

GOVERNMENT OF MADRAS.

LOCAL AND MUNICIPAL DEPARTMENT.

READ—the following papers:—

From J. G. D. PARTRIDGE, Esq., Chairman, Municipal Council, Trichinopoly, to the Chief Secretary to Government (through the Collector of Trichinopoly), dated Trichinopoly, 30th April 1889, No. 16.

With reference to your memorandum, dated 8th instant, and your endorsement, No. 324, of the 10th instant, I have the honor to annex herewith extract from the Proceedings of the Municipal Council, dated 27th instant, giving their views and proposals on the water-supply scheme prepared by Mr. R. A. Oldham, of Calcutta.

2. The great importance of the scheme, and the urgent necessity there is for undertaking it at once, have been sufficiently explained in the report submitted by the Council in July last and embodied in G.O., No. 899 M., dated 13th August 1888.

3. A copy of Mr. Oldham's report, and two tin cases containing the original plans, &c., which accompanied it, are herewith forwarded for consideration of Government in the Public Works Department, as desired in paragraph 1 of G.O., No. 899 M., dated 13th August 1888.

4. It will be observed that the Council have modified their original rough estimate of additional income in several particulars. They have decreased the water-tax by Rs. 1,000, and the incomes from the grain market and additional fees in the present markets by Rs. 1,000 each, while they have added a sum of Rs. 2,000, which they are confident will be obtained by a careful revision of the house-tax. Besides this, they estimate an increase only of Rs. 4,500 instead of Rs. 5,000 from the half-share of the tolls. They consider these estimates to be moderate, and that they are not at all likely to exceed the actuals.

ENCLOSURE.

EXTRACT from the Proceedings of the Municipal Council passed at the special meeting held on the 27th April 1889.

Read memorandum from the Chief Secretary to Government, dated 18th April 1889, requesting to forward at the earliest possible date the views and proposals of the Council on the printed report addressed by Mr. R. A. Oldham, of Calcutta, on the Trichinopoly water-supply scheme.

The Council offer the following views and proposals on the water-supply scheme prepared by Mr. R. A. Oldham, of Calcutta.

The scheme covers a supply of pure water—

- (1) to the most crowded and cholera-stricken parts of the town, viz., Fort, Marsackpett and Sengolam, containing a population of approximately 60,000 people. This is estimated at Rs. 2,50,000.
 - (2) to the two sepoy lines situated near the old Tanjore and Dindigul roads, respectively, at the outskirts of the town, calculated at 8,000 head. This is to cost Rs. 32,413.
 - (3) to the South Indian Railway Company's station in the cantonment, calculated at 100,000 gallons daily. This is to cost Rs. 37,195.
- Engineering, contingencies and supervision, Rs. 39,951.

The total cost for the whole scheme will be Rs. 3,59,559, or, in round figures, Rs. 3,60,000.

Ways and Means.—It is presumed that the whole amount will be advanced by Government at 4 per cent. under the conditions laid down in G.O., No. 322 L., dated 8th February 1889. Relying on this, the following calculations are made regarding the annual cost of the scheme:—

	RS.
Interest on loan of Rs. 3,60,000 at 4 per cent.	14,400
Provision for sinking fund at 2 per cent.	7,200
Depreciation of machinery, &c. at 1½ per cent.	5,400
Working expenses as reckoned by Mr. Oldham	20,000
Total ..	47,000

Deduct—

(1) Contribution on account of sepoy lines already promised (G.O., No. 1490, dated 27th February 1889)	3,000
(2) Contribution from Railway Company towards working expenses... ..	4,000 and
Interest and sinking fund provision at 6 per cent. on Rs. 42,000 (the portion of the initial cost to be borne by the Company) ..	2,500
Total ..	9,500

The Council will have to provide for a yearly sum of Rs. 37,500.
To meet this yearly amount, they now estimate the following:—

	RS.
Water-tax on the portion of the town supplied	7,000
Income from the grain market and cart-stand to be opened in the old district jail buildings	3,000
Revision of house rate	2,000
Saving in expenditure by the abolition of the present water establishment for tanks, &c.	3,000
Additional income from markets by raising the fees	3,000
Increased contribution from the District Board under tolls— <i>vide</i> paragraph 4 of G.O., No. 138 M., dated 4th February 1889 ..	4,500
Total ..	22,500

This leaves a deficit of Rs. 15,000.

The Council consider that Government should be requested to contribute Rs. 1,500 a year more for the Sepoy lines, as Rs. 4,500 will be a fair contribution to cover the initial cost of the extension to the lines and the share of the yearly working expenses as shown below:—

	RS.
Interest, sinking fund and depreciation at 7½ per cent. on Rs. 32,000 (cost of extension)	2,400
Share of working expenses on 80,000 gallons' supply	2,000
Total ..	4,400

At any rate, the Council think that the scheme cannot fairly be extended to the lines, unless Rs. 4,000 per annum is contributed by Government.

This will reduce the deficit to Rs. 14,000.

The yearly balance of revenue over expenditure at present is about Rs. 5,000. This amount cannot be entirely expended on the water scheme, as it is urgently required for the drainage of the town, which has hitherto been neglected. Rs. 2,000 may, however, be availed of from this source.

These are all the available resources which the Council can think of at present, and there is a deficit yet of Rs. 12,000. Unless a further contribution equal to this amount is given from the Local Funds, the Municipality will be unable to undertake the scheme.

The Council beg to suggest that the present rates of tolls may be doubled, as they are levied at half the maximum rates at present. By this means the Local Fund Board will be able to supply Rs. 12,000 a year without any entrenchment upon their present income.

The Council unanimously agree to undertake the scheme prepared by Mr. Oldham on these terms. The supervision of the work will be entrusted to Messrs. Oldham, who are apparently willing to superintend the construction of the works for 3 per cent. on the total cost of Rs. 3,20,000.

If the works on completion are put in charge of the Railway Company, there will be no fear of any breakdown in the water-supply, as there would be if they were in unprofessional hands. The Council look upon this arrangement as absolutely necessary for the proper working of the scheme. It is not intended to charge the Railway Company any water-rate upon their buildings.

No. 46—2.

Forwarded to Government.

2. The delay in holding a meeting on the matter was due to the necessity of waiting for a reply from the Agent, South Indian Railway, on certain points on which Mr. Willock asked information. The Agent has now sent me a copy of his letter to Government, reporting on the scheme; and from that letter, and the report of the Chief Engineer of the Railway, I see that the Railway Company is favorable to the scheme.

3. The necessity of having a supply of pure water for Trichinopoly town has been abundantly recognized, and I need not enlarge on it. Further, Mr. Willock's report on the project, forming an enclosure to this office letter, dated 20th July 1888, No. 63—2, printed in G.O., dated 13th August 1888, No. 899 M., shows that the scheme now forwarded is the only scheme that would really furnish a pure supply. This scheme is therefore a necessity.

4. I was present at the meeting that passed the scheme. The figures relating to income, given in the extract of proceedings forwarded, were all carefully discussed, and may, I think, be taken as correct and reasonable.

5. Only two of these figures require notice; (1) the increased contribution asked from Government, and (2) the question of the raising of the tolls.

6. As to the first of these, the Council have, I submit, made out their case. Their estimate of the annual charge for interest, sinking fund and depreciation, on the portion of the capital spent on the extension to the lines, is, in fact, below the mark; for they put down the capital itself at the bare cost of construction, and omit all account of the 12 per cent. allowed for engineering and contingencies. The annual cost to the Council, on account of interest, sinking fund, and depreciation on the Rs. 36,465, the real initial cost of the extension to the lines—*vide* paragraph 20 of Mr. Oldham's letter—will thus be Rs. 2,735. It will not pay the Council to extend the work to the lines, unless Government pay this sum *plus* the annual working expenses of that extension, *plus* a sum to represent a fair profit to the Council, sufficient to reimburse them eventually in the expense of the initial cost of that extension. The annual working expenses of the extension is theoretically Rs. 2,051, that is, the proportion to the total annual working expenses, Rs. 20,000, for a daily supply of 80,000 gallons, out of a total daily supply of 780,000 gallons; but as a fact, the additional working expenses entailed on the Council by the extension would probably not amount, in reality, to more than a few hundred rupees, as the extra establishment required would be something very small. As to the annual profit, which the Council must look for, unless Government would prefer to bear the initial cost of the extension, it cannot, I think, be put down at less than Rs. 1,500, that is, 4 per cent. on the cost of construction; raising the total annual contribution by Government to something over Rs. 4,500. It will not pay the Municipal Council to extend the scheme to the lines, unless the Government contribution is raised to at least Rs. 4,500; and I earnestly request that the Government would be pleased to raise the contribution accordingly. A contribution of only Rs. 3,000—the sum agreed to by Government—would only partly cover, if it did cover, the annual charges for interest, &c., and working expenses; and the Council would, therefore, if they executed the work on those terms, practically make Government a present of the initial cost. I am aware that Government have hitherto been only asked for Rs. 3,000; but the facts were not fully known then.

7. As to the second point, viz., the tolls, the proposal is the only way out of the difficulty, and will cause no hardship. I shall put it before the Local Fund Board at their next meeting, and have no doubt they will agree to it.

8. It is intended to place the whole of the works, on completion, under the management of the South Indian Railway Company. I regard this as an essential feature of the scheme; and as it will be for the interests of the Railway Company themselves, I believe they also will prefer it.

9. There is one point not touched on by the Chairman or the Council. Mr. Oldham would appear to have made a mistake in his calculation of the sinking fund. An annual contribution of 2 per cent. to a sinking fund, so far as I can see, pays off a debt in 30 years, *i.e.*, of course allowing 4 per cent. on the fund; and, if so, there is no difficulty. If it took 40, as Mr. Oldham states, there would be this difficulty, that the loan would not be repaid in the time fixed by the rules.

P.S.—Since writing the above, I have put the question of the raising of the tolls before the Local Fund Board, and they have agreed to the proposal. A copy of their resolution is enclosed. The tolls round Trichinopoly town will be raised to three-fourths the maximum rates, and the Rs. 12,000 of the extra income will be paid to the Municipal Council. Thus:—

	RS.
Present income from tolls round Trichinopoly town at half rates ..	27,000
Add half the result of raising to three-fourths rate	13,500
Future income ..	40,500
Deduct Local Fund Board's half of the old tolls	13,500
Balance to be paid to the Council ..	27,000
Deduct half of old tolls already decided to be paid	13,500
Additional sum now available for Council ..	13,500

This leaves a margin of Rs. 1,500.

2. The tolls cannot, of course, be raised this official year, as all the toll-gates have been given out on contract.

TRICHINOPOLY,
14th May 1889.

(Signed) G. W. FAWCETT,
Acting Collector.

From J. G. D. PARTRIDGE, Esq., Chairman, Municipal Council, Trichinopoly, to the Chief Secretary to Government (through the Collector of Trichinopoly), dated Trichinopoly, 7th May 1889, No. 17.

I have the honor to enclose a letter from Mr. Oldham that has been received since writing my letter to you, No. 16, dated 30th April 1889, from which it will be seen that he proposes to alter the nature of works at the source of supply, and thinks that his present proposal is a great improvement over his first. I share in that opinion, and beg to add that Mr. Oldham informs me that the cost of constructing the infiltration galleries now proposed would not exceed that put down originally for the wells to be sunk in the river bed.

2. I have the honor, therefore, to request that you will kindly place Mr. Oldham's present letter for consideration of Government along with his report and plans submitted with my letter, No. 16, of the 30th April 1889.

No. 221-B.R.

Forwarded. The alteration appears to be an improvement.

TRICHINOPOLY,
10th May 1889.

(Signed) G. W. FAWCETT,
Acting Collector.

From G. W. FAWCETT, Esq., President, District Board, Trichinopoly, to the Chief Secretary to Government, dated Trichinopoly, 17th May 1889, No. 45.

I have the honor to propose an increase in the tolls now levied in the ten sanctioned gates round Trichinopoly, from the present one-half to three-fourths the maximum rates.

2. The question arose in connection with the Trichinopoly water-works project. In providing ways and means to carry out the scheme, the Municipal Council found themselves short by Rs. 12,000 of the amount required to meet the annual charges; and the raising of the tolls was found to be the only way to get out of the difficulty.

3. The question was considered by the District Board at their meeting of the 11th instant, and it was resolved that the rates of tolls be raised to three-fourths, and that the whole of the extra profit be paid to the Trichinopoly Municipality, for the purpose indicated. I enclose a copy of the Board's resolution, and request that the Government will be pleased to sanction the measure. I have already mentioned the matter to Government, as Collector, when forwarding the report of the Trichinopoly Municipality.

4. The tolls cannot, of course, be raised this year, as all the toll-gates have been given out on contract.

From W. S. BETTS, Esq., Agent, South Indian Railway, to the Consulting Engineer for Railways, Madras, dated Trichinopoly, 1st April 1889, No. 388.

Your letter, No. 579, of the 3rd September last. I attach copy of a report (C-482 of 25th ultimo) from the Chief Engineer upon Mr. Oldham's proposals for the Trichinopoly water scheme. I also forward a printed copy of Mr. Oldham's report. If you have already been supplied with a copy of the last-named document, will you please return the one I now send, as it is the only one I have.

2. I understand that if the South Indian Railway Company subscribes to the joint scheme, interest at 6 per cent. will be paid by the Municipality to the Company for the amount advanced, and that eventually by means of a sinking fund the advance will be fully repaid.

3. I concur with the Chief Engineer in opinion that the arrangements proposed are equitable, and that there is little risk of any interruption to the supply.

4. Will you please bring this subject before Government as soon as possible. At the present time (and during the last four days) the supply of water in the Wyacondan has been cut off, and we now have to obtain a supply of water for locomotive purposes from the Trichinopoly Fort station.

No. 184.

Endorsement on the above.

Submitted for the orders of Government, with reference to Proceedings, No. 753-R, dated 13th September 1888.

MADRAS,
9th April 1889.

(Signed) C. J. SMITH, Colonel, R.E.,
Consulting Engineer for Railways.

From W. S. BETTS, Esq., Agent, South Indian Railway, to the Consulting Engineer for Railways, dated Trichinopoly, 30th May 1889, No. 658.

Will you please cancel my letter, No. 614, of the 20th instant.

2. On the 27th idem the Collector of Trichinopoly called to my office, and discussed with the Chief Engineer and myself the proposed joint water-supply scheme, with the result shown in attached copy of letter.

3. You will observe that it is not the intention of the Municipality to charge the Company with a certain rate per gallon for the quantity of water supplied. It is

proposed that the Company shall pay a proportion of the actual working expenses only. Such estimate to be calculated on the quantity of water taken by the Company proportionate to the total supply to the Municipality.

4. Under these circumstances, the Chief Engineer and myself wish to withdraw our objection to joining in the joint scheme.

ENCLOSURE.

Letter from the Acting Collector of Trichinopoly, to the Agent, South Indian Railway, dated Trichinopoly, 28th May 1889, No. 503—18.

I have the honor to reply to your letter, No. 1399, dated 23rd instant, on the subject of the Trichinopoly water scheme.

2. The conversation you, Mr. Logan and I had yesterday at your office has, I believe, removed your objections to joining in the scheme.

3. We have, in fact, as I discovered yesterday, been at cross purposes all the time. It was never intended to charge you anything for water. The total expense the Railway Company will be put to by joining in the scheme will be—

(a) an initial expenditure of about Rs. 42,000, the cost of construction of the extension to them; and

(b) the annual share of the working expenses, estimated at Rs. 4,000; calculated on the quantity of water taken, proportionate to the total supply.

4. The scheme is thus, as I said in my letter, No. 451—18, of the 13th instant, that the Municipality and the Railway Company construct and maintain the works jointly, each paying for the construction and maintenance of its own share, and no more—the simplest and fairest division possible. It would, of course, be possible, as I said yesterday, to arrange it in another way, viz., that the Municipality should bear the initial expense of the whole of the work, and merely charge you an annual sum for water; but they would, in that case, be obliged to charge you a sum sufficient to cover—

(1) the annual maintenance charges of the extension;

(2) the interest they have to pay to Government on the capital sunk on that extension; and

(3) a reasonable profit sufficient to reimburse them eventually in the original outlay; and that would, as we found yesterday, certainly cost you more money in the end, for you can borrow at $3\frac{1}{2}$ per cent., that is, at $\frac{1}{2}$ per cent. cheaper than they can.

5. The joint scheme is, in my opinion, the best for both parties—the cheapest for you, and the best for the Municipality, as giving you a direct interest in the work and ensuring a proper supervision over the machinery. You will, under it, have practically the entire management of the pumping machinery, and, in fact, of everything except the distribution in the town.

6. An agreement will, of course, be drawn up between you and the Council, before the work is begun, defining the respective rights of both parties. This will present no difficulty.

No. 254-A.

Endorsement on the above.

Submitted to Government, in continuation of endorsement No. 184, dated 9th April 1889.

MADRAS,
4th June 1889.

(Signed) C. J. SMITH, Colonel, R.E.,
Consulting Engineer for Railways.

No. 283-D.

Transferred to the Local and Municipal Department for favor of disposal.

5th June 1889.

(Signed) C. J. SMITH, Colonel, R.E.,
Joint Secy. to Govt., P.W.D.,
Railway Branch.

From the Consulting Engineer for Railways, Madras, dated 7th June 1889, No. 1000.

ORDER—dated 2nd August 1889, No. 948 M., Local and Municipal.

Mr. Oldham's report on the water-supply project, with the plans and estimates, has been referred to the Public Works Department for remarks. Pending receipt of these, the Government will pass orders on the financial measures necessary to carry out the scheme, in the event of its being approved and of the South Indian Railway Company taking part in it as now proposed.

2. The cost as estimated by Mr. Oldham is Rs. 3,59,559, as shown below:—

	RS.
(a) For Municipal purposes proper, i.e., supplying portions of the town in the Fort, Marsackpett and Sengolam, with $12\frac{1}{2}$ per cent. for contingencies and supervision	2,81,250
(b) Extension to Sepoy lines, with $12\frac{1}{2}$ per cent. for contingencies and supervision	36,465
(c) Supply for South Indian Railway, with $12\frac{1}{2}$ per cent. for contingencies and supervision	41,844
Total	3,59,559

It is not clear how Mr. Oldham has arrived at the shares in the cost of the scheme allotted to the Railway and the Sepoy lines, but from paragraph 18 of his report and the note on page (42), it would seem that he has taken into account only the additional cost of the extended mains, of the larger river works, and of the more powerful machinery which will be required if supply is given to these localities. It appears to Government that a fairer course will be to divide the cost and the working charges of the entire project in proportion to the supply estimated for each locality, as otherwise the Railway and the Sepoy lines would get for nothing a portion of the initial advantage secured by the Municipal works proper. On this basis, the distribution of the cost would be as follows:—

	RS.
(a) For Municipal purposes proper, at 600,000 gallons per diem	2,76,586
(b) Extension to Sepoy lines, at 80,000 gallons per diem	36,877
(c) Supply for the South Indian Railway, at 100,000 gallons per diem	46,096
Total	3,59,559

This distribution, however, assumes the population of the Sepoy lines (who are to be supplied with water at the rate of 10 gallons per head per diem) to be 8,000, whereas, according to the information supplied to His Excellency the Commander-in-Chief, the total number of men, women and children belonging to the 4th Pioneers and 17th Madras Native Infantry, including regimental followers, is only 4,135. If this be so, the distribution of cost would be varied as shown below:—

	RS.
(a) For Municipal purposes proper, at 600,000 gallons	2,90,748
(b) Extension to Sepoy lines, at, say, 42,000 gallons	20,353
(c) Supply for the South Indian Railway, at 100,000 gallons	48,458
Total	3,59,559

The Chairman is requested to report as soon as possible upon what data Mr. Oldham has based (a) his estimate of the population of the Sepoy lines, (b) his calculation of the cost of extending the scheme so as to supply the lines and the railway. The probable actual cost of the piping, &c., required to bring the water to these localities, should also be reported.

3. The Council request that the whole amount required for the project may be advanced to them by Government at 4 per cent. interest; the initial cost of the extension to the Railway and the Sepoy lines, together with interest at 4 per cent., being recovered from the Company and Government (in the Military Department), respectively, by annual instalments. But as the Railway Company can raise money at $3\frac{1}{2}$ per cent., it will be more profitable for them to provide the capital required for their share in the scheme. Similarly it will be more profitable for Government to find the capital for the supply to the Sepoy lines; so that the Municipal Council will be required to provide only the initial cost of their portion. As above calculated, this will be either some 2,76,000 or some 2,90,000 rupees, according to the population of the Sepoy lines which has to be supplied with water. The Government will be prepared to make a free grant of one-fourth of the sum required from Provincial funds, and to advance the balance at $4\frac{1}{4}$ per cent. interest, repayable in 30 years. The Council will thus have to find at the most some Rs. 2,18,000, of which about Rs. 18,000 can probably be met from their cash balance, so that they will have to borrow from Government to the extent of, say, 2 lakhs. The yearly payment required to discharge this sum, principal and interest, in 30 years, will be Rs. 11,920.

4. The annual working expenses of the whole scheme are estimated by Mr. Oldham at Rs. 20,000. Adding to this $1\frac{1}{2}$ per cent. on the estimate for works (Rs. 3,19,608) on account of depreciation of machinery, &c., the total working charges may be estimated at Rs. 24,800. Distributing this amount among the various parties to the project in proportion to the supply to be obtained by each, the allotment will be as shown in Statement A below if the daily demand of the Sepoy lines be taken at 80,000 gallons, and as shown in Statement B if the demand be taken at 42,000 gallons only:—

A.			B.		
	RS.			RS.	
Municipality	19,077		Municipality	20,055	
Military Department	2,544		Military Department	1,403	
Railway	3,179		Railway	3,342	
Total	24,800		Total	24,800	

5. The annual expenditure which the scheme will involve on the Municipality will thus be at the most Rs. 11,920 + Rs. 20,055 = Rs. 31,978, or, in round numbers, Rs. 32,000.

6. The Municipal Council propose to meet the above sum from the following sources:—

- Excess of present municipal income over expenditure.
- Revision of house-tax assessments.
- Imposition of a water-tax.
- Increased revenue from markets.
- Saving in present water-supply charges.
- Increase of toll revenue.

7. The average yearly excess of receipts over charges during the four years ending with 1887-88 was Rs. 5,800; but the Council only estimate Rs. 2,000 a year under this head for the water-works project, leaving the remainder to provide for a drainage scheme.

8. Under markets they hope to obtain Rs. 3,000 a year from a central grain market and cart-stand to be opened in the old district jail buildings which the Government has lent for the purpose, and Rs. 3,000 by raising fees in the present markets. The business that would be transacted in the proposed grain market, which does not yet exist, would probably be wholesale, and the grain merchants would most likely conduct their transactions outside of it, so as to avoid the fees. The Government does not consider it safe to reckon the total extra income to be derived from markets at more than Rs. 3,000 per annum.

9. The saving on the present water-supply charges, estimated by the Council at Rs. 3,000 per annum, apparently includes retrenchment of road expenditure also, which is undesirable. In any case the amount to be obtained under this head is very problematical, and His Excellency in Council is of opinion that Rs. 1,000 a year is all that can be safely calculated upon.

10. All the tolls in the district are at present under the control of the District Board, who levy half the maximum rates chargeable under Schedule B, Act V of 1884, paying the Trichinopoly Municipality one-third of the total receipts, deducting those at the Iyar gate. It is proposed by the Board to raise the tolls to three-fourths schedule rates, and to make over the whole of the additional receipts thus obtained to the Municipality for the water-project. The Government cannot entertain this proposal. It is not legitimate to provide a supply of water for the town by means of taxation of which only a part—and in the present case probably a small part—will fall upon its inhabitants.

The proposal to increase the proportion of the existing toll receipts payable to the Municipality is also inadmissible. The gates which fence in the town being managed under the Local Boards Act, tolls are levied on traffic passing both ways, whereas if the gates were under the Municipality, only traffic entering the town could be taxed. The one-third proportion of the total toll receipts which the Municipality at present obtains may be assumed to be equivalent to two-thirds of the inward traffic, and, considering the position of Trichinopoly as a trade centre and emporium of produce for export, it cannot be held that any larger proportion of this traffic is intended for consumption within the town.

	RS.	11. The increased revenue to be derived otherwise than from house-tax and water-rate is thus only Rs. 6,000. The balance of Rs. 26,000 required by the Council must be raised by the revision of the house assessments and the imposition of a water-tax—a policy which will lay the main burthen of payment for the water-works more directly on the inhabitants of the town who benefit by them.
By present excess of receipts over charges	2,000	
By markets	3,000	
By saving on present water-supply charges	1,000	
Total	6,000	

12. The house tax is at present most inadequately assessed. The statement on pages 42 and 43 of G.O., 16th March 1889, No. 312 M., shows that in 1887-88, nearly 2,000 houses in Trichinopoly were exempt from taxation, while the incidence per house taxed was only Rs. 1-9-5, against an average for all municipalities of Rs. 1-14-7. Trichinopoly is a town in which the tax should bring in more, and not less, than the average, and considering that each house taxed yields Rs. 2-8-10 in Madura, Rs. 2-6-4 in Bellary, and Rs. 2-13-1 in Calicut, the yield in Trichinopoly should not be less than Rs. 2 per building. This rate would give an increase of nearly Rs. 5,000 a year on the present assessments. The house-tax registers should therefore be at once revised on a proper valuation. It must be remembered that a double increase of revenue can be thus attained, viz., first from the tax on buildings proper, and second from the water-tax, which is based upon the same assessments.

13. This latter tax is to be levied at 4 per cent. on the annual rent value of the buildings and lands in that portion of the town to be supplied by the Municipal scheme proper. According to Appendix IV, G.O., 16th March 1889, No. 312 M., the current demand for 1887-88 under the taxes on buildings and lands, which are levied at $7\frac{1}{2}$ per cent. on the rent value, came to Rs. 24,684. Assuming that this could be raised to Rs. 30,000 by revising the land assessments as well as those on houses, and that the value of the buildings and lands to be assessed to water-tax will be about three-fourths of the aggregate value for the entire town, the water-tax should yield—

$$\text{Rs. } 30,000 \times \frac{4}{7\frac{1}{2}} \times \frac{3}{4} = \text{Rs. } 12,000.$$

* Estimated annual charges of the project	Rs. 32,000	14. There will still be some Rs. 9,000 per annum required to meet the charges of the water-supply project,* and unless the Council can find some other unobjectionable means of raising this money, it must, in the opinion of Government, be obtained by adding to the tax on buildings and lands. That tax is now levied at the highest rate authorized by the District Municipalities Act; but the Government will be prepared in case of need to legislate in order to raise the limit of taxation from $7\frac{1}{2}$ to 10 per cent. on the annual rent value.
Deduct—		
Receipts from savings and markets estimated in paragraph 11 ..	6,000	
Increased yield under house-tax as estimated in paragraph 12 ..	5,000	
Revenue from water-tax	12,000	
	23,000	
Balance	9,000	

15. The Council are requested to give the above suggestions their careful consideration and to report their views at an early date. The number and estimated assessment of the houses and lands situated in the area to be served by the Municipal scheme proper should at the same time be reported.

(True Extract.)

J. F. PRICE,
Chief Secretary.

To the Chairman, Municipal Council, Trichinopoly,
through the Collector.
" President, District Board, Trichinopoly.
" Public Works Department (Railway Branch).
" Military Department.
" Sanitary Commissioner for Madras.

Gobt. of {1889} Madras.

LOCAL AND MUNICIPAL.

Issued

Recd.

Encl.

G.O., 2nd August 1889, No. 948 M.

AUGUST.

Water-supply.

Passing orders on the financial measures necessary to carry out the — scheme prepared by Mr. Oldham for the town of Trichinopoly, in the event of its being approved by the Public Works Department, and of the South Indian Railway Company taking part in it as proposed.

No. 2352 Wd/26 August 1889

Communicated to
the Suptg. Engineer VI Circle
for information.

2 - The plans and estimates
referred to in para 1 of the
G.O. are under consideration
in this Dept.

1/2nd R.C.G.D.B.
W

Sd/- VI Circle