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MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

G.O. No. 3749	Press ~~Mis.~~
233-234	
Dated 11-12-	1865.

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Public Works Department,
11th December 1865.*

No. 233. Read the following Endorsement of the Consulting Engineer for Railways, dated Madras, 27th November 1865, No. 584 :—

Read the following letter from the Agent Great Southern of India Railway, to the Consulting Engineer for Railways, dated Negapatam, 22nd November 1865, No. 1,881.

1. I have the honor to acknowledge receipt of your letter No. 417 of the 4th instant, in which I am asked to give my opinion on the expediency or otherwise of revising the fares on this line, and of making certain alterations in its train service.

2. The fares, which the Secretary to the Government of India, Public Works Department, suggests for revision are those of the second and third classes; these fares are respectively 8 and 4 Pies per mile; the suggested alteration is for second class 5 Pies per mile, and for third class 2 Pies per mile, and this suggestion is founded upon the number of passengers entered through the Traffic Returns up to the 31st December 1864.

3. The exceptional causes (other than that resulting from an increased fare) which led to a falling off in the number of third class passengers passing over the line during the year 1864; and the result of the working of the traffic during the last ten months of the present year, must be unknown to the Secretary to Government.

4. The exhaustion during the first half of the year of the Government salt stores at Negapatam, and the diversion of rice and salt traffic from the Railway to the Southern Port and Dépôt, caused a consequent decrease of passenger traffic through traders following their produce; the collection of coolies for the Ceylon Railway, and for the Ceylon Pioneer corps had nearly ceased, and these were passengers too, whose average journey must have been over more than three-fourths of the length of the line; the great Seringham festival, drawing its thousands of passengers, fell this season in the early part of January 1865, instead of in December, as was the case during the two preceding years, and therefore both numbers and money were lost to the account of 1864.

5. That the raising of a fare has the effect of reducing the number of passengers must be generally admitted; but it becomes a matter for consideration whether a course of action, which produces a decrease of numbers, accompanied by an increase of receipts is an, impolitic act for a Railway Company to adopt. The Great Indian Peninsula Traffic Returns show as the result of a recent increase of third class fares, a decreased number of travellers of 11,000 weekly, with an increased receipt of about Rupees 10,000 per week, but I doubt whether the Directors of that Company look unfavorably upon these figures.

6. I am of opinion, that the third class fare now in operation on this line is not a prohibitory one, and I think the following comparison, coupled with the explanation given in paragraph 4, confirms this view :—

Half-year ending	No. of Passengers.	Receipts. RS.	
31st December 1862	159,582	73,019	3 Pies per mile.
30th June 1863	157,690	78,129	{ Two months 3 Pies. Four do. 4 do.
31st December 1863	151,192	82,502	4 Pies per mile.
30th June 1864	147,641	76,240	Do.
31st December 1864	152,280	83,111	Do.
30th June 1865	{ 183,062 or 163,985	{ 81,703 33,703	{ Do. Do.

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7. The actual figures for the half-year ending 31st December 1864, were 146,280 passengers and Rupees 78,111, but to form a proper comparison (the Seringham festival having fallen in the next period) 6,000 passengers and Rupees 5,000 have been deducted from the actual figures of the half-year ending 30th June 1865, and added to those of the previous period.

8. During the half-year ending 30th June 1865, I issued on three occasions of local festivals cheap return tickets. A liberal estimate will give two-thirds of the passengers thereby drawn over the line, and one-fifth of their fares to the influence of cheap rates. The number of travellers being 28,616, and their fares Rs. 5,007-6-0, I will deduct from the traffic of this half-year 19,077 passengers and Rupees 1,000, the balance of ordinary traffic would thus be 163,385 passengers and Rupees 83,703.

9. A reduction of fare to 2 Pies per mile might *perhaps* double the number of passengers, but these passengers would travel shorter distances than the present average passenger mileage, and the doubling of our receipts would not follow as a matter of course, while on the other hand our working expenses would be sensibly increased. Entertaining these opinions, I am unable to adopt the suggested fare, 2 Pies per mile for our third class passenger traffic.

10. The second class fare might, in my opinion, be decreased to 5 Pies per mile with advantage to the Railway Company, and if my Directors approve of such a reduction, there will be no necessity for the adoption of an "intermediate class," the introduction of which I recently brought under their consideration. I based my report as to this intermediate class upon the result of its working in Bengal. Its effect on the Eastern Bengal line was as under:—

	Half-year ending	
	30th June 1864.	31st Dec. 1864.
First Class	3-35	3-92
Second do.	5-08	4-52
Intermediate		30-00
Third Class	91-57	61-56
	100-00	100-00

and from a return which I have received from the East Indian Railway, I take these figures, which represent the number of passengers per mile:—

	Half-year ending	
	30th June 1865.	30th June 1864.
First Class	15	15
Second do.	37	39
Intermediate	159	
Third Class	1,728	1,970
	1,939	2,024

11. Attached hereto I give extracts from the reports published by the Directors, to show that they have frequently had under their notice the subject of passenger fares. A copy of this letter shall be forwarded to them by the out-going Mail, so that the present scale of fares may again be brought forward for discussion.

12. The Madras Government will be aware that in 1862 I discontinued running one train daily in each direction, but after two months' trial I was obliged to revert to the old plan, the traffic having proved too heavy for the class of engines

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11th December 1865.*

we now have in use. The passenger traffic might be confined to one train daily, but we have goods traffic to work in addition, and until the new (and more powerful engines) which have been ordered, have arrived, the present train service cannot be altered.

13. My letter No. 1,717 of 13th July 1865 gives information relative to the goods traffic, and I believe a copy of the remarks contained therein has already been forwarded to the Government of India.

14. I do not quite understand the purport of paragraph 7 of the letter under reply, inasmuch as the Revenue Account for the half-year ending December 1864 contains both English and Indian expenditure, and the English expenditure includes its proportionate cost of Home management.

GREAT SOUTHERN OF INDIA RAILWAY.

RATES AND FARES.

Extracts from Published Reports.

For 1862.

AGENT TO RAILWAY BOARD.

Your request, that the principle to be adopted in fixing the tariff of rates and fares to be charged on the line should be considered, having received the approval of the Right Honorable the Secretary of State for India, I communicated to the Madras Government your wish, that a course analogous to that pursued by the English Parliament, in reference to Railways in that country, should be followed here, viz., that a maximum scale of rates and fares, which the Company was authorized to charge should be fixed by Government, and that the Railway Company and their Executive (with the concurrence of the Consulting Engineer for Railways) should be at liberty, within the limits so laid down, to regulate the actual rates to be charged, and to vary the same, as further experience of the traffic might render desirable; at the same time forwarding the scale I proposed for adoption. The Secretary of State in his Despatch to the Madras Government remarks, "Notwithstanding the great difference in the circumstances affecting Railways in the two countries, I am of opinion that it would be advisable to act upon this suggestion; Government would then be, to a certain extent, relieved from the necessity of attending to matters of detail, the Railway Company would possess more freedom of action, and the risk of misunderstanding would be greatly diminished." The Madras Government, in sanctioning the scale, observed, however, that "alterations on the actual rates cannot, under the present rules, be made without reference to the Government, whose sanction is necessary before any change is introduced."

For 1863.

AGENT TO RAILWAY BOARD.

A maximum scale of rates and fares to be charged upon the Railway was approved in July 1862; but, as stated in my previous report, an order was at the same time passed, that alterations in the actual rates could not be made without reference to Government. Upon a re-consideration of this question, Government decided in June last, that their Consulting Engineer was authorized to sanction, without reference to them, any changes in the rates and fares within the approved maximum.

In the coaching department, I have to record, that third class passenger fares were increased on the 2nd March from 3 to 4 Pies per mile; and that on the 1st June the first and second class fares were raised from 10 and 5 Pies to 12 and 8 Pies per mile. The effect of these alterations, so far as the first and second class are concerned, is satisfactory; the number of passengers is not as great, but the amount received for third class traffic during the latter half of the year shows an increase of nearly Rupees 10,000 over the third class receipts for the corresponding period of the previous year.

For 1864.

AGENT TO RAILWAY BOARD.

No alteration, either in passengers' fares or goods' rates has been made since my last report was written. You will have seen from my letters to the Secretary, I incline to the opinion, that

6 pies per mile, when

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11th December 1865.*

a reduction in our second class passenger fares would produce a favorable effect in the receipts from that source, but I do not advocate any change being, at present, made in the third class fares. Before making any alteration in the second class fare, I shall, in compliance with your order, ascertain the result of the working on other Indian Railways.

(Signed) W. S. BETTS.

1. I agree with the Agent and Manager in thinking that a reduction of the 2nd Class Passenger fares would be beneficial. In paragraph 10 he states his willingness to reduce them to 5 Pies per mile, but as the Agent Madras Railway has lately, with the sanction of Government, raised the 2nd Class fares from 5 to 6 Pies per mile by day train, I would suggest that the reduction on the Great Southern may be confined to the latter limit.

2. I would not at present advocate any reduction in the 3rd Class fare. According to the abstract analysis of the working expenses and receipts for the half year ending 30th June 1865, it appears that the returns from 3rd Class passengers and goods only yield a net profit of 1.1 Pies, per mile per ton, of gross weight, the 3rd Class passenger yield 6.5 per ton per mile (the average weight of each passenger being calculated at 1½ Maund), which is higher than the returns from the same class, on the South-West and North-West Lines of the Madras Railway, where the fares are 3 Pies per mile.

3. Frequent changes, are, I think, to be deprecated, and it is better that the fares should continue at a comparatively high rate, than that they should be reduced, and again increased; prices of labor and materials are on the increase, and it is not improbable that before long the Agent of the Madras Railway will propose to raise the fares of the class in question, from 3 to 3½, or 4 Pies per mile, instead of reducing them to the low rate of 2 Pies, as suggested by the Government of India.

(Signed) J. C. ANDERSON, Lieut.-Colonel, R. E.,
Consulting Engineer for Railways.

No. 234.

ORDER THEREON, 11th December 1865, No. 3,749.

RAILWAY, No. 23.

1. Ordered that the papers above recorded be forwarded to the Government of India, with reference to Colonel Strachey's letter, No. 846R, dated 27th September 1865.

2. Under the circumstances explained by the Consulting Engineer for Railways, the Government will be prepared, on the receipt of a reply from the Directors of the Great Southern of India Railway to the reference which has been made to them by their Agent, to sanction, experimentally, the reduction of the 2nd Class Passenger fare from 8 Pies to 6 Pies per mile, which is the rate now obtaining on the Madras Railway.

(Here enter No. 3,750, dated 11th December 1865.)
(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To the Consulting Engineer for Railways.

Ed. S. T. Augustin.

PUBLIC WORKS DEPARTMENT.
FORT SAINT GEORGE,
11th December 1865.

No. 3,750.

No. 235.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
PUBLIC WORKS DEPARTMENT.

SIR,

RAILWAY, No. 24.

1. With reference to your letter No. 846R, dated 27th September 1865, regarding the expediency of reducing the

2nd and 3rd Class Passenger fares on the Great Southern of India Railway, and of substituting one train each way daily, with a second train every other day, for the two through trains which now run daily on the line, I am directed by His Excellency the Governor in Council to forward, for the information of the Government of India, the accompanying papers from the Consulting Engineer and the Agent, giving expression to their views on these subjects.

2. It will be observed that while both Officers consider that the 2nd Class fare may be advantageously reduced, they deprecate any change being at present made in the rates for 3rd Class passengers, and the Government, concurring in this view, have informed the Consulting Engineer, that they will be prepared on the receipt of a reply from the Directors of the Great Southern of India Company to the reference which has been made to them by their Agent, to sanction, experimentally, the reduction of the 2nd Class fare, from 8 Pies to 6 Pies per mile, which is the rate now obtaining on the Madras Railway.

3. As respects the proposed reduction of the number of running trains each day, I am to request attention to paragraph 12 of the Agent's letter, wherein it is explained, that until "the new and more powerful engines, which have been ordered, have arrived, the present train service cannot be altered."

I have the honor to be,

Sir,

Your most obedient servant,

(Signed) CHARLES A. ORR, Colonel, R. E.,

Secretary to Government.

Ed. S. T. Augustin.

6 pies per mile, when

Public Works Department

203749

Proceedings of the Madras Government

Under date the 11th December 1865

Read the following

From the Cons. Engineer
for Railways

Observations on a letter
from the Agent G. S. of I. (Here enter 27th Nov/65 No. 584)
Railway respecting the
fares on that Railway

Ordered that the papers
above recorded, be forwarded to
the Government of India with
reference to Colonel Strachey's
letter, No. 846, dated 27th Sept^r
1865 -

Under the circumstances
explained by the Consulting
Engineer for Railways, the
Government will be prepared,
on the receipt of a reply
from the Directors of the
Great Southern of India rail-
way to the reference which has
been made to them by their
Agent, to sanction, experimentally,
the reduction of the 2^d Class
Passenger fares, from 8 pias to
6 pias per mile, which is the

W.D.
G.P.
W.D.

rate now obtaining on the Madras
railway

of the Secretary to the
Government of India R.D.

To the Secy. Inq. for Railways of
With 2 letters

Decr. 12th December

For With reference to your letter
N^o 846 B dated 27th September 1865
regarding the expediency of
reducing the 2nd and 3rd class
passenger fares on the Great
Southern of India railway,
and of substituting one train
each way daily, with a second
train every other day, for the
two through trains which now
run daily on the line, I am
directed by His Excellency
the Governor in Council to
forward, for the information
of the Government of India,
the accompanying papers
from the Consulting Engineer
and the Agent, giving expressions to
their views on these subjects.

It will be observed
that while both Officers con-
sider that the 2nd class fare
may be advantageously
reduced, they deprecate
any change being at
present made in the

1/2nd class fare
is to be
reduced
to 3
paise

in the rates for 3rd class passenger
cars, and the Government, con-
curring in this view, have
informed the Consulting Eng^r,
that they will be prepared
on the receipt of a reply
from the Directors of the Great
Southern of India Company
to the reference which has been
made to them by their Agent,
to sanction, experimentally,
the reduction of the 2nd class
fare, from 8 pice to 6 pice per
mile, which is the rate now
obtaining on the Madras
Railway.

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letter, wherein it is explained,
that until "the new and
"more powerful engines, which
"have been ordered, have ar-
"rived, the present train
"service cannot be altered."

For Sh. George
11th Decr 1865

Decr. 12th December With G.O. N^o 3749-1

Cpy in a Letter to England
21st Aug. 11 of 1866.

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D. H. Deer 50.

POC. No 2834/66.

Rates & fares on the G. of
India Railway. Papering on
certain correspondence relative
to the expediency of revising the—

No 233 @ 235

C. 6 Dec 1865 P. 20