18TH APRIL 1890, No. 535 R., PUBLIC WORKS.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following paper :—

From the Consulting Engineer for Railways, dated Madras, 1st April 1890, No. 237.

From Messrs. PARRY and Co., to the Consulting Engineer for Railways, dated Madras, 5th March 1890.

We beg again to bring to the notice of Government our grievance in respect to our French competitors in the ground-nut trade being allowed to carry their kernels over the South Indian Railway for $\frac{5}{6}$ of the railage rate charged to us and other British traders. Increasing competition in the trade makes any such advantage more and more keenly felt and has led us to go into the subject again, and we cannot help thinking that there are grounds for asking Government to reconsider the decision of 19th May 1888 based, as we understand, on the South Indian Railway Agent's letter of 5th idem.

That letter gives a rough sketch to show the relative position of Pondicherry and Panruti and the course of the railway, and alleges—

(*1st.*) That the special rate in favor of Pondicherry was instituted and is still necessary to enable the Railway to compete with cart traffic by road.

We would reply that the special rate may have been necessary in the first instance to break down the competition of cart-owners with vested interests in the continuance of road traffic, but there is little or nothing to fear from similar competition now.

We have enquired into the matter carefully and understand that from the Panruti centre kernels sent by cart to Pondicherry always used, when carted, to go *viâ* Cuddalore New Town, and for this distance, viz., 29 miles, a cart carrying 9 bags charged Rs. 2-8-0 = say, 4 annas 5 pies per bag. By rail the distance from Panruti to Pondicherry beach is 37½ miles, say 38 ; at 3 annas per mile for a truck carrying 80 bags $= \frac{3 \times 38}{80} =$ 1 anna 5 pies per bag. Even if the high allowance be made of 6 pies per bag for cartage to and from the railway at each end, then we have—

By cart, 4 annas 5 pies } from store to store per bag.
,, rail, 2 ,, 5 ,, }

In this connection we would point out, in passing, that the Railway rough sketch as shown in the printed copy of G.O., No. 408 R., Public Works, dated 19th May 1888, might possibly give a wrong impression as to the relative positions of Panruti, Villupuram, Pondicherry and Cuddalore.

From Panruti to Pondicherry beach by rail is 37½ miles, while by road *viá* Cuddalore New Town it is 29 miles. A slightly more direct way could no doubt be found by country tracks, but, as abovementioned, in practice, the cart traffic formerly followed the main road *viá* Cuddalore. At that time that road was much better than it has now become since its transfer to Local Funds, so that we think it impossible that cartmen should now be able to make any fight at all, even were the vested interests in that direction not long since extinct.

(*2ndly.*) The Agent asserts that the reduced rate did not attract the traffic to a foreign port as that traffic existed prior to the introduction of the reduced rate.

In reply, we quite admit that the trade was started by Pondicherry merchants owing to their natural closer connections with Marseilles, which is the most important

European market for oil-seeds. Cuddalore did not commence to compete in the trade till 1885; but since then we have been yearly giving it increasing attention; and if what we consider the undue preference shown by the Railway be withdrawn from Pondicherry, we have no doubt that in a very few years Cuddalore, and not Pondicherry, would be the central port of export. We only ask for the British port to be given a fair field and no favor in its competition with the foreigner.

(*3rdly.*) The Railway argue that charging 2½ annas per truck per mile to Pondicherry does not amount to a preferential rate, though 3 annas per truck per mile is charged for consignments to Cuddalore, because, as regards certain centres of the traffic, the more convenient situation of Cuddalore leaves it still with less railage to pay in the aggregate than Pondicherry.

It appears to us that a fallacy must lie here, for to charge one port ⅙ less than the other for similar work is certainly to give a preferential rate, and thus seems to be precisely one of those cases requiring special justification according to paras. 4 and 5 of the Agent's letter.

We also beg to point out that while Cuddalore, being better situated than Pondicherry, has less railage to pay in the aggregate on all kernels from Panruti and stations to the south of it even at the rates now charged, as regards consignments from stations north of Panruti, there can be no question of the unfairness of the present tariff, as the following table will show:—

From	To Pondicherry Beach.		To Cuddalore Beach.	
	Miles.	Charge per truck.	Miles.	Charge per truck.
		AS.		AS.
Villupuram	26	65	32	96
Vikravándi	34	85	40	120
Mailam	43	107½	50	150
Tindivanam	49	122½	55	165
Vallavanur	20	50	38	114

Here the aggregate railage as well as the rate per mile is heavier for Cuddalore than for Pondicherry, so that clearly undue preference is given to Pondicherry as regards all these despatching stations.

Moreover, the evil does not stop there because large quantities of kernels are grown along the Madras Railway and sometimes come to Pondicherry and Cuddalore *viâ* Arkónam. If they are for Pondicherry, by being booked first to Tindivanam and thereon, they obtain the benefit of the preferential rate.

Yet another way that Cuddalore is unfairly affected is this. To complete the loading of a steamer, cargo is often required so urgently that the only resource is to buy from the large holders who generally store only at one or other terminal port. To bring Pondicherry nuts round for shipment at Cuddalore costs Rs. 10-14-0 per truck, while to carry the same quantity the reverse way costs only Rs. 9-1-0 per truck.

We trust we have said enough to show Government that the Railway *is* granting a preferential rate. For this the only justification put forward is the plea of cart competition from Panruti and that plea we have shown to be untenable now.

As regards the rest of the stations concerned, no real justification is attempted, and we therefore trust that Government will put a stop to the inequality.

Originally the reduced rate may not have been given with a view to attract the trade to a foreign port, but that is certainly the effect now that British ports have entered the trade in earnest.

From the Agent, South Indian Railway, to the Consulting Engineer for Railways, dated Trichinopoly, 29th March 1890, No. 451.

In returning, herewith, the letter which accompanied your No. 311 of the 12th instant, I have to state that I still consider the Cuddalore merchants are not placed at any disadvantage by the quotation of the 2 annas 6 pies rate for ground-nuts to Pondicherry so far as regards the district from which the bulk of the traffic is conveyed.

The following figures giving the number of maunds of ground-nuts taken in by railway to Pondicherry, Cuddalore and Madras, during the seasons of 1888 and 1889, show that the percentage of increase was much greater at the two last-named places than at Pondicherry:—

—	1888.	1889.
	MDS.	MDS.
Pondicherry	1,205,561	1,699,047
Cuddalore	125,410	275,454
Madras	1,342	105,129

From Villupuram and stations north thereof to Pondicherry the distances are shorter than to Cuddalore, and I shall be prepared, if Government wish me to do so, to cancel the 2 annas 6 pies rate over that section of the line. The quantity of ground-nuts invoiced to Tindivanam and re-booked thence to Pondicherry is small; it amounted to 2,615 maunds during last season.

Submitted for the orders of Government.

2. The letter from Messrs. Parry and Co. is in continuation of a previous one from them on the same subject, dated 26th April 1888, disposed of in G.O., No. 408 R., dated 19th May 1888.

Order—dated 18th April 1890, No. 535 R., Public Works.

The Government is of opinion that the case as regards Panruti and stations south of it is precisely as it was, and the lower rate to Pondicherry from those stations was rightly held justifiable in 1888.

2. The proposed enhancement of the rate from stations north of Villupuram will slightly diminish the advantage which the situation of Pondicherry gives it as regards those stations. The Agent's proposal in this matter is approved.

(True Extract.)

Major, R.E.,
Under-Secy. to Govt., P.W.D.,
Railway Branch.

To the Consulting Engineer for Railways.
To Messrs. Parry and Co.

Exd A. Aubert.
Spare Copies

RAILWAY.

Govt. of {1890} Madras.

PUBLIC WORKS.

Dated April, 18th.

Recd. *Encl.*

G.O., 18th Apr. 1890, No. 535 R.

APRIL.

Rates for Ground-nuts

Orders on correspondence regarding the — charged by the South Indian Railway.

Hon: Mr. H. E. Stokes C.B.

For Orders.-

The Agent's proposal seems to meet the case, though it is not, I imagine, what Messrs. Parry & Co. would wish.-

Sidney Smith
Major R.E.
Under Secy: to Govt: P.W.D. Ry: Branch

The case as regards Punrooty & Stns. S. of it is precisely as it was & the lower rate to Pondy. from those Stns. was I think rightly held justifiable in 1888.

The proposed enhancement of the rate from Stns. north of Villupuram will slightly diminish the advantage which the situation of Pondy. gives it as regards those stations. As the Agent proposes it, it may be approved.

HES
10 Apr.

H.M. 9.4.90 R 10-4-90

A
No. 535 R of 18th April 1890

Form No. 3.

O
13 R

[illegible] The Government is of opinion that the case as regards Panruti and stations South of it is precisely as it was, and the lower rate to Pondicherry from those stations was rightly held justifiable in 1888.

2. The proposed enhancement of the rate from stations north of Villupuram will slightly diminish the advantage which the situation of Pondicherry gives it as regards those stations. The agent's proposal, ~~however~~, in this matter, is approved

Rrcd
16.4.90
W
for R

To
The Consulting Engineer for Rys
Messrs. Parry & Co.

A.W. 16.4.90 R 17.4.90
H.E. the Governor 17.4.90 – R 18.4.90

P.W.C No. 3308.

From

THE CONSULTING ENGINEER
FOR RAILWAYS,
MADRAS,

No. 237

Dated 2d } April 1890
Received 2 }

A
No. 535 R of 18th April 90

No. OF ENCLOSURES. 2

Subject.

Submitting correspondence regarding rates charged by the South Indian Railway for carriage of ground nut kernels.

No. 408 R. 19.5.88

R

Form No. 1.

PUBLIC WORKS DEPARTMENT.

OFFICE OF CONSULTING ENGINEER FOR RAILWAYS,
Madras, 1st April 1890.

12 R

Letter from Messrs Parry and Co, Madras, dated 5th March 1890, re-rates charged by the South Indian Railway for carriage of ground nut kernels.

Letter from the Agent, South Indian Railway, No. 451, dated 29th March 1890.

No. 237.

Submitted for the orders of Government.

~~SUBMITTED.~~

2. The letter from Messrs Parry and Co is in continuation of a previous one from them on the same subject dated 26th April 1888, disposed of in G.O. No. 408 R, dated 19th May 1888.

Sidney Smith
Major R.E.,
Dy Consg: Engr for Rys.

R.

608 R. 19. 5. 88.

No 451

South Indian Railway,
AGENT'S OFFICE,
TRICHINOPOLY, 29th March 1890.

1160

From
The AGENT,
SOUTH INDIAN RAILWAY,
To
The CONSULTING ENGINEER FOR RAILWAYS,
MADRAS.

Sir,

In returning herewith the letter which accompanied your No. 311 of the 12th Instant, I have to State that I Still consider the Cuddalore merchants are not placed at any disadvantage by the quotation of the 2 as 6 pies rate for ground nuts to Pondicherry so far as regards the district from which the bulk of the traffic is Conveyed.

The following figures giving the number of maunds of ground nuts taken in by railway to Pondicherry, Cuddalore, and Madras, during the Seasons of 1888 and 1889, Show that the per centage of increase was much greater at the two last named places than at Pondicherry

	1888	1889
Pondicherry	1205,561	1699,047
Cuddalore	125,410	275,454
Madras	1,342	105,129

5|* R. 21. 4-90

From

From Villupuram and Stations north thereof to Pondicherry the distances are shorter than to Cuddalore, and I shall be prepared if Government wish me to do so, to cancel the 2 as. 6 pies rate over that Section of the line. The quantity of ground nuts invoiced to Tindivanam and rebooked thence to Pondicherry is small; it amounted to 2615 maunds during last Season.

P.W. Inst.
3308/90.

I am,
Sir,
Your most obedient Servant
William S. Betts
Agent

From
THE AGENT,
South Indian Railway,
Trichinopoly.

To
THE CONSULTING ENGINEER FOR
RAILWAYS,
Madras.

proposes [illegible] enclosure
Dated 28th March 1890
Received 31.3.90
[illegible] No. 507
ENCLOSURE.

Madras 5 March 1890.

To
The Consulting Engineer for Railways
Madras.

Sir,

We beg again to bring to the notice of Government our grievance in respect to our French Competitors in the Ground nut trade being allowed to carry their Kernels over the South Indian Railway for 5/6 of the railway rate charged to us and other British traders. Increasing competition in the trade makes any such advantage more & more keenly felt and has led us to go into the subject again, and we cannot help thinking that there are grounds for asking Government to reconsider the decision of 19 May 1888 based as we understand, on the South Indian Railway Agent's letter of 5th idem.

That letter gives a rough sketch to show the relative position of Pondicherry and Punrooty and the course of the Railway, and alleges

1st That the special rate in favor of Pondicherry was instituted and is still necessary to enable the Railway to compete with Cart traffic by road.

We would reply that the special rate may have been necessary in the first instance to break down the competition of cart owners with vested interests in the continuance of road traffic, but there is little or nothing to fear from similar competition now.

We have enquired into the matter carefully and understand that from the Punrooty Centre Kernels sent by Cart to Pondicherry always used when Carted to go via Cuddalore New Town and for this distance viz 29 Miles, a Cart carrying 9 bags charged Rs 2.8.0 = say $\overset{as}{4}/\overset{ps}{5}$ per bag. By rail the distance from Purooty to Pondicherry Beach is 37½ Miles say 38 @ 3 annas per mile for a truck carrying 80 bags = $\frac{3 \times 38}{80}$ = $\overset{a}{1}/\overset{ps}{5}$ per bag. Even if the high allowance be made of 6 pie per bag for Cartage to & from the Railway at each end then we have

by Cart $\overset{as}{4}.\overset{ps}{5}$ } from Store to
" Rail 2.5 } Store per bag.

In this Connection we would point out in passing that the Railway rough sketch as shown in the printed Copy of G.O (No 408 R. Public Works dated 19th May 1888) might possibly give a wrong impression as to the relative positions of Punrooty Villupuram - Pondicherry & Cuddalore

From Punrooty to Pondicherry Beach by Rail is 37½ miles while by road via Cuddalore New Town it is 29 miles. A slightly more direct way could no doubt be found by Country tracks, but as above mentioned, in practice the Cart traffic formerly followed the main road via Cuddalore. At that time that road was much better than it has now become since its transfer to Local Funds so that we think it impossible that Cartmen should now be able to make any fight at all, even were the vested interests in that direction not long since extinct

2ndly The Agent asserts that the reduced rate did not attract the traffic to a foreign port as that traffic existed prior to the introduction of the reduced rate.

In reply we quite admit that the trade was started by Pondicherry Merchants owing to their natural closer connections with Marseilles, which is the most important European Market for Oil Seeds. Cuddalore did not commence to compete in the trade till 1885, but since then we have been yearly giving it increasing attention & if what we consider the undue preference shown by the Railway be withdrawn from Pondicherry, we have no doubt that in a very few years Cuddalore, and not Pondicherry would be the Central port of Export. We only ask

for the British Port to be given
a fair field and no favor in
its Competition with the Foreigner.

3rdly The Railway argue that
Charging 2½ annas per truck per
mile to Pondicherry does not
amount to a preferential rate,
though 3 annas per truck per
mile is charged to for consignments
to Cuddalore, because as regards
Certain Centres of the traffic the
more Convenient situation of
Cuddalore leaves it still with less
railage to pay in the aggregate
than Pondicherry.

It appears to us that a fallacy must
lie here for to Charge 1 port 1/6 less than
the other for similar work is
Certainly to give a preferential
rate, and this seems to be

7

precisely one of those Cases requiring special justification according to paras 4 & 5 of the Agents letter.

We also beg to point out that while Cuddalore, being better situated than Pondicherry, has less railage to pay in the aggregate on all Kernels from Panrooty and Stations to the South of it even at the rates now charged. As regards Consignments from Stations north of Panrooty, there can be no question of the unfairness of the present tariff, as the following table will shew

From	To Pondicherry Town		To Cuddalore Beach	
	miles	Charge p truck	miles	Charge p truck
Villupuram	26	65 Annas	32	96 Annas
Vikravandy	34	85 "	40	120 "
Mailam	43	107½ "	50	150 "
Tindivanum	49	122½ "	55	165 "
Vallavanur	20	50 "	38	114 "

Here

Here the aggregate railage as well as the rate per mile is heavier for Cuddalore than for Pondicherry so that clearly undue preference is given to Pondicherry as regards all these despatching stations.

Moreover the evil does not stop there because large quantities of Kernels are grown along the Madras Railway and sometimes come to Pondicherry & Cuddalore via Arkonum. If they are for Pondicherry by being booked first to Tindivanum and thereon they obtain the benefit of the preferential rate.

Yet another way that Cuddalore is unfairly affected is this:- To complete the loading of a steamer, Cargo is often required so urgently that the only resource is to buy from the large holders who generally store only at one or other terminal Port. To bring Pondicherry nuts pound for shipment at Cuddalore Costs Rs 10/14 per truck while to carry the same quantity the reverse way Costs only Rs 9/- per truck.

We trust we have said enough to show Government that the Railway is granting preferential rate. For this the only justification put forward is the plea of Cart Competition from Panruti & that plea we have shown to be untenable now.

As regards the rest of the Stations Concerned no real justification is attempted & we therefore trust that Govt will put a stop to the inequality

Originally the reduced rate may not have been given with a view to attract the trade to a foreign port, but that is certainly the effect now that British ports have entered the trade in earnest.

We have the honor to be,

Sir,

Your most Obed Servts,

3308-

Govt. of (1890) Madras.

PUBLIC WORKS.

Dated 21/4/90

Recd. Encl.

G.O., 18th April 1891 No. 535 R.

Rates for Ground nuts

Orders on Correspondence regarding the — charged by the South Indian Railway

70/3

21/4