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MADRAS RECORD OFFICE.

Government of Madras.

Public works **DEPARTMENT.**

G.O. No. 3936

Press
Mis.

407-08

Dated 20. 12

1867.

Not to be folded or roughly handled

12

*Proceedings of the Madras Government, Public Works Department,
20th December 1867.*

No. 407. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 11th December 1867, No. 344 :—

1. The Orders of Government, dated the 24th October and the 11th November last, Nos. 3,305 and 3,478, were communicated to the Agent of the Great Southern of India Railway upon the 13th November, with a request that the views expressed therein by Government might be carried into effect at the earliest possible date.

• No. 2,458, dated 5th December 1867.

In reply, I have received from Mr. Betts a letter* which I have now the honor to submit for orders.

2. In my letter of the 10th October last, No. 277, I recommended that the experimental passenger traffic arrangements on the Great Southern, which came into operation on the 1st March last, should be discontinued upon two grounds, first, that their effect had been to drive from the Railway a large number of passengers of the poorer classes, and to cause general discomfort and inconvenience to travellers; and second, that they had resulted in a pecuniary loss to the Company. The first of these grounds Mr. Betts does not dispute, but he questions the accuracy of the deductions made in my letter above quoted as to the financial results of the two systems.

3. I will not deny that there is considerable force in what is urged by Mr. Betts in paragraphs 3 to 6 of his letter. I explained to Government the causes which made it difficult to institute a direct comparison between the results of the two systems; and the statement marked A seemed to me, as also to Colonel Anderson, to be the fairest test to apply to them. There can, however, be no doubt that the traffic receipts for the week which ended on the 22nd December 1866, may have been affected by the Seringham feast; as, on the other hand, were those for the week ended the 23rd March 1867, by the Trivallore feast; and if the respective excesses in the third class receipts for those two weeks are deducted from the ordinary and excess fare for the two three-monthly periods, a balance of Rs. 1,799, or Rupees 600 per mensem, will be shown in favor of the second period.

4. I cannot concur with the assertions contained in paragraphs 8 and 9 of Mr. Betts' letter. There can be no doubt that the famine of 1866, and the consequent drain of rice and other grains from Tanjore and Trichinopoly, added considerably to the goods receipts of the Great Southern; but it would be against all experience and all reasoning to maintain that the prevalence of high prices for food did not seriously affect the means of the poorer classes, and, consequently, the number of travellers in the third class.

5. The traffic returns of the Madras Railway, in my possession, give very different results from those mentioned by Mr. Betts in paragraph 9 of his letter. In statement D, appended, are shown the numbers of passengers of each class upon the South-West Line in 1866 and 1867, and the receipts therefrom, for the six months during which the experiment was tried upon the Great Southern. The length of line open, and the fares, were identical during the two periods. The figures show that the number of third class passengers rose during 1867 from 661,973 to 726,439, the increase being at the rate of 9.74 per cent., while the receipts from the same class were increased by Rupees 20,224 or 3.95 per cent.

• *Vide* G. O., No. 3,478, dated 11th November 1867. Taking the figures supplied by Mr. Betts* himself, it would appear that during the same months the number of third class

passengers upon the eastern section of the Great Southern was reduced by 47,655, or 24.70 per cent., while the receipts rose by Rupees 5,739, or 5.90 per cent.

6. Statement E, appended, contains similar statistics for the North-West Line, and these afford a fair standard of comparison with the Great Southern; as in 1867 the Moodanoor extension had been opened, and all who know the Cuddapah district must be aware that this extension tended to reduce the number of third class passengers per mile. The return, however, shows that in 1866 the average of third class passengers, per mile of open line, was 1,183.28, and of receipts therefrom, Rupees 667.15; while in 1867 the corresponding averages were 1,356.75 passen-

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20th December 1867.*

gers, and 772.54 Rupees. The increase in favor of 1867 being of passengers at the rate of 14.66 per cent., and of Rupees at the rate of 15.80 per cent.

7. These comparative statements must, I think, be accepted as showing that the increase in the receipts from the lowest class of 5.90 per cent., which Mr. Betts claims as the result of the high fares, is not due to that cause alone.

8. It was not however solely, or even chiefly, on financial grounds that the orders of Government, to which Mr. Betts takes objection, were based. Those orders were distinctly based upon the broad principle, which has been repeatedly laid down, that it is incumbent upon the Government to look to the interests of the people, and to protect them from any tendency upon the part of the Railway Companies to raise the lowest fare to an undue height. This duty, which is recognized in England, is rendered more imperative in India by the guarantee of interest, and by the other privileges which have been conferred upon the Companies at the public expense.

9. At the close of his letter, Mr. Betts expresses his willingness to meet the wishes of Government, in so far as the re-introduction of the three classes of passenger carriages is concerned; but he deprecates most strongly the reduction of the lowest rate to three pies per mile, which is the existing third class fare on the Madras Railway, and to which the Government, in their Order of the 24th October last, stated their conviction that it should be reduced. It is not very clear what Mr. Betts is prepared to accept as the lowest fare, but he expresses a hope that the Government, before insisting upon their late orders being carried into effect, will allow him to refer the matter to the Board of Directors.

10. I trust that the Government will not accede to Mr. Betts' request, but will insist upon the lowest fare being reduced simultaneously with the opening of the Great Southern line to Erode. To do what Mr. Betts suggests, would simply postpone the settlement of the question, and prolong the hardship and the injustice which the fares now in force on the Great Southern inflict upon the inhabitants of the districts through which it passes. When it is considered that the Railway has been virtually constructed with funds from the Imperial Exchequer, it seems preposterous that it should be in the power of one man to prolong a system which, to secure a trifling and doubtful gain, has had the effect of driving off the line one-fourth of its passengers, at the rate of nearly 100,000 per annum.

From the Agent of the Great Southern of India Railway, to the Consulting Engineer for Railways, dated Negapatam, 5th December 1867, No. 2,438.

1. I learn from the papers forwarded with your letter No. 151, of the 13th ultimo, that Government look upon the statistics furnished to them by you, as exhibiting proof of the failure of raising the third class fare from four to five pies per passenger per mile.

2. Without the explanation I now propose to offer, these statistics certainly appear to pronounce the increased fare unsuccessful in a financial point of view. That it would have the effect of decreasing the number of passengers was pointed out before the alteration of fare was made.

3. The statistics referred to are in three tables, marked A, B, and C.

4. The first, A, represents the traffic on the same length and section of line, and for the same number of weeks (but not at corresponding seasons); before and after the increased fare came into operation. Taking the ordinary traffic as the figures stand, the receipts in the latter period show a falling off of Rs. 1,529. It is assumed,

Note.—In 1864, when there was no Seringham feast at this season of the year, the receipts were—

Week ending	Rs.
10th December	2,882
" 17th "	2,654
" 24th "	2,642
" 31st "	2,808

however, that the high receipts for weeks ending 22nd and 29th December 1866, the four pies weekly third class traffic) are due to the Christmas holidays; but that a counterbalance is found in the Easter holiday traffic of the second period. This is incorrect, what few Christmas holiday people we had, and they were very limited in number, were first or second class people; and Easter holiday traffic, so far as producing any appreciable effect upon the receipts, was worthless. The increase in the third class traffic above referred to, was entirely attributable to the Seringham feast. This festival draws people from distant parts of the Presidency, who are unable to take advantage of the special rates applying to one train only which works the local traffic. The Trivalore feast is a local festival, and its traffic is all worked under the special rate arrangement. To arrive at a fair comparison, this increase over the average receipts should be deducted from the 1866 period, and then the result shows again to the Company of about Rupees 1,384 per mensem through adopting the increased fare.

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5. Table B compares corresponding periods of two years, but not corresponding sections of the line, and shows a falling off in ordinary mileage receipts of about 14 per cent. I submit that this decrease in the mileage receipts must follow, when comparison is made between the first section of the line and the total length shown as 127 miles in Table B, that it is not the result of an increase of fare is shown in the preceding paragraph, in which when the same sections of line are compared, an increase results. The first section of the line passes for six-eighths of its length through the Tanjore Collectorate, the Negapatam talook of which has a population of 668 to the square mile. Taking the whole of the Collectorate (the least populated portions lie to the south and away from the Railway) the average is 442. Trichinopoly talook is common to both sections. The next section passes through the Moosery, Kulithalai, and Caroor talooks, which have populations respectively of only 251, 288, and 200 to the square-mile.

6. Table C is open to the same remarks, only in its case the 17 additional miles taken into account pass through a worse district than the others. I cannot better illustrate my meaning than by giving facts. The following figures, which are taken from the last month's audited return, represent the mileage value of local passengers' traffic on the three sections of the line:—

	RS.	A.	P.
First section	173	3	0 per mile.
Second do.	79	6	0 do.
Third do.	29	5	0 do.

Adding the first two portions together, the average mileage receipt is reduced from Rupees 173 to Rupees 140, showing upwards of 20 per cent. decrease. Adding all three together it comes down to Rupees 127, or to more than 27 per cent. decrease. The Great Indian Peninsula Railway is another instance of this kind, for last half-year, with an average increased mileage of 20 per cent., their lowest class traffic shows an increase of only 5 per cent. gross, not mileage.

7. The comparison submitted with my letter No. 2,430, appeared to me the fairest which could be made. It took the same section of line for the corresponding period of time in the previous year. The first and second class traffic was not included, as the difference was so slight, less than Rupees 500. As, however, you consider the eastern section passenger traffic has been increased by the opening of the line westward, and that the present season compares with an exceptionally bad one, it will be better to take the table A (which is not open to either of these objections) as our guide, and in that, as I have pointed out, the ordinary traffic receipts show the satisfactory increase of upwards of Rupees 1,380 per mensem.

8. I think it right, however, to point out that this Railway was not injuriously affected by last year's famine. The famine districts were away to the south, and the heavy stores of Tanjore were largely drawn upon, this created a large traffic westwards, and with more produce passing over the line, the number of passengers increased. You will observe that the third class passenger traffic of 1866 (during the six months named in my previous letter) was nearly 17 per cent. greater than in the corresponding period of 1865.

9. With regard to the development of the passenger traffic, I must point out that this line has not fallen below its neighbour. Comparing the total passenger traffic on the Madras Railway, South-West Line, during the half-year ending 30th June 1866 and 1867, I find that the latter shows a falling off of about Rupees 12,700, and on the North-West Line, the mileage receipts were respectively Rupees 854 and Rupees 853.

10. Again, the eastern section passenger traffic has not gained by the opening of the line westwards, the gap still continues between the Madras line and this, and the extension did not open out any large town or district, with which the Tanjore district traded. Caroor is in the Coimbatore district, and its Law Courts and head-quarters are away from the Railway. When the two lines are joined together, I expect the eastern section will be benefited. In first and second class traffic the eastern section has actually lost by the extension; people who formerly came from Tanjore and Trichinopoly to take steamer up the coast, now travel via Cudumudy, and there is not one-tenth of the same description of traffic from Negapatam to supply its place.

11. These are small items, but still they bear upon the question, and should be considered. That question is so important a one that I must ask you to accept the plea as an excuse for the length of this letter.

12. As Government is desirous to see re-introduced the three classes of carriages, I will re-introduce them, but the reduction of the lowest class fare to three pies a mile would be attended with so great a loss of money to the shareholders, that I hesitate to bring that loss upon them without consulting my Directors. The three pies fare has already been tried, and the four pies fare when substituted for it brought in an increased income, this with the same length of line opened. On the 16th October last, the Government of India declared the maximum rate for the lowest class to be the existing fare, and I trust that Government, after the explanation which I now give shall have been laid before them, will recognize the advisability of my bringing under the notice of my Directors the papers which have passed on this subject, before so great a reduction is made upon that maximum.

Proceedings of the Madras Government, Public

D.
MADRAS RAILWAY
Statement showing the number of Passen
492 miles of

Week ended the		1ST CLASS.		2ND CLASS.		3RD CLASS.		TOTAL.	
		No.	Receipts.	No.	Receipts.	No.	Receipts.	No.	Receipts.
1866.			RS.		RS.		RS.		RS.
March	10th	112	1,546	1,154	2,433	24,894	18,914		
"	17th	131	2,213	1,204	2,544	25,664	18,721		
"	24th	131	2,118	1,274	3,018	29,163	20,990		
"	31st	146	2,593	1,232	2,272	27,309	21,006		
April	7th	204	2,589	1,301	2,856	26,823	20,247		
"	14th	171	2,446	1,320	3,029	24,910	19,876		
"	21st	160	1,511	1,259	2,692	26,127	20,297		
"	28th	98	1,490	1,281	2,500	26,925	20,358		
May	5th	99	1,465	1,307	2,750	26,353	20,310		
"	12th	112	1,958	1,078	2,421	25,233	19,659		
"	19th	118	1,770	1,214	2,419	26,134	20,179		
"	26th	99	1,650	1,176	2,504	25,589	20,363		
June	2nd	155	2,626	1,347	3,414	28,615	22,489		
"	9th	80	1,339	1,156	2,647	28,324	21,803		
"	16th	82	1,459	1,177	2,601	27,031	21,233		
"	23rd	83	1,345	1,140	2,612	26,716	21,023		
"	30th	109	1,673	1,181	3,035	26,327	20,551		
July	7th	139	2,370	1,122	2,895	25,145	19,882		
"	14th	87	1,256	1,158	2,532	25,459	19,433		
"	21st	88	1,157	1,066	2,526	21,407	17,093		
"	28th	89	1,400	987	2,371	20,537	16,724		
August	5th	91	1,338	1,110	2,518	22,488	17,471		
"	11th	102	1,537	1,060	2,218	21,336	18,496		
"	18th	106	1,932	1,088	2,472	23,003	18,063		
"	25th	82	1,428	1,106	2,181	23,164	18,062		
September	1st	86	1,603	952	2,141	24,187	18,479		
Per mile ...		2,900	45,862	30,450	67,664	6,61,973	5,11,720	6,95,323	6,25,246
MADRAS, 11th December 1867.						1345.47	1010.08	1413.26	1270.82

Works Department, 20th December 1867.

SOUTH-WEST LINE.
gers and the Receipts from them,
line open.

Week ended the		1ST CLASS.		2ND CLASS.		3RD CLASS.		TOTAL.	
		No.	Receipts.	No.	Receipts.	No.	Receipts.	No.	Receipts.
1867.			RS.		RS.		RS.		RS.
March	9th	106	1,350	1,303	2,665	28,140	19,886		
"	16th	95	1,367	1,141	2,094	28,143	20,844		
"	23rd	113	1,572	1,140	2,315	27,124	18,953		
"	30th	123	1,867	1,117	2,544	27,813	19,500		
April	6th	92	1,376	1,223	2,663	29,209	19,782		
"	13th	131	2,361	1,102	2,532	25,590	19,522		
"	20th	117	1,772	1,019	2,206	27,545	20,106		
"	27th	105	1,790	999	2,267	26,577	19,234		
May	4th	124	1,887	1,054	2,515	26,880	20,090		
"	11th	92	1,697	1,084	2,673	25,422	19,285		
"	18th	99	1,370	1,164	2,786	28,904	21,887		
"	25th	98½	1,703	1,106	2,191	32,753	23,119		
June	1st	115½	2,192	1,088	2,815	28,580	21,852		
"	8th	141	2,524	1,269	3,250	29,998	21,990		
"	15th	105½	1,679	1,037	2,275	28,326	20,878		
"	22nd	110	1,271	1,060	2,358	28,423	21,425		
"	29th	116½	1,929	1,159	2,563	28,500	21,264		
July	6th	124	1,975	1,135	2,670	30,831	21,681		
"	13th	71	1,225	1,099	2,404	28,918	21,331		
"	20th	87	1,203	1,114	2,265	24,487	19,264		
"	27th	49	751	1,054	2,127	26,829	19,518		
August	3rd	111½	1,859	1,111	2,583	29,111	20,092		
"	10th	94½	1,230	1,035	2,343	26,801	19,845		
"	17th	77½	1,263	1,047	2,575	27,120	20,164		
"	24th	92	1,095	1,077	2,298	27,218	20,141		
"	31st	85	1,252	1,120	2,545	26,897	20,291		
		2,675½	41,559	28,887	61,522	7,26,430	5,31,944	7,53,001	6,38,025
		.....	.....	.....	.....	1473.50	1031.18	1540.65	1206.80

(Signed) J. H. M. SHAW SEVARE, Major, R. E.,
Consulting Engineer for Railways.

Proceedings of the Madras Government, Public

E.
MADRAS RAILWAY
Statement showing the number of
Miles open 125 average.

Week ended the		1ST CLASS.		2ND CLASS.		3RD CLASS.		TOTAL.	
		No.	Receipts.	No.	Receipts.	No.	Receipts.	No.	Receipts.
1866.			RS.		RS.		RS.		RS.
March	10th	61	393	40	75	4,801	2,933		
"	17th	11	117	86	140	4,288	2,865		
"	24th	13	69	74	93	6,547	3,124		
"	31st	5	47	109	123	5,454	3,156		
April	7th	8	79	79	108	4,878	3,061		
"	14th	11	80	106	204	4,608	2,816		
"	21st	12	106	77	160	6,313	3,087		
"	28th	11	93	99	205	4,946	3,108		
May	5th	11	108	52	106	5,278	3,160		
"	12th	3	25	70	130	5,377	3,529		
"	19th	2	12	88	92	5,692	2,822		
"	26th	4	43	60	109	6,474	4,206		
June	2nd	13	128	98	151	7,402	4,540		
"	9th	3	19	85	132	6,222	3,959		
"	16th	2	14	66	65	6,070	3,107		
"	23rd	4	34	91	154	5,587	3,463		
"	30th	9	86	77	139	5,193	3,050		
July	7th	17	120	60	97	5,132	2,973		
"	14th	5	25	73	98	5,009	2,720		
"	21st	1	11	71	123	4,382	2,643		
"	28th	2	22	73	127	4,095	2,662		
August	4th	11	50	79	104	7,153	3,012		
"	11th	20	222	93	108	7,127	3,228		
"	18th	8	42	76	141	6,218	3,273		
"	25th	3	33	91	189	6,286	3,559		
September	1st	9	95	87	149	7,288	3,593		
Per mile ...		259	2,073	2,060	3,337	147,910	83,394	1,50,229	88,804
MADRAS, 11th December 1867.		.....	.....	.....	.....	1183 28	667 15	1201 83	710 43

Works Department, 20th December 1867.

NORTH-WEST LINE.
Passengers and the Receipts from them
Miles open 153.

Week ended the		1ST CLASS.		2ND CLASS.		3RD CLASS.		TOTAL.	
		No.	Receipts.	No.	Receipts.	No.	Receipts.	No.	Receipts.
1867.			RS.		RS.		RS.		RS.
March	9th	21	197	79	130	7,431	4,453		
"	16th	7	61	141	145	9,398	4,588		
"	23rd	10	103	70	119	6,334	4,590		
"	30th	15	131	67	111	7,327	4,783		
April	6th	12	107	78	163	6,492	3,917		
"	13th	13	76	78	123	7,362	3,988		
"	20th	6	71	101	178	6,958	3,869		
"	27th	5	72	77	182	6,964	3,969		
May	4th	6	28	80	122	7,281	4,005		
"	11th	7	55	82	98	8,319	4,720		
"	18th	9	85	77	169	9,320	6,217		
"	25th	12	115	98	140	10,548	6,639		
June	1st	10	66	102	198	8,352	5,076		
"	8th	9	100	69	139	7,500	4,554		
"	15th	9	63	78	178	7,717	4,920		
"	22nd	16	141	108	152	7,543	4,738		
"	29th	8	63	102	159	8,087	4,640		
July	6th	12	76	55	96	7,288	4,289		
"	13th	2	22	49	63	7,639	4,421		
"	20th	6	58	71	123	7,030	4,288		
"	27th	8	80	67	123	11,811	5,064		
August	3rd	12	90	92	115	8,506	4,551		
"	10th	14	67	71	100	7,971	4,748		
"	17th	5	35	100	191	7,825	4,647		
"	24th	18	130	97	128	8,905	4,834		
"	31st	13	73	83	150	7,644	4,710		
Per mile ...		265	2,165	2,172	3,586	2,07,582	1,18,199	2,10,019	1,23,951
Per mile ...		.....	.....	.....	.....	1356 75	772 54	1372 61	810 14

(Signed) J. H. M. SHAW STEWART, Major, R. E.,
Consulting Engineer for Railways.

ORDER THEREON, 20th December 1867, No. 3,936.

RAILWAY, No. 29.

RAILWAY, No. 29.

2. As this is not in accordance with the policy of Government, which aims at making the Railways as generally useful to the public as is consistent with due profits to the Companies, and is, it is believed, opposed to the true interests of the Railway, His Excellency the Governor in Council must adhere to his resolution to withhold further sanction to the present high rate of lowest class fare on the Great Southern of India Railway, as well as to the exceptional arrangements of passenger traffic accommodation on that line.

3. With respect to the latter, the Government are glad to find that Mr. Betts is willing to revert to the former system of running three classes of carriages. They hope that, in communication with the Consulting Engineer, the fares of the first and second classes may be assimilated to those of the Madras Railway, and, if Mr. Betts will submit his views of the scale on which the third or lowest class fare should be fixed, to bring the advantages of the Railway within the reach of all conditions of travellers without depriving the Company of reasonable profits, the Government will forward them for the consideration of the Government of India, which has reserved to itself the power of controlling the lowest class fares on all Indian Railways.

(True Extract.)

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

To the Consulting Engineer for Railways.

Exd. S. T. Augustin.

miles open 125. Average.

Madison Railway North-West line
Statement showing the number of passengers and

Wides open 15-3.

[illegible]

Madras
11th November
1867

Thamilton, Major R. E.
Consulting Engineer for Railway

D. South-West Lane.
 Statement showing the number of Passengers and the Receipts from them.
 492. Station of New York.

Month	1st Class	2nd Class	3rd Class	Total	Month	1st Class	2nd Class	3rd Class	Total
	No.	No.	No.	No.		No.	No.	No.	No.
March 1866	112	154	1154	2439	March 1867	106	1350	1303	2659
" 17	131	2213	1204	2544	" 16	95	1267	1141	2503
" 24	181	2118	1274	2501	" 23	113	1572	1140	2825
" 31	146	2593	1232	2272	" 30	123	1867	1117	2507
April 1	204	2589	1301	2586	" 6	92	1376	1222	2590
" 7	171	2446	1320	2029	" 13	131	2361	1102	2594
" 14	100	1511	1259	2692	" 20	117	1772	1099	2506
" 21	98	1490	1231	2500	" 27	105	1790	999	2507
" 28	98	1465	1207	2500	" 4	124	1887	1024	2515
May 5	99	1468	1207	2500	" 11	92	1697	1024	2515
" 12	112	1468	1214	2421	" 18	99	1703	1164	2567
" 19	118	1770	1214	2419	" 25	98	1703	1106	2507
" 26	99	1650	1176	2504	" 1	115	2192	1038	2507
" 3	165	2026	1247	2414	" 8	141	2524	1269	2525
" 10	80	1379	1176	2501	" 15	105	1679	1060	2507
" 17	82	1459	1177	2501	" 22	110	1714	1159	2507
" 24	83	1345	1140	2512	" 29	116	1920	1135	2507
" 31	109	1672	1141	2085	" 6	124	1975	1135	2507
June 7	124	2370	1122	2514	" 13	71	1225	1099	2507
" 14	87	1256	1158	2522	" 20	87	1208	1114	2507
" 21	88	1157	1066	2526	" 27	49	767	1054	2507
" 28	89	1400	994	2548	" 4	113	1859	1035	2507
July 5	91	1388	1110	2548	" 11	94	1236	1035	2507
" 12	102	1537	1060	2248	" 18	94	1263	1047	2507
" 19	106	1932	1088	2472	" 25	92	1095	1077	2507
" 26	82	1428	1106	2181	" 1	85	1252	1120	2507
" 3	86	1603	952	2144	" 8	2675	4159	2388	6152
August 10	2900	45862	30450	67664	August 17	2675	4159	2388	6152
September 10	2900	45862	30450	67664	September 17	2675	4159	2388	6152
October 10	2900	45862	30450	67664	October 17	2675	4159	2388	6152
November 10	2900	45862	30450	67664	November 17	2675	4159	2388	6152
December 10	2900	45862	30450	67664	December 17	2675	4159	2388	6152

March 1866
 11th December 1867

March 1867
 11th December 1867

Railway Department

N^o 344- Consulting Engineer's office

From

Major J. H. M. Shaw Stewart R.E.
Consulting Engineer for Railway

To

Colonel C. A. Orr R.E.

Secretary to Government

Public Works Department

Fort, Saint George

Sir,

The orders of Government dated the 24th October and the 11th November last, N^{os} 3305 and 3478, were communicated to the Agent of the Great Southern of India Railway upon the 18th November, with a request that the views expressed therein by Government might be carried into effect at the earliest possible date. In reply, I have received from Mr. Petto a letter which I have now the honour to submit for orders.

* N^o 2458 dated
5th December 1867.

2. In my letter of the 10th October last, N^o 277, I recommended that the experimental passenger traffic arrangements on the Great Southern, which came into operation on the 1st March last, should be discontinued upon

two

18/4/87/1867

two grounds, 1st, that their effect had been to drive from the railway a large number of passengers of the poorer classes, and to cause general discomfort and inconvenience to travellers, and 2^d, that they had resulted in a pecuniary loss to the Company. The first of these grounds Mr. Petto does not dispute, but he questions the accuracy of the deductions made in my letter above quoted as to the financial results of the two systems.

3. I will not deny that there is considerable force in what is urged by Mr. Petto in paragraphs 3 to 6 of his letter. I explained to Government the causes which made it difficult to institute a direct comparison between the results of the two systems; and the statement marked **A** seemed to me, as also to Colonel Anderson, to be the fairest test to apply to them. There can, however, be no doubt that the traffic receipts for the week which ended on the 22^d December 1866 may have been affected by the Peringhaus feast, as on the other hand were those for the week ended the 23^d March 1867 by the Trivallosser feast; and if the respective excesses in the third class receipts for those two weeks are deducted from the

The ordinary and excess fares for the two three-monthly periods, a balance of Rupees 1799, 0 Rupees 600 per annum, will be shown in favour of the second period. G

4. I cannot concur with the assertions contained in paragraphs 8 and 9 of Mr. Petto's letter. There can be no doubt that the famine of 1866, and the consequent drain of rice and other grains from Rajon and Trichinopoly, added considerably to the gross receipts of the Great Southern; but it would be against all experience and all reasoning to maintain that the prevalence of high prices for food did not seriously affect the means of the poorer classes, and, consequently, the number of travellers in the third class.

5. The traffic returns of the Madras Railway in my possession give very different results from those mentioned by Mr. Petto in para 9 of his letter. The statements **D** appended are shown the numbers of passengers of each class upon the South-West Line in 1866 and 1867, and the receipts therefrom for the six months during which the experiment was tried upon the Great Southern.

The

The length of line open, and the fares, were identical during the two periods. The figures show that the number of third class passengers rose during 1867 from 661,973 to 726,439, the increase being at the rate of 9.74 per cent, while the receipts from the same class were increased by Rupees 20,224, or 3.95 per cent. Taking the figures supplied by Mr. Belto himself, it would appear that during the same months the number of third class passengers upon the eastern section of the Great Southern was reduced by 47,655, or 24.70 per cent, while the receipts rose by Rupees 5739, or 5.90 per cent.

* Vide G. O.
No 3478 of 11th Nov
1867.

6. Statement **E** appended contains similar statistics for the North West Line, and these afford a fair standard of comparison with the Great Southern; as in 1867 the Moodanoor extension had been opened, and all who know the Cuddapah District must be aware that this extension ~~must have~~ tended to reduce the number of third class passengers per mile. The return however shows that in 1866 the average of third class passengers, per mile of open line, was 1183.28, and of receipts therefrom, Rupees 667.15 :- while in 1867 the corresponding averages

averages were 1356.75 passengers, and 772.54 Rupees. The increase in favour of 1867 being of passengers at the rate of 14.66 per cent, and of Rupees at the rate of 15.80 per cent.

7. These comparative statements must, I think, be accepted as showing that the increase in the receipts from the lower class of 5.90 per cent, which Mr. Belto claims as the result of the high fares, is not due to that cause alone.

8. It was not however solely, or even chiefly, on financial grounds that the orders of Government, to which Mr. Belto takes objection, were based. Those orders were distinctly based upon the broad principle, which has been repeatedly laid down, that it is incumbent upon the Government to look to the interests of the people, and to protect them from any tendency upon the part of the Railway Companies to raise the lowest fares to an undue height. This duty, which is recognized in England, is rendered more imperative in India by the guarantee of interest, and by the other privileges which have been conferred upon the Companies at the public expense.

9. At the close of his letter Mr. Betto expresses his willingness to meet the wishes of Government, in so far as the reintroduction of the three classes of passenger carriages is concerned; but he deprecates most strongly the reduction of the lowest rate to 3 pies per mile, which is the existing third class fare on the Madras Railway, and to which the Government, in their order of the 24th October last, stated their conviction that it should be reduced. It is not very clear what Mr. Betto is prepared to accept as the lowest fare, but he expresses a hope that the Government, before insisting upon their late orders being carried into effect, will allow him to refer the matter to the Board of Directors.

10. I trust that the Government will not accede to Mr. Betto's request, but will insist upon the lowest fare being reduced simultaneously with the opening of the Great Southern line to Erodes. To do what Mr. Betto suggests would simply postpone the settlement of the question, and prolong the hardship and the injustice which the fares now in force on the Great Southern

Southern inflict upon the inhabitants of the districts through which it passes. When it is considered that the railway has been virtually constructed with funds from the imperial exchequer, it seems preposterous that it should be in the power of one man to prolong a system which, to secure a trifling and doubtful gain, has had the effect of driving off the line one-fourth of its passengers, at the rate of nearly 100,000 per annum.

Madras
11th December
1867

I have the honour to be,
Sir,

Your most obedient servant.

Major R. C.
Consulting Engineer for Ry.

P. W. Dept.
No. 344
RAILWAY DEPARTMENT.
From

The Cons. Engineer for Railways,

To

The Secretary to Government,
P. W. Dept.

Dated 11th }
Received 12th } December 1867.

No. 344 -

Enclosures, No. 3 - ✓

Submitting for
the orders of Government
a letter from the Agent
& Traffic Manager re-
garding the fares on
the P. & L. Railway.
No. 344. 20th Decr/67

18th Decr, 1867.

P.W.D. 121
No 3936
Proceedings of the Madras Government
Under date the 20th Decr 1867
Read the following

From the Consulting En-
gineer for Railways -

(H.E. 11th Decr 1867)
No. 344

Having given the
subject discussed in
these and previous papers
their fullest consideration,
the Government are still
of opinion that the charge
of 5 pies per mile is
prevailing on the Great
Southern of India Railway,
as the lowest at which
the native population
can make use of the rail,
is much higher than is
suited to the circum-
stances of the people, and
His Excellency in Council
is satisfied that its
continuance will virtually
amount

W.H.
won
12/12

amount to a prohibition
of the use of the line by
the great majority of the
poorer classes.

As this is not
in accordance with the
policy of Government,
which aims at making
the Railways as generally
useful to the public as
is consistent with due
profits to the Companies,
and is, it is believed, op-
posed to the true inter-
ests of the Railway, His
Excellency the Governor in
Council must adhere to
his resolution to withhold
further sanction to the
present high rate of lowest
class fare on the Great
Southern of India Railway,
as well as to the exceptional
arrangements of passenger
traffic accommodation on
that line.

With respect to the
latter,

restitution

N.

13

latter, the Government
are glad to find that
Mr. Betts is willing to
revert to the former sys-
tem of running three
classes of carriages. They
hope that, in communi-
cation with the Consulting
Engineer, the fares of the
1st and 2^d Classes may be
assimilated to those of
the Madras Railway; and,
if Mr. Betts will submit
his views of the scale on
which the third or lowest class
fare should be fixed, to
bring the advantages of the
Railway within the reach
of all conditions of travel-
lers without depriving the
Company of reasonable
profits, the Govt. will
forward them for the
consideration of the Govt.
of India, which has re-
served to itself the

power

power of controlling
the lowest class fares
on all Indian Railways

[Faint, mostly illegible handwritten text]

[Signature]

[Faint handwritten text, possibly "To the Secy"]

To the Secy. for
Railways.
40
2 Dec 21/12/67

8047-408

175
250
Pub. Works 1867 (Depart^o)

Pro: of Govt. for December
Rs. 39.36

Pro: of the Madras Govt.
20th (December 1867)

Declining further
sanction to the present
high rate of lowest class
fare on the Great Southern
India Railway.

No 407-408