M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2264, Press ~~Mis.~~

201.202

Dated 11—12—~~19~~1863

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 11th December 1863.

No. 201. Read the following letter from R. E. MASTER, Esq., Officiating Director of Revenue Settlement, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 4th November 1863, No. 1,298/75 :—

SIR,

1. Observing in the Kistna District Gazette Extraordinary of the 28th ultimo the Order of Government, dated 16th October 1863, No. 3,003, Public Works Department, sanctioning a set of rules for licensing boats on the Canals in the Godavery and Kistna Districts, I have the honor to bring to the notice of Government that no exception is made in the rules in favor of boats used by Ryots or others for the transport of agricultural produce. There can be no doubt that the advantage of water carriage was one of the items which entered into the consideration of the amount of water-rate. In paragraph 37, Extract Minutes of Consultation dated 22nd July 1857, the Government observed that the charge for water "must be determined on a "combined consideration of the cost of the supply to Government, and the general increased "value given to the land by its conversion from dry to wet, by its safety from inundation, the "freedom of its drainage, and the difference of the cost of conveyance by the substitution of "water for land carriage."

2. In paragraphs 25 and 26 of his Memorandum, dated 12th September 1859, proposing a fixed water-rate, Mr. Newill wrote, "But the last point, viz., increased advantage from "embankments, drainage and water-communication is closely connected with the preceding one," viz., increased value of land by its conversion from dry to wet, "and in short is so interwoven "with it that it cannot be entirely separated. The water-communication is a decided gain to the "cultivator in carrying his grain to the market at a cheaper cost, and is realized by all, though in "different degrees, according to proximity to the canals and to the ports. In the majority of "cases the grain will still be conveyed some distance by land to the channels, but taking this "into consideration, the saving to the Ryots in the Delta on account of water carriage will be "considerable. It is not easy or perhaps necessary to calculate this amount as it resolves itself "mostly into an influence on the prices of grain which form an element in the assessment. A "few scanty data at hand lead me to think that from Rupees 1½ to Rupees 3 may represent the "average saving in the carriage of the produce of an acre in the Godavery Delta, but this is not "stated with any degree of confidence. In the Kistna Delta water carriage has not yet com-"menced on any extensive scale."

"The conclusion to be arrived at from all the above considerations are * * * * "That land generally will bear a rate of about 3 Rupees an Acre for water supply of a "Paddy crop in addition to a land tax assessed irrespective of irrigation."

3. In his continuation of the proposal for the assessment of the Deltas on the principle of a fixed water-rate, dated 26th October 1859, Mr. Newill wrote, paragraph 4, "Third, another cir-"cumstance which weighs in favor of the general water-rate is that all lands in the Godavery "Delta do now, and all those in the Kistna Delta will eventually derive considerable advantage "from the water carriage. Colonel Cotton considers that minor channels capable of conveying "produce will eventually touch the limits of almost every village. As it is, produce raised not "far from the port of Nursapur, finds its way generally to the more advantageous port of Cocanada, "about 70 or 80 miles distant. Mr. Dykes' reports show that in the participation of advantages "of water transit, distance is almost ignored throughout the Godavery Delta. Although "the Kistna Delta has not arrived at the same stage it will ultimately do so. In paragraph 26 "of my proposal, I estimated Rupees 1½ to Rupees 3 as the average amount of gain to each acre "by the means of water transit, and this general advantage goes to support the proposed universal "charge for water."

4. In their Proceedings of the 27th October 1859, No. 4,395, the Board reviewed Mr. Newill's proposals, and after alluding to the two items of the cost of the water to Government and the increased value of the land from irrigation, remark,

Paragraph 4.

"Mr. Newill adds a third, viz., protection from inundation, "freedom of drainage and water carriage, but these advan-"tages are so blended with the improvement of the irrigation and its consequences that they "cannot be separately considered. Thus the estimates of produce and price in the present "discussion are based not only on improved irrigation, but on the greater security of the crops "from drainage by flood, and on the new facilities of carrying the produce to market, so that "these items cannot be taken into separate account. Mr. Newill is of opinion that the water "communication is a decided gain to the cultivator, and 'from a few scanty data at hand' he "is led to think that from Rupees 1½ to Rupees 3 *may* represent the average saving in the "carriage of the produce of an acre in the Godavery Delta, but this is not stated 'with any "degree of confidence.' It could not indeed be otherwise considered that 'the grain will still "be conveyed some distance by land to the channels,' and that the gain will be realized in differ-"ent degrees according to proximity to canals and to the ports. The Board concur with Mr.

"Newill in the opinion that it is neither easy nor necessary on the present occasion to calculate "the amount of this gain, and they would add with reference to his remark that this saving "'resolves itself mostly into an influence on the prices of grain which form an element in the "assessment' that whether the Ryot is his own carrier or otherwise, his profits will be regulated "by the wholesale prices of grain which have a tendency to fall as facilities of transport are "augmented. If prices are high and the Ryot in his own carrier with cheapened means of trans- "port he is of course *pro tanto* a gainer. Readiness of access to a market is always a gain in the "sense of its affording an outlet to the grain which would not otherwise exist."

5. Mr. Newill in his Memorandum of the 31st October 1859, No. 961, returned to the subject as follows:—"The advantages of water carriage are much "more general than is here implied, for instance in the "Western Delta where this item has been fully investigated "there are at present only about half a dozen villages beyond a distance of five or six miles "from a navigable canal, and the saving of carriage (which is about $\frac{9}{10}$ths of the cost of land car- "riage) is thus to the whole distance to market or port *minus* five or six miles as the maximum "distance of carriage by land. Eventually the limits of almost every village will be touched "by channels which will convey grain."

Paragraph 4 of Board's Proceedings, 27th October 1859.

6. The Board in paragraph 11 of their Proceedings of the 16th November 1859, No. 4,694, with reference to the above, remark, "The Board also expressed their opinion in their former "Proceedings on Mr. Newill's theory, that cheapening of carriage justifies the imposition of the "proposed fixed rate on the poorer soils. Under such an arrangement the inequality of the "assessment would not be removed, as the owners of the rich and poor soils would equally enjoy "this advantage. The Board have shown that all have to look to the prices of produce in the "market towns, and that cheapening of carriage cannot with safety be made a ground for "fixing the land tax at a high rate as one of its ordinary effects must be to lower prices.

7. Mr. Newill again addressed the Board on the 23rd November 1859, No. 1,021, and in paragraph 6 wrote, "In the Godavery Delta also there is a general system of navigation com- "bined with irrigation, which is not the case in the two Talooks of South Arcot, and the advan- "tages of this are felt by every village, and must be rated as something substantial in money "calculations of the resources of the land."

8. Finally, in their Order of the 7th December 1859, No. 1,656, the Government resolved to adopt Mr. Newill's proposal of a uiform water rate of 3 Rupees an Acre for a single crop.

9. The quotations given above will I think sufficiently show that the advantage of water carriage was considered in fixing the amount of the water rate now charged, and as the circum- stance appears to have been overlooked in applying the licensing system to all classes alike, I deem it right to bring it to notice.

10. I take the liberty of observing with reference to paragraph 15 of Major Stoddard's letter, dated 23rd May 1862, No. 61, to the Deputy Chief Engineer, Northern Circle, and recorded in the Proceedings of Government, dated 16th July 1862, No. 1,696, that I have no recollection of having ever advocated the imposition of a navigation rate on dry crop lands.

No. 202. ORDER THEREON, 11th December 1863, No. 2,264.

Ordered to be recorded.

(True Extract.)

(Signed) C. G. MASTER,
Deputy Secretary to Government.

Exd. S. T. Augustin.

I deem it right to bring it to notice.

10. I take the liberty of observing with reference to paragraph 15 of Major Stoddard's letter dated 23rd May 1862 No. 61 to the Deputy Chief Engineer Northern Circle and recorded in the Proceedings of Government dated 16th July 1862 No. 1696 that I have no recollection of having ever advocated the imposition of a navigation rate on dry crop lands.

I have the honor to be,
Sir,
Your Most obedient Servant

Officiating Director of Revenue Settlement

To
J. D. Lewis Esqre,
Secretary to Government,
Revenue Department,
Fort St. George

Pres= 1863 Oct^r
Pro: of Govt for December
No. 2679.

From. 8

The Chief Director of
Revenue Settlement &c.

To

The Secretary to Government
Revenue Department
Fort St. George

Dated 4th November 1863
Rec^d 5th

No 1298
75-

Bringing to notice that in the sanctioned Set of Rules for licensing boats in the Canals in the Godavery & Kistna Districts alluded to in correspondence is made in them in favor of boats used by ryots or others for the transport of agricultural produce.

No 2264.

RECEIVED
11th Decem 1863

No 201 & 202.

Dec 1863 R^d

120: 22 July/57 Nos 1-2
- 7. Dec^r/59 " 47 & 57
- 8. Dec^r " " 57. 58
- 16 July 1862 " 1996 Pkg
- 16 Oct^r 1863 " 3003 Pkg

in the that of other Districts is extremely light.

It would be impossible also to let the produce of irrigated lands for less & tax that of other lands.

I D L

For Orders.

I think that had be simply "recorded." The vantages of water-carriage certainly mentioned as influ the rate of Water cess, but when is considered that the highest Punjab rate, for land & well combined, is only 8R per acre, is evident that practically, the Assessment was little affected Mr Neale estimates the advan of water carriage alone at fro 1½ to 3 R per acre - and a is the Water cess, [illegible] land for irrigation pratically [illegible] over the assessment as compa