Gold Field, there would be still less necessity to reduce those dues to benefit the general public, as outside the K. G. F. requirements, the aggregate of coal consumed in the Presidency is insignificant in comparison. I would say further that Singareni coal does not depend upon the markets of the Madras Presidency, it has an outlet of considerable magnitude Bombay-wards and elsewhere, so that there is not the slightest danger of this coal coming into competition with that of the Bengal Presidency, down South, yet awhile. Such a contingency may, however, arise, should the Singareni output grow into one of considerably greater magnitude than it is at present, and, what is more to the purpose, should Government ever consider the advisability to reduce the present prohibitive rail freight charges from 4 pies to 3 pies per ton. The comtemplated reduction by Government of the present charges from 4 to 3½ pies per ton, which is to have effect from the 1st proximo, will certainly not place it in a position to compete successfully with the Bengal coal.

MERCHANT.

The Madras Mail
(3) 28th July 1929.

The Madras Coal Trade.

SIR,—The figures furnished by "Merchant" as to the cost of Bengal coal delivered at the Kolar Gold Field and the deductions he draws from them, are as inaccurate and misleading as the price at which he estimates that Singareni coal can be laid down at Madras. For purposes of his own, he assumes the steamer freight on coal to be Rs. 3-8 per ton, whereas the average for the past two years has exceeded Rs. 5. No allowance is made for Marine Insurance or wastage, which in the case of sea-borne coal, often amounts to 5 per cent. and over. The cost, moreover, of haulage from Royapuram to Salt Cottaurs is also not included. Assuming his other figures are correct we have :—

Good coal F. O. B. Calcutta per ton ...	Rs.	7	4	0
Steamer freight	,,	5	0	0
Harbour dues, &c., ...	,,	2	1	0
Marine Insurance, say	,,	0	1	0
Wastage	,,	0	10	0
Actual cost delivered in Madras ...	,,	15	0	0
Haulage from Royapuram to Salt Cottaurs	,,	0	2	3
Rail freight Madras to Kolar... ...	,,	4	4	0
Actual cost delivered at Kolar ...	Rs.	19	6	3

In addition to 12 annas Harbour dues I understand the Harbour Board levies a charge of 1 anna per ton on all railway vehicles entering its premises, and if this be added to the above, and also the charges levied for storage, &c., the cost delivered at Kolar will amount to fully Rs. 19-8 per ton.

Your correspondent, after showing by his figures that the actual cost delivered at Kolar was Rs. 17-1 per ton deducts Rs. 1-8 for the superiority of Bengal coal over Singareni, and 8 annas for the proposed reduction in the dues, and then makes the startling assertion that the price of Bengal coal delivered at Kolar is Rs. 15-1 per ton. If he is in the habit of making calculations in this way, I predict that his career as a "Merchant" will come to a speedy conclusion.

For quantities in excess of 500 tons the rate for coal on the East Coast Railway for distances under 300 miles is 3½ pies per ton. For distances over 300 miles the rate is 3 pies per ton, and for quantities in excess of 12,500 tons the rate is only 2½ pies per ton. By paying for 300 miles the 3 pie rate may be obtained for quantities less than 12,500 tons and the 2½ pie rate for quantities in excess of that figure. Calculating the rate at 3 pies per ton, the cost of Singareni coal laid down at Madras and Kolar is as follows :—.

Cost at pit's mouth per ton ...	Rs.	4	8	0
Rail freight Yellandu to Bezwada ...	,,	2	4	0
Rail freight Bezwada to Royapuram 300 miles at 3 pies per ton	,,	4	11	0
Cost delivered in Madras	Rs.	11	7	0
Rail haulage Royapuram to Salt Cottaurs	,,	0	2	3
Rail freight Salt Cottaurs to Kolar ...	,,	4	4	0
Cost delivered at Kolar	Rs.	15	13	3

For quantities in excess of 12,500 tons the respective rates are as follows :—

Cost at pit's mouth	Rs.	4	8	0
Rail freight Yellandu to Bezwada ...	,,	2	4	0
do Bezwada to Royapuram 300 miles at 2½ pies per ton	,,	2	14	6
Cost delivered at Madras	Rs.	9	10	6
Rail haulage Royapuram to Salt Cottaurs	,,		2	3
Rail freight Salt Cottaurs to Kolar ...	,,	4	4	0
Cost delivered at Kolar	Rs.	14	0	9

Comparing the above with the cost of Bengal coal, it will be seen there is a margin in favour of Singareni, on quantities below 12,500 tons, of Rs. 3-9 per ton, and on quantities in excess of 12,500 tons of Rs. 5-5-6 per ton.

"Merchant" states that outside the requirements of the Kolar Gold Field the aggregate of coal consumed in the Presidency is insignificant. The consumption of the Madras and South Indian Railways, Cotton and Sugar Mills, Foundries, Cement Works, etc., amounts to the "insignificant" total of over 200,000 tons per annum, or considerably more than half the present annual output of the Singareni Mines.

SCRUTATOR.

The Madras Mail
29th July 1899

(4)

The Madras Coal Trade.

SIR,—The letter from *soi-disant* "Merchant" seems to me as originating from a Singareni interested source. Seeing, however, that your correspondent "Scrutator" has completely shown the absurdity of Singareni's, *alias* "Merchant's", calculations, I refrain from going into the question of general cost except to say that from personal experience Rs. 7·4 f. o. b. Calcutta, for even good coal, seems a very full price. On the other hand, freight has, I consider, been taken at its minimum. The loss in weight depends very largely on supervision both during shipment and discharge, but one thing is certain, that sea-borne coal deteriorates in market value over rail carried coal, and as "Scrutator" has made no allowance for either this or the extra wastage after being stacked to removal from stack to rail truck, one must admit the 5 per cent. for loss in weight is very fair. From "Scrutator's" calculations, which we will accept as correct (although I believe Singareni coal pit's mouth costs under Rs. 4·8 per ton, the ton being, as far as I remember, 21 cwt.) Bengal coal stands in at Rs. 19-8 and Singareni Rs. 14, or say Rs. 5·8 per ton in favour of the latter. Now with such a wide margin one would naturally expect Singareni to hold its own; but the fact is this coal is *not* a suitable fuel for stationary engines, and even when used on locomotives special fire bars, after much trouble and pains, have been introduced and Singareni is only used by the Railways when it is away down below Bengal. The Mines have tried Singareni and found it unsuitable, in the same manner various other Bengal coals have been used but with unsatisfactory results when compared with English coal. Of late the Bengal coal supplied is, I believe, one of the best obtainable, but even regarding this I understand complaints have been made. The state of the Home markets, coupled with high outward freights, has made the import of English coal almost prohibitive; but let these conditions adjust themselves and the Mines will very quickly indent for English and give Bengal coal the cold shoulder. Seeing that the Mines won't use Singareni and are practically forced for the moment to take Bengal coal, and this through one agency only, I am at a loss to fathom the action of the Harbour Trust Board in reducing the dues when the only people to benefit will be either the colliery owner or Calcutta merchant or Madras importer. If the funds of the Harbour Trust Board permitted the Trustees to give away a lakh of rupees, let them do so by reducing other rates besides coal; but seeing that the "Bogy Singareni" has been introduced from only one quarter, and that an interested one, I fail to see the justice of giving so large a reduction to one or two at the expense of the many who will be called upon to pay enhanced dues on other goods to make up for the Board's gift to those interested in Bengal coal.

AQUILA.

(5)

II.

SIR,—I read with some amusement in your issue of the 28th instant the animadversions of your correspondent "Scrutator" on my letter of the 27th instant on the above subject. Your correspondent has altogether missed my main contention, that considering the enormous profit of something like Rs. 3 per ton accruing to the vendors of Bengal coal at the Kolar Gold Field, with the price at Rs. 19 per ton, Government would never be brought to consider the advisability of the reduction of the present Harbour dues from Annas 12 to Annas 4 per ton. It will be observed that "Scrutator" does not question the accuracy of my statement that the selling rate of Bengal coal at the Field is Rs. 19 per ton, which argues that it is unrefutable. Nevertheless, he gives figures showing that the cost of Bengal coal delivered at the Kolar Gold Field aggregates Rs. 19·8 per ton, which means a loss to the vendors of 8 annas per ton! A style of business which, to use "Scrutator's" own words, would soon bring the most prosperous business extant "to a speedy conclusion."

Now as to the *bonâ fides* of "Scrutator's" other figures, I am in a position to state with reference to the Rs. 15 he claims to be the "actual cost of Bengal coal delivered in Madras," that Bengal coal was tendered for supply to one of the largest consumers in Madras at Rs. 13 per ton, and to a mill proprietor at the even lower rate of Rs. 12·8 per ton, and this in the early part of the present year—notwithstanding "Scrutator's" stand that "the average steamer freight for the past two years has exceeded Rs. 5.," and that the Secretary to the Mining Association (an unquestionable authority) declares in his letter published in your issue of the 25th instant that the coal delivered in Madras does not exceed Rs. 13·8 per ton in cost!

However, in order to bring the question within the pale of practical commercial enterprise, and to determine and bring to a *finale* the vexed question of the claims of the two competing factors, I hereby make a firm offer to supply "Scrutator", or any one else desirous of so profitable an investment, with 200,000 tons of Bengal coal, delivery in Madras Harbour, at Rs. 13 per ton, after paying the present Harbour dues of 12 annas per ton, which by his own showing ("actual cost delivered in Madras, Rs. 15") will result in a net profit to him of Rs. 4,00,000, and I am prepared to ratify my offer when and where he may determine upon.

In concluding, I cannot refrain from assuring "Scrutator" that I am as well posted as any one in the requirements of coal by the different Railways and firms in Madras.

The allowance of 200,000 tons "Scrutator" makes in the last para of his letter, for consumers other than the Kolar Gold Field, might well be denuded of one cipher! 20,000 tons or thereabouts would be nearer the mark. For instance, the Madras Railway's annual consumption has never averaged more than 10,000 to 12,000 tons, and this of Singareni coal (this year alone, under special conditions of freight with the B. M. Railway and the shortened distance over the Bezwada-Madras Railway from the Mines, they have increased their consumption of Singareni coal to a quantity which is to feed their entire system). The South Indian Railway consumes about the same quantity annually and the Mills and Factories we may put down at about another 20,000 tons—making in round numbers 40,000 tons as the annual consumption for the Presidency town, which is nothing like the figures given by "Scrutator."

MERCHANT.

The Madras Mail

31st July 1899.

(6)

East Coast Railway.

NOTICE.

Rates for Coal.

WITH effect from 1st August, 1899, in local booking and 1st September, 1899, in through booking, the following rates will be introduced for the carriage of Coal, at owner's risk, in full wagon loads, over the East Coast Railway in supersession of all previous notices and advises:—

1. In consignments of 250 tons and over, $3\frac{1}{4}$ pies per ton per mile.

II. In consignments of below 250 tens, $3\frac{1}{2}$ pies per ton per mile.

(*a*) The Coal rates notified in item 8, Goods of Advice of Tariff Changes No. 4 of 1899 are cancelled.

(*b*) Charges will, in all cases, be levied on the full carrying capacity of the wagon used, and in the event of transhipment the charges will, in all cases, be levied on the marked carrying capacity of the wagon originally consigned.

(*c*) No terminal will be charged on this Railway, but when loading or unloading is performed by this Railway at the Forwarding or Destination station or when transhipment is made at Junction station, an additional sum of 2 annas 3 pies per ton will be levied for each operation

(*d*) When wagons have to be transhipped at the Godaveri River, 8 annas per ton will be added for this service to the rates.

(*e*) No rebate will be granted.

By order,

W. BOYCE,

Traffic Superintendent.

Traffic Supdt.'s Office,
Waltair, the 27th July, 1899.

The Madras Mail
31st July 1899.

(4)

Railway Rates for Coal.

THE EAST COAST RAILWAY HAS ISSUED A revised schedule of rates for the carriage of coal, which compares favourably even with the reduced rates notified some months ago. With effect from to-morrow, 1st August, in local booking and from 1st September, in through booking, 3¼ pies per ton per mile will be charged on consignments of 250 tons and over, and 3½ pies on consignments below 250 tons. Charges will, in all cases, be levied on the full carrying capacity of the wagon used, and in the event of transhipment the charges will, in all cases, be levied on the marked carrying capacity of the wagon originally consigned. No terminal will be charged on the East Coast Railway, but when loading or unloading is performed by that railway at the forwarding or destination station, or when transhipment is made at a junction station, an additional sum of 2 annas 3 pies per ton will be levied for each operation. When wagons have to be transhipped at the Godavery River, 8 annas per ton will be added for this service to the rates. Under the new schedule no rebate will be granted. A further notification states that the Madras Railway having intimated its inability to deal with goods, including coal, from the East Coast Railway at Royapuram for the present, senders must consign only to Salt Cotaurs till further arrangements are made. It is evident from the above that Mr. Lightfoot is determined to secure for his railway as much of the coal traffic as possible; and this he sees can best be done by simplifying and reducing the cost of freight. A good deal has lately been said about the rivalry between Singareni and Bengal coal in South Indian markets. We have no concern with the considerations that have been urged on one side or the other for specially favourable treatment as regards freight, Harbour dues, etc.; but any and every step that conduces to a reduction of cost to the consumer deserves to be welcomed, and the policy of the East Coast Railway is therefore much to be commended.

The Madras Mail

23rd August 1899.

(8)

The Madras Coal Trade.

SIR,—With reference to the letter from the Secretary of the Indian Mining Association, Calcutta, which appeared in your issue of the 16th instant, under the above heading, it is a pity that the writer had not read my letter of the 29th ultimo (in the *Madras Mail* of same date), because, being, as he is, so confident of the accuracy of his figures in support of his contention that Bengal coal has not the ghost of a chance of competing with Singareni coal at the Kolar Gold Field, he would have simply jumped at my offer to supply 200,000 tons of Bengal coal delivered in Madras at Rs. 13 per ton, which supplemented by Rs. 4 4 the rail freight to the Field, would give Rs. 17 4 instead of Rs. 19-6 3, which the Secretary, wilfully ignoring the fact that Rs. 19 is the present contract rate for supplies, blandly maintains is the *actual* cost for Bengal coal deliveries at the Field—which would spell a loss to the trader of 6 annas 3 pies per ton! The selling rate being Rs. 19 per ton—and my statement to this effect in your issue of the 27th remaining unchallenged—it is clear, if any profit is to follow, that my figures Rs. 17-1 are absolutely correct, for the Bengal coal per ton delivery at the Field. Further, the Secretary contends, in support of his statement that Singareni "can hold its own" against Bengal coal at the Kolar Gold Field, that "the rate of 3 pies per ton per mile is obtainable for quantities in excess of 500 tons for a distance of 300 miles." Now, leaving out the unlikely probability of an order for 500 tons being placed at one time, I would, with all deference, inform the Secretary that had he studied my letter of the 27th August he would have learnt that the distance from Bezwada to Madras is only 268 miles, and not 300, and hence does not bring Singareni coal passing over that system within the privileged reduced freight rate of 3 pies per ton. The concession of the reduced charge in question has been made only by the East Coast Railway over their own line. The 3 pies is not a *through rate* from Yellundu to Madras, as the Secretary endeavours to show so erroneously, and hence my previous statement, which the Secretary assails so vigorously as "inaccurate and misleading", that Singareni is unable to compete with Bengal coal at the Kolar Gold Field, has nothing misleading about it, but is an absolute fact.

MERCHANT.

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RATE FOR COAL.

... to certain special conditions ...can be obtained from the Traffic ...ment: the following rates will be ... experimentally and temporarily ... carriage ... coal at owner's risk in full wagon loads ... soon as the necessary arrangements ... be made with Foreign Lines, *viz* :—

... For distances of 300 miles and under.

(*a*). ... consignments.

Quantities not exceeding 500 tons, 4 pies per ton per mile.

(*b*). Large consignments.

1. Quantities in excess of 500 tons but not exceeding 12,500 tons, 3½ pies per ton pe mile.

2. Each additional ton in exce... of 12,500 ton, 3 pies per ton per mile.

II. For distances exceedin... 300 miles.

(*a*). Small consignments.

Quantities not exceeding 500 tons, 3¾ pies per ton per mile.

(*b*). Large consignments.

1. Quantities in excess of 500 tons but not exceeding 12,500 tons, 3 pies per ton per mile.

2. Each additional ton in excess of 12,500 tons, 2½ pies per ton per mile, subject to a minimum charges of 2¾ pies per ton per mile on the whole consignment of the period.

(*c*) Long distance rates are subject in each case to the proviso that the minimum charge for the greater distance shall never be less than the charges for a similar quantity carried over the shorter distance.

J. LIGHTFOOT,
Offg. Manager.

Manager's Office,
Waltair,
The 1st April, 1899.

Soiled Linen Bags.

FITTED brass, semi-circular, collar and Padlock, Rs. 7-8, Rs. 8-8, Rs. 9-8, Rs.10-8, Rs. 11-8.

SPENCER & Co., LTD., Mount Road, Madras.

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Singareni to Bezwada 4½ pies per ton per mile	2-4
Bezwada - Royapuram 3½ pies per ton per mile with terminal	5 0-6
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Add cost of coal	4·8
	Rs. 11·12·6

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East Coast Railway.

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G. P.