

(1) Number of pages _____

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MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

G.O. No. 1279-80	Press
565-67	Mis
Dated 30 4	1867.

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Public Works Department,
30th April 1867.*

No. 565. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 30th March 1867, No. 103 :—

1. Referring to G. O. No. 880, dated 21st March 1867, calling for any observations I may wish to offer on the method adopted by the Director General of the Post Office in calculating the pecuniary benefit to the State from the free carriage by rail of Mails and Post Office servants, I have the honour to state that, in my opinion, the Director General has proceeded on an entirely incorrect principle, in assuming that the proportional cost of the mileage of the vehicle, or part of the vehicle appropriated for the mails, represents the amount gained by the State in having the mails carried free.

2. The principle for calculating the benefit in question, which was laid down by the Secretary to the Government of India, in his letter dated 6th July 1865, G. O. No. 424, dated 25th July 1865, is, I believe, the correct one. It is there observed, that "special accommodation is set aside for the mails and servants." It matters, therefore, nothing what the weight of the one, or the number and distance travelled by the other are. The actual accommodation set aside (the half of a second class carriage, or whatever it may be, without reference to the contents would, under similar arrangements, be) charged to the general public, and on this basis the cost of the service performed by the Post Office should be calculated.

3. The above instructions were followed in preparing the periodical returns of the savings effected by Government by the use of the Railways in this Presidency.

4. On the Madras Railway the mails were assumed to occupy, on the average, $\frac{1}{4}$ ths of a second class carriage, the charge for which to the public would be 5 Annas 2 Pies per mile, the whole carriage being capable of holding forty passengers, and the rate per mile being 5 Pies.

5. The Agent and Manager did not consider himself justified in quoting a lower rate than 4 Annas per mile, even for the Post Office; and this rate was accordingly adopted in the returns submitted for the half-year ending 30th June 1865, and for subsequent returns, although the second class passenger fares since 1st November 1865 have been 6 and 7 Pies by day and night trains respectively. The rate appeared to me to be a fair one in the first instance, and there is the stronger reason for pronouncing it to be moderate, now that the rates for the public have been raised.

6. On the Great Southern of India Railway a compartment of a second class carriage, computed to carry twelve passengers, is used for the accommodation of the Mails and Post Office servants. The second class passenger rate during the years 1865-66 was 8 Pies per mile; and in the returns of the benefits accruing to Government from the free carriage of the mails a rate of 6 Annas 3-8 Pies per mile was quoted. It is certainly very high, considering the unimportant nature of the mails conveyed, and it ought to be considerably reduced in future returns, as the rates to the public were lowered from the 1st instant from 8 Pies to 5 Pies per mile.

*Proceedings of the Madras Government, Public Works Department,
30th April 1867.*

The mails on the Great Southern of India are carried twice a day each way, between Trichinopoly and Negapatam.

7. On the whole I consider that 4 Annas, or 6 Pence, per mile would be a fair rate to allow for both the Madras and Great Southern Railways.

No. 566. ORDER THEREON, 30th April 1867, No. 1,279.

RAILWAY, No. 57.

Ordered that the following letter be sent:—

(Here enter No. 1,280, dated 30th April 1867.)

(True Extract.)

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

Exd. S. T. Augustin.

PUBLIC WORKS DEPARTMENT.
FORT SAINT GEORGE,
30th April 1867.

No. 1,280.

No. 567.
To

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

SIR,

RAILWAY, No. 58.

1. I am directed to acknowledge the receipt of your letter dated the 25th February 1867, No. 184 R, requesting

an expression of the opinion of this Government on the feasibility of the method of calculation adopted by the Director General of Post Offices in India, in estimating the pecuniary benefit to the State from the free carriage by rail of Mails and Post Office servants.

2. In reply, I am directed to call the attention of the Government of India to some remarks made by the Consulting Engineer for Railways in this Presidency, a copy of which is enclosed, and to intimate the general concurrence of this Government therein. As shown by Lieutenant-Colonel Anderson, the mode of calculation adopted by the Director General seems to be incorrect, and under the supposition that the return of pecuniary benefit is intended to show what would have been paid for the carriage of the Mails and Post Office servants if charged at the same rates as those for private individuals, the Governor in Council is of opinion that 4 Annas, or six Pence, a mile would be a fair rate to allow for both the Madras and the Great Southern Railways.

I have the honour to be,

Sir,

Your most obedient servant,

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

Exd. S. T. Augustin.

Railway Department.

CONSULTING ENGINEER'S OFFICE,

No. 103-

From

5 ✓
Lieut Colonel J. F. Anderson R.E.
Consulting Engineer for Railways.

To

Colonel G. A. Orr R.E.

Secretary to Government,

Public Works Department,

Fort Saint George.

SIR,

Referring to L. O. No. 880 dated 21st March 1864 calling for any observations I may wish to offer on the method adopted by the Director General of the Post Office in calculating the pecuniary benefit to the State from the free carriage by rail of Mails and Post Office Servants. I have the honor to state that in my opinion the Director General has proceeded on an entirely incorrect principle in assuming that the proportional cost of the mileage of the vehicle or part of the vehicle appropriated for the

the mails, represents the amount gained by the State in having the mails carried free.

2. The principle for calculating the benefit in question which was laid down by the Secretary to the Government of India in his letter dated 6th July 1865, is I believe the correct one.

G.O. No 424 dated
25 July 1865 -

It is there observed that "Special accommodation is set aside for the mails and servants". It matters therefore nothing what the weight of the box, or the number and distance travelled by the other, are.

The actual accommodation set aside (the half of a 2nd Class Carriage, or whatever it may be without reference to the Contents, would, under similar arrangements be charged to the general public, and on this basis the cost of the Service performed by the Post Office should be calculated.

3. The above instructions were followed in preparing the periodical returns of the Savings effected by Government by the use of the Railways.

in this Presidency -
On the Madras Railway ^{the mails} were assumed to occupy on the average $\frac{5}{16}$ of a Second Class Carriage, the charge for which to the public would be 5 Annas 2 Pies per mile, the whole Carriage being capable of holding 40 passengers and the rate per mile being 5 Pies.

5. The Agent and Manager did not consider himself justified in quoting a lower rate than 4 Annas per mile even for the Post Office, and this rate was accordingly adopted in the returns submitted for the year ending 30 June 1865, and for subsequent returns, altho' the 2nd Class passenger fares since 1st November 1865 have been 6 and 7 pies by day and night trains respectively.

The rate appeared to me to be a fair one in the first instance, and there is the stronger reason for pronouncing it to be moderate, now that the rates for the public have been raised.

On the Great Southern of India Railway a Compartment of a Second Class Carriage computed to

to carry 12 passengers, is used for the accommodation of the mails and Post Office Servants. The 2nd class passenger rate during the years 1865, 1866 was 8 pices per mile; and in the returns of the benefits accruing to Government from the free carriage of the mails a rate of 6 Annas 3rd 8 Pies per mile was quoted. It is certainly very high considering the unimportant nature of the mails conveyed and it ought to be considerably reduced in future returns as the rates to the public were lowered from the instant from 8 pices to 5 pices per mile. The mails on the Great Southern of India are carried twice a day each way between Trichinopoly & Negapatnam.

On the whole I consider that 4 Annas 6 pence per mile would be a fair rate to allow for both the Madras and Great Southern Railway.

Madras
30 March
1867

Rs. 880 of 2nd class tickets, calling for my absence: I have advised the railway authorities to allow the method of calculation adopted by the Govt. of the Public Office in settling the pecuniary benefits.

I have the honor to be
Yours Most Obedt Serv.
Consulting Engineer for Railways

No. 103-
Received
Dated 28th March 1867.
The Secretary to Government,
Public Works Department,
Fort Saint George.

At the rate from the free carriage by rail of mails & Post Office Servants -
Rs. 25 July 1865-424-
Rs. 12 Mch 1866-1122

From
The Consulting Engineer
for Railways,
The Secretary to Government,
Public Works Department,
Fort Saint George.

Public Works Department
No. 1279
Proceedings of the Madras Government
Under date the 30th April 1867

Read the following
From The Consulting Engineer for Railways.
H.E. No. 103 of 30th March 1867

Ordered that the following letter be sent -

No. 1280
To The Secretary to the Govt. of India.

Sir, I am directed to acknowledge the receipt of your letter dated the 25th February 1867, No. 184 R, requesting an expression of the opinion of this Govt. on the feasibility of the method of calculation adopted by the

the Director General of
the Post Offices, ^{in India} in esti-
mating the pecuniary
benefit to the State from
the free carriage by
rail of mails and Post
Office servants.

2. In reply, I am directed
to call the attention of the
Govt. of India to some
remarks made by the
Locom. Engineer for Rail-
ways in this Presidency,
a copy of which is enclosed,
and to intimate the general
concurrence of this Govt.
therein. As shown by
Lt. Col. Anderson, the
mode of calculation a-
dopted by the Director
General seems to be
decidedly incorrect, and
under the supposition
that.

say incorrect
and decidedly

Recd 2, in the copy of G.O. 1273,
15th May 1867

* 1552 R

any other way
the amount preferred
to report to it.

N.

Very much - and
then with present

the return of pecuniary
benefit is intended to
show clearly what would
have been paid for the
carriage of the mails
and Post Office servants
if charged at the same
rates as those for private
individuals, the Governor
in Council is of opinion
that 4 annas, or 2 p
pence, a mile would be
a fair rate to allow for
both the Madras and the
Great Southern Railways.

3. I am, however, to
question the propriety of
compiling the Return up-
on this principle. As
assumed in your letter
to the Director General
of the Post Offices, dated
the

the 1st July 1865, there can be little doubt that the Post Office would avail itself of the use of the Railways whether they were guaranteed or not, but it is at least equally certain that, but for the guarantees, there would be no Railways in India. In estimating, therefore, the indirect pecuniary benefit to the State arising under certain clauses of the contracts with the guaranteed Railway Companies, in order that its amount may be added to the net traffic earnings, as a set-off against the annual payments under the head of guaranteed interest, it

appears

Every charge for

I doubt the propriety of entering upon a speculation as to the

I think it is clear that the Government cannot assume that the difference between the net traffic earnings and the annual payments under the head of guaranteed interest is a sum which would be realized by the State. It is a sum which would be realized by the State only if the Government were to assume the difference between these two sums as the indirect benefit which has resulted to the State under those clauses of the contracts.

appears to this Com. that the correct course would be to enter in the Return the amount of Mails, Troops, Stores, &c, which have been carried during the year upon each of the guaranteed lines of railway, with the cost of their carriage at the contract rates, and, after making an appropriate calculation of the cost which would have been incurred in their carriage had there been no railways, to assume the difference between these two sums as the indirect benefit which has resulted to the State under those clauses of the contracts.

M.

Pub. Works 1867 (Depart.)

Pro: of Govt for April

No. 1279 & 1280

Pro: of the Madras Govt
Of 30th April 1867

Passing orders on a
letter from the Consulting Engrs.
for Railways, reporting on the
method of calculation adopted
by the Director General of the
Post Office in India, in
estimating the pecuniary benefit
to the State from free carriage
by rail of Mails and Post
Office servants.

No. 565-566-4567