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MADRAS RECORD OFFICE.

Government of Madras.

Judicial (Courts) DEPARTMENT.

G.O. No. 1876 Press Mis.

Dated 11-12-79 18

Not to be folded or roughly handled

No. 78. Read the following Extract from the Minutes of Consultation in the Financial (Railway) Department, dated 6th August 1858, No. 428.

Approve of the proposal of the Agent and Manager, that the Railway Company should undertake the entire construction of the branch line from the Salt Cotaurs at Madras to its junction with the main line at the Canal bridge, rather than that the narrow gauge lately proposed and sanctioned should be adopted and accordingly sanction this measure as well as that for the establishment of a good's Station near the Cotaurs.

(Vide Financial Cons. 10th August 1858, Nos. 15-16.

No. 79. ORDER THEREON, No. 1876; dated 11th September 1858.

As under the sanction of Government, the Madras Railway Company are to undertake the entire construction of the branch line from the Salt Cotaurs to its junction with the main line at the Canal bridge, Item No. 36 of Statement No. 1 of the Budget of 1858-59, providing for the project at a cost of 78,000 Rupees will be removed, and a report of the removal will be made to the Government of India on the submission of the next Budget.

(Signed) T. PYCROFT,
Chief Secretary.

No. 428.

Extract from the Minutes of Consultation under date the 6th August 1858.

Read the following Observations by Captain C. C. JOHNSTON, Officiating Consulting Engineer, on a letter from the Agent and Manager of the Madras Railway Company, dated 8th June 1858, No. 153.

After much discussion and consideration of the question of forming a junction from the Salt Cotaurs at Madras, with the Railway, Government, in Extract Minutes of Consultation, Public Works Department, No. 2048, dated 3rd November 1857, determined in favor of the arrangements advocated by Colonel Pears, and authorized, for entry in the Budget of the Current year, an Estimate of Rupees 78,000, prepared in the Public Works Department, for the construction of a branch rail, at a 4 feet guage.

Finl. Ry. Dept., No. 529, dated 9th Nov. 1857.

2. With the foregoing letter the Agent submits a further report from his Traffic Manager on the same question, and supports the views entertained by that Gentleman in favor of the arrangement now proposed.

3. Mr. Fletcher in his Report, states he was not aware that the replies submitted by him to the late Agent were to be considered as conveying finally his views on the question which had been referred to him, and on that ground requests a re-consideration of it.

4. The Railway Officers, it will be observed, now desire to undertake the entire construction of the branch, (rather than that the narrow guage should be introduced,) which is the new feature in the present proposal, and a most important one; and as they will be prepared to receive small as well as large consignments of Salt delivered at the Cotaurs, the interests of all traders, whether poor or wealthy, will be met alike.

5. This arrangement, with the Establishment, as suggested in para: 58 of Mr. Fletcher's report of an auxiliary Goods' Station at, or near the Cotaurs, appears to me to meet the objections raised by Colonel Pears to the adoption of the broad guage on the branch line.

6. The Salt being required for consumption in the interior there is no doubt that every facility should be afforded for conveying it from the Cotaurs in large quantities, and at the least possible expense, both of which advantages are offered by the present scheme, without at the same time interfering with the interest of the petty trader.

7. It appears unnecessary that I should follow Mr. Fletcher through his several statements in reference to former correspondence, but merely that I should submit to Government an expression of my opinion in favor of the arrangements now finally advocated by the Railway Officers.

8. Mr. Fletcher's remarks on the system which is said to obtain at present in the sale of Salt at the Cotaurs, might probably be referred with advantage for report to the Collector of Madras.

9. The branch rail might be carried along the Canal bank, or to the West of the Cotaurs, as, on a further inspection of the ground, might be considered most convenient, but in any case there is abundance of room on the West Esplanade, and in a most convenient position, as stated by Mr. Fletcher, to Triplicane, and the large Bazaars of Pereacudday and Pereamoottoo.

From N. B. ACWORTH, Esq., Agent and Manager; to Captain C. C. JOHNSTON, Officiating Consulting Engineer for Railways, dated 4th June 1858, No. 439.

SIR,

Letter from Agent and Manager, No. 199, *6th March* 1858.
Letter from Cong. Engr., No. 286, *25th March* 1858.
Extract Mins. of Cons. No. 2048, *3rd Nov.* 1857.
No. 87, *29th May* 1858.

1. With reference to the correspondence noted in the margin, I have the honor to transmit, for your information, a copy of a Report received on the 1st Instant, from the Traffic Manager, containing his opinion on the Proposal of the Government to lay down a Line of Rails from the Canal Bridge to the Salt Cotaurs, with a different guage from that adopted on this Line of Railway.

2. Mr. Fletcher has gone so fully into the subject, that in transmitting this Report, I do not feel it necessary to say more than that I wholly concur in the conclusions at which he has arrived, and that I earnestly deprecate the proposed break of guage. I find too that the Board, in the last letter I have received from them, inform me "that to any arrangement involving a break of guage and its obvious evils the Board can never be an assenting Party." I trust therefore that you will bring the whole question again under the notice of Government, with a request that it may be re-considered.

No. 151, 1*st April* 1858, *paras :* 17 *and* 18.

3. But in doing this I would direct your special attention to the suggestion made by Mr. Fletcher, in paras: 58, 59, and 60, that Land near the Salt Cotaurs should be taken for the construction of an auxiliary Goods' Station. From the conversations I have had with him, I am led to think, that a Goods' Station there might be desirable not only because of its proximity to the Bazaars which he mentions, and the means which it would thus afford of having Wagons loaded both ways, but because of its relieving the station at Royapooram of Traffic, for which I cannot but think the accommodation there afforded, will ultimately prove inadequate.

From H. A. FLETCHER, Esq., Traffic Manager; to N. B. ACWORTH, Esq., Agent and Manager of the Madras Railway Company, dated 29th May 1858, No. 87.

SIR,

I have the honor to acknowledge the receipt of your letter, No. 20, dated 29th March, enclosing Extract Minutes of Consultation, No. 2018, under date the 3rd November 1857, and "Observation by the Consulting Engineer on several letters from the Agent and Manager of the "Madras Railway Company, on the subject of a Branch Line of Railway to the Salt Cotaurs."

2. In compliance with your request I beg to lay before you, such observations relative to the proposal now made to lay down a line of Rails, connecting the Salt Cotaurs with the Railway, upon a different guage from that adopted on this line.

Traffic Manager.
No. 99, 22*nd May* 1856.
„ 127, 4*th August* „
„ 3, 14*th Jany.* 1857.
„ 16, 27*th February* „
„ 56, 1*st August* „
„ 57, 7*th do.* „
„ 59, 22*nd do.* „
„ 75, 12*th Decr.* „
Chief Engineer, Madras Railway.
No. 136, 17*th July* 1857.
Chief Engineer, Department P. W.
No. 1863, 8*th July* 1857.
Colonel Pears.
No. 745, 18*th December* 1856.
„ 89, 24*th January* 1857.
„ 566, 15*th June* „
„ 692, 1*st August* „
„ 725, 13*th* „ „

3. I beg in the first place to refer you to the correspondence upon this important subject, as per margin. You will perceive that I have already expressed a decided opinion, that any plan which will not admit of Salt being loaded from the Heap into our Wagons direct, without the intermediate agency of Boats, Bandies or Cranes, will not meet the manifest requirements of the Trade.

4. I felt convinced then as I do now, that Colonel Pears' suggestion to convey Salt from the Cotaurs by Boat and by the aid of a Crane to transfer it to the Railway Wagons, at the Canal Bridge, could not accomplish the object we had in view, because the great desideratum of loading direct into our Wagons would thereby not be effected.

5. The plan now before me of constructing a Branch Line upon a narrow or 4 feet guage, is, if possible, more objectionable than the proposal to use Boats and a Crane, because the latter however objectionable was proposed as a temporary expedient, whereas the former is seriously proposed as a permanent arrangement by which we could never bring the Railway Wagons in close connection with the heaps of Salt.

6. Colonel Pears seems to have suggested the narrow guage plan for the Branch Line, chiefly on account of some observations of mine, to the effect that I thought "the most desirable "point to and from, which we should haul our Wagons, would be to and from our own Sidings "proper at the Canal Bridge as a Rule leaving the Merchant to haul over the Branch Line to be "constructed by Government," &c. See letter 59, para: 6, and again that I thought "that proba-"bly it would be desirable to lay it down as a Rule that the Train Engine should haul from

"the Cotaurs a quantity of Salt of not less than a heap or 45 tons, any less quantity being hauled "by the Merchants to the junction at the Canal Bridge," see letter No. 59, para. 9, and again para: 10 of the same letter that I thought with Colonel Pears that "it would be very desirable "that the Government should have nothing to do with the movement of the Salt when once load-"ed on Railway Wagons."

7. It should be borne in mind that in making these Observations I by no means intended that they should be considered as final and that this Company would not pursue any course in the working of the Branch Line which the circumstances of the trade would require.

8. Upon receiving Colonel Pears' letter, No. 725, enclosed in your predecessor's letter, No. 117, dated 14th August 1857, I considered it difficult to say exactly, what would be the best method to adopt in working the Branch, since it appeared to me, that it should depend, day by day, upon the quantity of work to be done. If a quantity equal to 45 Tons or say 8 or 9 Wagons were loaded, then I thought that an Engine might be used and when smaller quantities were loaded Bullocks or Coolies might be more economical.

9. You will perceive that in para: 1 of my letter, No. 59, I said "that experience will in "my opinion suggest the best method to be adopted" (in working the proposed Branch Line and "siding) as the trade becomes developed upon the line or diverted from the Road to the Rail-"way."

10. In para: 7 of the same letter I said "supposing that Bullocks or Coolies were the "motive power used, probably a charge of 4 annas per ton would suffice to cover the expense of "Porters, moving wagons at the Salt Cotaurs hauling the empties from and bringing the loaded "wagons back to the Railway.

"If a Locomotive were used probably the additional mileage rate for the increased distance "would be the only charge we could make, but this should depend upon the work we were re-"quired to do, as, for instance, whether we loaded the Salt into the Railway Wagons or not."

11. I refer you also to paras: 5 and 12 of the same letter, (No 59.) In part of the latter I said "that they (the Government) should permit the Line so constructed to be worked free either "by the Merchants or the Carrier, if by the Carrier (the Company) upon a principle hereafter to be "submitted to Government for sanction."

12. I submit to you that I was compelled to offer some remarks upon Colonel Pears' letter, No. 725. I felt then as I do now that it was almost impossible to determine at once what would be the best plan to adopt in working the Branch, and therefore said that experience would best determine the point.

13. I could not suppose after what had been written, said and done in the matter that upon the answer to Colonel Pears' questions depended the important issue as to whether the Branch should be constructed upon our guage or upon a narrow one, the latter in my opinion being little if any better than the present system of haulage by Bandy to Royapooram.

14. I submit to you that Colonel Pears appears to notice parts only of my letters and not the whole, and from those parts to make it appear that there is great inconsistency in my observations, but I trust that you will perceive from the quotations and reference made to other paras: that the inconsistency disappears when fairly interpreted as a whole, and that Colonel Pears is by no means justified in stating, para: 33, of his Observations, No. 318, "that the Railway Company "will not haul them (Wagons) over the Branch Line but only to and from there own siding, and "that the Government must have nothing to do with moving these Wagons when once loaded "with salt" the latter being Colonel Pears' own suggestion, see para: 6 of his letter, No. 725.

15. My intention was that so soon as we had ascertained from experience what would be the best plan to adopt in working the Branch that we should pursue it with the sanction of Government.

16. But supposing that I had made a proposal to the effect that this Company should not haul the Wagons at all over the Branch Line, I submit to you that such a proposition could not be considered as final and one which if the Government expressed a wish on the subject we would not readily have abandoned, undertaking at once to haul the Wagons either by Locomotives Bullocks or Coolies.

17. If therefore Colonel Pears suggested the narrow guage because we hesitated to undertake the haulage by Locomotives, he has surely acted upon a wrong impression and I trust that the matter may be reconsidered.

18. Colonel Pears says, para: 32 of his Observations, No. 318, "Mr. Fletcher in para: 10 "(letter, No. 59,) alluding to a very reasonable enquiry of mine as to the employment of Railway "Wagons down as far as the Cotaurs themselves, says he does not understand the meaning of this "para: because if these wagons were not employed on the Branch Line it would not be necessary "to construct it at all." I certainly thought that the very object of constructing the Branch Line was to run our wagons down to the heaps of Salt and load it direct into the wagons, without that object being effected I repeat that in my opinion it would be useless to construct the Branch at all.

19. Colonel Pears in para: 45 of his observations, No. 318, thus describes the new plan of a Branch Line upon a narrow guage. "I would propose to Government to furnish the Cotaurs "with Lines of light Rails, at 4 feet guage running (with necessary Turn-table or travelling "Platform, &c.,) amongst the heaps; and to construct a double line of the same upon the branch "to the Railway siding, where the transfer (which must be made somewhere) from the light "Trucks or Wagons, to the Railway Wagons would be made."

20. The Extract Minutes of Consultation, No. 2018, paras: 7 and 8, further elucidate the new plan. They run as follows:

7. "It may probably be urged as an argument against this plan, by those who are interested "in keeping out the petty trader, and retaining the monopoly in their own hands, that the use of "the small sized wagon would involve the removal of the salt from it to the Railway Wagon when "the main line is reached. But this objection is not real, for even supposing that heavy rails with "a broad guage, were laid from the main line *to* the Cotaurs, it is impossible that the system should "be carried out *in* and through the Cotaurs; the Turn-tables, and the rail themselves, would occupy "far too much space, and would destroy a great part of ~~the sale Platform. These~~ minor works must "therefore be on a small scale and it will signify nothing to the trader whether the removal of "his salt from the smaller to the larger Wagon, is made at the Cotaurs, or at the Railway; there "must be a removal in both cases, and there will be but one in either."

8. "It has been understood from Colonel Pears that in his opinion, a wagon measuring "9×5×2 feet, will be the most convenient maximum size. It will hold half a garce of salt, or 2½ "Tons, and by raising the sides with planks made to fit may be made to contain more. An "ordinary cart load is half a Ton, and the proposed wagon would therefore contain as much as "from five to seven carts loads. Although the Turn-tables, within the Cotaurs, made to suit these "Wagons, would not suit any of a larger size, they would perfectly well suit those of a smaller "size, and Wagons might be made of a size to hold the smallest quantity of Salt sold at the Co-"taurs and of sizes intermediate between them and that which is above given as the maximum, so "that all classes might be served."

21. The main object of this plan it would appear is intended to protect the small trader against the Capitalist, see Extract Minutes of Consultation, No. 2018, para: 9, since if the Railway Company did not haul over the Branch Line the sender of a small quantity of Salt would have a Wagon to haul capable of carrying from 5 to 7 Tons and weighing in itself 5½ Tons.

22. I beg leave to submit to you that it would have been most useful to this Company if the Government had favored us with their views upon this point at an earlier date. I submit to you that before we were called upon to state what our views were in reference to the haulage over the Branch Line, it would have been most desirable if the Government had stated what their requirements were to protect their interests, and in considering the question we could probably have made suggestions which it would have suited the Government to have sanctioned.

23. The Government have been pleased to remark, para: 3 of Extract Minutes of Consultation, No. 2018, "That the Railway Authorities appear to have taken little trouble to consider the "project under discussion. In para: 28 of his Observations, Colonel Pears represents the Rail-"way Agent, and apparently with justice, as showing a singular mis-apprehension of the whole "business; and, para: 33, he shews that the result of the Traffic Manager's proposal would be "that, while the Railway Wagons were certainly to be made use of, neither the Railway Com-"pany nor the Government were to have any thing to do with hauling them from the Cotaurs to "the main line. This, it appears, was to be left wholly to the traders, on whom was to devolve the "expense of moving Wagons carrying from 6 to 7 Tons, and in themselves weighing at least "5½ Tons each."

24. On referring to your predecessor's letter, No. 537, dated 15th August 1856, you will find that Major Jenkins solicited from Government some information relative to the Salt trade, asking a question that seemed at the time to be important, *viz*:— "Whether the Salt when "brought down (by Canal) is in a fit state to be taken at once out of the Boats and put into the "Railway Wagons, and, if so, whether there is any objection to this being done, and should there "be no necessity for the Salt being taken past the Railroad to the present Salt Cotaurs it is "probable that convenient arrangement can be made for sidings and platforms at a moderate "expense near the Canal Bridge. May I request that you will have the goodness to favor me "with your opinion upon these points."

25. Colonel Pears replied by his letter, No. 421, dated 25th August 1856, as follows: "It "appears to me that it would be more convenient if you made the enquiry thus addressed to Go-"vernment among parties engaged in the Salt trade or the Manager in the Salt Department."

26. The information which Major Jenkins sought for from Government was such as neither parties engaged in the trade nor the Manager of the Salt Cotaurs could give. It affected the arrangement in existence for the storing or heaping of Salt, and if Government would or could, consistently with their interests, have allowed it to be heaped and measured upon a platform at the Canal Bridge, adjoining the Railway, it would have been a very great convenience to us and a great advantage to the trade.

27. I submit to you that it is a hardship upon the Officers of this Company that when information is sought for, it is withheld, or we are referred to persons in the trade, or to the Manager of the Salt Department, neither, or any, of these being able to answer the question, and afterwards we are accused of taking little trouble to consider the project under discussion, and "in "para: 28 of his Observations, Colonel Pears represents the Railway Agent and apparently with "justice as showing a singular mis-apprehension of the whole business."

28. The information sought for was not vouchsafed to the late Agent and Manager of this Company, but irrespective of information sought for being with-held, I think it would be of considerable advantage to all parties if Government would afford such information as may be essential in forming plans, and making arrangements; in the present case it would have been very desirable that we should know what would be necessary to be done, with reference to the working of the Branch Line to carry out the views of Government and to protect the small trader from the Monopolist or Capitalist; if such a view had been presented to us, we should have seen the necessity of undertaking the haulage from the Cotaurs themselves, and of booking the Salt from that place, by having a Station there, with the permission of Government.

29. It would appear that Colonel Pears' plan of a narrow Guage branch Line owes its origin to the very trifling circumstance of a misunderstanding of what this Company proposed to do with reference to the haulage, I repeat, that if the Government had told us that whatever arrangement we proposed to make, it must be based upon some plan which should give to the small trader equal facilities with the large dealer in the conveyance of Salt over the Branch, and that to effect this they would require that the haulage should be done altogether by the Railway Company or by the Salt Department, so that all parties should be placed precisely on the same footing, we should have at once proposed to haul all Salt whether in small or large quantities, from the Cotaurs, but Colonel Pears' letters gave no intimation that the object in asking the questions was to ascertain how far our plans were defective, so that the plan we had proposed should be set aside for the substitution of another.

30. As regards the new Plan of Branch line upon narrow or 4 feet Guage, with Turn-tables or travelling Platforms amongst the heaps of Salt, transferring the load from the small to the larger Railway Wagon at a Station to be erected at the Canal Bridge, involving according to the Minutes of Consultation, No. 2048, para: 8, the use of Wagons of various sizes, to enable purchasers of small quantities to load them in small Wagons and the purchasers of larger quantities in Wagons of intermediate size up to a maximum of 2½ Tons, I feel it to be my duty to say that it is almost impossible in my opinion to conceive any thing more objectionable and unworkable than such a scheme.

31. At the Cotaurs themselves nothing could be more inconvenient than to put down Turn-tables or travelling Platforms amongst the heaps, thereby destroying a great portion of the Salt platforms, one line through the centre of the heaps, for which there is abundant space unoccupied by Salt, being all that is required.

32. The Bandies now taking away Salt do not go amongst the heaps, they are not allowed to stand off the Road in the Centre, on the side of the platforms, and I apprehend that no further facility than is afforded by the present method is necessary. If a line upon our 5′ 6″ Guage were laid through the Cotaurs from end, to end there would be no necessity whatever for a narrow Guage to be laid in and through the Cotaurs, the loading would therefore be direct into the Railway Wagons and there would be no neccssity for removal until the Wagon reached its final destination.

33. I cannot conceive why Colonel Pears should say that the transfer from the light Wagon to the Railway Wagon must be made somewhere, leaving the Government to pronounce an opinion that the transfer which might be urged as an objection by those interested in keeping out the petty trader, &c., was not real. Surely when it can be shewn that one line running through the Cotaurs, which there is no difficulty whatever in laying down, will effect all that is required and will ensure the great convenience and economy of loading direct into the Railway Wagon, the transfer from one Wagon to another may be pronounced an unnecessary and real evil. Any one visiting the Salt Cotaurs may see at once, that the laying down of a Line upon our Guage is very easy of accomplishment, and that it will afford every facility required.

34. The serious objections to using upon any Railway Branch or main Line Wagons of different capacities for carrying, can scarcely be over estimated. At the Salt Cotaurs it would be almost wholly impossible to carry out the arrangement in its integrity. A Merchant purchasing a heap of Salt would require the largest Wagons, before he could remove it, a few small traders would make their purchases of, from 5 Mercals to a Cart load or a Ton, and they would require Wagons of a smaller size than those used by the larger customer and would find that until the heaps had been removed, they could not have the use of the Tram-way, and thus they might and doubtless would find a more serious obstruction unintentionally thrown in their way than if they relied upon a Bandy taking their small quantity to the Railway Station at Royapooram.

35. The inconveniences and delays which must occur at the Salt Cotaurs in arranging and sorting the different sized Wagons, so as to ensure the size required being available at any moment they were wanted, would be very serious. Upon any Railway where a large business is transacted it is found a matter requiring care and good management, with large siding accommodation, so to place upon different sidings the different descriptions of Vehicles in use, as covered Goods, open Goods, Platform Trucks, Timber Trucks, Cattle Wagons, Sheep Vans, Horse Boxes, Carriage Trucks, Brake Vans, &c., &c., and to be able without a great expenditure of labour —a term synonymous with cost of working,—to place them where they may be required for loading.

36. With the best possible management at any large Station, an amount of shunting will often be required before the particular Vehicle wanted can be got at, suppose a Cattle Wagon to be required it may be in the midst of 50 different Vehicles and the labour in getting the Wagon in the right place is often something very serious.

37. It appears to me that the difficulty experienced in this respect, in a greater or lesser degree, at almost every Railway Station, would be introduced at the Salt Cotaurs, by the different sized Wagons being brought into use. To any one who from experience can speak of the inconvenience and loss of time which such a system would create, the difficulty must be regarded as one of a serious character in itself.

38. The break of Guage at the Station proposed to be erected at the Canal Bridge, must entail upon the Railway Company an outlay in siding accommodation which would, I think, exceed even the whole cost of the proposed branch Line. The Line at the Canal Bridge is laid upon an embankment, it would be very expensive. I apprehend to build a Station, and lay in sidings, so conveniently arranged as to admit of the narrow Guage trucks being brought along side of our Railway Wagons, upon a long siding so as to receive each consignment and load it for a particular place, providing siding room for marshalling the Wagons, and forming them into a Train as the Wagons would be required to be dropped at the intermediate Stations, and taken through to the Termini.

39. The accommodation required at the formerly proposed siding at the Canal Bridge, the Wagons being loaded at the Cotaurs, must be widely different from the amount of accommodation rendered indispensable by loading from a narrow to a broad Guage, and I submit to you that any proposition involving a large outlay of money on the part of this Company, should be considered by them before it becomes an order of Government and a settled arrangement.

40. I think that any one will be able at once, on reflection, to see the evils which must result from the proposed new plan of constructing the branch Line upon a narrow Guage instead of continuing our Guage to and through the Salt Cotaurs. I can safely assure you that, with the best possible arrangement to be made upon such a plan, it would be in my opinion utterly impossible to carry on a large trade by its means, the delay in obtaining Wagons at the Cotaurs, the delay in sorting the different sizes, the inconvenience and delay in moving the Wagons on the Branch Line, the delay in transferring from the narrow to the broad Guage, the uncertainty of our being, at all times and under all circumstances, able to provide Wagons at the junction, rendering thereby the Branch Line for the time useless, present to my mind such a mass of difficulty that I have no hesitation in saying it could never answer the objects we have in view, *viz.*, giving facilities to largely increase the trade.

41. In para: 9 of Minutes of Consultation, No. 2048, and in Colonel Pears' Observations, No. 318, it is observed, that it is a matter of vital importance that the trade in Salt should be in many hands, and that no plan should be adopted which may have the effect of confining the trade, to Capitalists, I beg to submit to you that however desirable it may be to protect the small trader, that the method pursued by Government in the sale of Salt has precisely the opposite effect.

42. When a Merchant or large dealer purchases a heap or say 10 Garce of Salt or 45 tons or a larger quantity, he is allowed a discount of 5 per cent. The small trader purchasing from 5 Mercals or upwards to any quantity less than a heap is allowed no discount whatever. The effect of this is and must be to drive the small trader out of the Market, and throw the trade into the hands of Capitalists.

43. I believe the Board of Revenue rather discourage the retail trade in Salt than otherwise, certain it is that the discount allowed upon the large quantity of 5 per cent tends to throw the business into the hands of Capitalists, and to entirely swamp the small trader.

44. As regards the Salt trade upon this Railway where any quantity is received and forwarded at equal rates. We carry no small quantities whatever. The reason is easily found, the Salt Merchant sells the commodity at the Arcot, Vellore, or other Stations at the same rate as it is sold at the salt Cotaurs in Madras plus the Railway Carriage, the Merchant's profit being the discount of 5 per cent allowed him by Government for taking the large quantity.

45. Whilst the present system prevails it appears to me that any small trader will purchase his Salt at the Railway Station in the interior as there is no advantage whatever in his purchasing a small quantity at the Salt Cotaurs in Madras and forwarding it by Rail, when he can purchase at the same rate plus the Carriage in the interior, particularly considering that he is saved the trouble and loss of time in making his purchase in Madras, carting to the Railway Station, risk of loss, &c. &c.

46. I am informed that there is little or no retail trade from the Salt Cotaurs to the interior by Road. It is purchased in heaps and despatched by Road precisely as it is by Rail. It is seldom that a Cart load is purchased by a small trader from Government to be taken to Arcot for instance, and the reason is quite obvious. The small trader would gain nothing by purchasing at the Salt Cotaurs as compared with the price he would pay the large dealer in the interior who possesses the advantage of 5 per cent discount.

47. I submit to you that is is quite clear that whilst the Government protect the large purchaser by giving him a discount which is withheld from the small purchaser, nothing we could, or could not do can operate in his favor. It seems to me to be a great hardship upon this Company that we should have to submit to so great an evil, as a break of Guage, in order to protect a Class of men who scarcely exist at all, and who have certainly never been known to trade upon this Railway, notwithstanding that the Salt trade has largely increased over the Line; who are said not to exist on the Roads, and who, if they ever came into existence, could not compete with the large trader possesing his 5 per cent discount.

48. To speak therefore as Colonel Peers has done, in paras: 50 and 51 of Observations No. 318, as follows, seems to me to argue a total forgetfulness of first principles connected with the Salt trade.

Para: 50. "The only objection I can see to this plan is that which might be urged by a "Capitalist. He might say, I want to take my 100 Tons at a time, and a Railway with Railway "Wagons and Locomotive power would answer my purpose much better than these smaller Vehicles."

Para: 51. "True," I would answer, "but in the present state of Society here there are "few like you, so few, that, if you did not stand alone, you would rapidly combine. The Branch "line which the Government laid down for their own and the people's benefit at a considerable "cost, would become in fact your private property; and the use you would make of it, would be "to establish a "Monopoly to turn it to your own advantage, and to keep up the price of Salt to "the prejudice, both of the people and the Revenue.""

49. Surely if a large buyer received a Drawback of 5 per cent, whilst the small trader receives no such drawback, or discount, it is useless to complain of the trade being confined to Capitalists, and the evils which may result from the trade being so confined. The Government themselves create this state of things, whilst they would expect us to carry out a plan to prevent it, that plan having only a tendency to obstruct the only people actually engaged in the business.

50. As regards a monopoly being established it is clearly the interest of Government, the Railway Company, and the people, that every care should be taken to prevent monopoly, by which, of course, the price of the article might be so increased as to be almost put out of the reach of the latter, whilst the Government Revenue, and the Railway Receipts, might be made to suffer, but such a state of things, should it ever exist could very speedily be destroyed, either the Government, the Railway Company, or an Individual, could destroy such a monopoly in 24 hours, by sending a heap of Salt to any Station where such a state of things existed, and selling it for prime cost, or for the profit the present dealers profess to sell the article for, *viz.*, the 5 per cent discount allowed by Government, making the price the same in the interior, as charged at the Salt Cotaurs retail plus the Carriage.

51. I submit to you that in an article like Salt which is always worth the money it costs, and which never fluctuates in price, and which can always be obtained in any quantity that there is in reality little fear of monopoly being established upon a Railway, where Carriage to any extent can be obtained without loss of time.

52. I submit for your consideration whether it would not be desirable to suggest to Government that the opinion of the Collector of Madras, and the Superintendent of the small Cotaurs should be asked, as to the feasibility of carrying out such a plan, as the one now under consideration, for the construction and working of the Branch Line, and that their views should be obtained as to the small trader, and how far such small traders have any existence at all.

53. With reference to para: 46 of Colonel Pears' Observations, No. 318, respecting an interchange of Miscellaneous Traffic from the Canal, whether in Passengers, or Goods, between Pulicat and its neighbourhood on the North, and (when the Canal is completed) Towns similarly situated on the South, and Vellore, Bangalore, &c., I cannot discover that there is the slightest ground for supposing that any such trade can be expected. The articles brought by Canal (except Salt) are never likely to find their way to Vellore, &c., and with all the enquiry I can make, I can find no one who has any other opinion than the one I express on this subject.

54. With reference to para: 48 in which Colonel Pears observes that "the Government "have power to direct the Railway Company, and it is to the interests of that Company, that they "should be directed, not merely to establish a siding but a regular Goods' Station at the point of "junction of the branch and the main line."

55. In para: 49, Colonel Pears speaks of "the effect of such an arrangement" *viz.*, "any "trader, rich or poor, might go into the Cotaurs, buy his 100 Tons of Salt, or his 100 lbs., might "ask for Trucks or Wagons, have them brought up to the heaps, run the Salt up to the Railway "Station, book, pay, and despatch, while goods brought by Canal, shells, lime, saltfish, miscel-"laneous Traffic, &c., might be placed on the Rail with similar facility."

56. I submit to you that if this Company can shew that the plan proposed by the Consulting Engineer would not be for the interests of this Company, that the Government should be called upon not to enforce it. I am decidedly of opinion that nothing could be more opposed to the interests of this Company than to establish a Break of Guage between the Canal Bridge and the Salt Cotaurs, whilst I feel confident that the cost of a Station at the Canal Bridge affording all the siding accommodation which a Break of Guage must entail, would be very serious indeed, added to which I am persuaded that we should require double the number of Wagons to carry the same weight of Salt, with the delays incidental to a Break of Guage, as compared with the number we should require if they could be loaded at the Salt Cotaurs themselves.

57. It should ever be borne in mind that the Salt Trade is quite undeveloped. I have no doubt that the present quantity sold in Madras for the districts through which this Railway will pass, including the North West Line, will be very greatly increased. We are now carrying on the Railway a quantity little short of 50 Tons per diem. I should in no way be surprised to find eventually that 500 Tons per diem were forwarded, but if only 300 Tons daily were sent, it would be a work of considerable magnitude to be carried over a narrow Guage Railway in Wagons made of a size to hold the smallest quantity of Salt sold at the Cotaurs, and of sizes intermediate between them and that which is given as the maximum to hold half a Garce of Salt or $2\frac{1}{4}$ Tons. It would also be a work of considerable time and cost to unload such a quantity into the large Wagons, in fact, I am clearly of opinion that the difficulties, the narrow Guage plan suggests, are so formidable, that it could never succeed.

58. There is a subject connected with a Branch Line to the Salt Cotaurs which I regard as one of eventual great importance. It is probable that the extent of accommodation to be provided at Royapooram for Goods may prove too small, and that it would be a vast convenience and economy to us if we could have an auxiliary Goods' Station at or near to the Salt Cotaurs. If the narrow Guage were adopted this of course could not be carried into effect at any time. The Salt Cotaurs are situated most conveniently near to two of the largest Bazaars in Madras, *viz.*, Pereacudday and Pereamoottoo, and they are much nearer to Triplicane than our Station at Royapooram.

59. The bulk of our Traffic is consigned to the places above named, considering that Wagons for Salt must be taken empty from Royapooram to the Salt Cotaurs, and that upon their return they will be loaded with produce consigned to places so near to the Salt Cotaurs, it would prove to be a vast convenience to this Company, and to the trade, if we could be allowed to unload the produce from Wagons near to the Salt Cotaurs, as well as load them there with Salt.

60. I have been over the ground several times and am of opinion that no difficulty could present itself in arranging an auxiliary Goods' Station near or at the Salt Cotaurs.

61. I have not noticed the cost of the Branch Line upon the narrow Guage with double lines, with its Rolling Stock, but it would be considerable, to this should be considered the increased cost of constructing the proposed Station at the junction at the Canal Bridge, probably Estimates of the cost might be called for, with a view to constructing the cost of the plan proposed by this Company and the Break of Guage plan as proposed by Colonel Pears.

62. It is to be deplored that so much time has been lost in arriving at a definite conclusion as to the construction of the Branch Line, after discussing the question for 3 years, we seem practically to be no nearer to a solution of the difficulties that have surrounded the question now, than we were when the consideration of the subject commenced.

Order.—1. In the papers submitted with the foregoing Observations the Railway Agent, fully concurring with the Traffic Manager in the conclusions at which he has arrived on the subject, proposes that the Railway Company should undertake the entire construction of the branch line from the Salt Cotaurs at Madras to its junction with the main line at the Canal Bridge, rather than that the narrow Gauge recommended by Colonel Pears and authorised by Government should be adopted, and that land near the Salt Cotaurs should be taken for the establishment of an auxiliary Goods' Station, not only on the ground of its proximity to the large Bazars of Pereacudday and Pereamootoo, and of the means which it would thus afford of having Wagons loaded both ways, but also of its relieving the Royapooram Station of Traffic.

2. The Railway Officers, it is stated, will be prepared to receive small as well as large consignments of Salt delivered at the Cotaurs, by which the interests of all traders, poor or wealthy, will be served alike, and as this, with the establishment of an auxiliary Goods' Station near the Cotaurs, is considered to meet the objections raised by Colonel Pears to the adoption of the broad Gauge on the branch line, the Government approve and sanction the several arrangements now finally advocated by the Agent and Traffic Manager, and recommended by the Officiating Consulting Engineer.

(True Extract and Copies)

Chief Secretary.

To the Officiating Consulting Engineer for Railways.
„ Revenue Department.

Exd. J. A. Wilson.

Cons: 3d Nov 57 № 24 & 25
" 1st Dec " " " 88.
" 23d " " " " 144 - & 145.

Public Works 1858. Dep.
D to Cons 14 Sept

№ 1995

Extract from the Minutes of Cons: in the Financial Railway Depart.

Dated 6 Aug 1858
Rec 25 } № 428

№ 1876

Extract from the Minutes of Consultation
Under date the 11th September 1858

Read the following Ex. Minute Cons Financial Railway Depart.
(Secretary 6 Augt 1858 № 428)

As under the sanction of Govt, the Madras Railway Company are to undertake the entire construction of the branch line from the Salt Cotaurs to its junction with the main line at the Canal bridge, item № 36 of the Statement № 1 of the Budget of 1858/59, providing for the work at a cost of 78,000 Rs will be removed, and a report of the removal will be made to the Govt of India in the subsequent of the next budget.

36 pairs to the Bd of Revn Dated 13th Oct 1858
with P. Bn. C. D. 1858.
10 Plans to the Offg Chief Engr

№ 1876 11th Sept 1858.

Approval of the proposal of the Agent and Manager that the Railway Company should undertake the entire construction of the branch line from the Salt Cotaurs Road over the junction with the main line at the Canal bridge, at the cost of Rs 78,000 as shown in the accompanying plan and detailed estimate should be adopted and accordingly that the necessary agreement be executed for the establishment of Govt Establishment on the Salt

c № 78.

c 4 Sept 1858

Public Works 1858 D° 10
D° to Com: 14 Sept.

No 1876.

Extract Mins of Com:

D° 11th Sept: 58.

Pet. of the Madras Ry Co in Re Financial Railway Co Jurt.
R/ 11 August 59 C A 2/24
R. L. R 1480 Com: 19 Aug 59
A 19-20

That the construction of the certain branch line from the Old Calicut Road to join the main line at the Canal Bridge, having been undertaken by the Railway Company direct, that Section 10 & 3 Cap 91 of the Act 16 & 17 Vic 95 of the Budget of 1853/59 providing for the Project, be exempted from the operation of the various Clauses in the Act.

Pet. of the Madras Ry Co in Re Financial Railway Co Jurt. R/ 9 Dec 59 C No 2233 in

No 78 & 79