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**MODERN RAILWAY PRACTICE
FACILITIES AND CHARGES**

MODERN RAILWAY PRACTICE FACILITIES and CHARGES

A practical textbook, written from
the industrial viewpoint, for all
who send or receive goods by rail

BY

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AUTHOR'S NOTE

SUBJECT to constantly changing conditions and surrounded by a mass of legislation, there is probably no other profession where the necessity for unceasing study and keeping abreast of the times is of more vital importance than in that of transport management. The old haphazard days are behind us, and what was once a little-understood business of "hit and miss" is now a science. This need for the interchange of knowledge and ideas is met by the existence of recognised professional bodies, an excellent technical press and by the production, from time to time, of text-books dealing with the various phases of transport. It is in the hope of making some small contribution to this store of recorded knowledge and experience that I have produced this work.

Two objects have been kept in mind; firstly that it should be of practical utility to transport men in dealing with their everyday problems connected with railways and perhaps point the way to economies, the possibilities of which they had not previously exploited; secondly, that it should be of assistance to the student who proposes taking one or other of the recognised examinations. How far I have succeeded in these, I must leave the reader to judge.

Although written from the industrial viewpoint, the book will, I trust, be useful to those engaged in the railway service. I have not been unmindful of the railway companies' staff education schemes and in these enlightened days the railwayman can draw upon the experiences of the trader without appearing heretical.

Confined to limits as to size, my main difficulty has been deciding what should be included and what could safely be left out. Where information is readily available in some convenient form—in the General Railway Classification for example—I have tended to refer to it rather than quote it, while except where necessary by way of introduction much that is ancient history has been shelved.

My very best thanks are due to Sir Patrick J. H. Hannon, M.P., for the honour he has conferred upon me by writing the Foreword, and to Mrs. C. R. Taylor, F.S.S., F.I.T.A., Managing Editor of *Transport Management*, upon whose suggestion the work was undertaken and who has been most helpful.

I am also indebted to Mr. A. Maynard, Chief Goods Manager of the Great Western Railway, for permission to reproduce the tables forming Appendix B, from his company's publication, *Guide to Economical Transport*.

L. A. CAREY.

Norwich,

July 1937.

FOREWORD

By SIR PATRICK J. H. HANNON, M.P.,
*First President, Industrial Transport Association ;
President, National Union of Manufacturers, and
Vice-President, Federation of British Industries*

I HAVE read, with great interest, the synopses of the twenty-three chapters of the projected work by Mr. L. A. Carey of Norwich, on the use, by industry, of the excellent facilities provided by our railways.

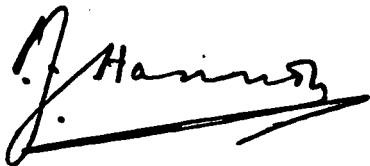
From the viewpoint of the productive and distributive side of our industrial and commercial life, this work must prove of inestimable value.

It is but too well known that intimate knowledge of the circumstances and charges under which traffic is handled by our railways, both in bulk and small parcels, although very desirable, is by no means common to those most immediately concerned.

It is true that the Transport Committee of the Chambers of Commerce and of trade organisations, through their officials, endeavour to maintain contact with the great variety of charges and conditions of carriage which apply to railway traffic, but it would be an asset to boards of directors and heads of firms to have easily accessible reference to matters of everyday importance affecting the routing of traffic by rail and the legal conditions under which our railways function.

This work, which has been so well designed and arranged with clarity and simplicity by Mr. Carey, will make it inexcusable that such want of contact can continue.

Every chapter suggests thoughtful reflection on the matters it embodies and provides information without a cumbersome accompaniment of technical phraseology.

A handwritten signature in black ink, appearing to read 'J. Hannon', with a long horizontal flourish underneath.

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CHAPTER I

LAY-OUT AND DESIGN OF WORKS AND PRIVATE SIDINGS

ONE of the most amazing things to me is the number of factories in this country that have obviously been built without due regard to traffic requirements. Great attention has apparently been paid to such matters as water and power supply, suitability of the site for building purposes, drainage, the type and quantity of labour available in the vicinity, and all those other factors which no sound business man would build a works without considering. Then the amount of available wisdom seems to have become exhausted. No one thought of consulting a traffic expert. As a result sidings were badly planned, despatch decks placed just where they shouldn't be, and the provision of ample and suitable warehouse space neglected. The consequences of this folly—increasingly excessive transport costs and the impossibility of expansion except at a huge capital expense—are apparent to anyone who cares to study them; nevertheless, there are still people who, even in 1937, are building factories which must become storehouses of trouble for the executives of the future.

Before we can consider what happens to traffic when it has passed to the railway company, it is essential to study conditions at the point at which it originates. Now it is not my intention to wander into the realms of factory transport, which is a subject embracing all forms of movement and one which would involve the consideration of problems far beyond the scope of this book. But we cannot go on to deal with the rates, rebates and conditions which will apply to goods once they are forwarded unless we realise that they will be very materially influenced by our own foresight as displayed in the manner we select the site, and the designs of, our business premises.

Obviously, in modern times, we should take all forms of transport into consideration, but it will be understood that I

must confine myself to that part of the subject connected with railways.

From the railway point of view all works can be divided into three classes :

1. Those with no rail connection whatever.
2. Those with direct rail connection by means of a siding.
3. Those with indirect rail connection over someone else's siding or by means of a tramway, or light railway.

The first class is dependent upon road transport (or in some cases water transport) in order to get its products to the railway depôt. If the railway company is to collect and deliver, the extent of the area in which this service will be performed at ordinary rates (still sometimes incorrectly termed the " free " area), is of importance. Obviously, if the works are situated outside this area, extra cartage will be payable on every ounce of traffic conveyed in or out. In this connection it should be noted that the railway companies will often extend the boundary to include a new factory if it means additional traffic, but this is a point which should be settled before the site is definitely selected.

Should the distance from the station be very short, it might be found cheaper for the firm to cart its own traffic or employ an agent rather than pay the railways' usual cartage charges.

Where there is no siding, the provision of ample and well-designed accommodation for loading and unloading of road vehicles is vital. Regard should be paid to the height of the decks, so that where possible traffic can be barrowed directly in or out of the vans ; it is obvious that where loading deck and van floor are at different levels, considerable wastage of manpower is inevitable.

Above all, the extent of the forwarding and reception decks must be such that undue detention of vehicles will be avoided. The not uncommon sight of a long line of vehicles waiting to be unloaded or loaded at one or perhaps two miserable little holes in a factory wall, is a striking condemnation of the management.

PRIVATE SIDINGS

In the days of railway monopoly a siding was an absolute essential of any large-scale works. I am not so sure that it is necessarily so to-day. The first consideration must be whether the amount of traffic—present or future—will justify a siding. If the amount is small, the capital cost of providing the

necessary lines will constitute a crippling overhead, and it will be much cheaper to cart to and from the station.

There may be a large amount of traffic but the greater proportion may be more suited to road and/or water transport. In this case it must be determined if the remainder really requires a siding.

Assuming the intention to have a rail connection, the following should be kept well in mind :

- (a) Will the connection with the railway line be difficult? Will it necessitate the use of awkward curves and gradients which will increase the capital cost and make the siding expensive to work? Endeavour, if possible, to make some estimate of the cost of working, allowing at least 10s. per shunting-engine-hour.
- (b) Will the space available be suitable and sufficient for marshalling sidings and standage lines, and will the general lay-out be a good one? Loaded trucks will require sorting, and some will stand under load for a period. Be generous in the provision of standage. The amount required will largely depend on the extent to which raw materials stand under load and the use which can be made of incoming wagons for outwards traffic. Unless the lay-out is soundly conceived the whole internal railway system will be difficult to shunt.
- (c) Is there room for expansion? The works may extend and the siding have to be enlarged.
- (d) What is the situation of the site in relation to the nearest railway centres and junctions? If it is some distance away, difficulty may be experienced in obtaining speedy supplies of empty wagons for loading and the service to and from the point of exchange may be poor.

Contrary to the mistaken idea held by some persons, the benefit of a private siding is not a favour granted at the whim of a railway company but a right to which a trader is entitled.

The Railway Clauses Consolidation Act, 1845 (Section 76), confers the right to construct private sidings to communicate with the railway and enacts that subject to certain conditions and limitations, the railway company shall be required (and at the expense of the owners or occupiers), effect the necessary connection with the railway. This is subject to it being possible without inconvenience on, or injury to, the railway or endangering the safety of the public. The railway company cannot be compelled to make a connection at a place which they had set

apart for some specific purpose and with which the connection would interfere, nor upon any inclined plane or bridge, nor in any tunnel.

The Railway and Canal Traffic Act, 1854 (Section 2), decrees that "every railway company . . . shall according to their respective powers, afford all reasonable facilities for the receiving and forwarding and delivering of traffic upon and from the several railways . . . belonging to or worked by such companies . . ." etc., and the Railways (Private Sidings) Act, 1904, provides that these reasonable facilities shall include reasonable facilities for the junction of a private siding and for the receiving, forwarding and delivering of traffic upon and from a private siding.

Finally the Railways Act, 1921 (Section 16), lays down that the Railway and Canal Commissioners may, on the application of any body of persons representing the interests of trade in any locality, by Order, require any railway company or companies to afford such reasonable services, facilities and conveniences in connection with its undertaking as may be specified in the Order.

No two sidings are exactly alike in every respect ; thus it will be appreciated that the arrangements are largely matters for negotiation between the firm's legal and traffic advisers and the railway. Obviously an agreement will be necessary and the "Model Siding Agreement" issued by the Board of Trade, which appears as an appendix, should be carefully studied. Many of its clauses are "standard," i.e. they will appear in most siding agreements ; the others will be omitted or altered and fresh ones added to suit the particular circumstances.

The "Model Agreement" and the notes attached thereto, more or less explain themselves. It will be noted that no clauses relating to the rates payable by the trader and/or the rebates claimable by him are included, but it is very desirable to come to a clear understanding on these points right at the start and to embody it in the agreement. The railway company can be compelled to institute proper private siding rates. This they do in some cases, while in others the rates applicable to the nearest station are made to apply to the siding.

The conditions as to charges, etc., will obviously depend upon the amount and nature of the services which the railway company will be called upon to perform. If the trader takes over the traffic at the junction with the main line and works it over his siding, doing all the necessary shunting, sorting, marshalling, etc., himself, he will probably be able to claim a rebate in respect of services not rendered by the company. If, on the

other hand all this work is done for him by the railway it is likely that no allowance will be forthcoming and (if his siding is a difficult one to work) he may even be called upon to pay more for terminal services than would be chargeable if the traffic was dealt with at the local station.

It must be remembered that there is no fixed scale in respect of these services, and each case is dealt with according to the particular circumstances of the case. The whole subject is bound up with the wider one of rates generally, and it will be developed in subsequent chapters.

WORKS WITH INDIRECT RAIL CONNECTION

The third class of works calling for consideration is that where the access to the railway company's lines is by means of a siding or railway owned by a third party or by a light railway or tramway. An obvious example is a works situated on a dock authority's land, all traffic having to pass over the dock lines and being subject to such haulage charges as the authority imposes. It is not uncommon to find cases where a works receives and forwards its traffic via the siding owned by an adjoining works. This sort of thing is to be avoided if possible for the simple reason that one is very much in the hands of the third party.

Where the siding is connected with a light railway or tramway (whether owned by the trader or not), it is usually due to some peculiar circumstances or geographical feature, because under normal conditions the arrangement has little to commend it. The wagons which run on the siding cannot pass on to the railway's lines and therefore all traffic must be transhipped. If the distance from the junction is considerable the saving in capital outlay may justify the cost of transhipment. In most cases it is doubtful if the difference between the cost of constructing standard gauge lines and those of narrow gauge, over short distances, is enough to offset the increment in respect of labour.

It will be appreciated that on the subject of factory lay-out it is impossible to generalise very much. There are vast differences in the requirements of different trades and localities. Even two works engaged in manufacturing the same product may differ in many other respects. The main thing to remember is that the utmost technical skill and common sense must be brought to bear on the problem. It is useless to make all sorts of blunders at the outset and then blame the railway company for the fact that you suffer disadvantages of your own making.

CHAPTER II

THE FORWARDING OF TRAFFIC (i)

PACKING AND ADDRESSING—THE STANDARD CONDITIONS

HAVING briefly considered those factors which should guide the choice of site and design (from a traffic point of view) of our factory, we can proceed to the actual forwarding of its productions.

Here I would urge the necessity of possessing or having access to current copies of the General Railway Classification (which I shall refer to in future as the G.R.C.) and its companion volume the "Pink Pamphlet." Both are obtainable from the Railway Clearing House, price 2s. 6d. each, and they are indispensable to anyone sending goods by rail. A useful addition would be the Classification of Dangerous Goods. In this and the following chapters, I shall assume that my readers will be able to consult these publications.

First we must consider the packing and addressing of our products.

PACKING

Considerable thought should be given to the manner in which goods are packed for dispatch. The regulations governing this appear at the front of the G.R.C. It will be observed that unless otherwise provided the term "cases" applies to wooden cases and to those constructed wholly or mainly from fibreboard which comply with the provisions as to construction, type, specification, etc. It is not really necessary to study these intricate technical details very thoroughly because in the majority of instances the cases will be purchased from suppliers who will give an undertaking that they comply with the railway companies' requirements.

The term fibreboard covers cardboard, millboard, leatherboard, pasteboard, pulpboard, strawboard and other material of

a similar nature. Articles packed in cases made of these materials will only be accepted at Company's Risk if they bear on the outside the following certificate of a size not less than 2½ inches by 4 inches :

CERTIFICATE

This case complies with the requirements of the General Railway
Classification of Merchandise.

The capacity of this case is lbs.

In the event of a claim for damage or pilferage the railway company can demand to see the case in which the goods were conveyed, thus failure to insert the certificate would jeopardise the claim.

Fibreboard cases which do not comply with the regulations may, of course, be used, but the traffic will only be accepted at Owner's Risk or as Damageable Goods Not Properly Protected By Packing (see page 23).

Other regulations apply to carboys, earthenware and stone-ware jars, drums, casks and cans, all of which must meet the stated requirements.

In considering the question of packing it does not necessarily follow that it is always the best policy to incur the expense of providing the maximum amount of protection demanded. It may be possible to dispense with some of it and accept Owner's Risk conditions with financial advantage. The cost of the packing material and the carriage charges on it are saved, plus the difference between the O.R. and C.R. rates (if the former is in operation). Against this must be placed the extent of the losses due to damage, pilferage, etc. It is rather a matter for experiment over a period. One factor which must not be forgotten is the annoyance caused by the receipt of goods in bad condition.

Packing affects classification and there are hundreds of examples in the G.R.C. of the same commodity being classified differently according to the type of package. One should become familiar with these differences so that as far as practicable the most economical method is adopted.

Finally, the railway company cannot be held responsible for loss, damage or delay of merchandise resulting from it not being properly packed, and in some circumstances it would be justified in refusing to accept goods so improperly protected that their carriage would require extra care or entail risk to other traffic.

ADDRESSING

The applicable conditions are set out clearly in the G.R.C. Briefly, each article or package must bear the consignee's address in legible and durable characters, if it is "wait order" traffic be plainly marked to that effect, and if export traffic have a distinguishing mark while the label must show *the port or dock of shipment* and the name of the ship or shipping agent.

Every package of a large consignment need not be labelled. When there are from 11 to 100 packages the proportion is 1 in 5, with a minimum of 10. Consignments of over 100 packages need only have 1 in 10, with a minimum of 20 labelled.

Needless to say, the label should also show the name and address of the sender, and whether the goods are Carriage Forward, Carriage Paid or Carriage Paid Home. The last is particularly necessary because if the customer is situated outside the ordinary delivery area, it should be indicated to the railway carter whether the outboundary charge is to be collected from the consignee or debited to the sender's account.

Great care should be exercised in addressing goods and properly affixing the label. If goods go astray through an insufficient address the railway company cannot be held responsible. There are certain exceptions to the addressing regulations, notably returned empties which are legibly branded with the owner's name and address, merchandise for which the exclusive use of a truck is provided and export and import traffic conveyed in through trucks direct to ship, and *vice versa*.

Under a variety of circumstances the railway companies will label a trader's traffic for him. This is a very useful facility where goods are stored at a station, where the original consignor is ignorant of the final destination of the goods, or when they are consigned to "wait order."

When the labels have to be made out by the railway company the charge is $\frac{1}{4}$ d. per label, with a minimum of 3d. for each day's forwardings. If the labels are supplied already addressed the rate is $\frac{1}{4}$ d. per label, with a minimum of 1d.

STANDARD CONDITIONS OF CARRIAGE

It is obviously very important to have a knowledge of the terms and conditions under which merchandise is conveyed by railway.

Prior to the passing of the Railway and Canal Traffic Act, 1854, the consignor was often handed a set of conditions, the

effect of which, was to relieve the railway company of practically all responsibility; and in spite of the fact that he probably did not read them, the contract was binding. It was provided by Section 7 of this Act, that notwithstanding notice to the contrary, the company were to be liable for neglect or default in the carriage of goods. This improved the position somewhat, but litigation continued in great volume. Section 42-5 of the Railways Act, 1921, decreed that the railway companies should submit proposed terms and conditions to the Railway Rates Tribunal, who after hearing any duly authorised body of traders, etc., should settle such conditions as they considered just and reasonable.

The conditions were duly settled and came into force on January 1st, 1928, as the standard terms and conditions applicable to all railway companies.

This represented a great step forward. Here, gathered together from various sources and standardised for the first time, were conditions *deemed to be reasonable* (Railways Act, 1921, 43 (2)).

You will find those applicable to goods train traffic on pages 4-33 of the "Pink Pamphlet" (also known as The Special Instructions Relating to Goods, Mineral and Live Stock Traffic) and also a complete set in *Statutory Rules and Orders, 1927*, No. 1009, obtainable from H.M. Stationery Office, price 2s. 6d.

It must be borne in mind that these conditions do not necessarily apply, for Section 44 (3) states that nothing shall prevent a company and trader agreeing in writing any conditions they think fit, subject to the provisions of the Railway and Canal Traffic Acts, 1854 and 1888.

Section 45 provides that a railway company or representative body of traders may apply to the Railway Rates Tribunal to make additions or alterations to the conditions.

The Standard Conditions are divided into fourteen "groups" as follows:

Conditions Lettered :	Applicable to :
A	Carriage at Company's Risk.
B	Carriage at Owner's Risk.
C	Carriage at Company's Risk (Live Stock).
D	Carriage at Owner's Risk (Live Stock).
E	Carriage of Damageable Goods Not Properly Protected by Packing.
F	Carriage of Coal, Coke and Patent Fuel.
G and H	Carriage of Perishable Merchandise.
J, K, L, M, N and O	Carriage by Passenger Train.

We are at present only concerned with groups A, B, E, G and H, and principally the first three of these. The Company's Risk conditions, which are not subject to any special contract in writing, are applicable unless a request in writing is made for Owner's Risk conditions, or the goods are conveyed subject to a special contract (see page 21). Damageable goods not properly protected by packing (if accepted) are subject to Conditions E. The Railways Act, Section 44 (2), provides that the company shall not be under any obligation to carry such goods.

COMPANY'S RISK

Referring to Conditions A, it will be seen that Nos. 1 and 2 deal with the consigning of goods and labelling of trucks. Conditions 3 defines the company's liability for loss, misdelivery or damage to merchandise. The "excepted perils"—an extension of the common law exceptions to liability—are set out, and it should be noted that they can only escape responsibility under these headings *where they can prove that they used all reasonable care and foresight*. Under Condition 5 the company are not liable for loss or damage to articles described in the Carriers' Act, 1830 (as amended), *unless they are declared on delivery to the company and an increased charge for insurance paid*. The articles described in this Act are listed on page 383 of the G.R.C., and the insurance charges will be found on page 34 of the "Pink Pamphlet."

Condition 7 should be studied carefully. The company's responsibility does not extend to merchandise while it is in the possession of an independent carrier not being another railway company or contractor employed by a railway company, *even though it may be carried at a through rate*. The company will of course, as agents, contract for the further carriage upon the terms of any Bill of Lading or other usual conditions.

Other conditions which it is essential to note at this stage are :

- (21) Merchandise is carried subject to the conditions and regulations of the G.R.C.
- (22) The company are not liable for failure to collect "paid on" charges after making reasonable demands for payment.
- (24) Subject to the Conditions the rights and liabilities of the trader and company, whether at common law or under any statute, remain unaffected.
- (25) The Conditions apply by whatever route the traffic is carried.

- (26) Special conditions settled by the Railway Rates Tribunal prevail where they are in conflict with the Standard Conditions.

OWNER'S RISK

In considering Conditions B, the differences between them and Conditions A as to liability should be carefully noted.

The company will not be responsible for loss, damage, etc., *except upon proof that it arose from the wilful misconduct of the company or their servants*. In certain cases the onus of proof is upon the company, but these will be dealt with in a subsequent chapter (see page 121).

The other conditions in this group are practically the same as the similar A conditions.

GOODS NOT PROPERLY PACKED

Condition 3 of group E provides that the company are not liable for loss or damage except upon proof that it arose from the wilful misconduct of the company or their servants, or would have been suffered if the goods had been properly packed and the company liable under Conditions A.

PERISHABLE MERCHANDISE

The Railways Act, 1921, Fifth Schedule, Clause 10, provides that railway companies "shall afford reasonable facilities for the expeditious conveyance of . . . perishables, either by passenger train or other similar service": the Railway Rates Tribunal have to decide what are reasonable facilities. Under subsection (c) of this clause they (the railways) are not under an obligation to convey other merchandise by passenger train.

Conditions G and H cover this traffic. Under the former the company's liability is similar to that under Conditions A, while under the latter, the company are not liable for loss, damage, deviation, etc., except upon proof that it arose from wilful misconduct; they are liable in cases of loss of the consignment or a separate package, or delay exceeding thirty-six hours, unless proof that there was no negligence on their part is forthcoming.

It will be necessary to refer to the Standard Conditions again in subsequent chapters; in the meantime the importance of reading them carefully cannot be exaggerated.

APPLICATION OF CONDITIONS OF CARRIAGE

Regulation 14 of the G.R.C. should be read in conjunction with the Standard Conditions. Briefly, it lays down that :

1. Where an Owner's Risk rate is available, the consignor has the option of having merchandise (including damageable goods not properly protected by packing) carried at that rate upon making a request in writing. In this case the goods will be carried under Conditions B.
2. In the case of merchandise (other than damageable goods improperly packed, or Coal, Coke, Breeze or Patent Fuel) if the consignor does not make a request in writing for Owner's Risk, or if no O.R. rate is available, it will be charged at ordinary rates and Conditions A will apply.
3. In the case of damageable goods improperly packed which the company accept for carriage, if the consignor does not make a request in writing for Owner's Risk or if no O.R. rate is available, ordinary rates will be charged and *Conditions E will apply*. Where however goods (whether packed or not) have been generally accepted for carriage at Company's Risk, the company cannot carry such goods as damageable goods, under Conditions E, *without giving at least one month's notice to the trader*.

Regulation 14 does not apply to dangerous goods or wild animals.

CHAPTER III

THE FORWARDING OF TRAFFIC (ii)

CONSIGNING

THE consignment note is the contract between the sender and the railway company, and should therefore be completed with the utmost care, bearing in mind the legal obligations involved. The manner of consigning will affect the charges payable, and a clerk who does not fully understand what he is doing may easily lose his employers a considerable amount of money.

The documents provided by the railway company need not necessarily be used ; many firms have their own notes in which they incorporate invoices, despatch advices, etc. Some make the actual railway invoice as a copy of the consignment note.

There are three types of note in general use, viz. : (1) Ordinary ; (2) Owner's Risk note for damageable goods not properly protected by packing ; (3) Notes for dangerous goods.

Here we are concerned with the first two. The ordinary note is used for goods consigned at Company's Risk and for those consigned at Owner's Risk where there is a lower O.R. rate in operation and the trader wishes it to be applied. In the latter case the fact must be declared on the note. This note is also used for goods at O.R. which have been damaged and are being returned to sender free (see page 137 "Pink Pamphlet") and goods sent to replace breakages under the half-rate arrangement (see page 141 "Pink Pamphlet"). If you examine a specimen you will see the words ". . . subject to the Standard Terms and Conditions of Carriage," and a space in which you must state if the goods are to be conveyed at Owner's Risk.

The second type of note is for damageable goods conveyed under Conditions E (see paragraph 3, page 24). You will notice that the heading of this document contains the significant words ". . . carried . . . at Company's Risk Rates. . ."

Special notes are used where the conveyance is partly by land

and partly by water or wholly by water, although in actual practice many traders consign on the ordinary notes.

In accordance with the Standard Conditions, the following information must be stated on the consignment note :

1. Full name and address of sender and consignee.
2. The station or place of destination.
3. Such particulars as the company may reasonably require to enable them to calculate the charges payable (nature of the goods, gross weight, number of packages).
4. Whether the charges are payable by sender or consignee.
5. Whether the consignment is "To wait order" at a particular station.

The consignor is not bound to declare the nature of the goods unless there is any article mentioned in the Carrier's Act or the goods are dangerous, in which event the nature must be fully and properly declared in every case. Of course, it is a very foolish policy not to declare goods properly because the railway company will raise charges at the highest rate applicable where the full description of the goods is not given.

To give a false declaration is a serious offence and one for which the trader can be heavily fined under Section 99 of the Railway Clauses Act, 1845. In the case of *Bair Moering & Co. v. L.N.W. Railway Co* (1905), it was held that any false statement made with a view to avoid payment of the correct charges constitutes an offence under this section. I would also draw attention to the fact that under the Standard Conditions the company shall not incur liability of any kind in respect of merchandise where there has been fraud on the part of the trader.

In the absence of any written notice to the contrary, all merchandise is warranted by the sender to be carried or stored in the condition in which it is handed to the company *and not to be dangerous*.

As regards item (4) care should be taken to see that the marking of the label as to charges agrees with the information on the note. If the consignment is sent carriage forward and the consignee fails to pay the charges, the sender will have to pay.

Apart from the legal formalities there are other factors which the trader should take into account when consigning if he wishes his traffic to be charged in the most economical manner. These are as follows :

BULKING

This matter can be considered more in detail and better understood when we have dealt with classification, rates and the small parcels scale. You will see from a perusal of Regulation 2 of the G.R.C. that each consignment is charged separately except as stipulated in the next clause. This provides that separate consignments despatched from one station to one or more consignees at one station will, if cheaper, be charged as one consignment at the rates applicable provided that they are consigned to be charged together, all the consignments are handed to the company on one day, the charges are paid by the sender or by special arrangement, by one consignee and certain splitting, split delivery and (where applicable) separate collection charges are paid. Consignments up to roughly 3 cwts. are chargeable at the Small Parcels Scale, which includes a fairly heavy surcharge. The effect of this surcharge is proportionately less as the weight increases until a point is reached where the ordinary "tonnage" scale is applicable. It will be seen then that considerable savings can be effected by consigning all goods for the same town on the same day to be charged together.

There is one other way in which bulking (or "part-lotting" as it is sometimes called) proves advantageous. We shall see, later on, that the classification (and therefore the rates) on certain commodities are lower according to whether 6, 4, 2 tons or a less quantity is forwarded. There are also many exceptional rates noted with weight minima. Now the minimum does not apply to the particular traffic or consignment but to the *total weight forwarded to the same station on the same day*. For example if we have 4-ton rates in operation for flour and for potatoes between the same points and we consign 2 tons of each of these commodities to be charged together, both will be charged at the respective 4-ton rates, although there is only 2 tons of each separate traffic.

A statement giving examples of the savings effected by bulking is included as an Appendix to this book.

In the G.R.C. stress is laid on the fact that the consignments must be for the *same station*. In many cases, however, traffic is sent by the railway company to different stations in the same town for *their convenience*. In these circumstances the trader should claim to have the traffic charged as if it was dealt with at the same station, and unless he specially wants it at a particular station (as in the case of traffic not carted by the company) he should just show the town in the appropriate column

of the consignment note. If he falls in with the railway suggestion of putting particular stations in, he will almost certainly be accused of consigning to that station if there is a subsequent dispute as to charges.

It is advisable to have a suitably worded rubber stamp for marking all entries to be charged together.

MIXED CONSIGNMENTS

Frequently a consignment—either for one consignee or bulked—contains several different commodities each chargeable at a different rate. In such cases the trader can claim to have two or more varieties charged together at the highest rate applicable. Several combinations might be possible and the company must test each and select the one giving the lowest charges (see Appendix).

WEIGHTS

The weight supplied by the trader will usually be accepted by the railway company, but this does not mean that there should consequently be a low standard of accuracy. If the trader gives a weight which he knows to be less than the correct one, he is making a misdeclaration and running a grave risk.

There is often a tendency not to be particular about a few pounds. But as fractions of 14 lb. are chargeable as 14 lb., an odd pound or two may make all the difference. For example, 1 qr. @ 40s. per ton = 1s. 3d., while 1 qr. 1 lb. (chargeable as 1 qr. 14 lbs.) @ 40s. = 1s. 6d. These odd threepences would amount to a considerable sum in the course of a year.

It will be seen from Regulation 5 of the G.R.C. that certain traffics such as stone and timber are charged at computed weights. Regulation 12 provides for the minimum chargeable weight of bulky articles, viz. Classes 1-11, 2 tons per truck, Classes 12-20 1 ton per truck.

ROUTING

Under some circumstances it may be desirable to stipulate a certain route on the consignment note. This is usually done where experience shows that a better service is obtainable by a particular route. For example, traffic can be sent from Norwich to Birmingham via Acton (i.e. the G.W.R. Company's route) or via Peterborough (i.e. the L.M.S.R. Company's route). The railway company is bound to convey by the route stated so long as it is a reasonable and recognised one and if definite

instructions of this character were ignored an action would lie against them. It has been held that where there has been unreasonable deviation the carrier is deprived of the protection of Owner's Risk conditions and even the Common Law exceptions of Act of God, King's Enemies, etc.

It must not be thought that the trader can select any route he chooses, or any receiving station he cares to name. Nor is a railway company bound to carry by the shortest route. Blackburn, J., in *Johnson v. Midland Railway Company* (1849), said: "I think he (the carrier) is bound to carry by the route which he holds forth and which he professes to be his route," and he added that no breach was committed if he did not convey by a shorter route, the shorter route not being the route he professes to follow.

It must also be borne in mind that a rate applicable to one company's station in a town might not apply to that of another company. For example, if traffic was consigned from Ipswich to Bishopsgate Station, London, it would pay a certain rate; if, however, it was routed to the Southern Railway Company's station at Nine Elms, the L.N.E.R. would be within their rights in claiming a higher rate or some extra charge for transferring the traffic from Bishopsgate to Nine Elms. It is all a question of reasonableness. The trader has a right, originally under Section 25 of the Railway and Canal Traffic Act, 1888, and re-enacted by Section 47 of the Railways Act, 1921, to say, "I want my traffic to go from X to Y via A and B, and I want a rate for that route." If the railway company will not agree to his demand he must show that his request is reasonable before the Railway Rates Tribunal, and that court will decide whether he shall have it or not.

The most advantageous routing is largely a matter of one's past experience and the exigencies of the particular business. It is the duty of those responsible for the transport administration to see that the despatch department has clear, concise and up-to-date instructions in this respect. Accurate records should be kept of transit times, delays and costs by particular routes and future policy shaped accordingly.

RECEIPT FOR GOODS

If required the railway company will sign a document acknowledging receipt of the consignment, but it will only be evidence that on a particular date a consignment was handed them. It will not be proof for example, that they received a particular quantity and such matters will require separate proof.

CHAPTER IV

THE CLASSIFICATION OF GOODS

YOU will observe that the greater portion of the G.R.C. is devoted to an alphabetical list of the commodities passing by railway, with the number of the class in which they are included. It will be obvious, too, that there are twenty-one classes, No. 1 being the lowest and No. 21 the highest. We shall be better able to appreciate this document if we run briefly through the history of classification for railway purposes.

EARLY CLASSIFICATION

Some time before railways came into being the canals had instituted a rough classification and scales of rates. Probably the first classification of an official nature was that issued in 1790 in connection with the Glamorgan Canal. It had two classes. One covered iron, coal, limestone, etc., and the other practically everything else. The Peak Forest Canal classification of 1794 had five classes.

To come to railways, that for the Surrey Iron Railway (between Croydon and Wandsworth) of 1801, had four classes, the first three of which comprised about twenty-six traffics and the last appears to have applied to every other commodity.

In the early days of railways the position was much simplified by the fact that traders were authorised to convey their traffic in their own vehicles drawn by their own locomotives, and the charges were in the nature of tolls for the use of the line. This primitive system was, of course, gradually superseded, and classification naturally became a rather more complex matter.

The early railway Acts included maximum scales of rates, generally on a per-ton-per mile basis. Varying amounts were provided for different types of traffic thus automatically creating a form of classification which—naturally—only applied to the line covered by the particular Act. Nor were these maximum scales based on any general principles; and as for the classifying of the merchandise, there was a complete lack

of uniformity. This state of affairs led to the appointment of a Select Committee of the House of Commons to inquire into the question, in 1881. A further committee continued the inquiry in 1882.

The railways had, of course, by this time, made some progress in the matter. The dividing of goods into classes had been adopted in principle, and they had created the Railway Clearing House Classification for through traffic.

RAILWAY AND CANAL TRAFFIC ACT, 1888

This Act was largely the result of the committees referred to above. Clause 24 required that every railway company should submit to the Board of Trade a revised classification in respect of goods traffic. That submitted by the railway companies was more or less based on the Railway Clearing House Classification and provided for eight classes, viz.: A, B, C, 1, 2, 3, 4 and 5. There followed hundreds of objections from traders and months of meetings and inquiries, and the revised classification was finally ready for May 1890. *It was uniform for all railways.*

Between 1891 and 1892, thirty-five Railway Rates and Charges Order (Confirmation) Acts were passed, covering between them, all the railways of the United Kingdom, and the classification became the statutory one which could only be altered as determined by the Board of Trade. It was adopted from January 1st, 1893.

The "Statutory Classification" represented a maximum which the railway companies could not exceed, but they very soon found that in order to meet the requirements of trade it was necessary in some cases, to go below it. There was thus formed another classification known as the "Working Classification" or "General Railway Classification." This is the state of affairs which lasted until the "appointed day" (January 1st, 1928).

MINISTRY OF TRANSPORT ACT, 1919

After the war it was obvious that the railways could not be decontrolled without—among other things—making provision for an increased revenue to meet higher working expenses. This Act brought the Ministry of Transport into being, and under Section 21 the Rates Advisory Committee was appointed for the purpose of advising the Minister.

In February 1920, this body was called upon to undertake a

general revision of rates and charges and, in accordance with its terms of reference, the Committee divided its work as follows :

1. The consideration of the principles which should govern the fixing of tolls, rates and charges.
2. The consideration of the classification of merchandise.
3. The consideration of the tolls, rates and charges which should be applied.

The committee reported on the first part of its activities on December 20th, 1920, and its recommendations were given effect to in the Railways Act, 1921. So far as classification is concerned it favoured an increase in the number of classes and urged that due account should be taken of the size of the consignment in deciding the classification.

It also advised the setting up of an independent tribunal to fix rates and tolls and the new classification and control subsequent amendments. Actually the classification was settled by the Rates Advisory Committee, while the new body—the Railway Rates Tribunal—completed the general revision of rates, charges, etc.

RAILWAYS ACT, 1921

Under Section 29, the Rates Advisory Committee remained in existence and after considering the proposals submitted by the railway companies and the traders' objections, determined the classification for the purposes of this Act. It consisted of twenty-one classes.

The new classification came into force on January 1st, 1928, and subject to subsequent additions and amendments, it forms the basis of our present railway charges.

In effect we have really returned to a "two classification" system because that fixed by the Rates Advisory Committee is a single-entry document arranged in classes, whereas the "working" classification has necessarily to be an alphabetical one.

It was soon found that a number of explanatory entries were desirable in order to easily ascertain the proper class, because a large number of articles were not *expressly* mentioned in the statutory classification. They were included under some other description or general entry, but this was by no means obvious. The Railway Rates Tribunal therefore ordered that these explanatory entries should be inserted so that the working and statutory classifications should agree. You can recognise some of them in the G.R.C. where you find entries without

classes and instead a remark "as — (a reference to another entry)."

We are only concerned here with the "working" or General Railway Classification which must be open for inspection at stations at all reasonable hours.

THE CLASSIFICATION NOW IN USE

The twenty-one classes were formed by subdividing the existing eight classes as follows :

A	B	C	1	2	3
1 and 2.	3, 4, 5 and 6.	7, 8, 9 and 10.	11, 12 and 13.	14, 15 and 16.	17 and 18.
		4	5	Added :	
		19	20	21	

Here are a few traffics taken at random showing the comparative classification.

	Pre-1928	Now
Vegetables, dried, in sacks ...	2	16
Fire Clay	A	2
Bismuth	5	20
Mushrooms	4	19
Oil Cake	C	8
Shell Gravel in bulk...	B	6

A revised issue of the G.R.C. amended up to October or November of the previous year is usually published each January 1st. This year, however, it was decided to continue with the 1936 edition. It contains references to nearly 6,000 different commodities as compared with 326 in the Railway Clearing House Classification of 1847 and somewhere about 3,000 in 1888.

Table 1 gives a list of the classes, the minimum quantities to which they apply, typical commodities embraced, etc. As set out in the G.R.C., less quantities than the stated minima are classified as follows :

Classes 1 to 6	4 tons and up to 6 tons—Class 8
	2 tons and up to 4 tons—Class 10
	Less than 2 tons —Class 12
Classes 7 to 9	2 tons and up to 4 tons—Class 10
	Less than 2 tons —Class 12
Classes 10 and 11	Less than 2 tons —Class 12

Where it is cheaper to charge as for the minimum weight, than at actual weight at a higher class, this is permissible ; (e.g. if 3 tons 15 cwts. of Class 8 traffic was forwarded, it might be cheaper to charge as 4 tons at Class 8 than 3 tons 15 cwts. at Class 10). The combining of different traffics to maintain weight minima has already been dealt with.

As one would expect, the traffics least likely to damage are marked "a" and those where considerable risk is involved are in the "h" group. It is important to note that these reductions apply even when a smaller quantity is forwarded than the minimum attached to the particular classification. For example, granite, polished or dressed—in blocks and slabs exceeding 2 inches in thickness—is classified 11a. A minimum of 2 tons applies to Class 11, smaller consignments falling in Class 12; thus the "a" reduction, i.e. 2½ per cent., will operate in this case, in respect of either 11 or 12.

EXCEPTIONAL RATES LISTS

On pages 362-77 of the G.R.C. will be found lists of traffics included under general headings. Such commodities are chargeable at exceptional rates noted for the list (where in operation). It will be noticed that a large number of entries in the alphabetical portion are marked "Exceptional rates for List—apply," e.g. Railway Rails, Iron or Steel . . . Class 7. [Exceptional Rates for List K apply] and Cocoa Beans . . . Class 15 [Exceptional Rates for List H apply.] It simply means that if an exceptional rate for the list is in operation and it is lower than the class (or standard) rate, then the trader will be given the benefit of it. The following is a summary of the lists:

List	Generic Term	List	Generic Term
A	Castings	N	Iron or Steel
B	Chemicals	O	Joiners' Work
C	Drapery	P	Machinery
D	Drapery	Q	Packed Manure
E	Grain	R	Rags and Waste
F	Grain	S	Preserves
G	Groceries	T	Provisions
H	Groceries	U	Tanning Materials
J	Hardware	V	Timber
K	Iron or Steel (Owner's Risk)	W	Timber
L	Iron or Steel (Owner's Risk)	X	Fruit
M	Iron or Steel (Owner's Risk)		

Where the classification of commodities included in the same general heading varies to some extent, two or more lists have been created to cover the one generic term, the traffics being grouped in each list according to comparative classification. For example, most of the grocery articles in List G are in Class 12 or lower classes; those in List H are mostly in 14, 15 or 16, thus List G rates would normally be on a lower basis than List H. This being the case the railway company could hardly charge more for G than for H, and consequently the charges for List G must not exceed those for List H (see also Lists C and D).

In the event of there being exceptional rates for Mixed Groceries in Class 18 in force, they apply to Lists G, H, S and T, if lower.

Generally speaking, List V covers unprepared timber and List W prepared timber. Rates noted for List V plus 10 per cent. apply to List W, but they must not exceed the rates for Class 9.

List P applies to Machinery, packed and not packed. In the latter case it will only be accepted at Owner's Risk; if O.R. rates are in operation they will apply, but if not, the C.R. rates will be charged and the traffic carried subject to Conditions B (see page 24).

Traffics are not necessarily confined to one list. For instance, Cream is included in Lists S and T, Cheese is in Lists H and T, and there are many other examples.

The G.R.C. is supplemented by a list of articles which appears in the "Pink Pamphlet," pages 142-94, and which comprises commodities covered by entries under other names in the classification proper. They are mostly articles known by trade names, and instructions as to their charging is given, as will be seen from the following examples :

Traffic	To be Charged as
Aloxite	Emery
Chymol	Foods, e.o.h.p. compounded
Elper	Cider and Perry
Seccotine	Glue, Liquid

THE PRINCIPLES GOVERNING RAILWAY CLASSIFICATION

The following are the main factors determining classification, and those which were taken into account by the Rates Advisory Committee :

- (i) Value ;
- (ii) Liability to damage ;
- (iii) Type of packing used ;
- (iv) Bulk in comparison with weight ;
- (v) Cost of handling ;
- (vi) Savings in cost which may result when forwarded in large quantities.

In these days it is pretty safe to assume that the railway companies' attitude to a particular traffic's classification also depends upon the potential annual tonnage and the possibilities of development.

Value or What the Traffic Will Bear

Unless we understand something of what is meant by " what the traffic will bear," we shall not appreciate the underlying

principle of the railway system of charging. Even to-day, it is by far the most important factor governing classification. In railway circles it has been negatively expressed as "not charging what the traffic will not bear." In theory, no rate should be so high that the traffic does not pass always assuming that the rate pays movement expenses; in other words the charges must not exceed the value of the services to the trader. The value of the service has been defined by one authority as the difference in the value of an article at its point of departure and at its point of arrival.

Given the fact that all traffic must first pay the cost of movement, it is obvious that under such a system different commodities will make varying contributions to the "fixed" proportion of railway expenses. We can make a comparison with the doctor who attends the master at a guinea a visit and gives the same services to the housemaid for a moderate half a crown. It all depends upon the value of the services to the respective patients and their ability to pay. Therefore this "ability to pay," measured by value at destination, has always been, and still is, of importance in deciding a traffic's classification. In the words of the Rates Advisory Committee ". . . no one will complain if the rates are not the same for low-grade iron ore worth 15s. a ton, raw cotton worth from £60 to £100 a ton, and raw silk worth over £2,000 a ton."

Such a principle can only be one hundred per cent. effective under monopoly conditions ensuring a wide range of traffic of all classes. In the face of a competitor who pays more attention to cost of service than to value, it has suffered some modification.

Liability to Damage and Type of Packing

These are obvious factors having regard to the company's liability under C.R. conditions and the additional care required in handling fragile articles. Packing is sometimes a guide to the amount of handling (i.e. the number of separate packages to a given weight) and the value of the article.

The G.R.C. provides endless examples of differences in classification due to the type of packing used.

Bulk in Comparison with Weight and Cost of Handling

Bulk naturally has considerable effect upon wagon-user and goods-shed space required. Many traffics in the top half of the classification by reason of their poor loading, provide a much

lower revenue per wagon than traffics in the bottom half, in spite of the big difference in rates.

Raw Cotton is in Class 13 if packed in hydraulic, steam or electric press-packed bales, otherwise it advances two classes. Nested Motor Car Body Panels are 18, not nested—19. Card-board Boxes, collapsed flat, are classified 11, but if not collapsed they may be anything from 16 to 20 according to packing.

We get a good example of classification depending upon vehicle loading in the case of Hay and Straw.

Minimum 2½ tons per truck	...	...	Class 10
" 2 "	"	"	Class 12
" 30 cwts. "	"	"	Class 15
Less than " "	"	"	Class 18

If you take hypothetical consignments of 2½ tons, 2 tons, 30 cwts. and 1 ton at the class rates applicable, you will find that it is the Class 18 traffic which in this case gives the lowest revenue per wagon.

Cost of handling depends upon items (ii), (iii) and (iv), and the railway companies' experience of the amount of labour involved in the loading and unloading of different commodities.

Savings Through Large Quantities

A large proportion of railway expenses do not vary with the amount of traffic carried. Up to a point, additional traffic can be conveyed at very little extra cost. Large consignments mean relatively lower clerical, administrative and traffic expenses and increased wagon-user with the consequent saving in locomotive costs. Thus it is only reasonable that much consideration should have been given to lower classification for big quantities.

If we take the entry relating to Wire Ropes as an example we find that 5 tons, 2 tons and less than 2-ton quantities are in Classes 12, 14 and 16 respectively. On a station-to-station basis and over a distance of 100 miles, the 2-ton lot gets a benefit equal to about 10 per cent., and the 5-ton lot to about 23½ per cent.

AMENDMENTS TO THE CLASSIFICATION AND CLASSIFYING OF NEW ARTICLES

Under Section 28 of the Railway Act, 1921, the Railway Rates Tribunal has jurisdiction as regards the alteration of and additions to the classification and any question relating to the classification of an article.

The railway companies' proposals are made through the Railway Clearing House, and notice is given to the traders from

time to time by means of a document known as a Grey Book (so called from the colour of its cover). The Grey Books are issued by the Secretary of the Rates and Charges Committee, 35 Parliament Street, London, S.W.1, from whom they are normally obtainable twenty-one days before the date of the hearing, price 2s. 6d. post free. These contain details of the proposed alterations and additions, which are filed with the Railway Rates Tribunal. Traders who are affected by the proposals may lodge an objection if they so desire.

Grey Books (approved) giving details of alterations, etc., approved by the Tribunal, may be obtained from the Secretary, Rates and Charges Committee, about ten days after the hearing, price 1s. 3d. per copy. This information is also given in the leaflets issued monthly by the Railway Clearing House, which give details of the modifications to be incorporated in the G.R.C., Dangerous Classification and "Pink Pamphlet." So far as the classification alterations are concerned, they must only be applied provisionally, as the approval of the Tribunal may not have been received at the time of issue.

If a trader desires to have a new traffic classified or an existing entry altered, he should first approach the railway company and ask for the matter to be considered by the Classification Committee of the Railway Clearing House (a body of railway rates officials). In the case of a new article he will probably be required to submit a specimen or sample, give full details concerning it and its packing and say if it is likely to pass in large quantities. If he is urging a reduction in classification he should support his application with as much helpful information as possible, paying particular attention to the classification of comparable articles or commodities. It may be possible to have the traffic in question included in the exceptional rate lists (see page 35), and these should be studied for entries of a similar character.

Assuming the trader is dissatisfied with the decision of the Railway Clearing House he may appeal to the Tribunal although he is unlikely to be successful unless he has a first-class case and acts under the most expert advice.

A formal application must be filed at the offices of the Railway Rates Tribunal, using the form stipulated by the Tribunal's Rules of Procedure.

Any party may appear before the Court, in person or by counsel or solicitor, or may be represented by any person in his regular employment, provided that the appointment is made in accordance with the Tribunal's rules.

CHAPTER V

STANDARD RATES

HISTORICAL

IT is only necessary to review very briefly the past history of railway rates. Part of the subject has already been dealt with in the previous chapter.

The early Acts authorising the construction of railways had annexed schedules setting forth the principal commodities which would be carried and the maximum rate per ton per mile which the company was allowed to charge for each class of traffic. Provided that their maximum powers were not exceeded, the railway companies had liberty to charge such rates as they thought fit.

This position was modified somewhat by Parliament in 1845,* when it was enacted that in like circumstances, charges should be equal to all persons; a further modification followed in 1854† whereby the railway were to afford reasonable and equal facilities and to provide through facilities and through rates.

The Railway and Canal Traffic Act, 1888, legislated for revised scales of maximum rates in addition to a unified classification. These scales provided for conveyance rates—so much per ton per mile—and were “tapered” down according to distance.

The authorised maximum charges varied, not merely between one railway and another, but between different portions of the same railway where especially heavy construction and/or working costs were involved. The maximum amounts which might be included for station terminals and services, however, were the same for all railways with one or two minor exceptions. The following shows a comparison in the rates per ton per mile for certain main lines in respect of Class A traffic :

* Railway Clauses Consolidation Act, 1845.

† Railway and Canal Traffic Act, 1854.

Railway	First 20 miles per ton, per mile	Next 30 miles per ton, per mile	Next 50 miles per ton, per mile	Remainder of Distance per ton, per mile
L.N.W.R.	d.	d.	d.	d.
G.N.R.	.95	.85	.50	.40
G.W.R.				
L.C. & D.R.	1.50	.90	.75	.60

This illustrates the cumulative or "tapering off" principle, which is embodied in our present rates.

These scales were of course, sanctioned by the thirty-five Provisional Orders of 1891 and 1892, and together with the classification, they represented a very definite step in the direction of uniformity. It will be noticed that they continued the principle that Parliament should fix maximum rates above which the companies could not go but that each railway had complete freedom in a downward direction subject to the law relating to undue preference. The new scheme operated from January 1st, 1893.

The next move was in 1894 with the passing of the Railway and Canal Traffic Act of that year. This provided that if a rate was increased after December 1st, 1892, any trader affected could appeal to the Railway and Canal Commission, and the railway concerned would have to justify the rate as reasonable. Thus unless the new scale was lower, the rates in operation at the end of 1892 tended to become the effective maxima.

As the result of increased labour costs, power was given to the railway companies by the Act of 1913, to increase certain rates by 4 per cent. as from July 1st, 1913.

Then followed the war period with the various emergency increases which in 1927 amounted to an overall increase of 63 per cent. above 1914 levels.

RAILWAYS ACT, 1921

The Rates Advisory Committee having fixed a new classification it was left to the Railway Rates Tribunal to fix standard scales of charges which should apply to the twenty-one classes.

Section 30 of the Act provided for the submission by the companies of schedules of charges divided into parts (i.e. one relating to goods and minerals, another to animals, and so on. See page 42.). The schedules were considered and settled by the

Tribunal and were issued as Statutory Rules and Orders in 1927. The references to them are as follows :

Great Western Railway	S.R. & O.	1927	No. 848
London & North Eastern Railway	S.R. & O.	1927	No. 850
London, Midland & Scottish Railway	S.R. & O.	1927	No. 849
Southern Railway	S.R. & O.	1927	No. 851

Section 32 laid down the obligation to charge standard charges without variation upward and downward, except by way of exceptional rates. The day appointed for their operation was January 1st, 1928, on which day we said good-bye to the old system of maximum charging powers and had in its place a control of charges by the fixation of a standard revenue which the charges were supposed to produce.

STANDARD REVENUE

This somewhat mythical figure is important, because theoretically the charges have to be adjusted to provide it. It is equal to the railways' net revenues in 1913, plus certain additions in respect of capital expenditure since January 1st, 1913, and other productive capital which was not fully remunerative in 1913. It is now (1937) £51,359,095.

The Act provides for a periodical review of standard charges and exceptional rates and for the adjustment of charges to revenue, but it is interesting to note that the standard revenue has never been attained yet, nor have the railway companies asked for, or the Tribunal ordered, any adjustment to meet the deficiency.

THE STANDARD SCALES

There are fifteen scales which provide for: (a) General Merchandise; (b) Wagon Hire; (c) Returned Empties; (d) Rolling Stock; (e) Railway Vehicles; (f) Private Owners' Wagons; (g) Carriages; (h) Caravans; (i) Live Stock; (j) Small Parcels; (k) Surcharges for Heavy Articles; (l) Insurance Premiums and (m) Deductions in Respect of Owner's Risk Traffic. There are two scales in respect of general merchandise and two small parcels scales. All the scales, with the exception of that respecting coal class traffic and the small parcels scale used by the Southern Railway, can be obtained bound in one volume, price 10s., from the Railway Clearing House. The individual scales can be purchased separately; those for general merchandise are 1s. each. They are all available for inspection at railway stations dealing with the particular traffic.

The General Merchandise Scales

Although there is a schedule of charges applicable to each of the four main railways, Scale No. 1 (which appears in Part I of the Schedules) is the same in each case. It is reproduced on p. 44 and forms the basis of the rates which are shown for the twenty-one classes for distances from 6 to 800 miles, in the R.C.H. copy. This is applicable to England and Wales, with the exception of the North-Eastern Section of the L. & N.E.R.

The other general merchandise scale is that which appears in the L.N.E.R. and L.M.S.R. schedules and applies to Scotland and the North-Eastern Section of the L.N.E.R. This is No. 3 in the R.C.H. list. In construction it is similar to No. 1; the difference being that it provides for traffic in Classes 1 to 4 in railway wagons, and the rates for these classes are consequently on a higher basis than the equivalent rates in Scale No. 1, which are for Owners' Wagons.

THE COMPONENT PARTS OF A STANDARD RATE

If Table 2 is examined it will be seen that a standard rate consists of two elements, the rate for conveyance and the charges for terminals.

The first is on the "tapering" principle with the charge per mile decreasing according to distance, the critical mileages being 20, 30, 50 and over 50. The second is divided into station terminals and service terminals with the latter subdivided into loading and unloading, covering and uncovering.

It will also be obvious that standard rates for Classes 1 to 6 do not include service terminals, while Classes 7 to 10 have no provision for loading and unloading. If 7 to 10 traffic is handled by the railway companies the authorised charge is 5d. per ton for each service.

Rates for Classes 1-4, based on Scale 1, being for Owners' Wagons, an extra charge is made where the railway provides the trucks, as follows:

- For the first 20 miles, or any part there, 7d. per ton
- For the next 30 miles, .15d. per ton, per mile.
- For the next 50 miles, .15d. per ton, per mile.
- For the remainder of the distance, .05d. per ton, per mile.

In the area covered by Scale 3, this traffic is only conveyed in Company's Wagons for the use of which the following amounts have already been added:

- For the first 20 miles, .35d. per ton, per mile.
- For the next 80 miles, .15d. per ton, per mile.
- For the remainder of the distance, .05d. per ton, per mile.

TABLE 2
BASIS OF SCALE OF CHARGES IN RESPECT OF GOODS AND MINERALS BY MERCHANDISE TRAIN

Class in respect of Merchandise to which charges are applicable	STANDARD RATES FOR CONVEYANCE				STANDARD TERMINALS				
	For the first 20 miles or any part of such Distance	For the next 30 miles or any part of such Distance	For the next 50 miles or any part of such Distance	For the re- mainder of the Distance	Station Terminal at each end	SERVICE TERMINALS			
						Loading	Un- loading	Covering	Un- covering
	per ton per mile d.	per ton per mile d.	per ton per mile d.	per ton per mile d.	per ton s. d.	per ton s. d.	per ton s. d.	per ton d.	per ton d.
1 } In 2 } Owners' 3 } Wagons	1.90	.95	.55	.50	3	—	—	—	—
	2.15	1.05	.70	.65	5	—	—	—	—
	2.25	1.10	.80	.70	6	—	—	—	—
	2.30	1.20	.90	.75	10	—	—	—	—
	2.60	1.25	.95	.75	6	—	—	—	—
	2.65	1.35	1.05	.80	10	—	—	—	—
7 } 8 } 9 } 10 } 11 } 12 } In Railway 13 } Company's 14 } Wagons	3.05	1.80	1.35	.95	1 0	—	—	1.25	1.25
	3.20	1.90	1.45	1.00	1 2	—	—	1.25	1.25
	3.40	2.10	1.70	1.15	1 4	—	—	1.50	1.50
	3.50	2.30	1.85	1.25	1 7	—	—	1.50	1.50
	3.65	2.55	2.10	1.45	2 0	6	6	2.50	2.50
	3.75	2.65	2.20	1.60	2 5	8	8	2.50	2.50
	4.05	2.85	2.40	1.75	2 5	8	8	2.50	2.50
	4.40	3.15	2.75	2.15	2 5	10	10	3.00	3.00
	4.75	3.45	3.00	2.25	2 5	11	11	3.00	3.00
	4.80	3.55	3.10	2.35	2 5	1 1	1 1	3.00	3.00
	5.35	4.10	3.35	2.55	2 5	1 4	1 4	3.00	3.00
	5.50	4.25	3.50	2.75	2 5	1 7	1 7	3.00	3.00
	6.40	5.15	4.25	3.50	2 5	2 2	2 2	5.00	5.00
	7.50	6.20	5.10	4.30	2 5	2 8	2 8	6.00	6.00
	11.25	9.30	7.65	6.45	3 7	4 0	4 0	9.00	9.00

circumstances (Woolworth v. Amalgamated Railway Companies, R.R.T., 1930).

DISTANCES APPLICABLE TO THE SCALES

Every station must have a book or books in which is recorded the chargeable distance from that station to every other station to which it invoices traffic, and such information must be available for inspection by the trader.

In the early days of the new system there were many differences of opinion on the subject of chargeable distances, but the majority of these have long been satisfactorily settled and there remains very little ground for dispute. In any case the trader is very much in the hands of the railway companies because he rarely has sufficient information to effectively challenge their calculation of a particular mileage.

Distances are reckoned over the *shortest working route* between two points. This is not necessarily the shortest physical distance; it may be the most practicable and cheapest working distance. Where however the physical and working distances vary considerably, the railways have usually made an adjustment.

Continuous mileage (i.e. over two or more companies) is reckoned as if it was over the line of one company.

COMPETITIVE ROUTES

Where there are two or more routes, *the shortest distance is the one applicable*. Often one company's route will be much longer than another's. Under Section 52 of the Railway Act a circuitous route is permissible provided it is not 50 per cent. or more in excess of the shortest route between the two places. Cases where this 50 per cent. is exceeded require the sanction of the Tribunal.

Most of the old circuitous routes have been maintained, but the railway pooling agreements must be borne in mind, and this aspect will be treated in a later chapter.

UNUSUAL ROUTES

Occasionally traffic is required at a station (not being the contracting company's station) in a town where the contracting company has a station of its own. Under such circumstances the trader has the right to demand a through distance, although the company may claim that there are no ordinary carrying arrangements; nevertheless they will generally arrange a distance if one is not already recorded. It may, of course, be

cheaper to pay on the "local" distance, plus a transfer charge, than on the throughout distance.

GROUP DISTANCES

Section 29 of the Railway and Canal Traffic Act, 1888, gives the companies power to group places in the same district and to charge uniform rates for them. For example, the rates between Norwich and Edinburgh (with a few special exceptions) are those between the Norwich and Edinburgh groups. One distance (not necessarily the shortest) is provided for the group, subject to the legal standard rates not being exceeded and the law as to undue preference.

THE CALCULATION OF CHARGEABLE DISTANCES

A railway company may charge for a minimum distance of 6 miles where the conveyance is upon one company's line, and for 9 miles where two or more companies are involved; but if the conveyance is performed by one company throughout, the 6-mile minimum applies.

The chargeable distance is computed as follows :
When the entire distance does not exceed 20 miles :

1-20 chains	charged as	$\frac{1}{4}$ mile
21-40	" "	" $\frac{1}{2}$ mile
41-60	" "	" $\frac{3}{4}$ mile
61-79	" "	" 1 mile

When the entire distance exceeds 20 miles :

1-60 chains	dropped
61-79 chains	charged as 1 mile

The R.C.H. scales show standard rates for each quarter-mile increment from 6 to 20 miles; thereafter the intervals are of 1 mile.

No portion of the line which is the subject of a station terminal, may be included in calculating a distance, e.g. the internal lines of a goods station.

There are certain statutory provisions permitting a special mileage charge in respect of very expensive works such as tunnels, viaducts and bridges. For example, the Forth Bridge (actually 1.6 miles long) counts as 23 miles for charging purposes.

COLLECTION AND DELIVERY

Under the system in force prior to January 1st, 1928, the class rates and most of the exceptional rates covering classes 1 to 5 included the services of collection and delivery; if either

or both of these were not performed a rebate was claimable. Now—so far as standard rates are concerned—these rebates no longer exist because the figures being “Station to Station,” cartage is only added when performed by the company.

Every “carting” station must have recorded in its rate-book the charges relating to the traffics ordinarily carted within the normal area. There are eight scales of charges—A, B, C, D, E, F, G and H; A is the lowest, and G and H the highest. It is not necessary to reproduce these in full, but as a guide the details of scales A, E and H are given below :

Scale	CLASSES			
	11 to 13 per ton	14 to 16 per ton	17 and 18 per ton	19 and 20 per ton
	s. d.	s. d.	s. d.	s. d.
A	2 6	2 6	3 4	4 2
E	4 2	4 7	4 7	5 5
H	5 10	6 8	6 8	9 2

Scale H applies only to London, while to nearly all other places, except Southern and certain Great Western stations, Scale A is applicable. At Liverpool, Birkenhead, Garston and Preston Dock cartage is raised separately and not included in the rate (see page 65).

In the rate-books, each station with cartage facilities is marked with a star and the cartage scale letter. The R.C.H. issues periodical lists amending and adding to the details of cartage facilities and scales applicable.

Having arrived at the S. to S. rate, either from the R.C.H. scale or as shown on page 45, it is only necessary to add the correct cartage charges to find the Collected, Delivered or Collected and Delivered (C. & D.) rates. Remember that such rates only cover cartage within the prescribed limits.

Under Section 49 of the 1921 Act railway companies are not compelled to make *delivery* to any person who does not agree to have all his traffic, or all his perishable traffic, *delivered* by them. It would, however, be rare for a station to refuse to deliver goods consigned “home,” because the consignee had not made such an agreement.

Disputes as to collection and delivery charges are determined by the Railway Rates Tribunal.

Before leaving the subject of standard charges it should be mentioned that a railway company having a schedule of standard charges or any representative body of traders or person certified by the Board of Trade for the purpose, can apply to the Tribunal for the modification of such charges.

CHAPTER VI

EXCEPTIONAL RATES

SECTION 32 of the Railway Act provides that the standard charges shall only be varied by way of exceptional rates. That is to say, there are only two descriptions of rates—standard and exceptional—the latter being based on the former.

The principal object in increasing the number of classes to twenty-one, was to reduce the margin between them and thus render unnecessary a large number of exceptional rates. Rates which were more than the new standard were automatically redundant and those only a small percentage lower, were abolished. Thus it was considered that the new standard figures would meet the majority of cases and the number of exceptions would henceforward be nominal. The scheme failed in this respect, as it was bound to fail, because no account had been taken of intensive road competition. For ten years exceptional rates have been granted until their number is now estimated at 7,000,000 and approximately 80 per cent. of railway traffic is charged at rates below the standard.

The rates which were in operation on August 4th, 1914 (as subsequently increased), were continued as from the "appointed day" upon proof that they had been originally fixed for valuable consideration under a subsisting agreement or special statutory provision. Many others were continued by agreement between railways and traders or by the decision of the Rates Tribunal, and over a million and a quarter new exceptional rates have been placed on the books since the beginning of 1928.

The companies are permitted to grant new exceptional rates, without the consent of the Tribunal, so long as they are reported to the Minister of Transport within fourteen days (or such longer period as he may allow), *and are not more than 40 per cent.*

*below the appropriate standard rate.** Rates which are not within this limit can only be granted with the sanction of the Tribunal and once so fixed can only be increased or cancelled with that Court's approval.

If the Minister considers that the granting of these rates is likely to prejudice other railway users or jeopardise the realisation of the standard revenue, he may refer the question to the Tribunal, who, after hearing the parties interested, may revise the standard charges or cancel or modify all or any of the exceptional rates.

Any exceptional rate can be reduced provided that no reduction which would make it more than 40 per cent. below standard is made without the Tribunal's consent. The reduction must be reported to the Minister as if it was the grant of a new rate.

An exceptional rate not fixed by the Tribunal can be increased on giving thirty days' notice (in the form prescribed by the Registrar to the Tribunal). A trader *directly* interested may appeal to the Tribunal, in which case the increase must not be made effective until determined by the Court. The same procedure applies to the cancellation of a rate. In either case a trader has no right to object, regarding a rate granted since the "appointed day" unless the cancellation or increase *has the effect of making the rate applicable to his traffic higher than it was before the exceptional rate was granted.*

An exceptional rate which has not been applied for two years may be cancelled and the trader has no right of objection, although no doubt a company could be restrained from exercising its powers in this direction, wrongfully.

Any trader who is directly interested may apply to the Tribunal to fix a new exceptional rate or to cancel or vary an existing rate. A representative body of traders can also apply for cancellation or variation although it must presumably be a body which is *directly* interested. Where the operation of an exceptional rate creates an undue preference such rate may be increased or cancelled.

APPLICATIONS AND OBJECTIONS

Submissions of exceptional rates requiring approval and

* In addition to exceptional rates more than 40 per cent. below standard, the Tribunal's jurisdiction originally extended to rates less than 5 per cent. below standard. Under Section 40 of the Road and Rail Traffic Act, 1933, however, it was provided that such exceptional rates were not subject to the consent of the Tribunal nor should the fact that a proposed increase would make an exceptional rate less than 5 per cent. below standard of itself necessitate the approval of the Tribunal.

applications must be filed (together with five additional copies) at the office of the Registrar to the Tribunal, twenty-one days before the date fixed for the hearing; they will be available for public inspection.

Notices of objection, bearing a 2s. 6d. fee stamp (also with five copies), must be filed with the Registrar and must state in a concise manner the grounds of objection. A copy must be delivered to the railway company or other applicant by registered post not later than seven days before the date of the hearing.

The trader's right of objection to a proposed new exceptional rate is very limited, in fact there does not seem very much point in making an objection. He must of course, be directly interested in the subject matter of the application, but he cannot object on the ground that he will be adversely affected by the proposal. It has been held that the only ground on which he can object is *the effect the rate would have, if granted, upon the company's standard revenue*. He must in effect say: "The granting of this rate will endanger the realisation of the standard revenue which may mean an increase in the general level of charges, and I therefore object to it." Having regard to the fact that the combined standard revenue of the companies has never yet been attained, it seems extremely unlikely that a trader will go to the trouble of objecting on such impersonal grounds.

In the case *G.W.R. v. Chamber of Shipping* (R.R.T., 1936), the principle, already laid down in *G.W.R. and L.M.S.R. v. Bristol Corporation* (R.R.T., 1928), was confirmed. An objector who bases his case on the fact that the proposed rate or rates would divert traffic from another form of transport has no *locus standi*. The Tribunal can only take into consideration the effect upon the standard revenue.

Before a representative body of traders or persons can appear as applicants or objectors, it must, under Section 78 of the 1921 Act, obtain the necessary certificate from the Board of Trade.

PROTECTION OF COASTWISE SHIPPING AND CANALS

Section 39 of the 1921 Act provides that if and whenever a representative body of persons certified by the Board of Trade as properly representative of canal interests, makes representations to the Minister that exceptional rates are being charged which are competitive with canals so as to be detrimental to the public interest, the Minister if satisfied that a *prima facie* case has been made out shall submit the matter to the Rates

Tribunal for review. The Tribunal after hearing the parties affected may vary or cancel rates or take such action as it deems expedient.

This provision also applied to coastwise shipping until varied by Section 39 of the Road and Rail Traffic Act, 1933. This Section links exceptional rates with agreed charges (see page 80); it provides that the Minister shall consult with the President of the Board of Trade before referring the matter to the Tribunal. If after holding an inquiry and hearing evidence, the Tribunal is of the opinion that the rates charged in competition with coastal carriers are unfair or inadequate having regard to cost of service, it may take the action outlined above.

Subsection (6) of this section provides for a "shipping panel" of six persons nominated by the President of the Board of Trade, and for the purpose of the Tribunal under this section there shall be added to the Tribunal one person selected by the Minister from this panel.

DISINTEGRATION OF EXCEPTIONAL RATES

The component parts of a standard rate are obvious from the schedules (page 43), but this information is not always so readily available in the case of an exceptional rate. Details of this character are usually required by the trader for the purpose of ascertaining the value of particular services, included in the rate, but not performed by the railway company.

Section 40 of the 1921 Act provides that the Tribunal shall, in fixing an exceptional rate, disintegrate it into the following component parts :

- (a) Conveyance.
- (b) Station Terminals.
- (c) Service Terminals (if any).
- (d) Accommodation provided and services rendered at or in connection with a private siding (if any).

It is not bound to provide an immediate analysis where the parties concerned do not want one.

In the case of a rate granted by a railway company, unless the analysis is shown in the quotation or rate-book :

" . . . (a) The rate in the case of a station-to-station rate, shall be deemed to be composed of conveyance rate and terminal charges in proportion to the amounts included in the corresponding standard rate for the same service and accommodation in respect of similar goods between the same stations; and

(b) In the case of any other rate, the company shall, within fourteen days after application in writing by any person interested

in the disintegration of the rate, afford that person information of the amounts (if any) included in the rate for the several services aforesaid." (Railways Act, 1921, 40 (3)).

Disputes as to the disintegration of exceptional rates are determined by the Rates Tribunal.

The proportional method of analysis set out above is known as the *Pidcock* principle (from the famous *Pidcock v. M.S. & L. Railway* case (Railway and Canal Commission, 1895)). Most exceptional rates are on a "commercial" basis, that is to say they are a percentage below standard and granted for ordinary business consideration, and the *Pidcock* method is the only reasonable way of disintegrating them.

In the front of each station rate-book will be found a scale giving the amounts per ton included in exceptional rates for cartage at that station. The scale varies according to local circumstances, but a typical one, applicable to a provincial station, is given below :

Classes 11-13	1s. 4d. per ton	Class 19	2s. 8d. per ton
" 14-16	1s. 7d. " "	" 20	3s. 2d. " "
" 17-18	2s. 2d. " "		

These are the amounts which would be allowable at this station if the railway company did not perform cartage.

The analysis of rates has an important bearing on private siding and other rebates and will be referred to again later.

THE PRACTICAL CONSIDERATIONS

So far we have been mainly concerned with the legal aspect but most traders will be more conversant with the actual application of exceptional rates to their traffic.

In the first place it must be realised that railway companies are business undertakings seeking to earn the best possible return on their capital. They are not seeking opportunities of giving something away. They naturally wish to obtain the best possible price for their services and their attitude to reduced rates must necessarily be governed by the extent to which such rates will help them to gain or retain traffic. Frequently a trader is puzzled by their refusal to quote a certain figure which, having regard to the circumstances, he considers a justifiable one. Railway companies, however, must not only consider the rates to be granted to Mr. A from X to Y; they must also think of the existing rates enjoyed by Mr. B from W to Z, and so on. If Mr. A's rate is more favourable than Mr. B's for the same commodity, the latter is bound to come along and demand a reduction. They may gain A's traffic and lose B's.

It might pay then to maintain a certain rate even although some loss of traffic ensues. A reduction, moreover, does not always mean *additional* business ; it may enable A to get a contract previously held by B, and all the railway company has done has been to transfer traffic from one forwarding station to another, possibly at a lower rate. Complications such as these undoubtedly have a bearing on the long period sometimes occupied in getting quotations.

In seeking a new or reduced exceptional rate the following factors must be considered :

- (i) Comparable rates by competitive means of transport.
- (ii) The rates for similar commodities operating from other sending points.
- (iii) The annual tonnage and any recent increase in tonnage.
- (iv) The average size of consignment and any increase.
- (v) A change in the flow of traffic (if any).
- (vi) The existing rates and if exceptional, the percentage they are below standard and the conditions attached.

In considering the first, due regard must be paid to the quality of the competitive service and whether the rates quoted can be maintained over a long period. The possibility of diverting traffic is obviously one of the most potent arguments in favour of a trader's case for an exceptional rate.

One should always be aware of the rates enjoyed by a competitor. They are easily obtained ; it simply means making a periodical examination of the rate-book at the particular sending station. If a comparison indicates that he is being more favourably treated, an immediate approach to the railway company for similar treatment is advised. Where the difference amounts to an undue preference an application can be made to the Rates Tribunal for the cancellation or modification of the competitor's rates (see also page 50).

In comparing rates, the respective percentages below standard (after deducting any sum included for cartage) should be ascertained.

Of course there are limits to this sort of comparison. The destination station must be the same and the forwarding points must to some extent be comparable. For example, I very much doubt if a manufacturer situated at Ipswich could argue for lower rates on the grounds that similar commodities were being forwarded to the same destinations from, say, York at proportionately lower rates. One cannot generalise because so much

depends on the particular case. Before inequality of treatment can be contended it must be shown that the goods are similar and are carried under like circumstances. The effect of competition must also be considered.

Railway companies will generally give due consideration to large and regular quantities of traffic, in fact most regular "streams" are already provided for by exceptional rates. They realise, of course, that such business is particularly susceptible to competition. Size of consignment, too, although provided for to some extent by classification, is very important. No trader should forward regular lots of, say, 2 and 4 tons chargeable at "any quantity" rates, without making an effort to obtain special rates for these quantities.

A very careful and frequent examination of forwardings is essential so that any increase in a particular direction is immediately noticed. Traffic might pass to certain points at favourable rates, but if business at these places dropped off and was developed somewhere else (where there were no exceptional figures in operation), the effect on carriage costs would be serious.

It will be seen from the foregoing that a great deal depends upon negotiation and the sort of case the trader is able to present.

OWNER'S RISK RATES

It has already been observed, that provision is made for damageable goods at Owner's Risk by providing a scale of reductions from the standard rates, such a reduction being indicated by a letter placed against the classification number. In the same way the trader is entitled to a reduction from a Company's Risk exceptional rate (if there is one in operation), where the difference in risk when conveyed under O.R. conditions, is *not insignificant*. If this difference is negligible, the company can refuse to grant an equivalent O.R. rate. For example, in the case of a traffic classified with an O.R. reduction, the trader would be able to claim the same percentage off an exceptional rate as he would get off the standard figure, but any other case would have to stand on its merits.

Similarly, if an exceptional O.R. rate is in operation the company must quote an equivalent C.R. rate if requested.

Requests for C.R. or O.R. rates under these circumstances, should be made in writing and if the company does not quote a satisfactory rate within twenty-eight days, the trader may apply to the Tribunal to settle the rate and fix the date when it shall become operative. The difference between the two rates shall

be an amount which, in the opinion of the Tribunal represents, the difference between the company's risk under Conditions A and Conditions B.

GROUP RATES

Just as a railway company can, within limits, group places and provide one standard mileage for all such places, so can it institute uniform exceptional rates applicable to the whole group. It can, and does, make exceptions in so far as some exceptional rates apply only to one or more stations in the group, and not to all of them.

This has proved a very contentious matter in the past and the Railways Act cannot be said to be over clear on the subject of grouping, particularly as to whether a trader can apply to the Tribunal for the arrangement of a group, or for inclusion in a group from which his traffic has been excluded.

Section 29 of the 1888 Act provides that the distances between constituent members of the group must not be unreasonable and no undue preference must be created.

EXPORT RATES

It has long been the practice of railways to grant special rates for export traffic, partly to encourage export trade but mainly to influence traffic via a certain port.

Such rates do not apply to traffic shipped coastwise nor to the Isle of Man, Channel Islands, Northern Ireland or Irish Free State.

TRUCK-LOAD RATES

Apart from the instances provided for in the classification many exceptional rates are quoted for a minimum tonnage per truck. If the trader loads the trucks himself he should make sure that he is provided with a suitable vehicle; if he delivers the traffic to the railway company he should make it perfectly clear that he expects it to be loaded so that he will get the benefit of the "per truck" rate. This would not help him, however, if it was found impossible to get the minimum weight into a normal-sized wagon.

If two or more wagons are used the method of charging illustrated in the following example will be adopted:

Ten tons of Bricks (Class 5) for which an exceptional rate noted 6 tons per truck is in operation, two trucks being used.

Charges will be raised for 6 tons at the 6 tons per truck rate, and for the balance (4 tons) at Class 5 standard rate.

In May 1931 the L. & N.E. Company made a novel departure from traditional railway practice when, with the sanction of the Tribunal, it introduced rates between London and certain places in the Eastern Counties on a purely truck-load basis without reference to the type of traffic. The figures provided for 2-ton, 4-ton and 6-ton loads. The principle was extended somewhat in 1933, when similar rates were granted for a few other places.

It was stated by the railway companies at the time that they had always sympathetically considered such a basis of charging, but that it could not be introduced as a universal principle. The Tribunal was of the same opinion, and intimated that it would not sanction such rates indiscriminately.

PERIOD RATES

Prior to the "appointed day" the railway companies had very little freedom in the matter of experimental rates. Once a rate was placed on the rate-books it required a great deal of moving although the traffic it was designed to develop may never have materialised or have only been sent at rare intervals. Now that they may (under reasonable circumstances) cancel or increase exceptional rates they are able to experiment in various directions, whereas previously they were naturally very cautious.

Rates are frequently quoted to apply until a certain day (usually June 30th or December 31st), and unless they are renewed they will expire on the date named. The object of this is to give the company an opportunity of reviewing the effect of the rates and ascertaining the extent to which they have been used.

Traders should record figures of this type in such a way that they remember to apply for renewal (if desired) before the the expiry date. Assuming the rates are being used and the conditions attached to the quotation (if any) have been observed, they are usually brought forward without any difficulty.

SPECIAL LOT RATES

Sometimes a trader has especially large consignments passing infrequently or a considerable bulk of traffic which will pass over a period or some other special circumstance which is rather different from his normal run of business. He will probably ask the railway company to make him a quotation (perhaps in competition with road or water), and may be given a rate noted "for a special lot to pass by — (date)." The rate will

not have been placed on the rate-books, and it will be necessary for the company to be advised when the traffic is to be forwarded in order that the figure may be put into operation.

Another example is where a trader asks for an exceptional rate and undertakes to send a certain quantity by a stated date. In this case the rate may be noted "for a special lot of not less than — tons to pass before — (date)." It may happen that the minimum is not forthcoming, but generally, if there has been no fault on the part of the trader, the company will not be too exacting.

Rates of this sort are useful for comparison purposes. If a special lot passes and a certain rate is quoted, the trader can be reasonably certain that if he has a similar lot later on, he will get the same rate.

COMPOSITE RATES

Some exceptional figures apply to a variety of traffics either in the same or different classes; they are often quoted to meet the needs of traders manufacturing a variety of products which are despatched in mixed orders. They are not viewed favourably where there is some difference in classification, particularly when the position can be met by separate rates. The relationship to the equivalent standard rate is important. The basis will be the standard for the highest classified traffic covered by the rate. Measured against this, the 40 per cent. limit must not be exceeded without the Tribunal's consent.

The amount included in a composite rate for collection and delivery is that applicable to the lowest class of traffic to which the figure applies. For example, the C. & D. proportion of a List D rate is based on Class 18, of a List H on Class 14 and of a List J on Class 17.

The Southern Company have what they term an Exceptional Tariff Classification which applies only to their stations not competitive with any other company. It is a list of some 250 entries covering very frequently forwarded traffics divided into six "scales" numbered 1 to 6, for which exceptional rates are provided. They are on a S. to S. basis and unless otherwise stated Company's Risk conditions apply. Scale 1 applies to minimum lots of 6 tons, Scale 2 to 4 tons, Scale 3 to 2 tons, and Scales 4-6 to less lots.

CHAPTER VII

THE STANDARD SCALES FOR SMALL PARCELS, RETURNED EMPTIES, HEAVY ARTICLES, CARRIAGES AND CARAVANS

THE SMALL PARCELS SCALE

THE Standard Schedules (Part V) empower the railway companies to make certain additions to the authorised charges for small parcels not exceeding 3 cwts., as follows :

On rates not exceeding	10s. per ton—	4d. per consignment	
" " " "	20s. " "	— 5d. " "	" "
" " " "	30s. " "	— 6d. " "	" "
" " " "	50s. " "	— 7d. " "	" "
" " " "	70s. " "	— 8d. " "	" "
" " " "	100s. " "	— 9d. " "	" "
Exceeding	100s. " "	— 10d. " "	" "

The charges have been worked out in the form of a scale (No. 5) which rises in stages of 14 lbs. from 1 qr. to 3 cwts., and is on a C. & D. basis. The addition in respect of cartage is 1d. at each end, consequently if the scale is applied to an S. to S. rate 2d. has to be deducted from the calculation. Here is a specimen :

1 cwt. @ 20/- per ton ...	s. d.		s. d.
Statutory addition ...	1 0	} If carted one end ...	1 6
Cartage	5	} If Station to Station	1 5
	2		
	1 7	C. & D.	

No charge for more than 3 cwts. must be less than as for 3 cwts. at the same rate at the Small Parcels Scale. Thus, at 20s. per ton the ordinary method of calculation does not apply until 3 cwts. 1 qr. 0 lbs. has been exceeded.

This scale does not apply to returned empties.

RETURNED EMPTIES

A classification of returned empties is included in the G.R.C. (pages 378 to 380) together with the regulations relating to this traffic. The important points to note are :

1. They must be returned from the consignee and station to which they were conveyed full *by railway*, to the consignor and station from which they were consigned full *by railway*. In the case of empties in Classes A, B and C, however, exceptions to this rule are made whereby they can be returned empty from any station to any point on the outward route, or any point on the railway on which the full journey originated, not involving a substantially longer journey than that over which they passed full. They can also be sent empty *for filling and return by railway* under much the same conditions. The full journey must be substantially equal to the empty one. When empties in Class C are sent to a second consignee they can be returned to the first sender.
2. Not more than one journey at the R.E. rate can be allowed for one journey at the full rate.
3. Charges are at actual weight subject to a minimum of 56 lbs. Fractions of 14 lbs. are chargeable as 14 lbs.
4. All charges are prepaid unless the consignee has signed an agreement with the railway company (a list of such firms is given in the "Pink Pamphlet"). Empty sacks and bags will be accepted "to pay" if the consignor gives a guarantee of payment.

Special provisions are laid down for empties which have contained dangerous merchandise, fibreboard cases and confectionery jars and bottles.

There are eight classes of returned empties lettered A to H. The following are specimens of each class :

Bags and Wrappers ...	...	A	Empties not in the other Classes	E
Fish empties ...	...	B	Carboys ...	...
Vegetable empties ...	...	C	Crates ...	...
Ale and Porter Casks ...	...	D	Cable Drums ...	...
				F
				G
				H

The scale is laid down in Part 1A of the Standard Schedules and is No. 6 in the R.C.H. list. It is based on 14 mileage increments from 25 miles to over 600 miles. Class D empties are chargeable at the same rate as the full casks if cheaper than as Class E at the empties scale. Class G can be charged as empties under the G.R.C. if this gives a lower charge.

STANDARD SCALES

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The scale is inclusive of terminals but exclusive of cartage ; the charges for the latter service (at each end) are :

	Classes A, B, C, E & H, per cwt.	Class G per cwt.
Stations at which Cartage Scales A, B, C, D, E, F and G apply	2d.	4d.
Stations at which Cartage Scale H applies (London)	5d.	10d.

The following examples of charges may be of interest :

	Class A per cwt. s. d.	Class E per cwt. s. d.	Class G per cwt. s. d.
25 miles ...	1½ S. to S. 5½ C. & D.	3 S. to S. 7 C. & D.	6 S. to S. 1 2 C. & D.
75 miles ...	6 S. to S. 10 C. & D.	1 0 S. to S. 1 4 C. & D.	2 0 S. to S. 2 8 C. & D.
150 miles ...	8½ S. to S. 1 0½ C. & D.	1 3 S. to S. 1 7 C. & D.	2 10 S. to S. 3 6 C. & D.

(The C. & D. figures do not apply to London)

HEAVY ARTICLES SCALE

Additional charges are made to the ordinary rates when the weight of a single article is in excess of 12 tons. Part VI of the Standard Schedules provides for these as follows :

	Additional charge on the weight in excess of 12 tons
For the first 10 miles or any part thereof	4.75d. per ton per mile
" " next 10 " " "	3.25d. " "
" " " 30 " " "	2.00d. " "
" " " 50 " " "	1.25d. " "
Remainder of distance	0.75d. " "

Minimum Distance : 6 miles. Minimum addition: 10s.

R.C.H. Scale No. 12 shows the actual addition per ton for each mileage, e.g. for 50 miles it is 11s. 8d., for 100 miles 16s. 11d. and for 150 miles 23s. 2d.

The loading and unloading of such articles is a matter for special arrangement.

Regulation 12 of the G.R.C. deals with heavy articles in conjunction with long and bulky articles and should be carefully studied. Long articles are subject to the following minima if over 24 feet in length.

Classes I to II : As 2 tons for the first 24 feet and as 1 ton for each addition 18 feet or part thereof.

Classes 12 to 20 : As 1 ton for the first 24 feet and as 1 ton for each additional 18 feet or part thereof.

If an article weighing more than 12 tons exceeds 24 feet in length the additions for heavy articles do not apply unless a wagon specially constructed to carry a heavy article is necessary for its conveyance.

Details of the arrangements applicable to long, heavy and bulky articles conveyed by steamer, are to be found in the "Pink Pamphlet."

CARRIAGES AND CARAVANS

Part III of the Standard Schedules applies to carriages not provided for by the G.R.C. and to caravans.

It is not necessary in this book to go into very lengthy details concerning these traffics. Briefly Part III is divided into two scales, one for carriages and the chassis or under-carriages of motor vehicles on wheels (except as provided for in the G.R.C.) and the other for caravans.

The first provides for conveyances on the "tapering" principle and for station and service terminals. Two sets of figures are given, applicable to carriages and chassis, etc., of motor vehicles respectively.

The second is very similar. There are five sets of figures providing for weights up to 10 tons each. Caravans over 10 tons each are only carried by special arrangement.

The carriage scale applies to caravans if it is lower.

These are Nos. 10 and 11 respectively in the R.C.H. scales.

Certain other standard scales remain to be dealt with, but these will be considered in the chapters dealing with this particular type of traffic.

CHAPTER VIII

CARTAGE

THERE are no Standard Schedules applicable to cartage charges, consequently the railway companies are not subjected to the same restrictions which govern them so far as rail conveyance rates are concerned. As we have seen under Section 49 of the 1921 Act, the Rates Tribunal can determine whether or not a charge for collection and delivery *is reasonable*, but it would appear that this Court has no power to fix a cartage charge as a component part of a rate. It was held by Mr. Justice Porter in *G.W.R. v. James and Hodder* (R.C. & R.T. Cases, XXIII), concerning a rate on brass scrap, etc., between Bristol Port Group and Birmingham of 14s. 9d. C. & D., that the Tribunal only had jurisdiction in respect of the railway charge and no jurisdiction to fix the cartage charge. If a railway company increased its collection and delivery charges, the trader's remedy would lie in an appeal to the Tribunal on the ground that the charge was unreasonable. He could appeal against an existing charge on the same ground.

The cartage additions to standard rates have already been dealt with, but it should be observed that these are of limited application and the standard rates for the undermentioned traffics are strictly S. to S., cartage being raised separately by the station performing it and on special terms :

1. Traffics in Classes 1 to 10 ;
2. Traffics in Class 21 ;
3. Traffics included in Classes 11 to 20 but which by their nature are excluded from the C. & D. arrangements. A list of these exclusions is given at the front of every station rate-book and comprises articles which are difficult and/or expensive to handle such as aeroplanes, motor cars, loose fish, etc. ;
4. Certain dangerous goods ;

5. Returned empties in Class F ;
6. Traffic requiring carting at Liverpool, Birkenhead, Preston Dock and Garston ;
7. Traffic between Southern Railway non-competitive stations, i.e. stations which are not in competition with any other railway company.

Classes 1 to 10

Normally the greater proportion of these traffics is carted by the traders themselves, nevertheless a considerable quantity is handled by the railway companies.

There are no general scale of charges applicable and while there is a certain amount of uniformity, the scale in operation at one station, possibly does not apply to its neighbour. Conditions also vary. One station makes a minimum charge for, say, 5 cwts., another for 10 cwts., while another has no minimum at all. It will be seen that S. to S. cartage charges require recording separately for each station. For example, at Birmingham the charge for carting traffic in Classes 1 to 10 (where the company undertakes the service) is 3s. 9d. per ton, minimum as for 5 cwts., while Hull quotes 2s. 6d. per ton for Classes 7 to 10. The Leicester rate for Classes 1 to 10 is 3s. 4d. per ton, minimum as for 5 cwts. An instance of a different type of scale is that applicable to Shrewsbury where Classes 1 to 10 are charged 6d. per ton per half-mile plus 4s. per ton, minimum 1s.

Usually the charges are in excess of those for Classes 11 to 20 which may seem puzzling at first sight, but it must be remembered that the rail rates for Classes 1 to 10 include nothing for loading and unloading, and the railway company must add something for labour. A common cartage rate for these classes is 3s. 4d. which is arrived at by adding the approved labour charge of 10d. per ton to the Scale A cartage charge for Class 12 ; thus 2s. 6d. plus 10d. equals 3s. 4d.

Classes 21 and Empties Class F

Class 21 includes articles specified in the Carriers Act ; it is thus traffic of considerable value requiring special attention, and any rate for its cartage would be a matter for a particular quotation.

Empties in Class F (Carboys) may be difficult, and even dangerous to handle, and are therefore also in a special category.

Exclusions from Classes 11 to 20 Scales

When it is borne in mind that this list includes such widely varying articles as aeroplanes and loose vegetables, articles exceeding 30 feet in length and dead horses, it will be obvious that no scale can satisfactorily cover such a conglomeration, and they must of necessity be subject to special arrangements. The exclusion of certain dangerous goods explains itself.

LIVERPOOL, BIRKENHEAD, ETC., CARTAGE

All traffic (with a minor exception) is charged excluding cartage at the stations mentioned in item No. 6 on page 64.

The scale applicable to Liverpool and Birkenhead is as follows :

Inside the Ordinary Boundary

General Traffic not elsewhere provided for :

Classes	1 to 20	Dock Traffic	...	Liverpool		Birkenhead	
				per ton	per ton	per ton	per ton
				s.	d.	s.	d.
"	1 to 6	Town	"	3	4	1	9
"	7 to 16	"	"	3	4	3	4
"	17 to 19	"	"	3	9	3	9
"	20	"	"	4	6	4	6
"		"	"	5	0	5	0

Small Consignments. Minimum for each Collection or Delivery :

	...	...	...	Liverpool		Birkenhead	
				each	each	each	each
				s.	d.	s.	d.
Not exceeding 1 cwt.	...	...	...	1	9	1	9
Above 1 cwt. and not exceeding 3 cwts.	...	...	...	1	0	1	0
" 3 "	"	"	5 "	1	6	1	6
" 5 "	"	"	8 " Town	2	0	2	0
" 5 "	"	"	8 " Dock	—	—	1	9
" 8 "	"	"	at tonnage rate (Min. 8 cwts.)				

There is a list of exceptions to which special rates apply.

Special Conditions Applicable to Southern Railway Stations

Standard rates between non-competitive stations on the Southern Company's line are S. to S. only, thus differing from the other three main-line companies.

This peculiarity is "local" in character; if the traffic is entered to or from another company's station or a competitive Southern station, cartage (in the case of Classes 11 to 20) is included in the rate in the normal way.

It will be seen then that if a "local" consignment is charged at a standard rate or an exceptional S. to S. rate there will be three separate charges if the traffic is C. & D., one for collection, one for rail conveyance and another for delivery.

The cartage rates applicable are those provided for Scales B, C, D, E, F and G, but there is also a scale of minimum charges for "smalls" up to 3 cwt., thus minima apply to cartage charges while the rail charge is of course, subject to the Small Parcels Scale. The Southern have their own London cartage scale for non-competitive traffic. There are two districts, Nos. 1 and 2, and varying rates per ton for Classes 7 to 10, 11 to 13, 14 to 18 and 19 and 20, with minima of 7d. for No. 1 district and 10d. for No. 2 district.

Details of these scales (together with those applicable to the other companies) are to be found in a book which can be briefly described as "Scales of Charges for Cartage of Traffic Conveyed at Standard Rates" obtainable from the Railway Clearing House, price 2s. 6d. It is therefore not necessary to reproduce them here.

THE EFFECT OF EXCEPTIONAL RATES

It must be understood that in relation to cartage, railway companies have considerable freedom and are not tied to a rigid formula.

As we have seen, Standard Classes 1-10 rates are S. to S., but there is nothing to prevent a Class 8 (for example) C. & D. *exceptional* rate being quoted. It is not customary; but only recently a considerable number of 5-ton grain rates including collection within 3 miles of the forwarding station were put into force.

The Southern Company, although all its local standard rates are S. to S., has a large number of exceptional C. & D. figures on its books.

With the growth of railway cartage facilities and the increasing number of motor lorries operated, the companies are showing less tendency to be bound by the conventions of past years and are daily working departures from old customs in the matter of collection and delivery.

An example of this is the "bulk" cartage arrangement whereby instead of a firm sending mixed consignments having the cartage on each commodity charged separately according to its classification, a flat rate is given and the total account for cartage at the particular station is charged monthly, the calculation simply being so much weight at the rate quoted per ton.

OUT-BOUND CARTAGE

There must obviously be a limit to an area in which collection or delivery can be effected for a certain sum. In the pre-1928

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days it was called the "free" area because the rates for Classes 1 to 5 automatically covered the service where the facilities existed. Now—subject to subsequent alterations in boundaries—it represents the area covered at the charges provided in Scales A to H.

At most towns of any size cartage is performed up to a certain distance beyond the boundary, the extra charges being raised at the station performing the service. There may be several "out-boundary" areas mainly based on the distance from the centre of the town. Where there are several stations in one town it is usual to fix ordinary and out-boundary areas applicable to all of them, i.e. there is not a separate boundary for each station.

Where the quantity of traffic involved makes it worth while, the trader should obtain street maps of the large towns and have the cartage boundaries marked on them, so that accounts can be satisfactorily checked.

Table 3, showing the out-boundary charges at Leeds, is given as an example. It must be noted that they are *extra to the ordinary in-boundary charges*, whether the latter are included in the rail rate or raised separately.

TABLE 3

SCALE OF OUT-BOUNDARY CARTAGE CHARGES (LEEDS)

Cartage charges for traffic for collection or delivery beyond the agreed cartage boundary						
Area	Classes	per ton		Minima	s. d.	
		s.	d.		s.	d.
First Extra	11 to 16	1	3	up to and including 1 cwt. ...	...	6
	17 & 18	1	8	over 1 cwt. and not exceeding 3 cwt. ...	...	9
	19 & 20	2	1	over 3 cwts. ...	...	1 0
Second Extra	11 to 16	2	6	up to and including 1 cwt. ...	...	1 0
	17 & 18	3	4	over 1 cwt. and not exceeding 3 cwts. ...	...	1 6
	19 & 20	4	2	over 3 cwts. ...	...	2 0

LONDON CARTAGE

The arrangements for the Metropolis call for special consideration.

As already mentioned the Southern Railway have their own arrangements and the remarks here apply to the G.W.R., L.N.E.R., L.M.S.R. and London Passenger Transport Board (Metropolitan Section).

Outside the ordinary boundary (sometimes called the "pink") there are five outer boundaries extending 1, 2, 3, 4

and 5 miles beyond. A scale is provided in respect of each of these (Table 4).

TABLE 4
SCALE OF OUT-BOUNDARY CARTAGE CHARGES (LONDON)

Extra charges for Cartage *beyond* ordinary limits
General Scale

Distance beyond Boundary	Not exceeding					
	1½ cwts.	2½ cwts.	5 cwts.	10 cwts.	15 cwts.	20 cwts.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1 mile	6	8	1 0	1 6	2 0	2 6
2 miles	8	1 0	1 6	2 4	3 2	4 0
3 miles	11	1 4	2 0	3 2	4 4	5 6
4 miles	1 2	1 8	2 6	4 0	5 6	7 0
5 miles	1 5	2 0	3 0	5 0	6 9	8 6
			Exceeding			
			20 cwts.			
			Per ton			
			s. d.			
1 mile			2 6	Fractional parts		
2 miles			4 0	of a mile are		
3 miles			5 6	charged for as a		
4 miles			7 0	mile.		
5 miles			8 6			

The in-boundary charges additional to S. to S. rates are : Classes 3 to 13—5s. 10d. per ton. Classes 14 to 18—6s. 8d. per ton. Classes 19 and 20 9s. 2d. per ton. Class 21—13s. 9d. per ton.

Minima : Under 1 cwt.—10d. ; 1-2 cwts. 1s. 3d. ; 2-3 cwts. 1s. 8d.
(There are various exceptions to this scale.)

The railway companies do not deliver consignments weighing less than 1 ton to all the places in this extended area, but they will supply a list showing the places to which they do deliver.

Consignments of 1 ton and over are carted to all the places within approximately 5 miles beyond the ordinary boundary, the charges being as follows :

Distance	1 ton and	2 tons and	4 tons and
	under 2 tons	under 4 tons	over
	per ton	per ton	per ton
	s. d.	s. d.	s. d.
1 mile beyond boundary	2 6	2 0	1 6
2 miles " "	4 0	3 2	2 6
3 " " "	5 6	4 4	3 4
4 " " "	7 0	5 6	4 2
5 " " "	8 6	6 6	5 0

These charges are extra to the ordinary cartage charges or rates including delivery in London

SPLIT DELIVERY CHARGES (see also page 27)

When a consignment charged as one lot over the railway is split into different portions at destination, a "splitting"

charge of 1d. per consignment is made. If the traffic is charged at rates including delivery and the separate portions do not exceed 3 cwts., the following additions are made to the ordinary cartage included in the rate :

London	3d. per cwt. minimum	4d. each separate cartage
Other than London	2d. " " "	3d. " " "

These charges are additional to the 1d. for splitting.

Where the traffic is charged at station rates, the cartage is a separate transaction and a split delivery charge cannot therefore be made. Small consignments will be provided for by the minima attached to the particular cartage scale. The same applies to an exceptional "carted" rate where it applies with station conditions, i.e. where the trader claims a rebate and pays a separate cartage charge—railhead delivery, for example.

COUNTRY CARTAGE AND RADIAL DELIVERY SERVICES

Recent years have witnessed a tremendous growth in the facilities offered to the more remote districts. There are now surprisingly few places at which collection and delivery cannot be effected by the railway companies or their agents.

The country lorry services are operated from a number of suitable centres (the L.M.S.R. has nearly 150 such points), and extend over a radius of anything from 8 to 20 miles. Table 5 gives a typical scale of charges; it is however advisable to obtain copies of the booklets issued by each company, in which complete details will be found. Specially low scales operate for 1, 2 and 4 ton loads.

Railhead Distribution Schemes are, generally speaking, wider in scope, than the country lorry services. They include the receiving in bulk and distribution over a wide area and can if necessary be operated in conjunction with warehousing, labelling and stock-keeping facilities, which will be dealt with later. Good examples of this service are the schemes operated by the G.W.R. round Bristol, Cardiff and other large towns.

The advantages of railhead distribution, some of which also apply to country lorry services are :

1. Goods are distributed over a wide area on the day of arrival at the distributing point, which often means that despatch from the factory is overnight.
2. Bulk forwarding means that lower rates to the distributing point can often be obtained.

3. The weight forwarded probably justifies a through truck. Transshipment is avoided and a more rapid service obtained. There is less risk of damage because handling is reduced.
4. The rapid service obtainable may mean that the manufacturer need not maintain a local warehouse for executing urgent orders.
5. The collection of returnable empties can be included in the distribution charge.

TABLE 5

TYPICAL SCALE FOR RADIAL COLLECTION AND DELIVERY OF RAILBORNE TRAFFIC (MERCHANDISE AND PARCELS TRAFFIC)

Weight not exceeding	Up to	Over 3 and	Over 5 and	Over 7 and	Over 9 and
	3 miles	up to 5 miles	up to 7 miles	up to 9 miles	up to 12 miles
	s. d.	s. d.	s. d.	s. d.	s. d.
7 lbs.	4	4	6	6	7
14 lbs.	4	4	6	6	7
28 lbs.	4	4	6	6	9
56 lbs.	6	6	8	8	11
84 lbs.	7	7	10	10	12
1 cwt.	8	8	10	13	16
1½ cwts.	10	10	14	17	20
2 cwts.	10	10	18	20	26
2½ cwts.	11	13	20	24	30
3 cwts.	12	16	26	29	36
4 cwts.	15	20	33	36	40
5 cwts.	18	26	40	43	49

Above 5 cwts. the charges will be at the rate of 3s. per ton up to 2 miles, and an additional charge at the rate of 6d. per ton per mile for longer distances subject to a minimum charge as for 5 cwts. as shown above.

It will be observed that this method is mainly a *delivery* service while the country lorry services apply equally well to collection or delivery.

The charges for both types of service are from station to destination or in the reverse direction, and are thus additional to *station* rates. The trader should therefore claim for any cartage which is included in the rail rate.

It will be appreciated that owing to differences in type of traffic, size of deliveries, total quantity, etc., quotations for the railhead service are a matter for individual negotiation.

Even where no facilities of this kind are generally operated,

it is often possible for the trader to make some private arrangement with the railway company for collection or delivery over a specified area at a flat rate.

Special arrangements exist for the handling of farm produce, for example, milk can generally be collected up to a distance of 5 miles for $\frac{1}{2}$ d. per gallon, including the cartage of the empty churns.

NON-RAIL-BORNE TRAFFIC

In 1928 the four main-line companies were granted road powers under their respective road transport Acts. They may convey traffic by road which has not and is not going to pass by rail, and enter into direct competition with road hauliers. Where there is a regular service the rates and charges must be recorded at the nearest railway station and the traders may appeal against unreasonable charges to the Rates Tribunal.

For the purposes of Section 59 (6) of the Railways Act the road transport services are regarded as ancillary businesses.

The companies convey a considerable quantity of traffic purely by road where that form of transport is the most economical—sugar beet from farms to an adjacent factory, for example—but it is not their policy to convey in this manner when the service could be reasonably performed by rail.

The G.W.R., L.N.E.R. and L.M.S.R. jointly operate a road service for the collection and delivery of non-rail-borne traffic in London. There are two scales of charges. One is for the London area proper; it starts at 3d. for a weight of 4 lbs. and goes up to 1s. 6d. for 112 lbs.; over 112 lbs. is charged *pro rata* to the rate for 112 lbs. The other scale covers London and the suburban area and commences at 5d. for 4 lbs., rising to 1s. 8d. for 112 lbs.

In both cases, glass, frail or bulky articles are chargeable at 50 per cent. above the ordinary rates. Special quotations will be given for large quantities. Parcels for the same consignee from the same sender can be "bulked."

CHAPTER IX

COLLECTION AND DELIVERY BY TRUCK AND BARGE AND AT DOCKS AND SIDINGS

IT is laid down in Clause 11 (1) of the Fifth Schedule to the Railways Act, 1921, that the companies may charge a reasonable sum for collection or delivery outside a terminal station (other than as provided for by Section 49 of the Act) of merchandise which has been, or is to be, carried by railway. Section 49 refers to road collection and delivery, thus Clause 11 deals with the service when performed *other than by road*.

The words "when rendered to a trader at his request or for his convenience" are used in the clause and the necessities of the traffic and other circumstances may be held to imply a request. If it is practicable for the trader to perform the service and he gives notice in writing to the company, it shall not be deemed to have been rendered for his convenience.

Any differences arising shall be determined by the Rates Tribunal.

THE COLLECTION AND DELIVERY OF DOCK TRAFFIC

It will be understood that the charges and conditions applicable at different ports vary considerably. So far as the collection or delivery charges on traffics in Classes 11 to 20 are concerned, however, the railway companies have adopted the following practice. With the exception of Liverpool, Birkenhead, Garston, Manchester Docks and Preston Docks, traffic in these classes charged at standard rates will have the usual cartage charges added *irrespective of whether the service is performed by road vehicle, truck or barge*. Exceptional C and/or D rates will apply to the three methods of collection or delivery unless the rate is specially noted as applying by truck or barge only.

Traffics in Classes 1 to 10 will be normally charged at S. to S.

rates, and the collection or delivery charge (if any) raised at the scale applicable to the particular method adopted. At many ports the ordinary S. to S. railway rates include delivery alongside steamer by truck, in certain minimum quantities, at rail-connected docks. At others (usually non-railway owned docks) a haulage charge is made to cover the hauling of the trucks between quay and point of exchange with the railway company's main line. Traffics in Classes 1 to 10 in less than 2-ton lots would automatically fall in Class 12, and therefore be subject to the cartage addition, except as provided for by exceptional rates.

Lighterage charges operate with weight minima, the scale varying with the port. Barging limits will apply in the same way as cartage limits and extra charges made for lighterage beyond the prescribed boundaries. When traffic in Classes 11 to 20 is lightered at inclusive C and/or D rates the collection or delivery portion of the rate will only cover the service within the specified area.

The railway companies' lighterage charges normally include the quay rate at the waterside station and loading or unloading from barge to truck.

While it is impossible in the space available to consider in detail the arrangements operating at various ports, a brief summary of those applicable to certain major ports is given for guidance :

LONDON

The docks of the Port of London Authority are, with the exception of the London, St. Katherine and Surrey Commercial docks, connected with the G.W.R., L.M.S.R. and L.N.E.R.

At *rail-connected docks* the "F.A.S." arrangement operates whereby traffic in Classes 11 to 20 charged at rates including delivery in London (or where full cartage charges are raised in addition to an exceptional S. to S. rate), is not subject to dock charges. These charges are paid by the railway company at a commuted rate, thus the trader knows exactly what his transport costs will be to the ship because they are included in the one rate. There are exceptions to the arrangement, as for example, articles weighing more than 6 tons, traffic from certain G.W.R. stations, ships stores, etc. It is important to note that it *does not apply to import traffic* or traffic from the Southern Company's stations.

TABLE 6
CHARGES FOR HAULAGE AT P.L.A. DOCKS
General Scale

Traffic	Articles not over 12 tons each	Articles over 12 tons but not 15 tons each	Articles over 15 tons each
	per ton	per ton	per ton
	s. d.	s. d.	s. d.
Classes 1 to 10 ...	1 7	2 0	2 5
" 11 to 16 ...	2 0	2 6	3 0
" 17 and 18 ...	2 5	3 0	3 8
" 19 ...	2 10	3 6	4 3
" 20 ...	3 2	4 0	4 9

Exceptions include pitch, slates, stone, tiles, etc.
NOTE.—This scale also applies to stores traffic and traffic for dock improvements consigned to P.L.A. (not Tilbury Docks).

Commodities in Classes 1 to 10 collected or delivered by truck are subject to the haulage charges set out in Table 6, or certain exceptional charges which are provided. This haulage scale does not apply to Southern Railway traffic, on which haulage in accordance with the P.L.A. schedule is raised.

Table 7 shows the general scale for lighterage.

Collection from or delivery to non-rail connected docks must obviously be by road or water. If by the former the cartage charges shown for Scale H on page 48 will apply unless the traffic is provided for by an exceptional cartage charge. If lighterage, the general scale for lighterage will apply.

TABLE 7
CHARGES FOR LIGHTERAGE IN LONDON
General Scale

Traffic	Not exceeding 10 tons		Exceeding 10 tons and not exceeding 20 tons ^a		Exceeding 20 tons and not exceeding 40 tons		Exceeding 40 tons and not exceeding 80 tons [†]		80 tons and over
	per ton	Minima for each separate lot	per ton	Minima for each separate lot	per ton	Minima for each separate lot	per ton	Minima for each separate lot	
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Classes 1 to 10 ...	7 3	65 0	6 0	72 6	4 6	120 0	3 20	180 0	3 4
Classes 11 to 20 ...	8 0	65 0	7 3	80 0	5 2	145 0	4 6	206 8	4 0

^a In the case of traffic with Marylebone the minimum is £5 19s. Certain traffics are exempted from the above scale.

[†] Or an 80 tons if cheaper.

It is advisable for anyone interested in London lighterage to obtain a copy of the scale of charges issued on January 1st, 1934, from the Secretary to the Metropolitan Conference, c/o the Railway Clearing House. Besides the details of charges this document defines the ordinary barging limits, and contains the regulations governing lighterage charges, the extra charges applicable to places beyond the ordinary barging limits and details concerning barge demurrage.

LIVERPOOL

Traffic delivered to the docks by road is subject to the cartage charges provided on page 65. Full truck-load traffic is worked to and from the railway companies' lines by the Mersey Docks and Harbour Board for which they make the following charges: Classes 1 and 2, 3½d. per ton; Classes 3 to 6, 4d. per ton; Classes 7 to 20, 6d. per ton. Traffic is unloaded and uncovered by the shipowners, the recognised charges being 1s. 9d. per ton. Inwards traffic is loaded and covered by the Master Porter at the charges provided in the Mersey Docks and Harbour Board schedule.

The railway companies are saved terminal accommodation and therefore make a terminal allowance, e.g. Classes 7 to 10, 1s. 2d. per ton; Classes 11 to 20, 1s. 7d. per ton. These allowances are paid according to the class at which the rail charges have been assessed.

The trader is usually charged by the railway company the sum representing the haulage plus handling minus terminal allowance, thus:

	Classes 7 to 10		Classes 11 to 20	
	s.	d.	s.	d.
Haulage	6	6	6	6
Uncovering and Unloading ...	1	9	1	9
	<hr/>		<hr/>	
Less Terminal Allowance ...	2	3	2	3
	1	2	1	7
	<hr/>		<hr/>	
	1	1		8
	<hr/>		<hr/>	

BIRKENHEAD

The railway companies undertake the collection or delivery of traffic either by van, barge or truck over the lines of the Mersey Docks and Harbour Board. There is a flat charge of 1s. 9d. per ton which covers cartage, lighterage or haulage alongside steamer.

MANCHESTER DOCKS

The rates chargeable on traffic for shipment at these docks are those noted with Manchester Docks (shipping) which in the case of full loads for one ship will cover conveyance alongside vessel.

Lots of less than 1 ton are dealt with at Manchester town stations, but charged at the Manchester Docks (shipping) rates which will include delivery (or collection) alongside.

For most classes of goods the through rates are inclusive of canal tolls and wharfage rates (where applicable). In the case of export traffic the goods should be consigned "carriage forward" to the order of the shipowner or agent (from whom the dock company will collect the charges) in order to obtain the advantage of the inclusive through rate.

COLLECTION AND DELIVERY AT SIDINGS AND BY LIGHT RAILWAY

In dealing with sidings and tramways it is impossible to generalise because there are no "hard and fast" scales of charges and the circumstances are peculiar to the particular case.

Public sidings very often are noted with a standard distance and to all intents and purposes are stations, except of course, traffic is only dealt with in truck loads and handled by the trader. In other cases the rates applicable to an adjacent station apply with or without an additional haulage charge.

Private Sidings

As was mentioned in Chapter I, a trader has the right to claim *siding* rates and is not bound to accept *station* rates as applicable to his siding. Regarding rates noted with "private siding" conditions, they obviously include collection from or delivery to the siding and there can be no question of an extra haulage charge. Nor can such a charge be made where it has been agreed that the rates applicable to some nearby station shall apply to the siding. It sometimes happens that owing to the peculiar geographical situation of a siding it is agreed between the railway company and the siding owner that the rates with the nearest convenient station plus a haulage charge shall apply. The trader, however, is not bound to agree to such an arrangement.

A railway company cannot make an extra charge for work *which is incidental to conveyance* as such a service is deemed to be included in the standard rate for conveyance (Clause 12,

Fifth Schedule, 1921 Act). It has been held by the Railway and Canal Commissioners that actual conveyance begins and ends when the siding is reached. Normally the trader would "take over" at this point, but if owing to the position, configuration or area of the siding, the railway company has to perform extra work which ordinarily would be done off their line, such work is not incidental to conveyance. It could therefore be made the subject of an extra charge.

It would appear that no extra charge for hauling can be made if the railway company chooses to detach and deposit the wagons at a point short of where the trader or independent carrier would come in.

It is provided that a railway company may charge a "reasonable sum" for services not incidental to conveyance rendered at or in connection with a private siding. Any difference shall be determined by the Rates Tribunal. (Clause 11 (1), Fifth Schedule, 1921 Act). (See also under Private Siding Rebates, page 90).

Clause 18 of the Fifth Schedule reads: "For any quantity of merchandise less than a truck load which the company either receive or deliver in one truck on or at a siding not belonging to the company, or which from the circumstances in which the merchandise is tendered or the nature of the merchandise, the company is obliged or required to carry in one truck, the company may charge for a reasonable minimum load having regard to the nature of the merchandise."

LIGHT RAILWAYS AND TRAMWAYS

The railway company's ordinary rates will only apply to or from the exchange station and extra charges will, of course, be payable for the portion of the conveyance which is over the light railway, such charges usually being raised by the railway company.

Clause 5 of the Fifth Schedule provides that a railway company may make a reasonable charge for transshipment to or from a railway of a different gauge. In the case of difference the amount of such charge shall be determined by the Rates Tribunal.

CHAPTER X

AGREED CHARGES

SINCE the Railways Act, 1921, by far the most important development in the matter of railway charges has been the legalisation and increased adoption of flat rates agreed between railway companies and trader.

A charge so agreed is fixed at so much per unit of traffic irrespective of distance conveyed, it operates for a stated period and it applies to the whole of a trader's traffic or to a defined portion of it. It requires very little reflection to show what a tremendous change in past policy this new system represents.

Flat rates were not entirely unknown even in pre-1928 days, but it was not until the railways were stimulated by acute road competition that they turned to such a method of charging in an effort to retain or recapture traffic.

The first flat rate was for passenger train traffic forwarded by Messrs. J. Lyons & Co., and was approved by the Tribunal on March 17th, 1931, under Section 37 (1) of the 1921 Act. This part of the Act refers to the granting of new exceptional rates less than 5 per cent.* or more than 40 per cent. below standard.

The first similar charge for goods train traffic was that applicable to Great Universal Stores, Manchester, and here it seems that the main object of the railways was to secure lower clerical costs for themselves and the trader.

The new system became known and was beginning to develop, when the position was entirely altered by the decision in the now famous Robinson case. This, briefly, was an application to the Tribunal to sanction a rate of 7s. 2d. per ton for oilcake and animal feeding stuffs forwarded by Messrs. J. Robinson & Co. Ltd. from Avonmouth Docks to 208 stations. The judgment of the Tribunal, affirmed in the Court of Appeal, was that the flat-rate charge was not a new exceptional rate within the meaning

* Subsequently amended.

of the Railways Act, and such a charge was not permissible under the Act. Flat rates were illegal ; and so the end of 1933 saw legislation promoted with the object of removing the disability.

Road and Rail Traffic Act, 1933

Section 37 of this Act provides that a railway company may make such charge or charges as may be agreed with the trader, so long as the charge and attached conditions are approved by the Tribunal, which approval shall not be given if it considers that the object to be secured by the charge could be adequately met by the granting of exceptional rates.

Each agreed charge must be submitted to the Rates Tribunal within seven days with an application for its approval and any trader who considers himself detrimentally affected is, after giving notice, entitled to be heard in objection to the application. This right of objection also extends to any representative body of traders which satisfies the Tribunal that a substantial number of its members are interested in or likely to be affected by the proposed charge.

A trader who considers that his business will be detrimentally affected as the result of the making of an agreed charge may apply at any time to the Tribunal to fix a charge in respect of his merchandise (being of a similar nature), and if the Tribunal considers that he is or will be detrimentally affected, it may fix a charge and the conditions attached, to operate as determined. An application of this nature can be combined with an objection to an agreed charge.

The Tribunal may fix an agreed charge for any period or without restriction of time, and the date on which it shall become operative, but such date shall not be earlier than that on which the application was lodged. Where, however, it fixes a charge in accordance with the preceding paragraph, it must not be for a period in excess of that for which the charge complained of by the trader, was approved.

If a charge is fixed without a time restriction, any trader or representative body of traders detrimentally affected, can apply after the expiration of one year, for the Tribunal to withdraw its approval. The Tribunal may then withdraw, refuse to withdraw or modify the charge in question. Any modification must be agreed to by the railway company and trader to whom the charge is applicable. If the Tribunal has fixed a charge in respect of the merchandise of a complaining trader, that trader

shall not be entitled to make such an application in so far as it relates to merchandise similar to that for which his charge was fixed. Moreover, if the Tribunal withdraws its approval to, or modifies an agreed charge, any charge fixed in favour of a trader who complained of that agreed charge, will cease to operate or be subject to corresponding modifications as may be determined.

In considering applications the Tribunal must have regard to all the relevant factors but particularly to the effect the charge, if made, would have upon the net revenue of the railway company and the business of any trader by whom, or for whom, objection is made.

A measure of protection is given to port, harbour or dock authorities or companies, in so far as any of them may complain to the Railway and Canal Commissioners if it considers that by an agreed charge it is being placed at an undue disadvantage compared with any other port, harbour or dock (Section 37 (10)).

Section 39 protects coastwise shipping interests which have the right to make representations to the Minister of Transport if agreed charges or exceptional rates are being made or charged by a railway company in competition with coastal carriers, which are :

- (a) placing coastal carriers at an undue or unfair disadvantage, or
- (b) inadequate, having regard to the cost of providing the service for which the charge is made.

The procedure is briefly outlined on page 51.

The provisions of Section 54 of the 1921 Act (relating to the publication of schedules of standard charges, etc.), do not apply to agreed charges, but the details of charges fixed, continued, withdrawn or modified must be reported to the Minister within fourteen days of the Tribunal's decision (or such longer period as may be allowed). All such charges and the conditions attached thereto must be recorded and be open to public inspection without payment at such places and times as the Tribunal may direct.

We now come to what is probably the most important provision—Subsection (9) of Section 37 of the 1933 Act. In respect of an agreed charge a railway company is exempt from :

“ (i) So much of Section 90 of the Railways Clauses Consolidation Act, 1845, of Section 83 of the Railways Clauses Consolidation

(Scotland) Act, 1845, and of any section of a local and personal or private Act, as relates to the obligation of a railway company to make equal charges to all persons under like circumstances ; and

- (ii) So much of Section 2 of the Railway and Canal Traffic Act, 1854, and of any section of a local and personal or private Act, as relates to the obligation of a railway company to accord no undue preference to any person, company or description of traffic, and Section 27 of the Railway and Canal Traffic Act, 1888, which relates to complaints with respect to undue preference."

In brief, a century of effort directed towards securing for traders equitable treatment under like circumstances is brought to nought by two paragraphs—so far as agreed charges are concerned. In the making of such charges the railways need pay no attention to the necessity of treating traders equally.

PROGRESS AFTER THE 1933 ACT

The Act came into operation on January 1st, 1934, and the railway companies immediately lodged a number of applications—some of which were for charges they had been illegally making during the previous two years. During the first year 148 charges were determined. Objections were lodged to some of these, but with the exception of the Woolworth case, which will be referred to later, the opposition was not pressed at the hearings.

The number of charges approved in 1935 was 371, and in 1936, 519. Of course these figures do not all represent *new* charges, a proportion comprises renewals.

The period for which charges are normally agreed is one year, but there have been certain ones approved for six months and two years.

Most agreed charges are so much per ton, but some are per package or per consignment, and one is based on the purchase price paid by the trader ; which brings us to—

THE WOOLWORTH CASE

In 1932 this firm ascertained the cost of carrying the traffic from about 2,000 suppliers to some 513 stores for the year 1930. Worked out as a percentage of the purchase price of these goods it amounted to 4.04 per cent. Disregarding the odd .04 per cent., a bargain was struck with the railway companies for a flat rate of 3½ per cent. of the purchase price, which represented an abatement of one-eighth. In 1933 a similar agreement was made, based on the traffic for 1932, when it was found

that Messrs. Woolworth's total transport cost in that year would have been 4.32 per cent. of the purchase price. Again allowing the one-eighth abatement the charge for 1933 was fixed at $3\frac{3}{4}$ per cent.

These two charges were, of course, illegal, and April 1934 saw the first application under the Road and Rail Traffic Act, the charge in this case being based similarly to those arranged in 1932 and 1933.

There was considerable opposition from traders, based mainly as follows :

1. That a competing trader was unable to make a comparison with the charges paid by him.
2. That it was impossible to estimate the ultimate advantage to Messrs. Woolworth, which might be much in excess of the agreed abatement of one-eighth.
3. That unfair competition would result.
4. That there would be widespread applications from traders for similar charges which, if granted, might endanger the standard revenue.

In giving judgment for the approval of the charge, the Court arrived at the conclusions that, (a) the object to be secured could not be met by the granting of exceptional rates ; (b) that the railways' net revenues might reasonably be expected to be greater if the charge was approved ; (c) that although the charge might affect some traders detrimentally, such detriment was not likely to be so great as to justify withholding the charge, and any such detrimental effect was capable of correction under Section 37 (6) of the 1933 Act.

Since this judgment the agreement has been renewed for 1935, 1936 and 1937 at $4\frac{1}{4}$ per cent., 4 per cent. and 4 per cent. of the purchase price, respectively.

OBJECTS IN MAKING AN AGREED CHARGE

These are best described in the words of the Rates Tribunal's Annual Report for 1934 :

" Broadly the objects which the parties had in agreeing the charges submitted for our approval were one or more of the following :

- (a) on the part of the Trader—reduction of transport charges, simplification of accounting, reduction of clerical work and

expenditure, avoidance of differences in regard to classification and charges ;

- (b) on the part of the railway company—securing for the period of the agreed charge the whole of the Trader's traffic specified in the agreement, the avoidance of differences in regard to classification and charges, the reduction of clerical work and expenditure."

HOW AN AGREED CHARGE IS BASED

Put simply, it is on a summation of a trader's transport charges over a period. The average rate per ton, per package, or whatever unit is chosen, is obtained and the result becomes the subject of negotiation between the parties. The trader who is using, or is able to use means of transport competitive with rail to a substantial extent, has a strong negotiating power and may be able to obtain a considerable reduction from the actual arithmetical calculation.

In practice the method may differ according to circumstances, but frequently the figures for two months' traffic are taken—one light month and one heavy month. The railway company obtains the details for the rail proportion and the trader supplies the particulars for the remainder of the traffic and an overall average thus calculated.

Theoretically an agreed charge contains—to a degree at any rate—all the elements of classification and rating because it is based on the actual charges over a period, the rail proportion of which have been worked out or based according to a classification and standard scale.

A point which has been repeatedly made by the railway companies is that an agreed charge must be considered *as a whole*. It cannot be pulled apart and compared with the ordinary rates for a specific traffic or over a particular distance, because *it is an average* based on charges over varying distances and possibly on a variety of traffics in different classes.

THE CONDITIONS ATTACHED TO AN AGREED CHARGE

A specimen of an application to the Rates Tribunal with schedule embodying a typical agreement is given as Appendix C to this work.

The twelve places at which agreed charges must be filed for public inspection are specified in the application.

Some of the conditions are standard, i.e. they are embodied in practically every agreement.

It is quite common for the trader to exclude traffic delivered

by his own vehicles and/or by contractors within a stipulated radius. In some of the agreements for 1935 there appeared for the first time a novel condition providing that the trader should hand to the companies the whole of the traffic for conveyance by rail or *throughout by road*.

Condition 1 (c) known as the "coastwise steamer clause," is designed to make it perfectly clear that the companies are not, in making the agreement, attempting to take traffic away from coastal carriers. "Continuance of *existing facilities*" means the facilities which the trader was enjoying prior to the agreed charge.*

With the growth in number of agreed charges, it may happen that a trader forwards traffic to a trader who also has an agreed charge; hence Condition 2.

Condition 3 refers to delivery, outboundary, etc., charges, which have been included in the summation on which the charge is based.

Condition 8 is important because it is quite likely that some change in the trader's business may materially affect the size of consignment, average length of haul, etc.

The specimen agreement covers all stations in Great Britain except the Isle of Wight, but this need not necessarily be so. A charge can be arranged for a particular area and there can be a series of such "local" charges.

Sometimes, by arrangement with the trader, a condition stipulating a minimum quantity of traffic per annum is inserted. For example, in May 1936, the Tribunal approved a charge in respect of certain traffic forwarded by Messrs. J. Lyons & Co. Ltd., for a minimum of 17,000 tons per annum. Further charges were authorised for 18,000, 19,000 and 20,000 tons per annum, giving a reduction of approximately $2\frac{1}{2}$ per cent. from the 17,000 tons figure for each rise of 1,000 tons in the minimum quantity.

THE OBTAINING OF AN AGREED CHARGE

In the likelihood of the arrangement being to their advantage, the first move may come from the railway company. After the necessary particulars have been obtained and analysed, a figure will be offered; negotiations will follow and the actual charge and conditions agreed upon; these will be embodied in the agreement and signed by the Secretary of the Railway Clearing

* The word "facilities" here means not only services, but also charges. *R.R.T. Proceedings*, 1936, No. 41, page 602.

House for the railway companies and by the trader or his representative.

The particulars of the charge must be delivered to the office of the Tribunal, and an application for approval filed with the Registrar. As directed by the Tribunal, notice of the application in the approved form must be published in the gazettes and certain newspapers.

Every trader should make a practice of examining these notices which give the number of the charge, the name of the firm and the commodities to which the charge applies, so that if he is interested he can send for a copy to the Secretary, Rates and Charges Committee (price 1s.).

OBJECTIONS

The Railway Rates Tribunal Rules (Statutory Rules and Orders, 1922, No. 906), and particularly the Additional Rules (S.R. & O., 1934, No. 1), should be carefully studied. Rule 5 of the latter reads :

" Any notice of objection to an agreed charge under the provisions of subsection (5) of Section 37 of the said Act, shall be filed and served in accordance with the directions of the Court or Registrar given in each particular application for approval."

The first step is to lodge an objection in writing with the Registrar and serve a copy on the Secretary to the Rates and Charges Committee.

At first, certain objections were filed merely for the purpose of obtaining further information concerning the proposed charge, but this procedure is unnecessary, for on July 25th, 1934, the President of the Tribunal directed that any interested person present at a hearing would be enabled to obtain relevant information notwithstanding that a notice of objection had not been lodged.

Before lodging an objection a trader would be well advised to remember :

- (a) that it is practically impossible to obtain exact data as to how the proposed charge is arrived at and to check it with similar data in respect of his own traffic ; and
- (b) that so far there have been no successful objections.

When a trader wishes to object and also desires a charge to be fixed in his favour he must lodge an objection in writing and an application as mentioned under the next heading. If convenient the two will be heard together.

When an association or body of persons makes an objection (or an application), it must also file a statement of the facts upon which it claims to represent a substantial number of traders interested or affected.

APPLICATIONS TO THE TRIBUNAL FOR THE FIXING OF A CHARGE

The Rule applicable (No. 6, S.R. & O., 1934, No. 1) reads :

" In any application by a Trader for a charge to be fixed under the provisions of subsection (6) of Section 37 of the said Act, the applicant shall name in his application as respondent the railway company with which he contracts for the carriage of the merchandise, and if the agreed charge complained of is proposed to be made, or is being made, by another railway company the applicant shall also name that company as a respondent. The applicant shall also give such public notice (if any) and serve copies of the application upon such persons, as the Court or Registrar may direct."

Where the application concerns an agreed charge, fixed without restriction of time, which is in operation, the railway company(ies) and trader(s) party to the agreement must be named as respondents.

CONCLUSION

An agreed charge has not been offered in every case in which an application to the railway companies has been made. They have considered certain traffics unsuitable as the subject of such a charge, and practically all those agreed so far are for the products of the "light" industries. For example, we do not find coal or other minerals figuring in them.

There is no doubt that the problem of whether or not to adopt this method of charging is exercising the minds of a great many traders although the number agreed is comparatively small. It is impossible to give any general opinion on the benefits or disadvantages of the system because so much depends on the trader's business and the sort of bargain he is able to make.

An unfortunate aspect of the matter is that any charge based on a summation of past charges must tend to benefit the trader who has used road transport to a large extent, while the 100 per cent. rail user has nothing to bargain with.

On January 22nd, 1936, Mr. Stanbra, addressing the Rates Tribunal on behalf of the railway companies, and referring to a trader who always handed his traffic to rail but found that his competitors who had always gone to the cheapest possible transport were getting better terms, said: ". . . It is a very

difficult problem. It is an allegation against the companies that the loyal trader does not get as well treated as the man who does not consider the interests of the railway companies at all." Mr. Parkes (a member of the Tribunal) asked: "Have you a good answer to that?" Mr. Stanbra: "No, sir. It is a very difficult point. One would like to persuade them all to pay the rail summation, but it is very difficult."

In negotiating an agreed charge, therefore, the trader must bear in mind not only the proportion of traffic passing by road, but economies he could effect if he *diverted all or any of the existing rail traffic*.

There are at least two very important questions to which satisfactory answers are necessary:

1. Does the charge offered represent a level at which the transport costs can be safely stabilised?
2. Is the position for subsequent years (after the initial period) sufficiently safeguarded?

Assuming satisfactory answers, there are many obvious advantages to be gained, but under no circumstances should an agreed charge be allowed to run on without some periodical check being made by the trader, so that he may be satisfied that he is not losing money by it.

CHAPTER XI

REBATES

A RAILWAY company cannot charge for services it does not perform, and if in a gross tonnage rate there is included a specific charge for such a service the trader may claim a rebate in respect of it.

CARTAGE REBATES

Prior to 1928 when Classes 1-5 rates were C. & D. and when railway cartage facilities were much less extensive than they are now, the claiming and checking of rebates entailed a considerable amount of work. Now, cartage is not added to a standard rate unless it is performed and there is thus no question of a rebate. There are, however, a number of exceptional rates noted as including cartage from which rebates are allowable.

The amount of the rebate will generally be that included in the rate for the service. There are no statutory limits; the only test which can be applied is that of "reasonableness." Exceptional rates being lower than standard, it is unlikely that the full cartage charges are included and rebates are therefore lower than the equivalent additions to the standard rates.

The Railway Clearing House issues a publication known briefly as "The Mauve Pamphlet" (from the colour of its cover). This contains the details of the cartage charges included in exceptional C. and/or D. rates at stations in England and Wales and Scotland. There are thirty-one scales and the stations are listed alphabetically with the number of the scale applicable. Some are based on classification, others are governed by the amount of the rate while in the remaining cases an all-round allowance irrespective of classification is given.

From time to time leaflets adding to or amending the particulars given in "The Mauve Pamphlet," are issued by the R.C.H.

The following are examples of the scales :

Scale 1. London :

<i>Traffic in Classes</i>	5 & 6	7 to 10	11 to 13	14 to 16	17 & 18	19	20
<i>Per ton</i>	... .. 2s. 8d.	2s. 10d.	4s. 0d.	4s. 5d.	4s. 10d.	5s. 4d.	6s. 5d.

(There are certain exceptional traffics)

Scale 14. Applicable to various stations, including Norwich, Ipswich, Lincoln, Peterborough, Nottingham, etc.

<i>Traffic in Classes</i>	...	...	11 to 13	14 to 16	17 & 18	19	20
<i>Per ton</i>	...	...	...	1s. 4d.	1s. 7d.	2s. 2d.	2s. 8d. 3s. 2d.

(There are certain exceptions)

Scale 23. Applicable to various Scottish stations, including Montrose, Falkirk, Banff, etc.

At all stations covered by the scale ... 1s. 2d. per ton

If an exceptional rate embraces traffics in different classes, the rebate allowable will be that applicable to the lowest class of traffic included in the rate heading. So far as rates noted for Lists A to X are concerned, however, a list is given of the classes at which rebates are allowed. For example, from a rate noted for List C rebate is allowed on the basis of Class 19, for List H on Class 14, and for List S on Class 16. Where two or more "lists" are combined to form a composite rate, the rebate is governed by the lowest class traffic to which the rate applies.

No difficulty with regard to the payment of rebate is likely to be encountered where the claim is made by the person paying the carriage charges, especially if this is the consignee. If the consignor will claim, it is advisable to mark the consignment note "We Claim Cartage Rebate" where necessary. If the consignee claims in respect of traffic on which the charges have been paid by the consignor, it is desirable to advise the railway in advance (preferably in writing) that the trader intends carting his traffic and claiming any rebates allowable.

NON-PROVISION OF TRUCKS

Paragraph 6 (2) of the Fifth Schedule of the Railways Act, 1921, reads :

"Where, for the conveyance of merchandise other than merchandise in respect of which the rates for conveyance do not include the provision of trucks, the company does not provide trucks, the charges for conveyance shall be reduced by such sum as the Rates Tribunal determine."

This apparently refers to cases where the railway company is unable or unwilling to provide trucks and the trader uses his own. For example, under paragraph 6 (3) the company is not required to provide trucks for lime in bulk, salt in bulk, or

merchandise which would injure the trucks. Under such circumstances the trader would (if the rate included a charge for the provision of trucks) be entitled to a rebate ; but the right to a rebate where the company are ready and willing to provide trucks, is by no means established.

The rebates in respect of covering and uncovering, when traffic is conveyed in open trucks at rates including these services, are set out on page 45.

REBATES AT PRIVATE SIDINGS

Clause 3 (2) of the Fifth Schedule of the 1921 Act reads :

“ Where merchandise conveyed in a separate truck is loaded or unloaded elsewhere than in a shed or building of the company, the company may not charge to a trader any service terminal for the performance by the company of any of the said services if the trader has requested the company to allow him to perform the service for himself, and the company has unreasonably refused to allow him to do so. Any dispute between a trader and the company in reference to any service terminal charged to a trader who is not allowed by the company to perform for himself the service shall be determined by the Rates Tribunal.”

A station terminal is only chargeable *at a terminal station*, thus a company cannot make charges for either station or service terminals on private siding traffic. They are, however, as we have already seen (page 77), entitled to charge a “ reasonable sum ” for services rendered at or in connection with a private siding.

Where a trader agrees to pay the full station rates in respect of his siding, he is paying the station and service terminals as *the equivalent of the “ reasonable sum ”* referred to above. If a siding is a difficult one to work, this sum might even be more than the sums allowed in the station rates for terminals and the charges on the siding traffic be thus more than if it was dealt with at a station.

It is impossible to generalise regarding the charges for private siding services, each case being based on its merits ; there is, however, a tendency to standardise present practice. To arrive at the value of services performed by the company for the trader on a mathematical basis is obviously impracticable, so some rough estimate is usually made of the cost of performing the labelling, sorting and marshalling of wagons, the supervisory, clerical and any other work that may be involved. This amount must be reduced to so much per ton, either in the form of an overall charge applicable to all traffics or a series of figures for varying classes of traffic.

Against this must be compared the average or averages (per ton) of the amounts included in the rates for terminals, and here there must of necessity be a large element of guesswork. If this figure (or series of figures) is more than the value of the private siding services (and generally speaking it should be), then the trader is entitled to a rebate, the amount of which is dependent on the extent of the difference.

Very often it is possible to make a comparison with the conditions applicable to some similar siding and to adopt the same arrangements. Or the railway may decide that in the case in question, the difference referred to above, is equal to a fixed proportion of the station terminals plus the service terminals (where allowable) in full. For example, at a large number of sidings where the owner performs the services of marshalling, shunting, etc., this proportion has been fixed at two-thirds. Thus on Class 7 traffic, the full station terminal being 1s. per ton, the allowance would be 8d. per ton on this basis.

In arriving at the amounts included in a rate for terminals, no difficulty will be experienced in respect of standard figures, as the "make-up" of the rate is clearly defined (see page 44, but in the case of an exceptional rate, a disintegration is necessary and the only logical and satisfactory method of obtaining this is on the Pidcock principle (see page 53).

There are some siding agreements in existence whereby an annual rent-charge payable by the trader in respect of works carried out by the railway company, is set against a percentage allowance of the annual receipts from traffic passing over the siding, such allowance not to exceed the amount of the rent-charge, and being in lieu of a rebate. If the traffic is at all substantial, this is a very unsatisfactory type of agreement because the allowance is almost bound to exceed the rent, and it would be to the trader's advantage to pay the rent and claim a proper scale of siding rebates.

Every siding owner should, if possible, become acquainted with the allowances made at other sidings. So far, traders have been very loth to divulge details of their agreements to one another, and a freer exchange of such information would probably be advantageous.

It will have been realised that the whole business of calculating rebates is a very rough and ready one. While it is possible to get some idea of the terminals which the company cannot charge, one is at their mercy so far as the alleged value of the services rendered by them at the siding is concerned. The costs are so mixed-up with their general traffic expenses that a trader

stands little chance of obtaining sufficient information on which to challenge the company's figures. For example, what prospect is there of arriving at accurate data regarding the proportion of a signalman's wages and the cost of providing and maintaining signalling apparatus, which should be charged to the siding?

Generally, and unless there are exceptional circumstances, *a rebate or rebates should be allowed*; the actual figures will be a matter for discussion and argument, and if the trader is unable to agree with the company's proposals his remedy lies in appeal to the Rates Tribunal.

The companies frequently quote exceptional rates with "private siding conditions" in which, theoretically at any rate, the siding allowance factor has been taken into account, no rebate from these figures being claimable. Such quotations should be regarded suspiciously, because they often represent an attempt to deprive the trader of the allowance he enjoys. It is more satisfactory to have station rates and claim a rebate than to have the rebate supposedly "hidden" in the "P.S." rates.

Where exceptional C. and/or D. rates are in operation the trader is entitled to the amount included for cartage in addition to the rebate; thus, if the allowance on the traffic, from S. to S. rates, is 1s. 7d. per ton and the C. and/or D. rate includes 1s. 5d. for cartage, the trader should claim a total of 3s. per ton.

BY WHOM SHOULD THE REBATES BE CLAIMED?

The position is not a very clearly defined one. On traffic forwarded from a siding, carriage paid, there can obviously be no doubt as to who is entitled to rebate; nor can there be on inwards traffic when the charges are paid by the siding owner. The doubtful cases are outwards "to pay" and inwards "paid" traffic.

The railway companies seem to adopt the principle that the rebate is claimable by the person paying the carriage charges, presumably because Section 61 of the Railways Act, 1921, which contains provisions as to charges in connection with private sidings, refers to "the owner of *or any person using a private siding.*" These provisions, however, are transitory and it would appear that they only apply until an agreement has been made or there has been a determination by the Tribunal. There is thus nothing to prevent a trader agreeing with the company that he should be allowed rebate on traffic on which he does not pay the charges. In fact this would seem to be the

ordinary common-sense view of the question. The trader having invested capital in, and incurred the expense of working the siding, is the one to receive the benefit of any rebate allowable by reason of the siding's existence.

It might be added that this practice is adopted to a considerable extent and many siding owners are allowed rebate on all traffic dealt with in their siding.

CHAPTER XII

THE RAILWAY FREIGHT REBATES SCHEME

THE Railway Freight Rebates Scheme is founded on the Local Government Act, 1929. Under Section 68 the railways are relieved of 75 per cent. of their local rates conditional upon equivalent reductions being made in their charges (Section 136).

The Eleventh Schedule of the Act provided for the establishment of a Railway Freight Rebates Fund to be controlled and administered by the Railway Clearing House. Into this fund the railway companies are required to pay by monthly instalments the amount of the estimated rate relief for the year. An adjustment is made where there is any difference between the estimated and actual relief.

The four amalgamated railway companies and the Metropolitan Company were required to submit a scheme for allowing rebates, which they did and which was considered by the Rates Tribunal in July 1929.

The scheme commenced on October 1st, 1929, but there had previously been in operation (from December 1928 to September 1929) an Anticipation Scheme, introduced to relieve the burden on heavy industries at an earlier date than was first intended. This was financed by Parliament to the tune of nearly three and a half million pounds.

The permanent scheme as approved by the Tribunal provided for a scale of rebates in respect of certain selected traffics, viz. :

- Agricultural.
- Coal for shipment.
- Coal for iron or steel works.
- Other industrial traffics.

The Agricultural traffics included manures, feeding stuffs, potatoes, milk and live stock. Coal included coke and patent fuel. The other traffics were certain commodities delivered to iron or steel works and timber, iron or steel for propping or shoring, delivered to mines.

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In the years 1930-6, the companies were relieved of rates to the extent of approximately £4,000,000 per annum which has been the income of the fund. Last year, however, as a result of a decision of the House of Lords in the case affecting the Southern Railway Company's assessment, there were considerable alterations in the companies' rating, the effect of which—without going into details—was to reduce the amount payable to the fund to about £2,300,000. The amount available for rebates was thus reduced by 42 per cent. Further, as the reduced assessments were retrospective to 1931, roughly £10,000,000 was owing to the companies in respect of over-payments.

The situation thus created was met by the Railway Freight Rebates Act, 1936, which enabled the Railway Clearing House to borrow money for the purpose of reimbursing the companies. Stock at 2½ per cent. was issued and the interest and sinking fund charges on this represent a charge of about £708,800 against the annual income of the fund.

The Act continued the old scheme from October 1st, 1936, until December 31st, 1936, and provided that the Rates Tribunal should make such amendments as were rendered necessary by the passing of this Act, and estimate the companies' rate relief in respect of the period January 1st, 1937-September 30th, 1937, and the amount to be paid by them into the fund.

The Eleventh Schedule of the 1929 Act was amended and the following notes deal with it as altered.

The selected traffics to which the rebates apply are :

Agricultural

Milk (including separated milk but not condensed or dried milk).
Live Stock.

(This is a considerably reduced list compared with that operating prior to the 1936 Act.)

Coal, Coke and Patent Fuel

Exported coal, coke or patent fuel.

Coal delivered to patent fuel works as is used for the manufacture of exported patent fuel.

Coal delivered to a washery as is washed or cleaned thereat before being exported.

Coal delivered to a coke oven as is used for the manufacture of coke which is exported.

It will be observed that the "other industrial traffics" are now omitted.

The rebates must be calculated so that as nearly as possible the agricultural traffics obtain one-fifth of the annual net

revenue of the fund and the coal traffics the remaining four-fifths.

The railway companies and the Clearing House are allowed administrative expenses equal to $\frac{1}{4}$ per cent. of the estimated rate relief or such higher percentage as the Tribunal may allow. The present allowance is 1 per cent.

Under Paragraph 10 the Tribunal is required to review the operation of the scheme within three months after the end of every year. After hearing any interested parties and considering all the circumstances, it shall make such modifications in the scheme as it considers necessary (subject to certain provisions aimed at maintaining the fund in a sound position).

If it appears to the Minister of Transport that the net revenue of the fund will be substantially greater or less than the amount payable to the companies in respect of that year, or it is necessary in order to secure the stability of the rates of rebates, he shall issue to the Tribunal a certificate that the rates of rebates ought to be reviewed. The Tribunal shall then fix the rebates with a view to stabilising them, and if they think fit, secure that any excess or deficiency is expended or made good, over such period of years as they think proper.

The scheme as amended by the Tribunal operated from January 1st of this year, and is set out in Statutory Rules and Orders, 1936, No. 1375. The rebates have been fixed at amounts which it is hoped to continue for some years. They are :

Agricultural Traffics : $14\frac{2}{3}$ per cent. of the carriage charges or tolls as the case may be.

Coal, Coke and Patent Fuel : Where the charge is a toll—25 per cent. of the toll. In all other cases— $1\frac{1}{4}$ d. a ton and 20 per cent. of the remainder of the carriage charges.

The Second Schedule of the Order sets out the regulations governing the rebates. Part I of this reads :

Rules for the Determination of Carriage Charges, and the Calculation of Rebates thereon.

1. Where any exceptional rate includes a charge for the service of collection or delivery that charge shall be deemed to be 1s. 6d. per ton in respect of each such service.
2. The carriage charge in the case of coal shall be that which would be made for the traffic in owner's wagons.
3. In the case of the selected traffics named in Part I of the First Schedule to this Scheme* conveyed to or from Northern Ireland or the Irish Free State, the Isle of Man, Scottish West Coast Ports, Channel Islands, and the Continent, and carried at a throughout charge, which includes a charge for the carriage by the railway in Great Britain, two-fifths of that throughout charge

* For Agricultural traffics.

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shall be taken to be the proportion thereof attributable to the carriage by railway in Great Britain and treated accordingly as the carriage charge from which the rebate is allowable.

4. Where charges for carriage by railway are inclusive of haulage over railways forming part of a dock undertaking, the rebates in such cases shall be calculated on the inclusive charge.

Part II reads :

General Provisions As to Allowance and Calculation of Rebates

1. This part of this Schedule applies to rebates in respect of all merchandise except certain mixed coal to which the provisions of part III of this Schedule apply and except exported coal shipped coastwise to which the provisions Part IV of this Schedule apply.
2. The allowance of rebates in respect of merchandise consigned as being intended to be so used, shipped or delivered as to constitute the merchandise a selected traffic shall not be postponed until the merchandise is so used, shipped or delivered, but, subject as in hereafter provided and subject to the provisions of this Scheme relating to repayments by traders to the companies, such rebates shall in the first instance, be allowed on the assumption that the merchandise will be so used, shipped or delivered as aforesaid.
No rebate shall be allowed in respect of any coal consigned as being intended to be exported unless there has been delivered to the company, by which the rebate is allowable, a certificate, certifying that :
 - (a) it is intended to be exported (in such case the certificate to be in the form marked " A " set out in the Appendix to this Schedule), or
 - (b) it has actually been exported (in such case the certificate to be in the form marked " B " set out in the said Appendix).
3. No rebate shall be allowed in respect of any traffic to which this part of this Schedule applies to any trader unless he has given to the company by which the rebate is allowable an acknowledgment in writing in a form to be provided for that purpose by the company and signed by the trader in such manner as may be required by the company :
 - (a) showing the amount of the rebate allowed to him, and
 - (b) describing the merchandise in respect of which the rebate was allowed, and
 - (c) showing the date upon which the merchandise in respect of which the rebate was allowed was delivered for conveyance by railway, and
 - (d) acknowledging that the rebate allowed is subject to any adjustment which may be found necessary, and
 - (e) containing an undertaking by the trader to repay to the company on demand any sum allowed to him by the company by way of rebate under this Scheme which may be found not to have been so allowable either by reason of the merchandise not having been so used, shipped or delivered as to constitute it a selected traffic or for any other reason.

4. So far as is reasonably practicable, separate accounts shall be rendered to the trader for the traffic in respect of which rebates are allowable under this Scheme.
5. Accounts relating to traffic in respect of which rebates are allowable to a trader under this Scheme shall be prepared in triplicate and shall show in a separate column the amount of the rebate so allowable.

The total amount of such rebates shall be shown to the nearest penny (one halfpenny being treated as a penny), and the said total shall be deducted at the end of the account from the total amount of the charges; the copy of the account sent to the trader shall be accompanied by the form of acknowledgment provided by the company in accordance with the provisions of paragraph 3 of this part of this Schedule and shall show that upon receipt by the company of the acknowledgment duly completed the sum payable by the trader will be treated by the company as being reduced by the amount of the deduction aforesaid.

Part III deals with the special provisions for apportioning rebates in respect of mixed coal, and Part IV with the allowance and calculation of rebates in respect of exported coal shipped coastwise.

Part V provides for claiming and making payments out of the fund. It deals with the arrangements for paying the companies the amount of the rebates allowed and is not of particular interest to the trader.

The Appendix consists of specimen copies of the forms and certificates used in connection with the scheme.

It is estimated that the scheme, as now framed, will leave the fund with a balance of £59,000 at the end of September 1937. The Act of 1936 will only continue to have effect after December 31st, 1943, by order of the Minister of Transport, and will expire on December 31st, 1952.

CHAPTER XIII

SUNDRY INCIDENTAL SERVICES PROVIDED BY THE RAILWAY COMPANIES

REGISTERED TRANSITS—C.O.D. SERVICE—CONTAINERS—SACKS

THE "GREEN ARROW" SERVICE

IN order that special attention might be given to urgent consignments, the G.W.R. introduced a few years ago, a system of registered transits. It has since been adopted by the other companies.

The sender having ascertained from the local Goods Agent the earliest time at which the consignment can be delivered, "registers" it and pays an extra charge of 2s. 6d. which applies equally to a single package, truck load or train load.

Special labels, in the form of a green arrow, are affixed to the packages and on the consignment note and invoice and each point in the transit is notified by telephone or telegram; thus the traffic is watched until it is delivered. If requested, proof of delivery will be supplied immediately after this has been effected.

While the popularity of the service has increased to an amazing extent it is felt in some quarters that the trader is paying extra for something he should receive normally. There is really no *guaranteed* time of delivery, but every precaution is taken to see that the consignment does not get "out of course," and in some cases even passenger train may be used for a portion of the journey.

Where the service does definitely show an advantage over the ordinary method is in the speed of delivery once the destination station has been reached. An ordinary consignment would await the usual "routine" delivery, but "green arrow" traffic would probably be sent out specially.

Export traffic and that for branch line stations represent the best fields in which a trader can use this service. So far as

transits between large towns, where through wagons operate nightly, are concerned, it is doubtful whether the extra 2s. 6d. is justified, because in any case the company should give a next-morning delivery.

A similar facility known as the "Blue Arrow" service operates by passenger train.

CASH ON DELIVERY SERVICE

Like the Post Office the railways have a system whereby the sender can secure payment before the goods are released. From the point of view of minimising bad debts and of enabling the buyer to place an order without sending money in advance, it is proving very useful.

The packages must bear the appropriate "C.O.D." label, and a special form upon which is indicated the amount to be collected from the consignee, has to be signed by the sender.

The arrangement does not apply to consignments exceeding £100 in value. The traffic may be sent between all stations of the main-line companies in England, Wales and Scotland and to or from Jersey, Guernsey and certain continental ports. Ireland and the Isle of Man are excluded.

The following commodities are excepted :

1. Wet Fish and Ice.
2. Highly perishable traffic to and from continental ports.
3. Live Stock.
4. Explosives and Dangerous Goods.
5. Traffic which under the companies' regulations is excluded from conveyance by goods, passenger or sea services.

The companies charge commission as under :

Value not exceeding	Commission fee	Value not exceeding	Commission fee
10s.	6d.	£40	2s. 0d.
£1	8d.	£50	2s. 6d.
£2	1s. 0d.	£60	3s. 0d.
£5	1s. 2d.	£70	3s. 6d.
£10	1s. 4d.	£80	4s. 0d.
£15	1s. 6d.	£90	4s. 6d.
£20	1s. 8d.	£100	5s. 0d.
£25	1s. 10d.		

CONTAINERS

A container is, in effect, a very large packing case adapted for conveyance by both road and rail vehicles and capable of being loaded at the trader's premises and conveyed to the customer's door without intermediate handling.

The advantages of the system are :

1. The transit is direct and therefore more rapid ; trans-shipment is avoided.
2. At least two handlings are saved and risk of damage therefore reduced considerably.
3. A reduction in the amount of packing may be possible with consequent saving in the cost of providing the packing and the carriage charges on its weight.
4. The cost of returning empty packages is avoided.

Savings under Item 3 are not effected in every case, because frequently it is necessary to pack articles for sale in some form of case (in addition to the actual inner packing) whether a container is used or not. Many shopkeepers, for example, would not care to receive goods singly, in the form in which they are retailed.

There are a number of different types of containers varying in capacity from 1½ tons to 4 tons. In addition to those designed for general merchandise there are insulated types and others adapted for special traffics such as bicycles, bulk grain, meat and furniture. Some are so constructed that refrigerant can be introduced without opening the doors.

What is known as the " Differential Method of Charging " is applied to traffic conveyed in containers. The rates ordinarily applicable plus a certain percentage are charged, the various percentages for different traffics being given in a publication generally referred to as the " container classification." Here are some specimen entries :

Bedsteads, Metallic	5 per cent.
Blue, Laundry, Solid	10 per cent.
Electric Cable Junction Boxes, iron or steel	7½ per cent.
Tinware	10 per cent. over rates for packed traffic

The general instructions relating to container traffic can be summarised as follows :

1. A minimum charge of 1 ton per container is made unless otherwise specially provided.
2. The percentage differential applies to cartage as well as conveyance charges. In the case of C. and/or D. rates it is applied to the gross figure. It also applies to the labour charges (where additional to the rate) when cartage is not performed by the company.
3. Cartage rebate (where allowable) must be calculated on the rate plus the appropriate differential.

4. When a container is demounted from the road vehicle and left at a trader's premises the free time allowance is :

Before conveyance	1 day	} Excluding day of delivery
After conveyance	1 day	

Detention beyond this time is charged for at the rate of 3s. per day for ordinary containers. Higher rates apply to special types.

5. The companies have to make special arrangements for container traffic with the Isle of Wight, Isle of Man, Channel Islands and Continental ports.
6. The containers of Continental railways are accepted over British railways at the same differential as applicable to British containers.
7. Charges are raised at the net weight of goods, *not at the gross weight including the container.*
8. When the collection of container traffic is made from more than one address, the following charges are made *in addition* to the appropriate cartage charge.

For the second and any subsequent collection, 2s. 6d. per collection.

The same practice is followed in the case of deliveries to more than one consignee, but where empties are picked up from the same address, the one 2s. 6d. is regarded as covering the two services.

These arrangements do not in any way abrogate the provisions of Regulation 2 of the General Railway Classification.

SACKS

The railway companies have a stock of sacks which they hire out for the conveyance of grain at a charge of 1d. per sack. The trader or his representative is required to sign a contract ticket at the time of hiring, and the charge for hire is raised when the full traffic is forwarded.

The sacks must be returned to the company full for forwarding within six days exclusive of Sundays, but inclusive of the days of hiring and return. Once forwarded the trader is allowed twenty-one days during which the traffic has to reach its destination, and the sacks must be emptied and returned. If sent on January 1st he would have up to and including January 22nd, but this period might possibly be extended if there was some very abnormal and protracted delay while the grain was in the hands of the railway company.

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If sacks are hired empty and returned empty, there is no free period and hire is raised at $\frac{1}{4}$ d. per sack per week or part thereof, the minimum charge being as for two weeks. A charge of 1d. per sack per week is made if they are improperly used (e.g. for conveyance by road).

The charge made for demurrage, when the free periods have been exceeded, is $\frac{1}{4}$ d. per sack per week or part thereof.

Should sacks be lost the company make a charge of 2s. 6d. per sack for "stay-hire," it being understood that if the sacks are subsequently found they remain the property of the company and must be returned.

When full sacks are taken into warehouse to await forwarding order, two days exclusive of the day of return of the sacks are allowed before demurrage commences.

CHAPTER XIV

STOPPAGE *IN TRANSITU*, LIEN, END OF TRANSIT AND RE-DIRECTION BY CONSIGNEE

THE RIGHTS OF STOPPAGE IN TRANSIT AND LIEN

THE right of stoppage *in transitu* is part of the common law. It is codified in Section 44-8 of the Sale of Goods Act, 1893.

Section 44 of this Act provides that when the buyer of goods becomes insolvent then the unpaid seller who has parted with the possession of the goods, has the right of stopping them *in transitu*, and may retain them until payment or tender of the price. A person is deemed to be insolvent who either has ceased to pay his debts in the ordinary course of business, or cannot pay his debts as they become due, whether he has committed an act of bankruptcy or not (Section 62 (3)).

The seller is an "unpaid seller" when the whole of the price has not been paid or tendered ; or when a bill of exchange or other negotiable instrument has been received as conditional payment, and the condition on which it was received has not been fulfilled by reason of the dishonour of the instrument or otherwise (Section 38 (1)).

Goods remain in transit from the time they are delivered to the carrier for conveyance until the buyer or his agent takes delivery of them. The transit also ends if the buyer or his agent obtains delivery before arrival at the specified destination, or the goods having arrived, the carrier holds them *as a warehouseman* for the buyer (Section 45). Condition 11 of the Standard Terms and Conditions of Carriage, which deals with the termination of the transit should also be borne in mind.

The unpaid seller may exercise his right of stoppage either by taking actual possession of the goods or by serving a notice of stoppage on the carrier who must obey such notice (if valid) and re-deliver the goods to the seller. The expenses of the re-delivery must be borne by the seller (Section 46).

The right of stoppage is not lost by the fact that the buyer has sold or made some other disposition of the goods (unless it was with the seller's consent). But where a document of title to goods has been lawfully transferred to any person as buyer or owner of the goods, and that person transfers the document to a person who takes it in good faith and for valuable consideration then, if the latter transfer was by way of sale, the unpaid seller loses his right of stoppage *in transitu*; if the transfer was by way of pledge or other disposition for value, the unpaid seller's right can only be exercised subject to the rights of the transferee (Section 47).

Notice to stop delivery given to a railway company may be in writing or take the form of verbal or telegraphed instructions. The seller will be required to sign a stamped agreement in which he undertakes to indemnify the companies and their servants and agents against all loss, damage, claims, etc., however caused, suffered by reason of the stoppage. The necessity for this is that the company is liable in an action for wrongful conversion, if the notice of stoppage is not valid. A specimen of the indemnity form will be found on page 56 of the "Pink Pamphlet."

Notice to stop delivery may be given either to the person in actual possession of the goods or to his principal, but in the latter event it must be given in such time and under such circumstances as will permit the principal, exercising reasonable diligence, to communicate with his servant or agent in time to stop delivery (Section 46 (1)). This would apply, for example, if the notice was given to some headquarters' official of the railway company, whereas the goods were actually in the hands of the Goods Agent at the destination.

It will have been observed that the seller's right of stoppage *in transitu* is dependent upon the insolvency of the buyer (as previously defined).

Condition 14 of the Standard Terms and Conditions (A), provides that merchandise delivered to the company will be received and held by them subject to:

- (a) A lien for moneys due to them for the carriage of and other proper charges in connection with such merchandise, and
- (b) A general lien for any moneys or charges due to them from the owners of such merchandise for services rendered or accommodation provided in relation to the carriage or custody of merchandise.

If any lien is not satisfied within a reasonable time of the company giving notice to the owners, the merchandise may be sold, the proceeds being applied in or towards the satisfaction of the lien and all proper charges and expenses, the company being responsible to the owners for any balance.

Thus the company has a particular lien and a general lien; the former for the carriage and other charges in respect of the particular consignment *which takes priority over the unpaid seller's right of stoppage in transitu* and the latter in respect of amounts owing by the owner of the goods, relating to consignments in general. The general lien *does not prejudice the unpaid seller's right of stoppage in transitu*.

The right of lien does not arise until the carriage is complete; it cannot be exercised the moment the railway company get possession of the traffic (*Wiltshire Iron Co. v. G.W.R. Company, 1871*). The company must take reasonable care of goods held on a lien and deal with them reasonably as to time and place—presumably the place to which they were consigned (*Crouch v. G.W.R. Company, 1858*.)

The satisfaction of the *particular* lien is essential before the right of stoppage *in transitu* can be exercised. The unpaid seller must pay the charges on the traffic before he can obtain possession, but he is under no obligation to discharge any general lien in respect of other sums which may be due from the consignee.

It would appear that the railway company is unable to make a charge for warehousing goods retained under the right of lien (*Somes v. British Empire Shipping Company, 1860*).

THE END OF THE TRANSIT

Reference has already been made to Condition 11 of the Standard Terms and Conditions (A), which provides that unless previously determined (by actual delivery), the transit of the merchandise shall be deemed to be at an end:

- (a) If carted by the company, when tendered by the company at the usual place of delivery within the customary or agreed hours;
- (b) If not carted by the company or to "await order," at the expiration of one clear day after notice of arrival has been given in writing (or by telephone if agreed in writing) to the consignee, or if the consignee's address is not known to the sender, or if both addresses are not known at the expiration of one clear day after the arrival of the merchandise.

- (c) If for delivery to a siding, (i) when delivered upon the siding or at the agreed place where the trader takes delivery ; or (ii) if the consignee is unable through no fault of the company, or unwilling to take delivery, at the expiration of one clear day after notice that the company is ready and willing to deliver has been given ; or (iii) if the consignee is prevented from taking delivery by the act or omission of the company, when the cause has been removed and merchandise delivered (as under (i)), or at the expiration of one clear day after notice has been given that the company is ready and willing to deliver.

It will be seen from this that the transit is at an end when the goods are tendered, or one clear day after notice has been given to the consignee ; he may refuse the merchandise, but the transit is still at an end so far as the railway company is concerned. This, however, does not dispose of the matter as between buyer and seller because under Section 45 of the Sale of Goods Act, 1893, the transit does not end when the buyer refuses to take delivery.

RE-DIRECTION BY THE CONSIGNEE

Section 32 (1) of the Sale of Goods Act, 1893, reads as follows :

" Where in pursuance of a contract of sale, the seller is authorised or required to send the goods to the buyer, delivery of the goods to a carrier, whether named by the buyer or not, for the purpose of transmission to the buyer is *prima facie* deemed to be a delivery of the goods to the buyer."

The railway companies therefore generally assume, unless aware of the special circumstances of the case, that the consignee is the owner of the goods and that they are to be delivered to the address to which they have contracted to carry, *unless the consignee requires them at some other place and so directs*. Thus the consignee could countermand the consignor's delivery instructions and the company would be bound to deliver at the new place he indicated.

CHAPTER XV

THE RECEIVING OF TRAFFIC

IN many industrial concerns, although a great deal of attention has been paid to the organisation of despatch, nothing like the same degree of efficiency has been applied to the planning of the reception arrangements. Often, inwards traffic is just left to "turn up," on the principle that one shouldn't worry about troubles until they actually arrive on the doorstep.

There are concerns, however, where the amount of received traffic to be handled is planned in advance with almost mathematical precision. The writer has been in factories where maps and charts are prepared, which give a pictorial indication of the movement of inwards materials and their tonnage, several days ahead. On any one day, it is possible to estimate with a high degree of accuracy, what will enter the factory the next day. It is hardly necessary to emphasise the value of such information in the economic allocation of labour and accommodation.

It is realised that in many cases it is impossible to achieve this high standard, but there is no reason why the transport department should not be supplied with a copy of every order issued by the purchasing departments, with full particulars and (as available) the delivery date, date and time actually required, etc. Armed with this information it should be possible to form some sort of daily summary of the traffic moving towards the factory. The actual method of recording the details will depend on circumstances, but it may be possible to enter the items straight into the inwards goods journal when they are ordered, filling in the remaining particulars when the merchandise is to hand. A visual record of what is expected facilitates the recognition of overdue consignments. The transport department should know about everything which at some future date it will be called upon to handle or control, whether it is a full truck load of raw material or a packet of pins.

METHODS OF DELIVERY

Inwards traffic falls into three divisions according to whether it is collected by the trader, delivered by the railway company or placed in truck loads in a private siding.

In the first case, unless the commodities are ones not normally handled by the railways, or the trader's premises are situated outside the delivery boundaries, or the traffic is consigned "to station only," it will be necessary for an arrangement to be made that the trader intends collecting from the station.

The goods having arrived, the company must, in accordance with Condition 10 of the Standard Conditions, advise the consignee in writing (or by telephone if so agreed in writing) of their arrival. It is the duty of the consignee to remove them within a reasonable time, which generally will be one clear day after the delivery of the notice of arrival. After this period the company will hold the merchandise as warehousemen and not as carriers (Condition 11), and warehouse rent or demurrage will be payable.

All advice notes should receive attention immediately after receipt, the date and time when the free-period expires being carefully noted.

Generally speaking, traffic delivered by railway vans arrives during the morning, the afternoon being occupied in collections of outwards goods. It is of great assistance in organising the operative work if arrangements for a regular time can be made with the local station. In many works, the morning is occupied in the receiving and sorting of the orders and it is not possible to make much of a start on the actual assembly of them until nearly midday. If the early part of the day can be allocated to receiving traffic, the same gangs can afterwards be transferred to outwards work and there is a minimum of waste labour. With inevitable fluctuations in traffic it is not often possible to work separate inwards and outwards staffs without wastage, except in very large-scale plants.

The place of delivery must be the usual one for the unloading of merchandise from road vehicles and the railway company is not bound to provide power, plant and labour (in addition to their carmen), which may be required (Condition 9). A carman would be justified in refusing to convey a consignment to some very awkward part of a factory, such place obviously not being the usual one for unloading purposes.

Arrangements at different private sidings vary, but a common practice is for the company to shunt the inwards wagons up to the connecting-point (or actually into the siding if so agreed)

early in the morning. The railway checker will have to be present at the opening-up and unloading, although it is not uncommon now for the trader's check to be accepted and the checker's wages consequently saved.

SIGNING FOR THE RECEIPT OF GOODS

Under no circumstances should a clear signature be given unless and until it is perfectly obvious that the consignment is correct in every particular. If loss or damage is apparent at the time of receipt a remark such as "one short," "only — received," "packages tampered with," etc., should be made against the signature. A clear signature may be inadvertently given and the loss or damage discovered afterwards; in this case it should be contended that the signature was only an acknowledgment of the receipt of the packages comprising the consignment, *not of their contents or condition*.

Information concerning loss or damage written on a delivery sheet cannot be regarded as adequate notification to the company of the fact.

Whenever there is a discrepancy of any sort, full details should be entered in the inwards goods journal which should be scrutinised daily by the person responsible for claims. The attention of any railway employees present should also be drawn to the matter at the time of delivery.

NOTIFICATION OF DISCREPANCIES

Condition 8 of the Standard Conditions reads :

"The company shall not be liable :

- (a) (i) For loss from a package or from an unpacked consignment ;
(ii) For damage, deviation, misdelivery, delay or detention ; unless they are advised thereof in writing (otherwise than upon any of the Company's documents) at the forwarding or delivering station, or at the district or head office of the forwarding or delivering Company within three days and the claim be made in writing within seven days after the termination of the transit of the consignment, in respect of which the claim arises.
- (b) For non-delivery of the whole of a consignment, or of any separate package forming part of a consignment, addressed in accordance with Condition 1 hereof, unless they are advised of the non-delivery in writing (otherwise than upon any of the Company's documents) at the forwarding or delivering station, or at the district or head office of the forwarding or delivering Company within 14 days, and the claim be made in writing within 28 days after receipt of the consignment by the Company to whom the same was handed by the sender."

(The Condition goes on to provide that if in any particular case the trader satisfies the company—or failing that, the Railway Rates Tribunal—that it was not reasonably possible to advise the company and to make the claim within the stipulated times, and that such advice or claim was given within a reasonable time, the Tribunal may declare that nothing in this condition shall be a bar to the maintenance of proceedings against the company.)

Thus *notice of loss or damage must be given within three days followed by a detailed claim within seven days.* In many cases where traffic is lost or damaged the claim upon the company will be made by the senders who should therefore be advised immediately. The consignee should in addition properly notify the railway company as it is quite likely that if this is left entirely to the sender it may not be possible to comply with the limit of three days.

GOODS REFUSED BY CONSIGNEE OR NOT COLLECTED WITHIN REASONABLE TIME

Frequently when a consignment arrives in a damaged state or too late for requirements, or it does not appear to be what was ordered, or for other reasons, the consignee refuses to accept delivery. The practice is so common that it is necessary to review its implications.

If delivery is refused or merchandise consigned "to be called for" or "to await order" is not removed or an order not given within a reasonable time, the company must advise the sender. The usual form of notice asks for instructions for disposal, and states that the goods are being held at Owner's Risk and subject to the usual charges for demurrage, warehouse rent, etc., as the case may be.

When goods are left on the company's hands they have a right of sale (Conditions 15 and 16).

If the merchandise is perishable the company must first get into touch with the sender or consignee by telephone or telegraph (if practicable), but if disposal instructions are not immediately forthcoming, they are entitled to sell. This also applies to perishable goods which cannot be delivered because they are not properly addressed or owing to civil disturbances, strikes, floods, landslips, etc.

In the case of non-perishable merchandise, a notice must be sent to the sender or consignee stating that unless taken away within fourteen days it will be sold. If both sender and

consignee are unknown the notice must be given in a newspaper circulating in the district.

SALE BY THE COMPANY

When goods are sold in accordance with the previous paragraph, the company must do what is reasonable to obtain the value of the merchandise. Payment or tender of the proceeds of the sale less charges, ends the company's liability (apart from any claim which might otherwise arise under the Standard Conditions).

Where the traffic is not carried right through to destination the charges shall be those for the journey actually completed which must not exceed those for the full journey.

Generally speaking it is not good policy to refuse a consignment which is properly addressed and obviously intended for the consignee. There is a great temptation to throw damaged goods back on the railway company's hands, but this may not be the wisest course. Frequently it will not be known whether the sender consigned at Company's or Owner's Risk, nor will the consignee be in a position, at the time of delivery, to know how the damage or loss occurred or that the company is necessarily liable. If the goods are rejected, extra charges such as back-cartage, rent or demurrage, etc., may start to mount up, and the consignee finds that he would have been well advised to have accepted delivery and reported the discrepancy in the ordinary way.

RAILWAY COMPANY'S LIABILITY AFTER TRANSIT

Condition 12 of the Standard Conditions reads :

" After the termination of the transit, as defined by Condition 11 hereof, unless otherwise agreed in writing, the company will hold the merchandise as warehousemen, subject to the usual charges and to the condition that they will not be liable for any loss, misdelivery or detention of or damage to :

- (a) Merchandise not properly protected by packing except upon proof that such loss, misdelivery, detention or damage, arose from the negligence of the Company or their servants, and would have been suffered if the merchandise had been properly protected by packing ; or
- (b) (i) Articles or property of the descriptions mentioned in the Carriers Act, 1830, as amended by subsequent Acts ; or (ii) Merchandise which has arrived at the destination station and for which the Company give notice that they have not suitable accommodation ; by whomsoever such loss, misdelivery,

detention or damage may be caused and whether occasioned by neglect or otherwise.

Provided that this Condition shall not relieve the Company from any liability they might otherwise incur under these Conditions in the unloading of merchandise."

Paragraph (b) (i) of the Condition applies the protection of the Carriers Act, 1830, where the merchandise is held by the railway company as warehousemen.

CHAPTER XVI

DEMURRAGE AND STORAGE

CLAUSE 11 of the Fifth Schedule to the Railways Act, 1921, provides that a railway company may make a reasonable charge for detention of trucks or the use or occupation of any accommodation *before or after* carriage, beyond such period as shall be reasonably necessary for enabling the company to deal with, or the consignee to give or take delivery of the merchandise ; or where the goods are consigned to an address other than the terminal station, beyond a reasonable period from the time when notice of arrival has been delivered to such address.

Where the traffic remains in the truck pending the consignee unloading and removing it, demurrage on the truck and probably on the sheet(s) (if used), will be payable. In the case of less-than-truck-load traffic the company will normally unload it and place it in storage accommodation and thus warehouse rent will be incurred. In most circumstances labour charges will be payable in addition (i.e. in addition to the warehouse rent).

If the merchandise is charged over the railway at a "delivered" rate and the receiving station has cartage facilities, the question of demurrage and rent cannot arise. It is obviously the company's duty to deliver within a reasonable time, and the trader could not be held responsible for their slackness in effecting delivery. The company is, however, under no obligation to deliver traffic charged at a "station to station" rate.

The company must advise the consignee of the goods' arrival, and if this notice is not sent or does not reach the consignee, he is not liable for demurrage or rent if the free period is exceeded.

These charges can be made whether there are exceptional circumstances or not, so long as the circumstances are ones for which the railway company is not responsible.

Demurrage charges need not necessarily be incurred *only* at

the forwarding and receiving stations. Detention might take place at an intermediate station at the desire of the sender or consignee, in which case the company would be entitled to raise the charge applicable to the period of detention.

It is a trader's duty to load or unload the railway wagons as soon as possible, in any case within a reasonable period and he cannot, where several wagons are involved, claim that the time *under* the maximum period in some cases be set against the time *over* the maximum period in others. Each wagon must be considered separately, and the fact that nine wagons out of ten were unloaded immediately on arrival, has nothing to do with the tenth, which remained several days under load.

Where demurrage or warehouse rent is incurred before transit, there can be no doubt that under normal circumstances the sender is the person liable. After carriage the consignee is primarily responsible, although there may be cases where the consignor as the party contracting with the railway company would be liable.

Any disputes under Clause II of the Fifth Schedule are determinable by the Railway Rates Tribunal; that is when the railway company and trader fail to reach an agreement.

DEMURRAGE CONDITIONS AND CHARGES

Free periods are allowed as follows :

Wagons supplied empty for loading :

At stations, one day exclusive of the day when placed at the trader's disposal.

At private sidings, docks and wharves, two days exclusive of the day when placed at the trader's disposal.

The wagons must be loaded and tendered to the company for conveyance within these periods.

Wagons under load after conveyance :

At stations, two days exclusive of the day on which notice of arrival was delivered to the trader.

At private sidings, docks and wharves, three days exclusive of the day placed at trader's disposal (five days if reloaded).

At ports (shipment traffic), four days exclusive of the day of arrival.

Refrigerator and insulated wagons are only allowed one day exclusive of the day of arrival.

The same free periods apply to sheets.

The charge made for demurrage is 3s. per day for ordinary

wagons and 6d. per day for sheets, but higher charges are raised in respect of high-capacity and specially constructed vehicles.

A day is regarded as the time when a station is normally open to the public for dealing with traffic, but at private sidings, docks and wharves, it is the period of twenty-four hours, beginning at 6 a.m. (unless otherwise specially provided). Saturdays are regarded as full days, and Sundays, Good Friday, Christmas Day and Bank Holidays as *dies non*.

Wagons and sheets owned by railway companies should not be used for internal purposes (e.g. conveyance from one part of a factory to another). If they are so used the company is entitled to regard them as being detained and to raise the appropriate demurrage charges. No free periods apply in this case.

Demurrage is not incurred on private owner's wagons, but siding rent of 6d. per day is payable where they are detained on railway premises beyond the stipulated periods. This also applies to wagons waiting access to private sidings or detained outside sidings pending forwarding instructions.

WAREHOUSING CONDITIONS AND CHARGES

Free storage before or after conveyance is allowed for the following periods :

Before conveyance :

One clear day exclusive of the day on which the goods are accepted and the day on which forwarding instructions are received.

After conveyance :

Two days exclusive of the day on which notice of arrival is delivered to the trader except in the case of traffic for shipment in which event the free period is four days (special arrangements apply at Liverpool and Birkenhead).

There are two general scales of charges, one applying to London and the other to stations other than London. The latter scale is as follows :

Classes	TRAFFIC REQUIRING COVERING	
	Rent for every week or part of a week after the free period expires	Charge for labour incidental to housing, unhousing, stowing, etc.
	per ton	per ton
1-6	6d.	*
7-10	6d.	9d.
11-13	9d.	1s. 3d.
14-20	9d.	1s. 6d.

* Traffic in Classes 1-6 is handled by special arrangement and then generally at a percentage over the actual cost.

Traffic not requiring covering is warehoused at 3d. per ton per week (Classes 1-20), the labour charges being as shown above.

Exceptional charges apply to certain traffics.

Minimum storage charge—6d. per consignment per week including labour.

Sundays, Christmas Day, Good Friday and Bank Holidays are treated as *dies non*.

The usual practice is to raise warehouse rent on the first day following the free period and on the corresponding day each week, thus a full week's storage would be incurred for a single day. Where goods are stored in bulk and split up into several lots (the consignees paying the storage charges), each lot is charged separately and the minimum (if applicable) observed in each case.

Special charges apply where the traffic is non-rail-borne.

FIXED SPACES

Many traders rent a fixed space in a railway warehouse for the storage of their merchandise, the main advantage being that the carting of the rail-borne traffic in and out of the station, which would be involved if a town warehouse was used, is avoided.

The charges are governed by a series of local arrangements to which the main-line companies are parties, but the general charges for London and the provinces are 6s. and 5s. 3d. per square yard respectively. The usual minimum area which can be rented is 20 square yards. Various other charges apply to cellars, closed arches, open arches, wharves and uncovered spaces in goods yards. Fixed-space charges are exclusive of labour which is raised at the same rates as applicable to traffic warehoused in the ordinary way (minimum charge 3d.). It should be noted that there is no charge for labour where the delivery from the fixed space is made within the free period.

There are certain local arrangements with regard to the storage of particular commodities, the maximum height to which goods may be stacked, etc., and the trader should obtain full information from the station(s) at which he proposes storing. Generally speaking he will have to pay the cost of stamping the agreement for the hire of fixed space. The minimum period for which tenancies are arranged is six months.

SUNDRY SERVICES PROVIDED IN CONNECTION WITH STORAGE

Nowadays the companies provide many services undreamt of by railwaymen of the last generation. In connection with storage accommodation they are willing to partition off space

for offices in which the trader's own employees may work. They can also undertake the work of labelling, sorting, sampling, decanting, etc.; keep record and stock sheets and if necessary actually perform the sale of goods up to a limited amount. When the traffic justifies it they will even construct a special warehouse, allocate special vans to a firm's traffic (painted in that firm's colours) and dress the railway staff in the trader's uniforms.

Naturally the charges for such varied requirements depend upon the circumstances peculiar to the particular case and are matters for negotiation. It is a side of railway activity that has developed considerably in recent years, and that continues to expand.

CHAPTER XVII

CLAIMS

THE duty of the claims clerk in an industrial transport department is to see that his firm is fairly compensated in cases where goods are lost, damaged, misdelivered, etc. He is not in his job for the purpose of indulging in threatening, abusive and other useless correspondence with the carrier, nor is he supposed to make a "profit" on claims. Railway companies naturally wish to avoid payment under circumstances where they are protected by law, or if they are liable, to get off as lightly as possible. It is up to the trader to see that this natural desire is kept within reasonable bounds and to get a just settlement having regard to all the relevant factors.

In practically every dispute a frank discussion is likely to lead to much better results than threats of "going to law." In the writer's experience a reasonable settlement has been eventually obtained in ninety-nine cases out of a hundred in spite of the blandishments of railway officials with a passion for settling on a "fifty-fifty" basis. "Going to Court" is an expensive pastime and should be resorted to only when everything else fails and then under the very best advice.

WHO SHOULD CLAIM?

Before considering the subject in detail it is first necessary to establish who should claim. Legally, this is the owner of the goods, which without definite knowledge to the contrary, the railway company is entitled to assume is the consignee (see page 107). In actual practice, however, it is frequently the sender who claims; in fact it is common for a seller to automatically issue a credit note to his customer and follow up with a claim on the carrier. A railway company will rarely query such cases although it could take up the attitude that the claim should come from the consignee, unless the sender can show that by a special contract, the ownership of the goods has not passed from him. A consignor is therefore pretty safe

in making his claim at the forwarding station, in spite of the fact that he is not keeping to the letter of the law.

MAIN POINTS FOR CONSIDERATION

In dealing with claims the following are the chief points calling for consideration :

1. Was the company notified and the claims lodged within the specified times? (see page 110).
2. Was the traffic conveyed under Company's or Owner's Risk conditions?
3. Did loss or damage occur during *rail transit*? (see page 112).
4. Was the packing defective or insufficient?
5. Was the traffic handed to the company in a sound condition and in a state fit to be carried?
6. Is the company protected by the provisions of the Carriers' Act?
7. Is the amount of the claim reasonable and has allowance been made for salvage?
8. Was a clear signature given on the railway company's receipt and was a qualified signature given by the consignee? (see page 110.)

LIABILITY UNDER COMPANY'S AND OWNER'S RISK CONDITIONS

The two sets of conditions have already been briefly considered in Chapter II.

If the claim is for goods carried at Company's Risk, the trader should first satisfy himself that the company cannot decline liability on the ground that the loss or injury was due to any of the seven excepted causes set out in Condition 3 of the Standard Conditions; or if it was so caused, that proof of their having used reasonable care and foresight is forthcoming.

The company are not *in any case* liable for (a) loss of a particular market; (b) indirect or consequential damages, or (c) subject to the standard conditions, loss, damage or delay which the company prove to have been caused by or arisen from :

- “(1) Insufficient or improper packing; or
 (2) Riots, civil commotions, strikes, lock-outs, stoppage or restraint of labour from whatever cause, whether partial or general; or
 (3) Consignee not taking or accepting delivery within reasonable time.”

Under Owner's Risk conditions the company's liability is confined to much narrower limits. They are not liable except

upon proof that the loss, damage, delay, etc., has arisen through their wilful misconduct or that of their servants. In other words the trader must prove facts from which it clearly follows that the company or their servants were guilty, not merely of ordinary errors of judgment or some accidental action, but of intentionally and recklessly doing something or failing to do it, knowing that it was wrong conduct on their part having regard to the circumstances.

In the following cases, however, *the onus of proof is upon the company*. Unless they can prove that they have not been guilty of negligence or misconduct, they are liable for :

- (a) Non-delivery of the whole of a consignment unless due to accidents to train or fire ;
- (b) Pilferage from packages *properly protected by packing* provided it is pointed out to a servant of the company *on or before delivery* ;
- (c) Misdelivery.

It is, of course, extremely difficult to prove wilful misconduct. In nine cases out of ten the railway company are themselves ignorant of the *exact* circumstances of the loss or damage and in these days when, as an economy measure, the recording of tranship particulars has been practically abolished, the same can be said of delay. The trader may be well aware that there has been misconduct ; he may even know the guilty party and how and where it occurred, but rarely will he be able to show that it was an act of reckless carelessness committed by a person who knew full well what the results of his actions were likely to be. It is not however necessary to identify the actual person so long as it is absolutely clear that there has been wilful misconduct on the part of some servant of the company.

It will be seen that " wilful misconduct " and " negligence " within the meaning of the Standard Conditions are two very different things, although it may not always be apparent where the distinction comes in. A person guilty of wilful misconduct has been negligent, but negligence is not necessarily wilful misconduct. It is a question of degree. Obviously it is much easier to prove negligence than to prove that it was wilful.

The essential evidence, where available at all, is usually to be found in documents in the railway company's possession, such as the checker's report, guard's report, claims office report, etc. It may be very difficult to get sight of these but if the trader is contemplating legal proceedings, it might be advisable

to apply to the Railway Rates Tribunal for power to make an examination of the documents in question,

Condition of Goods when Handed to Company

It is the duty of the consignor to pack the goods properly and in such a manner that they will withstand the strain of normal handling and transit. We have seen that the company cannot be held liable where they can prove that improper or insufficient packing was responsible for the loss or damage. The fact that the goods were visibly in an unfit state is not likely to help the claimant very much, because even if a railway company knew that a consignment was badly packed they would only be bound to use reasonable care.

In the absence of written notice to the contrary, the company is entitled to consider that the sender warrants the merchandise to be fit to be carried or stored, in the condition in which it is handed them.

CARRIERS' ACT MERCHANDISE

It should be noted that when such merchandise is not declared and insured the company cannot be held liable for loss or injury from *whatever cause arising*. Even if the cause was a felonious act by one of the servants, the company would still not be responsible.

Assuming that the trader cannot succeed in his claim because he failed to declare and insure, he may still be able to get compensation in respect of the package which contained the merchandise, if this is in itself an article of value. In the case of a mixed consignment where some of the articles are not specified in the Carriers' Act, the company would be liable in respect of these.

The Carriers' Act is amended by the Sixth Schedule to the Railways Act, 1921 (so far as railways are concerned), in so far as the limit of value beyond which a package must be declared is increased from £10 to £25.

THE REASONABLENESS OF THE CLAIM

The amount recoverable for loss or damage is the difference in the value of the merchandise had it been delivered to the proper destination in good condition and the value in the condition and place in which it was actually delivered. If there is no market at the latter place the value at the point of forwarding, plus carriage, packing and a reasonable margin of profit should be taken.

Care should be exercised in arriving at the amount of a claim ;

the company are entitled to see the invoice(s) in support of it, and once a trader gives the impression that his claims are a little exaggerated, they will naturally look upon him with suspicion in future.

The company can demand to see the salvage (if any), and if it settles for the full value of the goods is entitled to take it away, having, in effect, paid for it. If the trader desires to keep and can use the salvage he should make a reasonable allowance for it, indicating this amount on the claim. He is not bound to make a *pro rata* allowance if the goods, although outwardly in sound condition, have suffered a loss in value. For example, part of a consignment of flour may have been damaged by being loaded and coming into contact with, some strong-smelling liquid; the remainder of the consignment may not apparently be affected, but the trader is justified in assuming that it has probably taken up the smell and can only be used for say, animal feeding. In these circumstances the salvage could not be valued as flour, but as feeding-stuffs.

DELAY AND UNREASONABLE DEVIATION

Under Conditions A and Conditions E (damageable goods not properly protected by packing) the company will be liable for loss under these headings unless they prove that it arose without negligence on their part. It has already been stated that under Conditions B (Owner's Risk) the trader must show wilful misconduct.

In this respect Conditions G (perishable goods at Company's Risk) are similar to Conditions A, but Conditions H (perishable goods at Owner's Risk) provide that the trader must show wilful misconduct except that in the case of a delay exceeding thirty-six hours, the company will be liable unless they prove that it was not caused by their negligence.

A railway company must deliver goods within a reasonable time. What is "reasonable" of course, will depend upon the circumstances. If a trader forwards a consignment relying upon the normal service and that service is not given, he is entitled to regard the delay as unreasonable. There can be no suggestion of unreasonable delay where the company have dealt with the goods in the ordinary course of carriage and have not departed from the usual arrangements. The type of merchandise is important because in the case of perishable traffic a delay of a few hours might well prove disastrous. Due regard, however, must be paid to circumstances which are beyond the company's control—a strike, for example.

Whether deviation is reasonable or unreasonable also depends on the facts of the case. The company could not be held to be negligent where there was some very good reason why the traffic was deviated. But if a trader contracts to have his merchandise forwarded by a particular route and the company without reasonable cause sends it by a route other than the one stipulated, they are guilty of wilful misconduct.

While the company are not liable for loss of a particular market they are (subject to the Conditions) responsible for loss of market value as a direct result of unreasonable delay. Whether this would apply in the case of some "freak" drop in price seems doubtful, but it certainly would to a general drop between the time when the consignment ought to have been delivered and the time when it actually was delivered.

The damages recoverable are those which have arisen naturally as a result of the company's action and which might reasonably be expected to follow their failure to carry out the contract.

MISDELIVERY

Misdelivery is delivery to the wrong person. Delivery to a different address is not necessarily misdelivery, because the consignee's right of redirection may have been exercised (see page 107).

It is important to note that the company's liability is for misdelivery while the goods *are in transit*. If the transit has ended and they deliver in their capacity of warehousemen they can only be held liable for negligent misdelivery.

The measure of damages is as outlined in the previous paragraph.

CHAPTER XVIII

DANGEROUS GOODS

IT is provided by Section 50 of the Railways Act, 1921, that there shall be no obligation on any railway company to accept dangerous goods for conveyance. In practice the companies give notice that they will not accept dangerous goods which are not specified in the Classification of Dangerous Goods by Merchandise Trains, and those which are specified are only accepted in the packages and under the conditions named.

The section also provides that where such goods are accepted they shall be conveyed subject to such "By-laws, Regulations and Conditions as the company may think fit to make in regard to the conveyance or storage thereof." There are thus no Standard Terms and Conditions in respect of Dangerous Goods. The companies are not common carriers of such traffic and they only undertake their carriage on special conditions. The conditions vary somewhat according to the type of traffic, and are printed on the back of the consignment notes and advice notes applicable.

The owner or consignor of dangerous merchandise must "indemnify the company from and against all loss or damage which may result to the company or to which the company may be or become liable owing to non-compliance with the before-mentioned By-laws, Regulations and Conditions as to such goods, and will pay full compensation for all injury to the company's servants and damage to its property, so arising unless it be proved that the injury or damage is due to the wilful misconduct of the company's servants. . . ." It would appear that while wilful misconduct would relieve the trader of responsibility so far as the company's servants and property are concerned, he would still be liable for damage done to a third party's goods.

Where a railway company has declared an article to be dangerous the onus is upon the person requiring the article to

be carried to show that it is not dangerous. The trader has a right to appeal to the Railway Rates Tribunal against the company exercising this discretion and the company may ask the Tribunal to confirm the declaration.

CONSIGNING DANGEROUS GOODS

The importance of using the right consignment note cannot be over-emphasised. A sender using an incorrect note or attempting to forward dangerous goods under an improper declaration or contrary to regulations, is liable to prosecution.

There are various types of notes applicable to the different classes of dangerous goods. The conditions under which they are conveyed are printed on them and specimens are given in the Dangerous Goods Classification (to give it its shorter title). These General Conditions (as they are called) somewhat resemble the Standard Conditions, but they are of course, adjusted having regard to the dangerous nature of the traffic to be carried. For example, in the case of certain inflammable traffics not carted by the company, the transit ends *four working hours* after notice of arrival has been given. The conditions governing the disposal of such traffic refused or not removed by the consignee (generally within one clear day) are very stringent, too. *At the option of the company and without notice to the sender or consignee*, the traffic may be returned to sender, sold or destroyed at the sender's sole risk and expense. During the period between the exercise by the company of their option or the removal of the traffic, extra charges will be incurred which in some cases may be as high as 5s. per ton per hour.

Where shipment of such traffic is contemplated full information should be obtained in advance from the port, as in most cases very restrictive regulations are in force.

In addition to the General Conditions applicable to the particular contract, the trader should make himself familiar with the special regulations which are set out on pages 38 to 40 of the Dangerous Goods Classification. Except where otherwise provided, the general regulations of the G.R.C. also apply.

Section 50 of the Railways Act provides " Nothing . . . shall prejudice or derogate from the powers of His Majesty in Council, or of any Government Department, under the Explosives Act, 1875, or affect the validity or operation of any Order in Council, Order, Rule, or By-Law made under the powers contained in that Act." The By-laws relating to explosives are to be found in the Dangerous Goods Classification.

CLASSIFICATION

A rather different method of recording the entries to that used in the G.R.C. is adopted. The following are the main "groups":

- Explosives ;
- Inflammable Liquids, etc. ;
- Dangerous, Corrosive and Poisonous Chemicals ;
- Miscellaneous.

These are divided and subdivided into various classes, divisions and sections.

The same classes are used as in the ordinary classification and the same factors determine the class in which the traffics are placed, but certain additions and minimum charges are introduced. For example, some commodities are classified 20 plus 20 per cent. or 50 per cent. Weight minima may be for a stated weight per consignment or per truck. There would be no charge less than that for this particular weight. Against each entry appear the details of, or reference to, the conditions of carriage supplementary to the general regulations. An alphabetical index facilitates reference to the individual items.

Additions and amendments to the Dangerous Goods Classification are dealt with in a similar manner to those for the G.R.C. The assent of the Rates Tribunal is necessary, and intimation to the public is given by means of the Grey Books (see page 38).

Subject to the special regulations, conditions, etc., already referred to, the provisions of Part III of the Railways Act, 1921, as to ordinary and Owner's Risk rates apply to this traffic.

NOTICE OF ARRIVAL

Consignees who receive dangerous goods should make themselves acquainted with their obligations relative to the particular traffic. It is not possible here to give details of these in respect of the various categories for which the companies issue special notices of arrival. The following is the form of advice used in the case of certain inflammable liquids and is given for guidance :

.....Station19.....
M.....

The undermentioned Inflammable Traffics consigned to you under special conditions have arrived.

Please order their immediate removal. If they have not been removed at the expiration of ONE CLEAR DAY after delivery of this notice, they will remain here at your sole risk, and will be subject

in addition to the charge for carriage to the Company's usual wharfage, demurrage, and siding rent charges until they are removed from the Company's premises.

If the Inflammable Traffics have not been removed at the expiration of TWO CLEAR DAYS after delivery of this notice they may be forthwith at the option of the Company either (a) returned to Sender, (b) sold by the Company, or (c) destroyed or otherwise disposed of.

Application for the Inflammable Traffics must be made not before a.m. and not later than p.m. Mondays to Fridays, and p.m. on Saturdays.

This notice shall not be evidence of the condition or of the correctness of the nature, quantity or weight of the Inflammable Traffics herein referred to.

For.....Railway Company.

Signature.....

Generally speaking, the railway company will not allow the storage of dangerous goods in any enclosed shed or warehouse.

Where the carriage is partly by water, Sections 446 to 450 of the Merchant Shipping Act, 1894, must be borne in mind. They are reprinted on pages 238 and 239 of the Classification.

CHAPTER XIX

MERCHANDISE BY PASSENGER TRAIN

IT is provided by Clause 10 (c) of the Fifth Schedule to the 1921 Act, that a railway company is not under any obligation to convey merchandise, other than perishables, by passenger train or similar service.

As regards perishables, the company must afford reasonable facilities for their expeditious conveyance, subject to the reasonable regulations for the convenient and punctual working of passenger train services. They are not obliged to convey by any particular train. Questions as to facilities are to be determined by the Rates Tribunal.

In actual practice, of course, the companies convey all kinds of merchandise (except dangerous goods) by passenger train and the Standard Terms and Conditions settled by the Rates Tribunal apply to non-perishable traffic.

STANDARD CONDITIONS

The conditions applicable to merchandise by passenger train are lettered "L," "M," "N" and "O."

So far as the first are concerned, they are for Company's Risk, and the liabilities are similar to those under Conditions A.

Conditions M apply to traffic conveyed at O.R. rates and to that only accepted by the companies at Owner's Risk. They are similar to Conditions B, but it must be observed that the company are not liable for non-delivery, pilferage or delay except upon proof of negligence or misconduct, *nor in any case for more than 75 per cent. of the net invoice value of the merchandise.*

Conditions N refer to livestock and O to damageable goods not properly protected by packing (see also Conditions E).

THE CLASSIFICATION OF MERCHANDISE (PASSENGER TRAIN OR OTHER SIMILAR SERVICE)

This publication which is issued by the Railway Clearing House (price 6d.), should be in the hands of every trader. A good working knowledge of it is just as essential as in the case of the G.R.C. of Merchandise, if the traffic is to be consigned in the most economical manner. It is, however, not nearly such a formidable document as its "big brother."

The Classification contains the following general regulations :

- " (1) Packages containing Merchandise classified in different sections or groups of the Classification are charged at the rate applicable to the highest of such sections or groups.
- (2) Articles classified in different sections or groups of the Classification, not packed together but forming one consignment, are charged separately.
- (3) All containers and packing material must be such as to afford efficient and suitable protection to the Merchandise and to prevent injury to the Companies' Servants or damage to the Companies' property or other Merchandise.

The term "Fibreboard" referred to herein includes Cardboard, Leatherboard, Millboard, Pasteboard, Pulpboard, Strawboard, or other material of a similar nature; cases and boxes made of these materials, used for the packing of traffic for conveyance by Passenger train, must comply with the specification laid down in Regulation 23 of the General Classification of Merchandise by Merchandise Trains determined by the Rates Advisory Committee."

Regulation 23 refers to "Fibreboard" cases and has been dealt with on page 18.

The actual classification of commodities is in two main parts one dealing with perishable traffic (which the companies are bound to carry), and the other with non-perishables. The former has two divisions split up into sections as follows :

Division I. Applicable to Milk. There are five sections, lettered A to E, which provide for milk packed in various ways.

Division II. Applicable to Perishable Articles, not to include (except in the case of Liquids) Goods contained in Bottles, Jars or Sealed Tins. This division has four sections—I to 4—which include such perishable as Fish, Ice, Fruit, Vegetables, Yeast, Bacon and Hams, Fresh Butter, Cheese, Eggs, Game, Ice Cream, Meat, Plants and Flowers, Poultry, Sausages and Suet.

The part confined to non-perishables has thirteen groups, viz.

MERCHANDISE BY PASSENGER TRAIN 131

Group No.	General Description of Traffic	Basis of Charge
1.	General Parcels (except otherwise provided)	Weight
2.	Merchandise of a Frail Nature or Bulky in Proportion to Weight ...	Weight
3.	Papers	Weight
4.	Empties	Weight
5.	Live Stock	Various
6.	Bicycles, Invalid Chairs, etc. ...	Per Article
7.	Loaded Vans, etc.	Per Truck
8.	Carriages and Motor Cars, etc. ...	Per Vehicle
9.	Caravans, etc.	Per Vehicles
10.	Corpses	—
11.	Railway Vehicles Running on their Own Wheels	Weight
12.	Luggage, etc., of Theatrical Companies	Per Truck
13.	Single Post Letters	Flat Rate

Under these headings are shown the various articles and commodities which comprise the groups.

In addition to the general regulations already quoted, further regulations are added as notes to the "non-perishable" part of the Classification, including the following :

- " (2) When Guard Trucks or Runners are provided, an additional charge will be made for each such vehicle.
- (3) The maximum weight of traffic, including Owner's Vans and contents, carried in or on any one truck is 50 cwts., except where by prior arrangement the Railway Companies agree to accept traffic exceeding that weight ; in such cases the charge for the weight above 50 cwts. will be *pro rata* to the truck rate.
- (4) Traffic requiring special vehicles is only accepted where by prior arrangement the Railway Companies agree to provide or accept such vehicles.
- (5) The companies reserve the right to impose Conditions in regard to Packing and Limitation of weight.
- (7) Explosives, Inflammable Liquids and substances made wholly or partly therefrom, Corrosive or Poisonous Chemicals or other Dangerous or Objectionable Articles will not be accepted for carriage by Passenger train, except where by prior arrangement the Railway Companies agree to accept such traffic.
- (8) Traffic not properly packed will be accepted for carriage as 'Damageable Goods not properly protected by packing.'

STANDARD CHARGES

The standard charges for conveyance by passenger train are laid down in the companies' Schedules of Standard Charges (see page 42.) Part IV applies to perishable merchandise and Part VII to passengers, luggage, live stock, carriages and non-perishable merchandise.

Part IV is divided into sections to correspond with the classification of perishables, there being a scale of charges on the

" tapering " mileage basis, with additions for station and service terminals, in respect of each of these. Part VII has thirteen scales of charges corresponding with the thirteen groups given on page 131. It is not proposed to deal with these in detail, with the exception of groups 1, 2 and 7, which cover most of the passenger train traffic forwarded by the ordinary industrial concern.

GENERAL PARCELS TRAFFIC

The scale of charges applies with Company's Risk conditions. It goes up in 1 lb. intervals to 112 lbs. with a charge per package for ten-mileage divisions. Parcels over 112 lbs. in weight are charged at the rates shown for 112 lbs. plus a stated rate per lb. for the weight over 112 lbs. (see Table 8). It is applicable, with certain exceptions :

1. Between all stations and ports in Great Britain.
2. Between all stations and ports in Great Britain and Jersey and Guernsey and Douglas (I.O.M.).
3. Between all stations and ports in Great Britain and certain ports in Ireland.
4. Between certain ports in Ireland and Jersey and Guernsey and Douglas (I.O.M.).

With few exceptions no charge will be made for collection and delivery within the usual limits, but in the case of traffic with Ireland and the Isle of Man, port dues will be payable (for parcels the dues are 1d. per package in both cases).

Additional charges for sea conveyance are raised on traffic between the mainland and the Isle of Wight. These range from 7d. for 1 lb. to 2s. 6d. for 112 lbs., with a charge of ¼d. per lb. for each lb. additional.

There is a further scale at Company's Risk which covers those stations and ports in Ireland excluded from the previous scale ; this is on a slightly higher basis, but there are fewer mileage gradations, the maximum charge being for distances in excess of 200 miles. In the case of traffic with certain Great Southern Railway stations a surcharge is added, the amount of which varies with the station and the weight of the package. Full details will be found in the Scales of Rates for Parcels Traffic by Passenger Train issued by the Railway Clearing House.

FRAIL AND BULKY MERCHANDISE

A list of articles included in this description is given in the Classification ; most of them are only conveyed as damageable goods not properly protected by packing and a few—such as advertising signs and wireless valves—at Owner's Risk only.

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In arrangement, the scale of charges is similar to that for general parcels, but it is on a much higher basis.

LOADED VAN TRAFFIC

Merchandise included in this group in the Classification is conveyed in specially provided trucks and charged on a per-truck basis.

The charges are calculated as under :

Rate for conveyance per mile per truck not exceeding 21 feet in length (Maximum Weight 50 cwts.) (Minimum charge as for 15 miles)				Station Terminal at each end	Service Terminals	
For the first 15 miles	For the next 35 miles or any part of such distance	For the next 50 miles or any part of such distance	For the remainder of the distance		Loading	Unloading
s. d. 1 6	s. d. 1 5	s. d. 1 3	s. d. 1 4	s. d. 1 8	s. d. 10	s. d. 10

Trucks exceeding 21 feet but not exceeding 45 feet in length are charged as for two trucks and trucks exceeding 45 feet in length as for three trucks.

EXCEPTIONAL CHARGES

There are exceptional scales for certain articles at Owner's Risk, and generally speaking it will pay most industrial concerns to consign their passenger train traffic "O.R." The extent of the savings to be effected can be roughly gauged from Table 8, and it is very exceptional for the losses due to damage, etc., over a period to be anything like the amount saved in carriage. There are four scales arranged similarly to those in respect of C.R. traffic, one excluding certain Irish ports and stations which are covered by the other three.

The list of traffics to which the O.R. scales apply is a fairly comprehensive one, and is published in the Scale of Rates for Parcels Traffic by Passenger Train. It should be noted that the signing of a "General Request" or O.R. consignment note is an *indispensable condition upon which these rates are applied*. In most cases the charges are inclusive of the services of collection and delivery.

A number of specified commodities "will not be accepted for conveyance unless packed in the manner described, and then only when the special Form of Consignment Note is signed by the sender or his representative; these articles will be conveyed only at Owner's Risk and not insured."

The companies recently issued revised charges in respect of

TABLE 8
 GENERAL PARCELS SCALE (COMPANY'S RISK) AND EXCEPTIONAL SCALE (OWNER'S RISK)
 COMPARED FOR VARIOUS WEIGHTS

Weight	Risk	Not exceeding 15 miles	16 to 30 miles	31 to 50 miles	51 to 75 miles	76 to 100 miles	101 to 150 miles	151 to 200 miles	201 to 250 miles	251 to 300 miles	Above 300 miles
28 lbs.	C.R.	s. d. 1 2	s. d. 1 6	s. d. 2 2	s. d. 2 6	s. d. 2 10	s. d. 3 2	s. d. 3 5	s. d. 3 8	s. d. 3 9	s. d. 3 10
	O.R.	11	1 1	1 7	1 11	1 11	2 1	2 3	2 7	2 7	2 9
56 lbs.	C.R.	1 7	2 4	3 6	4 3	4 11	5 9	6 6	7 0	7 5	7 7
	O.R.	1 5	1 8	2 5	3 3	3 3	3 9	4 0	4 11	4 11	5 5
84 lbs.	C.R.	2 1	3 2	4 9	6 0	7 0	8 4	9 6	10 5	11 0	11 4
	O.R.	1 8	2 3	3 2	4 8	4 8	5 5	5 9	7 3	7 3	8 0
112 lbs.	C.R.	2 6	3 11	6 0	7 9	9 1	10 10	12 6	13 9	14 7	15 0
	O.R.	1 11	2 10	3 11	6 1	6 1	7 0	7 6	9 7	9 7	10 3
Above 112 lbs. (for each additional lb.)	C.R.	$\frac{1}{2}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$
	O.R.	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	$\frac{1}{10}$	1	1	$\frac{1}{10}$

MERCHANDISE BY PASSENGER TRAIN 135

parcels up to 18 lbs. in weight at O.R., and this is reproduced as Table 9. The equivalent charges for parcels post have been inserted and indicate that material savings can be made by sending packages weighing from 4 lbs. to 15 lbs. by passenger train at this scale.

There is one other exceptional O.R. scale known as Scale "S," which applies to certain foodstuffs excluded from the scope of the ordinary O.R. charges. With a few exceptions the latter charges apply to the "S" commodities up to 16 lbs., but above this weight the "S" scale, which is on a slightly higher basis, operates. The maximum charge is for above 200 miles with special (and higher) figures in respect of Jersey and Guernsey, certain G.W.R. stations and all S.R. stations except Reading.

Delivery within the usual limits is included where the facilities exist (except Jersey and Guernsey).

TABLE 9

SCALE OF RATES FOR PARCELS BY PASSENGER TRAIN AT O.R.
(Including Collection and Delivery Within Usual Limits where these Services are in Operation)

Weight lbs.	1 to 30 miles			Above 30 miles				
	s. d.	(6d.)	(6d.)	s. d.	(6d.)	(6d.)	(6d.)	
1	6	(6d.)	(6d.)	6	(6d.)	(6d.)	(6d.)	
2	6	(6d.)	(6d.)	6	(6d.)	(6d.)	(6d.)	
3	6	(6d.)	(6d.)	6	(6d.)	(6d.)	(6d.)	
4	7	(7d.)	(7d.)	7	(7d.)	(7d.)	(7d.)	
5	7	(8d.)	(8d.)	7	(8d.)	(8d.)	(8d.)	
6	7	(9d.)	(9d.)	8	(9d.)	(9d.)	(9d.)	
7	7	(10d.)	(10d.)	9	(10d.)	(10d.)	(10d.)	
8	7	(11d.)	(11d.)	10	(11d.)	(11d.)	(11d.)	
9	8	(12d.)	(12d.)	10	(12d.)	(12d.)	(12d.)	
10	8	(13d.)	(13d.)	11	(13d.)	(13d.)	(13d.)	
11	8	(14d.)	(14d.)	11	(14d.)	(14d.)	(14d.)	
12	8	(15d.)	(15d.)	11	(15d.)	(15d.)	(15d.)	
13	8	(16d.)	(16d.)	11	(16d.)	(16d.)	(16d.)	
14	9	(17d.)	(17d.)	11	(17d.)	(17d.)	(17d.)	
15	9	(18d.)	(18d.)	11	(18d.)	(18d.)	(18d.)	
	1 to 15 miles	16 to 30 miles	31 to 50 miles	51 to 100 miles	100 to 150 miles	151 to 200 miles	201 to 300 miles	Above 300 miles
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
16	9	10	1 3	1 4	1 5	1 6	1 7	1 8
17	9	10	1 3	1 4	1 5	1 6	1 7	1 8
18	9	11	1 4	1 5	1 6	1 7	1 8	1 9

NOTE.—This scale is competitive with Parcels Post. The figures in brackets are the equivalent charges by this service.

A railway company can grant exceptional rates for the conveyance of traffic by passenger train just as it does for conveyance by merchandise train, but apart from the scales already

referred to, it is not a common practice. It must be remembered that apart from perishables they are not obliged to carry by the passenger service at all. Further examples of exceptional charges are to be found in some of the "flat" rates in existence for special traffics and also the fair number of agreed charges for conveyance by passenger train (usually on a per-package basis), which have been entered into during the last year or two.

If a trader's traffic in this category is of an exceptional nature, i.e. it is of very considerable volume and passing regularly, or very susceptible to competition, or there is some other particular feature about it, application should certainly be made to the company's Passenger Manager for consideration to be given to the possibility of a special charge. Such a case would arise where a firm contemplated the distribution of a large number of advertising parcels all over the country at one time (as often happens). No trader should be content to accept the ordinary general parcels scales until he is convinced that no special quotation can be obtained.

In conclusion, it should be observed that in consigning two or more parcels to the same consignee on the same day, the possibilities of saving money by tying them together, should be fully investigated.

CHAPTER XX

RATES WITH IRELAND AND THE ISLE OF MAN

IRISH TRAFFIC

THE revision of rates and charges under the Railways Act, 1921, did not apply to traffic with Ireland, and the 1926 issue of the old classification (see page 31) was continued after the "appointed day," together with the then existing rates.

The position in the Free State was met by the Irish Free State Railways Act, 1924 (in its main provisions similar to the Act of 1921), which legislated for a preliminary revision of rates and charges, the determination of a classification and the settlement of schedules of standard charges by a Railway Tribunal. It also provided for the continuance of certain old exceptional rates, the granting of new rates and their variation. But like its 1921 counterpart, this Act did not affect the through rates on traffic passing between the I.F.S. and Great Britain, and is therefore beyond the scope of this chapter; we are, however, concerned with the classification determined under it, because it now applies to a proportion of the through traffic, as will be detailed later.

THE IRISH CLASSIFICATION

In form, this document is very similar to that applicable to Great Britain, but there are certain differences which it is important to note.

There are fewer classes, the number being nine. They apply as under :

Class	Applicable (unless otherwise provided) to consignments of :	
1.	Minimum 6 tons per truck	} Exclusive of loading and unloading
2.	" 6 " " "	
3.	" 6 " " and upwards	
4.	Any Quantity	
5.	" "	
6.	" "	
7.	" "	
8.	" "	
9.	" "	

Merchandise in Classes 1 and 2 in consignments of less than 6 tons per truck are charged as follows :

2 tons and under 6 tons	...	...	Class 3
Less than 2 tons	...	...	Class 4

Goods in Class 3 in less than 6-ton lots will be charged as Class 4. It is of course permissible to apply the rate at the lower class for the minimum weight if it is cheaper than that for the higher class at actual weight.

It is interesting to compare the classification of certain commodities with the appropriate classification in this country.

Commodity	Class	
	" Irish "	" British "
Basic Slag, unground	1	2
Gravel in bulk	1	2
Lime in bulk	2	3
Pig Iron	2	5
Cement, Portland, packed	3	7
Grain	3	8
Girders, Iron or Steel	4	7
Onions	4	8
Ale and Porter in casks or cases	5	11
Hoops, Iron or Steel	5	7, 8 & 9 (according to weight)
Baking Powder	6	15
Wool, raw	6	16
Books	7	17 & 18
Tea	7	16 & 18 (according to weight)
Cigarettes	8	19
Tables, Iron or Steel	8	19
Bicycles in cases or crates	9	18
Perfumery	9	20

Returned Empties are provided for by four classes, A, B, C and D, as compared with eight in Great Britain. Class A comprises sacks, bags, wrappers, fish empties, etc. ; Class B covers returned empties not comprised in any of the other classes ; Class C, ale and porter casks and mineral water empties ; and Class D, carboys and crates of various descriptions.

Classification for O.R. reductions is by means of a letter added to the class number corresponding with a stated percentage as under :

Traffic Marked	Percentage Reduction	Traffic Marked	Percentage Reduction
a	2 per cent.	e	6 per cent.
b	3 per cent.	f	7 per cent.
c	4 per cent.	g	8 per cent.
d	5 per cent.	h	10 per cent.

It will be noticed that the maximum reduction is 10 per cent., compared with $12\frac{1}{2}$ per cent. in this country.

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The "Irish" classification also includes provision for rolling stock, Carriers' Act merchandise and livestock. The Classification of Dangerous Goods is published separately and both documents are obtainable from the Great Southern Railways Company, Dublin.

So far as Northern Ireland is concerned, Section 10 of the Government of Ireland Act, 1920, provided that the rates, fares, tolls, dues, etc., in force on the "appointed day" should continue until fresh provision was made.

The differing conditions in the three countries created many difficulties. In Great Britain a new classification of twenty-one classes operated from January 1st, 1928, and in the Irish Free State another new classification of nine classes operated from July 1st, 1930, while in Northern Ireland the old eight-class classification continued in use; the first and second of these did not apply to through traffic between Great Britain and Ireland. Consequently, at the end of 1931, the railway and shipping interests involved, considered the question of the future charging of this traffic, bearing the following two objects in mind:

1. Making no change which was likely to interfere with trade in any way.
2. Maintaining the existing level of charge.

After consultation with the Trader's Co-ordinating Committee the following scheme was evolved.

APPLICATION OF THE RESPECTIVE CLASSIFICATIONS

1. The "British" classification applies from *all* places in Great Britain *to all* places in Ireland and from the following Irish ports and stations *to all* places in Great Britain:

<i>Irish Stations:</i>	Belfast	Larne Town
	Carlingford	Lisburn
	Cork	Londonderry
	Drogheda	Newry (via Dundalk,
	Dublin (Via Great	Newry and Greenore
	Southern Railways	Railway)
	Dundalk	Waterford
	Hilden Siding	Wexford
<i>Irish Ports:</i>	Belfast	Larne Harbour
	Cork	Londonderry
	Drogheda	Newry
	Dublin	Rosslare Harbour
	Dundalk	Waterford
	Greenore	Wexford

The through class rates being noted in accordance with the old "pre-Revision" classification, the adjustment is made as under:

Rates recorded for						
Classes :	...	C	1	2	3	4 5
		(2 tons)				
Apply as through rates to the following classes of the "British" classification	...	7, 8, 9, 10	11, 12, 13	14, 15, 16	17, 18	19 20
		(2 tons)				

2. The "Irish" classification applies *from all* stations and ports in Ireland (except those set out in paragraph (1)) to *all* places in Great Britain.

The adjustment previously referred to is as follows :

Rates recorded for Classes	...	C	1	2	3	4	5
		(2 tons)					
Apply as through rates to the following classes of the "Irish" classification	...	...	3, 4	5	6	7	8 9
			(2 tons)				

OWNER'S RISK SCALES

The "X, Y, Z" scale of reductions, which was a feature of the old classification, was cancelled under this arrangement. Where an article is classified for an O.R. reduction in the "British" or in the "Irish" classifications, the base rate (i.e. the pre-war rate including the 1913 4 per cent. addition) is reduced by the appropriate percentage when consigned at Owner's Risk.

EXCEPTIONAL RATES

Rates noted for specific commodities were continued as through rates, but special provision had to be made for those noted under the generic headings of the old classification, which differ somewhat from the generic lists set out in pages 362-77 of the G.R.C. (see page 35). Rates noted under the old terms apply as under :

Noted in rate book as :

Castings as per List
Alkali
Light Drapery
Heavy Drapery
Grain
Groceries No. 1
Groceries No. 2
Hardware
Iron and Steel List (C)
Iron and Steel List (1)
Joiners' Work
Machinery
Packed Manure
Paper-making Material
Preserves in Class 2
Provisions as per List
Tanning Materials
Timber, Deals, Battens and Boards
Timber, Deals, Battens and Boards
(plus 10 per cent.)

Applicable to articles included in the "British" classification in :

Castings List A
Chemicals in List B
Drapery List C
Drapery List D
Grain List E
Groceries List G
Groceries List H
Hardware List J
Iron and Steel in Lists K, L, and M
Iron and Steel in List N
Joiners' Work List O
Machinery List P
Packed Manure List Q
Rags and Waste List R
Preserves List S
Provisions List T
Tanning Materials List U
Timber List V
Timber List W

RETURNED EMPTIES

The old scales were cancelled and new ones, conforming with the "British" classification, compiled. There is now one scale for returned empties which is printed at the back of the Small Parcels Scale (January 1937 edition). It is similar in general arrangement to that dealt with on page 60, is on a C. and D. basis and provides for the eight classes of empties, viz. A, B, C, D, E, F, G, and H for distances rising, in fifty-mile increments, up to 600 miles and over. The level of increase above the pre-war charges (plus the consolidated addition) is 60 per cent.

AGRICULTURAL, CARRIAGE CLASS AND ROLLING STOCK SCALES

The Agricultural Mileage Scale was cancelled and the traffic is thus chargeable in accordance with the "British" or "Irish" classification, whichever is applicable. It was understood at the time, however, that should this method involve increases, special rates would be arranged on the basis of those then in operation.

The Carriage Class Scales were cancelled also ; in most cases the traffic is provided for in the classifications. Where no provision exists special rates will be arranged.

The Rolling Stock Scale was dispensed with as being no longer necessary.

SMALL PARCELS SCALE

The latest issue is dated January 1937 and applies to all small parcels traffic (other than returned empties) between England and Wales and Ireland and the Isle of Man. It is obtainable from any of the railway companies or the Railway Clearing House.

It differs considerably, in arrangement, from the "British" scale, the rates being shown at the heads of the columns and the weights at the left-hand side.

Rates with Ireland are usually noted as two separate amounts ; the first or "small" figure is the base rate plus a consolidated increase, and the second, or "tonnage" rate includes the percentage increase (with few exceptions, 60 per cent.), plus a flat addition of from 3d. to 6d. A list giving the consolidated increases for each Irish station is published by the railway companies. The following class rates between Norwich and Dublin are given as examples :

Class :	C	1	2	3	4	5
"Smalls" ...	—	54/5	62/3	77/-	95/-	114/7
"Tonnage" ...	58/11	87/6	100/1	123/8	152/6	183/10

It will perhaps be clearer if we take the Classes 1 and 4 rates as examples :

	Class 1	Class 4
	s. d.	s. d.
"Smalls" rate	54 5	95 0
Plus 60 per cent.	32 7	57 0
Flat addition	6	6
	<hr/>	<hr/>
" Tonnage " rate	87 6	152 6

This does not mean that "smalls" are charged on a lower basis (which would be ridiculous of course), because the percentage increase is allowed for in the scale. Where a rate is subject to a weight minimum in excess of 3 cwts. (Class C for example), the "smalls" figure is not given because it is obviously unnecessary.

ANOMALIES

The application of rates originally fixed in conjunction with an eight-class classification to the revised classifications was (not unexpectedly) attended by certain anomalies and cases of hardship. By now many of these have been adjusted and the general policy of the companies is to give sympathetic consideration to cases brought to their notice.

Obvious examples are traffics in the old Classes A and B, which are not provided for in the adjustment of classes shown on page 140. The existing rates for these traffics were continued and special figures will be arranged for new traffics if a request is made to the contracting company.

Another source of trouble is where the adoption of the "British" or "Irish" classifications (as the case may be), has resulted in a higher class rate applying than would otherwise be charged. Such instances, and any others of a similar nature, should be reported with an application for adjustment having regard to the fact that the trader is being called upon to pay more than he would have done under the 1926 classification.

The companies are not likely to be unreasonable in genuine cases. They are mainly influenced by their desire to obtain the same revenue as they would obtain under the old conditions.

THROUGH RATES AND LOCAL BOOKINGS

In dealing with through rates the trader should make a comparison with what he would pay if each part of the journey was charged for separately. The "change-over" of classifications did undoubtedly create a number of cases where considerable differences existed between the sum of the local and

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the through figures. Reductions in sea freights also account for similar anomalies, for whereas the steamship company may reduce a rate for the sea part of the journey such reduction is not necessarily reflected in the through rate.

The method of comparison is shown in the following hypothetical case :

Through rate between Blanktown (England) and Belfast—
90s. per ton C. & D.

Local bookings :		s.	d.	
Blanktown to Liverpool ...	...	50	0	per ton Carted Blanktown
Delivery at Liverpool ...	...	3	4	"
Liverpool to Belfast ...	...	26	0	"
Harbour Dues ...	...	2	6	"
Belfast Cartage ...	...	4	0	"
Total ...		85	10	per ton C. & D.

In this example the "locals" show an advantage, and a reduction in the through rate should be applied for. The railway companies frequently contend that where an individual consignment is chargeable as "smalls," the sum of the separate charges will show no advantage compared with the through charge, owing to the operation of the small parcels scale, minimum cartage charges, etc., in spite of the fact that the difference may exist on a "per ton" basis. This may be true of such individual small parcels, but the principle of a through rate not being in excess of the separate charges which go to make up that rate, remains unaltered and in the opinion of the writer, should be applied. The companies will not, however, give any undertaking to reduce such rates in every case, and the matter is largely one of negotiation.

ISLE OF MAN TRAFFIC

In the case of the Isle of Man, the old rates and classification were continued after the "appointed day." On and from January 1st, 1933, however, a new arrangement on similar lines to that applicable with Ireland was introduced, whereby the G.R.C. took the place of the old eight-class classification, and has since applied to traffic with Castletown, Douglas, Peel, Port St. Mary and Ramsey, passing via Liverpool and direct steamer.

CLASSIFICATION

The class rates are of course, noted for the Classes C, 1, 2, 3, 4 and 5, and operate for the equivalent classes of the G.R.C. as set out on page 140. Class 21 traffic is only carried by special arrangement.

Rates for traffics in Classes 1 to 6 are quoted on application and are naturally exclusive of the usual service terminals in England and Wales and in certain cases extra handling charges may be incurred at Liverpool. Where rates are noted for specific traffics in Classes 7 to 10 with "station" conditions, they are, unless otherwise provided, exclusive of loading and unloading in England and Wales.

The following arrangements as to minimum quantities apply :

Traffic in Classes 5 and 6 in lots under 4 tons and not less than 2 tons is, except otherwise provided, chargeable at the rates for Class 10 or as for 4 tons at the rate applicable to that quantity if cheaper.

Traffic in Classes 5 to 10 in less quantities than 2 tons is, except otherwise provided, chargeable at the rates for Class 12, or as for 2 tons at the rate applicable to that quantity if cheaper.

Station-to-Station rates are subject to a minimum of 2 tons unless otherwise noted.

Where traffics are classified for an Owner's Risk reduction, the percentage decrease can be applied to rates noted for specific commodities, when consigned at O.R.

The through rates do not apply to articles more than 30 feet long or the following weights:—Douglas, 3 tons; Castletown, Peel, Port St. Mary and Ramsey, $1\frac{1}{2}$ tons.

RATES

The level of increase over the base rates is 60 per cent. plus the flat addition, i.e. they are similar in this respect to Irish rates.

Where rates are noted in accordance with the old generic lists they apply as set out on page 140.

It should be particularly observed that rates noted "for export" do not apply to Isle of Man traffic. This point would arise if traffic was consigned to Liverpool for re-consigning to the Isle of Man at the local charges, and there happened to be an exceptional rate with Liverpool which was confined to export traffic.

COLLECTION AND DELIVERY

C. and D. rates only include these services where the company has cartage facilities and then only within the prescribed boundaries. Douglas and Ramsey are "carting" stations, but Castletown, Peel and Port St. Mary are regarded as "non-carting" stations, and the rates with these places are "Carted in England" only.

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Rates for Classes 7, 8, 9 and 10 operate with "station or private siding" conditions.

In the station rate-books will be found a list of articles which when conveyed at the through rates are charged *at the rates recorded but with S. to S. conditions*. There are also lists of the traffics which the company will not undertake to cart, and those which will only be carted on special terms.

SMALL PARCELS

These are subject to the Small Parcels Scale which is the same as that used for Irish traffic (see page 141). On traffic consigned from Liverpool the steamship company make a flat minimum charge (usually 1s. per consignment).

THROUGH RATES AND LOCAL BOOKINGS

As in the case of Irish rates the trader should examine his through rates and ascertain if they exceed the sum of the "local" charges. If they do, the railway company should be asked to amend the figures. Failing this, the alternative is to consign to Liverpool for reforwarding.

CHAPTER XXI

PRIVATE OWNER'S WAGONS

UNDER Section 2 of the Railway and Canal Traffic Act, 1854, a railway company is bound to provide, as a "reasonable facility," wagons for the conveyance of merchandise. This, however, only refers to "ordinary" merchandise, for it is laid down by Clause 6 (3) of the Fifth Schedule to the 1921 Act that :

"The Company shall not be required to provide trucks for the conveyance of merchandise in respect of which the provision of trucks is not included in the rate for conveyance, nor for the conveyance of lime in bulk or salt in bulk, or any merchandise liable to injure trucks, but in all such cases traders shall be entitled to provide their own trucks."

The Rates Tribunal is to settle any dispute as to whether merchandise is liable to injure trucks, the onus being on the trader to show that it will not cause such injury.

While the company cannot be *compelled* to carry the above-mentioned traffics in railway wagons, there is, of course, nothing to prevent them so doing if they choose. The trader can demand to use his own trucks in such cases, *but he is not entitled to have other kinds of merchandise conveyed in private trucks where the company is ready and willing to provide their own.* Where, however, there is a shortage of railway-owned wagons and the trader's reasonable requirements cannot be met, he is entitled to supplement the supply by using his own. In such circumstances he would be able (where the rate charged includes the provision of wagons), to claim a rebate based on the cost to the railway company of running and maintaining a wagon, i.e. the amount saved them.

PRIVATE OR COMPANY'S WAGONS ?

The problem of whether to operate private wagons or not, is one of finance and convenience.

If a firm is already using its own trucks it is comparatively easy to prepare a statement showing the cost over a period (including interest on capital, depreciation, maintenance, etc.)

and to compare it with the saving effected in wagon hire (assuming it is traffic which would be accepted in railway wagons).

It is more difficult where the problem is whether the purchase of trucks would be justified ; here there is no previous experience to work upon except other people's experience, where obtainable. If the amount of traffic and the places between which it will be conveyed are fairly accurately known, a reasonable estimate of the difference between O.W. and C.W. rates over, say, a year, can be made. It must then be decided how many of the trader's own wagons would be required to convey the same traffic, and here the difficulty will be the estimating of the "turn-round" which can be achieved. This obviously depends on nature of the traffic, distance, terminal facilities and other relevant circumstances. In some cases two round trips per week are obtained, but such efficient working is certainly not general and the Royal Commission on the Coal Industry (1925) found that the average for private coal wagons was about two round trips *per month!* No doubt the storage of coal in wagons contributed to this poor result.

Unless the number of wagons to be operated is very large, the trader would be advised to enter into a contract with a wagon-repairing company for the maintenance of the vehicles at a stated rate per wagon per annum, thus fixing this item in advance. A prospective owner could obtain such particulars (including the cost of purchasing new and/or second-hand wagons) from one of these companies before actually coming to any decision.

Convenience is a very big factor influencing the problem. It must be remembered that under present conditions the traffic conveyed in private wagons could not possibly be handled by the railway companies in their own vehicles. The private owner is often able to make, from his point of view, more satisfactory supply arrangements, particularly where the terminal facilities are such that special type wagons are necessary. In the case of coal, the ability to store in wagons pending forwarding or shipping instructions is very valuable, enabling the work in the pits to be continued where otherwise it would be stopped. Many traffics require trucks of a highly specialised description—tank wagons for dangerous liquids, for example—which must of necessity be worked to or from one factory or group of factories, and it is therefore desirable that such equipment be owned by and under the control of the firm concerned.

REGULATIONS AS TO PRIVATE OWNER'S WAGONS

Reference should be made to the Regulations as for the Use and Working of Private Owner's Wagons (issued by the Railway Clearing House) and the Rolling Stock Classification which is embodied in the G.R.C.

Briefly, private wagons must conform to the R.C.H. standard specifications and be approved by the company on whose lines they are "at home." Register plates must be affixed and the name and address of owner or lessee, wagon number, tare and maximum carrying capacity be painted on both sides. Wagons must be properly lubricated, examined and in good working condition before being tendered to the company; labels or directions as to destination must be placed on both sides; in the case of a vehicle which is defective the label must show the station or siding to and from which it is required to travel.

The wagon may be detained by any authorised servant of the company who considers it unfit to run, until it has been put into proper repair and passed by the company's examiners. They will not be responsible for damage to a truck left unprotected in an imperfect state.

Objection is sometimes made to the use of private wagons for advertising purposes where this is not confined within certain limits, although a simple description of a product manufactured by the trader is permitted.

EMPTY HAULAGE

Regulation 1 of the Classification of Rolling Stock reads :

"(1) No charge is made on Private Owner's Wagons conveyed empty in the following cases :

- (a) When returned empty by the same route direct and between the same Stations or Sidings as conveyed full, and provided no free conveyance has been allowed in respect of the prior journey when loaded.
- (b) When forwarded empty to be returned full by the same route direct and between the same Stations or Sidings.

Further, if an empty wagon travels in any direction over the lines of the same Companies as on the loaded journey, free haulage will be given by each Company for a distance not exceeding that over which such Company has hauled the wagon on its loaded journey, notwithstanding the journey empty may be interrupted for repairs, subject to :

- (i) An Advice Note being handed in before the despatch of the wagon.
- (ii) Particulars being given of the loaded journey in respect of which free haulage is claimed.
- (iii) Free conveyance not having been allowed in respect of the prior journey when loaded.

- (iv) Charges being paid for shunting services rendered in those cases where a journey is interrupted for repairs.

In all other cases empty private wagons will be charged for at the Scale Rate applicable. (*For charges see Book of Scales.*)"

With reference to the above see also Clause 7 of the Fifth Schedule to the 1921 Act.

New wagons may be loaded on their first journey in which case no charge will be made for the conveyance of the wagon, but minimum charges as for the following weights per truck will be made on the goods loaded in them—Classes 1 to 6, 6 tons, 7 to 9, 4 tons and 10 to 20, 2 tons. The trader or builder has, however, the option of paying the charge for the goods at actual weight plus the conveyance charge for the wagons. The latter will be at the scale applicable to "Railway trucks running on their own wheels," which is included in the companies' standard schedules and is No. 7 in the R.C.H. Book of Scales.

Wagons running on their own wheels or on other trucks to or from wagon works, before or after repairs, are charged at half of the rates shown in the scale mentioned above; where a damaged wagon is conveyed on a railway truck wagon hire calculated on the weight of the disabled wagon is payable in addition. The "half-rate" charge does not apply to wagons returned from a hiring or sent out on a new hiring or on sale, or transferred from one district or owner to another. In dealing with the conveyance charges referred to in this paragraph, regard should be paid to the scheme for commuting charges outlined on page 150.

When wagons going to or from wagon works, before or after repairs, contain wheels or other articles, no conveyance charge will be raised, but minimum charges on the load will be maintained as set out in the paragraph dealing with new wagons. The same option is exercisable.

In 1930 the Railway Clearing House gave notice that in their interpretation of these regulations "immunity from empty haulage charges attaches not to the wagon but to the trader on whose behalf the equivalent loaded journey is performed and from whom the consideration for such empty haulage is received by the Railway Company." Empty haulage may therefore be incurred—principally in connection with wagon letting and repairing—beyond that which is allowed free. Objection to the interpretation was made by the wagon-owning interests, and after the matter had been before the Rates Tribunal and adjourned, an amicable settlement providing for the commutation of these charges by an annual payment was reached.

The wagon owner can thus—if he desires—enter into an agreement with the Clearing House whereby all charges in connection with the movement of privately owned wagons except :

- (i) Charges for the haulage of new wagons on their first journey from wagon works ;
 - (ii) Empty haulage charges on wagons working in Scotland, and between England and Scotland ;
 - (iii) All services covered by the existing Commuted Charge for Shunting and Siding Rent on wagons stopped for repairs (see below) ;
 - (iv) Transshipping charges, loading charges, and charges for the hire of railway companies' wagons for the conveyance of crippled privately owned wagons ;
- are commuted by an annual charge per wagon.

For coal, public utility, salt, iron ore and limestone wagons this charge is 1d., and for stone, gravel, brick, lime, cement, tank and other wagons, 6d. Mineral and tank wagons let or available for letting on simple hire are charged 1s. 10d. In addition to these rates the repairing companies have to pay 11d. per wagon in respect of vehicles under repair contracts.

A five-pointed star coloured yellow must be placed on wagons covered by this agreement.

WAGONS STOPPED FOR REPAIRS

Where the company is required to shunt a crippled wagon into or out of its sidings and/or a wagon repairer's premises, a charge of 1s. per wagon is made. In addition siding rent at the rate of 6d. per wagon per day will be payable upon the expiry of three days after an advice has been sent to the owner. These siding and rent charges can, however, be commuted by the payment of 1s. per wagon per annum, by agreement with the Railway Clearing House. Plates bearing two C's, one inside the other, on a yellow background, must be affixed to the wagons.

The usual form of notice given to the owner is as follows :

_____ RAILWAY
Chief Mechanical Engineer's Dept.
.....193.....

The following Wagons have been stopped for repairs at _____
STATION.

Owner	Number of Wagon	Principal Defects	Loaded or Empty	Destination

Please arrange for the above, and other other defects, to be repaired.

SEE NOTICE ON BACK HEREOF

On the reverse side is printed information concerning shunting and siding rent-charges, and the following :

" Before proceeding with the repair of the truck specified on the other side, the Company's conditions must be complied with, the Workman must produce this advice to, and put himself in direct communication with the Station Agent or principal officer in charge, and satisfy himself that the necessary arrangements have been made for his proceeding with the repairs in safety.

" The Company will not be responsible for any damage to Private Owners' Wagons left unprotected in an imperfect state by the Owners, nor for any injury that may occur to wagon repairers, who will be required to execute an indemnity before they are allowed to work on the Company's premises."

In actual practice, where wagons are repaired under contract with a wagon-repairing company, the necessity for the production of the notice is not enforced, and in most cases the repairers will have put the repairs in hand by the time it is received by the owner.

Where defects render necessary the transhipment of the load into a railway wagon the trader will of course, be liable for labour charges and wagon hire on the substitute wagon.

DETENTION

It is enacted by Clause 3 of the Fifth Schedule to the 1921 Act that a trader is entitled to recover from the company demurrage for the detention of his trucks beyond a reasonable period. This refers to detention before and during, as well as after transit. The amount of the demurrage would depend upon circumstances, but it would not necessarily be the amount usually charged by the company when a trader detains one of their trucks. It must be regarded as compensation for the loss of something that is capable of earning a profit and include the cost of hiring a wagon to take the place of the detained one.

The " reasonable period " must be regarded as the average period, and in this connection traders would be well advised to keep records of the periods during which their wagons are in the railway company's hands so that in the event of a dispute reliable data is readily available. Where the time occupied exceeds the average the company must prove that it is not unreasonable.

Claims in respect of detention of trader's wagons may be determined by the Rates Tribunal at the instance of either party.

While on the subject of private wagons it would be advisable to emphasise the fact under Condition 18 of the Standard

Conditions A, the company is not liable for loss, damage or delay arising from a defect in a private truck or sheet upon proof by the company that there was no negligence on their part.

The company must, however, take reasonable care to see that the wagon and sheet are in a fit condition, and they could not escape responsibility if the defect was an obvious one which should have been detected by their servants.

CHAPTER XXII

FACILITIES AND RAILWAY POOLING AGREEMENTS

UNDER Section 2 of the Railway and Canal Traffic Act, 1854, railway companies must afford reasonable facilities for receiving and forwarding traffic on their own lines and over those of other companies ; they must not give any trader any undue or unreasonable preference. Traffic includes carriages, wagons, boats, etc., and all vehicles capable of running or passing over the railway. The facility must be reasonable from the company's as well as the trader's point of view, and it must obviously be something which is within the company's power to perform or provide. An undue preference would be created if, under similar circumstances, better facilities were granted to one trader than to another.

Under Section 16 of the Railways Act, 1921, the Railway and Canal Commission may order the provision of reasonable railway services, facilities and conveniences even, in some cases, to the extent of compelling the company or companies to carry out certain works in the way of minor improvements.

Questions relating to a railway company's failure to provide proper facilities are decided by the Railway and Canal Commission (set up by the Railway and Canal Traffic Act, 1888).

Where a trader has enjoyed certain facilities for a lengthy period the company is not entitled to withdraw them without offering something to take their place. It is unlikely that such withdrawal would meet with the Commissioner's approval unless it was amply justified by altered conditions.

In considering the withdrawal of facilities, however, it is necessary to bear in mind any possible alterations effected under a pooling agreement.

With the object of avoiding competition the railway companies commenced, quite early in their history, to enter into amalgamations and working and pooling arrangements. Agreements for pooling receipts required the sanction of the Court of

Chancery and were not favourably received until after the decision in 1861, in the case of *Hale v. L. & N.W.R.*, to the effect that a pooling agreement for the purpose of avoiding competition was not illegal. After this they were frequently resorted to.

By the Railways Act, 1921, pooling agreements are subjected to regulation. Section 19 reads :

“(1) Save as in this Act expressly provided, nothing in this Act shall prejudice or affect the rights or liabilities of any constituent of subsidiary company under any Act or agreement or arrangement (whether made under statutory powers or otherwise) in existence at the passing of this Act, but from and after the passing of this Act it shall not be lawful for any constituent or subsidiary company or for any amalgamated company without the consent of the Minister to enter into agreements with any constituent or subsidiary company in another group or with any other amalgamated company, as the case may be, for the allocation of traffic or the pooling of receipts or otherwise for affecting a combination which would contravene the purposes of this Act : ”

“(2) Before giving his consent under this section the Minister shall, unless it appears to him that the matter is one of such small importance that it is unnecessary to do so, refer the matter for consideration and report to a Committee selected from the panel set up under Section 23 of the Ministry of Transport Act, 1919, as extended by this Act.”

In order to eliminate wasteful competition the L.M. & S.R. and L. & N.E.R. companies jointly submitted for the consent of the Minister, heads of agreement for the pooling of the receipts from competitive passenger, goods and other traffics. On May 27th, 1932, the Minister appointed the Railway Pool Committee to consider the agreement. The proceedings of this committee took place between June 28th and July 12th, 1932, when representations and objection from persons and bodies interested, were heard.

The main points of the agreement are :

1. It provides for each company bringing into a common account and sharing, certain receipts which come to them as separate companies. These receipts are in respect of (i) passengers, (ii) parcels and excess luggage, (iii) other merchandise by passenger trains, (iv) parcels post (excluding mails), (v) merchandise (except classes 1-6), (vi) merchandise and minerals (Classes 1-6), (vii) coal, coke and patent fuel, (viii) live stock.
2. The amounts included in the pool are the receipts from traffics (as above), *directly competitive for the whole or part of the route* between the two companies, after certain

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- deductions for terminal and working expenses. The terminals are those for station accommodation and services and for this purpose include collection and/or delivery. Working expenses are at agreed rates estimated to equate the factors of cost which vary with the volume of traffic hauled.
3. The division of the pool is to be in the ratio which each companies' receipts (for the various types of traffic) for the years 1928, 1929 and 1930, bear to the total receipts of both companies.
 4. Each company retains its own separate identity, capital, property, staff, organisation, etc.
 5. The agreement is to continue for fifty years and afterwards until determined by five years' notice.

There was considerable opposition from traders, steamship owners, wagon owners and the railway trades union, but most of this was withdrawn upon the companies giving certain "assurances."

The traders' position was that the companies had no "cut and dried" plan of the uses to which they intended putting their powers under the agreement, and they were apprehensive regarding the possible cutting down of services and interference with facilities. Their witnesses did however recognise that the railways were in a parlous state, and subject to certain reservations they could not expect the companies to maintain all the competitive and circuitous routes, or maintain stations at which no business was being done. The traders' opposition was, however, withdrawn upon receiving the following assurances from the railway companies through their counsel.

- "(a) that 'if, in consequence of this pooling scheme, the railway companies discontinued or altered an existing working route they would not seek to make that a ground for an increase of rate or for altering the chargeable distance'
- (b) that 'the statements made by Sir Ralph Wedgwood in answer to the Chairman at Qs. 1275 and 1276 correctly represent the policy of the two companies, which is that though some freight services may be withdrawn the general level of services will be raised; so that, taken as a whole, the services and facilities after pooling will be better than if no pooling is permitted. In addition, I am authorised to say that where it is proposed to withdraw important freight services or facilities the railway companies will consult with the trading interests concerned before taking action'
- (i) as to the word 'important,' it not being the intention of the companies to construe the word 'important' in a narrow way but reasonably and liberally; but they felt it necessary

to use the word 'important' because otherwise it might be said that no facility at all could be withdrawn unless the traders interested were first consulted ;

- (ii) as to the phrase 'consultation with the trading interests before taking action' that it did not exclude the consideration of a representation made by a representative body of traders."^{*}

The two main points developed by the wagon owners were :

- " (a) that they should be assured of the present routing facilities ;
 (b) that the undertakings of the two companies should be treated as one for the purpose of the application of the existing rule with respect to empty haulage."^{*}

As regards (a) the companies could close a route under the pooling agreement, but they gave an assurance that no important working route would be closed without prior consultation with the interests concerned. The consideration of the two companies as one for empty haulage purposes—as proposed in (b)—would entail an application to the Railway Rates Tribunal and the Railway Pool Committee therefore decided that it was not a matter on which they could express an opinion.

In their report dated July 27th, 1932, the Committee recommended the agreement for the Minister's consent on the ground of public necessity, and the scheme operated as from July 1st, 1932.

The "assurances" quoted here are important because they must be taken into consideration when dealing with problems related to "facilities" and would no doubt be applicable in the case of any other similar pooling agreement, as for example, that to which the Great Western Company is party.

^{*} *Report of the Railway Pool Committee, 1932, pp. 20 and 21.*

CHAPTER XXIII

THE RAILWAY RATES TRIBUNAL AND THE RAILWAY AND CANAL COMMISSION

RAILWAY RATES TRIBUNAL

UNDER Part III of the Railways Act, 1921, the Railway Rates Tribunal was established, in November 1921, as a Court of Record. It consists of three permanent members, one being an experienced lawyer (who is president), another a person experienced in commercial affairs, and a third who is experienced in railway business.

There were also constituted, two panels; one (known as the General Panel) consists of thirty-six persons, twenty-two of whom represent trading interests, twelve represent labour and railway passengers, and two represent agricultural interests. The other (known as the Railway Panel) is representative of railway interests. From these panels the Minister of Transport, if he deems it expedient, may add two additional members to the Tribunal for the purposes of any particular case.

The functions of the Tribunal have been frequently referred to already; the main ones can be summarised as follows:

They have power to determine questions in regard to the following matters:

- (a) The alteration of the classification of merchandise;
- (b) The variation or cancellation of through rates;
- (c) The institution, continuance, variation or cancellation of group rates;
- (d) The variation of tolls;
- (e) The amount to be allowed for terminal services not performed at a station or for accommodation or services in connection with a private siding, not provided or performed;
- (f) The reasonableness or otherwise of any charge for services or accommodation for which no authorised charge is applicable;

- (g) The reasonableness or otherwise of conditions as to packing of articles specially liable to damage or likely to cause damage to other merchandise ;
- (h) The articles and things that may be conveyed as passenger's luggage ;
- (i) The constitution of local joint committees and their functions.

These will be found set out in full in Section 28 of the Act. As we have seen, the Tribunal's jurisdiction also extends to :

- (j) Exceptional charges, minimum rates, and charges by circuitous routes ;
- (k) Standard conditions of carriage ;
- (l) Collection and delivery charges ;
- (m) Definition of dangerous goods ;
- (n) Alteration or discontinuance of certain facilities ; and more recently to—
- (o) Road transport by railway companies (under the 1928 Acts) ;
- (p) Railway freight rebates ;
- (q) Fares, services, facilities, etc., under the London Passenger Transport Act (for which purpose two additional members have been appointed) ;
- (r) Agreed charges.

The Tribunal must annually make a report to the Minister of its proceedings, which report has to be laid before Parliament. It is also required to make an annual review of railway charges.

Rules have been made, with the approval of the Lord Chancellor, the Lord President of the Court of Session and the Minister of Transport, which govern the Tribunal's procedure and practice. These are issued in the form of Statutory Rules and Orders and are obtainable through the usual sellers of Government publications.

Proceedings are initiated by an application in writing lodged with the Registrar. This must be signed by the applicant and contain a clear and concise statement of the facts forming the ground of application, and the relief or remedy claimed, or of the matter for the determination of the Court as the case may be. The statement must be divided into consecutively numbered paragraphs and endorsed with the applicant's name and address and that of his solicitor. The various forms used are set out in the First Schedule to the Rules.

Any party may appear and be heard in person or by Counsel or Solicitor, or may appoint (in writing) any person in his regular employment to act as his representative. Where the party is a firm, any partner may appear on behalf of the firm.

Associations of traders or freighters, chambers of commerce, shipping or agriculture and representative bodies of traders may appear in accordance with the provisions of the Railways Act, 1921, and subject to the rules affecting them.

A person interested (not being the applicant or respondent) who claims to be heard shall give notice and full details of the nature of his interest, etc., at least four days before the commencement of the hearing. At the same time he must serve notice upon every party to the cause.

The Court may hear any person likely to assist it notwithstanding any failure to comply with the rule relating to right of audience.

No appeal will lie from the Court upon any question regarding the *locus standi* of an applicant or the right of audience.

The Schedule of Fees forms the Second Schedule to the Rules (page 32). The following note is appended :

" The hearing fee for the first day is to be paid by the Applicant, the hearing fee for each subsequent day is to be paid by the party the hearing of whose evidence or argument occupies the day or the greater part of the day, as the case may be, unless the Court otherwise directs.

" All fees shall be paid by adhesive stamps which shall be sold at the offices of the Tribunal.

" The fees on appeal are governed by the rules of the Court to which the appeal lies.

" No fees are payable by the Minister of Transport in respect of Proceedings before the Railway Rates Tribunal."

Except in the case of disputes between two or more railway companies, the Court may not award costs unless they are of the opinion that the proceedings are frivolous and vexatious.

RAILWAY AND CANAL COMMISSION

The Commission was established as a Court of Record, under Part I of the Railway and Canal Traffic Act, 1888. It consists of two appointed and three *ex officio* Commissioners. The former are appointed on the recommendation of the President of the Board of Trade, one being a person of railway experience. The *ex officio* Commissioners must be Judges of a Superior Court.

Many of the Commission's functions have been transferred to the Railway Rates Tribunal and its general jurisdiction is now considerably curtailed. It has power to determine questions as to :

- (a) Facilities ;
- (b) Undue preference ;
- (c) The enforcement of the provision for securing equal treatment in the case of railway-owned steamers (Regulation of Railways Act, 1868) ;
- (d) Certain differences between railway companies (Regulation of Railways Act, 1873) ;
- (e) Working agreements (subject to the general control of the Minister of Transport under the Railways Act, 1921) ;
- (f) Canals.

The Railway Commission Rules, 1924 (S.R. & O., 1924, No. 1400) govern the Court's procedure and practice. Proceedings are commenced by an application in writing, or printed, and signed by the applicant or his solicitor. This must be in accordance with Form No. 1 in the First Schedule to the Rules and contain a clear and concise statement of the facts, the grounds of application and the relief or remedy claimed, which should be divided into consecutively numbered paragraphs. Every application must be filed with the Registrar.

Where the application is under the Railways (Private Sidings) Act, 1904 (which deals with the affording of reasonable facilities in connection with private sidings), the applicant must show that there is a *prima facie* case before it will be entertained by the Commissioners.

The Commissioners have full jurisdiction to hear and determine all matters whether of law or fact and have such powers, rights and privileges as to witnesses, production and inspection of documents, enforcement of their Orders, entry on and inspection of property, etc., as are vested in a superior Court.

The Court's decisions upon questions of fact or on the *locus standi* of a complainant, are final. An appeal may be made to a superior Court of Appeal on questions of law.

Apart from disputes between two or more railway companies, the Commissioners have no power to award costs on either side unless they consider that the claim or defence has been frivolous and vexatious.

Damages may be awarded to a complaining party in satisfaction of any claim including repayment of overcharges ; the

claim to the Commissioners, however, must be made within one month of its discovery by the aggrieved party. Where the complaint is one of undue preference, damages will not be awarded if it is found that the rates complained of were published in the companies' station rate-books, for the period during which such rates have been in operation, unless written notice requiring remedy has been given to the company and they have failed to comply within a reasonable time.

ADDITIONAL NOTE

INCREASED RAILWAY RATES

WHILE this book was in course of preparation the railway companies lodged an application with the Railway Rates Tribunal for permission to increase fares and freight charges by 5 per cent. Their proposals were considered by the Tribunal in their 1937 Review of Standard Charges and Exceptional Charges, which commenced on June 14th, 1937, and continued for sixteen days.

The companies based their case mainly on the extent to which their receipts had fallen below the standard provided for by the Railways Act, 1921, the increased cost of materials and rising labour costs. The opposition, which was considerable and included such interests as the Mining Association, the British Iron and Steel Federation and the National Farmers' Union, was principally on the lines that the basic industries should not have any extra burden of cost put on them which would tend to interfere with their prosperity.

At the time of writing, the Tribunal has just issued its judgment which is to the effect that all rates and fares shall be increased by 5 per cent. from October 1st, 1937, but that such increase shall not apply to workmen's fares of less than 5d. or to merchandise and coal charges of less than 10d.

So far as freight traffic is concerned, the increase *will apply within the framework of the existing classification*. It will be an all-round increase applicable to all types of traffic, all industries and all localities, and there can be no question of exempting any commodity or trader from its operation. It is probable that some form of scale, showing the existing charges and the equivalent charge when increased by 5 per cent., will be issued by the railway companies for the benefit of their staff and the public. The addition will rise in increments of 1d.; for example, charges from 11d. to 2s. 5d. will be increased by 1d., from 2s. 6d. to 4s. 1d. by 2d., from 4s. 2d. to 5s. 9d. by 3d., and so on. It is inevitable, therefore, that in some cases, particularly the

ADDITIONAL NOTE

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small amounts, the actual rate of increase will be more than 5 per cent. ; for instance a 1d. increase on 1s. represents 8·33 per cent., and 3d. on 4s. 2d., 6 per cent. Generally speaking, however, the average rate of increase will be near enough to 5 per cent. for all practical purposes.

There will, of course, be several points upon which traders will require enlightenment ; as a case in point it will be interesting to see whether rebates will be increased by 5 per cent. in view of the fact that the rates from which they are allowed will be similarly increased. No doubt further information upon this and any other possible source of contention will be forthcoming before October 1st.

Appendix A

MODEL PRIVATE SIDING AGREEMENT

An Agreement made this day of between
the RAILWAY COMPANY (hereinafter called "The
Railway Company") by the hand of of the one part
and (hereinafter called "Siding Owner") by
 their and Agent of the other part.

Whereas the Siding Owner has requested the Railway Company to construct and lay down the Junctions Sidings and Works hereinafter mentioned and to connect the said sidings with sidings constructed or to be constructed as hereinafter provided by the Siding Owner on his own lands and communicating with the or Works of the Siding Owner known at the and the Railway Company have agreed to comply with such request upon the terms and conditions hereinafter contained. Now therefore it is hereby mutually agreed and declared between and by the parties hereto as follows, namely—

1. The Railway Company will upon payment to them by the Siding Owner of the sum of £ (the estimated cost of the necessary works) forthwith form construct and lay down upon their Railway and land near in the County of the junctions sidings and works shown upon the plan hereto annexed and thereon coloured Red and connect the same with the sidings so laid down or to be laid down by the Siding Owner on his own lands shown upon the said plan and thereon coloured Blue together with such signals locking-gear telegraph telephone and other apparatus in connection with the same junctions sidings and works as in the opinion of the Engineer for the time being of the Railway Company shall be necessary and will complete the same respectively and with all reasonable dispatch. The Siding Owner shall also pay to the Railway Company the additional cost (if any) beyond the said estimated cost that may be incurred by the Railway Company in completing the same junctions sidings signals locking-gear telegraph telephone and other apparatus as certified by the Engineer of the Railway Company and such amount shall be paid by the Siding Owner to the Railway Company on demand. If the actual cost of the junctions sidings signals locking-gear telegraph telephone and other apparatus shall not amount to the said sum of £

the Railway Company shall forthwith repay the balance to the Siding Owner. Any difference as to such actual cost shall be settled by an Arbitrator to be appointed by the Board of Trade.

2. The Siding Owner shall if he has not already constructed the same forthwith at his own expense and to the satisfaction in all respects of the Engineer of the Railway Company construct and lay down in connection with and in continuation of the said junctions sidings and works coloured Red on the said plan the sidings coloured Blue thereon.

3. Should the Board of Trade or the Railway Company at any time or times be dissatisfied as to the sufficiency of the signalling or other works shown on the said plan hereto annexed the Siding Owner shall forthwith pay to the Railway Company any additional cost that may be incurred by them in complying with the requirements of the Board of Trade or in carrying out the requirements of the Railway Company in relation to any alteration therein or to any further or additional signal box locking-gear telegraph telephone or other apparatus or other works the amount of such additional cost to be certified by the Engineer of the Railway Company and paid by the Siding Owner to the Railway Company on demand. Any difference as to such actual cost or the requirements of the Railway Company shall be settled by an Arbitrator to be appointed by the Board of Trade.

4. The said junctions locking-gear sidings signals telegraph telephone and other works to be constructed and laid down by the Railway Company as hereinbefore mentioned on the land of the Railway Company shall during the continuance of this Agreement be repaired and maintained by the Railway Company and the expenses incurred by them in repairing maintaining or renewing the said junctions sidings signals and works or any of them shall from time to time be certified by their Engineer and paid by the Siding Owner to the Railway Company on demand. Any difference as to such actual cost shall be settled by an Arbitrator to be appointed by the Board of Trade.

5. Any sidings or works laid down in connection with and in continuation of the said junctions sidings and works which may be upon the land of the Siding Owner and over which the locomotives carriages or wagons of the Railway Company may travel shall during the continuance of this Agreement be kept in repair by the Siding Owner to the satisfaction of the Engineer of the Railway Company.

6. The Siding Owner shall pay to the Railway Company on the _____ in every year the sum of _____ by way of rent for the easement over their land upon which the said junction sidings and works are constructed and laid down the first payment of the said sum of _____ shall be made on _____

7. Signalmen where necessary shall from time to time be appointed by the Railway Company to work the signals locking-gear

and telegraph apparatus in connection with the said junction and the Siding Owner shall from time to time on demand repay to the Railway Company all sums of money which shall from time to time be certified by the General Manager of the Railway Company to have been necessarily expended by them for the uniform wages and stores of or otherwise in relation to every signalman appointed by the Railway Company as aforesaid and if the Railway Company shall not think it necessary to appoint signalmen the Siding Owner shall from time to time on demand pay to the Railway Company all expenses as certified by the said General Manager attending the working of the points of the said junction by other servant or servants of the Railway Company.

8. If and so often as in the opinion of the General Manager of the Railway Company any further or additional siding accommodation shall be reasonably requisite or necessary for full or empty wagons passing to or from the said siding the Siding Owner shall forthwith upon the request in writing of the General Manager provide construct lay down and maintain upon his own land all such further or additional siding accommodation at his own expense. Any difference as to the reasonableness of the Railway Company's requirements shall be settled by an Arbitrator to be appointed by the Board of Trade.

9. The Siding Owner and the servants and workmen employed by him shall at all times during the continuance of this Agreement when upon the Railway Company's land be under the control of the Railway Company's Station Master or Agent at their Station or other proper officer of the Railway Company and shall comply with the regulations orders and directions of the Railway Company and of their District Superintendent or other proper officer and in the event of any of the said servants or workmen not complying therewith or otherwise misconducting themselves such servants or workmen shall upon the request of the Railway Company by their Secretary or General Manager be prohibited by the Siding Owner from coming upon the Railway Company's premises and the Siding Owner shall indemnify the Railway Company against all loss costs damages claims or demands made upon or incurred by them in consequence of such non-compliance or other misconduct.

10. The Siding Owner shall be responsible for and shall keep the Railway Company indemnified against all damage and injury of every description which may occur in working the traffic through on or over the said junction sidings and works caused by the neglect or misconduct of the servants of the Siding Owner.

11. If and so often as the Railway Company require to widen alter or provide additional or other accommodation for or in connection with their Railway and for any such purposes shall require the removal or alteration of the said junctions sidings and works or any part thereof they shall be at liberty to effect such removal or alteration interfering as little as possible with the accommodation

and traffic of the Siding Owner and without being liable for or having to make compensation for any delay or obstruction caused thereby to the business of the Siding Owner and the Railway Company shall in case of removal or alteration and if reasonably possible before interfering with the existing junctions sidings and works provide with all reasonable dispatch other junctions sidings and works in substitution for those hereby agreed to be constructed by the Railway Company if they can conveniently do so on their own land or if not on land to be provided by the Siding Owner free of expense to the Railway Company and such other junctions sidings and works if and when provided shall be in all respects subject to the terms and conditions of this Agreement.

12. The Siding Owner shall at his own costs and charges set up and provide and at all times hereafter maintain proper gates and fences for preventing trespass by cattle horses or other animals or by persons on foot at the place or places where the works herein-before agreed to be executed will be carried through the Railway fence and shall pay and discharge all costs charges damages or expenses whatsoever which the Railway Company may pay or be put to by reason of any trespass upon the said Railway occasioned or suffered by the insufficiency or defect of and in the said gates and fences and effectually save harmless and indemnify the Railway Company against any claims costs payment or loss in respect thereof.

13. The Railway Company shall have the right in cases of urgency to use the said junctions and sidings coloured Blue and Red for the purpose of temporarily accommodating thereon engines trains carriages vans and trucks whenever there shall be room.

14. The Railway Company shall have the absolute right of using such junctions sidings and works as shall be constructed on the land of the Railway Company for the purpose of giving access to any other siding or communications they may think advisable to lay down and construct for the convenience and use of any other person or persons whomsoever. Provided nevertheless that the liberty of user granted by this clause shall not be exercised so as unreasonably to interfere with the traffic of the Siding Owner and that the Siding Owner shall be relieved of a fair proportion of the cost of construction of the junctions sidings or works so used and of the cost of the maintenance and of the signals and signalmen required to protect the same.

15. The said Sidings shall (except with the previous consent of the Railway Company under the hand of their General Manager) be used by the Siding Owner for the purposes and accommodation of the Traffic of Works exclusively and the Siding Owner shall not permit any other person or persons to use the said sidings or any part thereof without the like consent of the Railway Company.

16. This Agreement shall continue in force for the term of years and thenceforth until determined by either of the said parties by

three calendar months' notice in writing PROVIDED ALWAYS that if the Siding Owner shall fail to comply with the provisions of this Agreement or shall cease to send a reasonable amount of traffic over the said Siding for a period of 12 months except in case of strikes lock-outs or accidents causing stoppage of works the Railway Company may determine this Agreement by three months' notice in writing and on the expiration of any notice given under this clause it shall be lawful for the Railway Company to disconnect take-up and remove the said junctions sidings and works or any other junctions sidings and works which shall have been made in substitution therefor respectively on the land belonging to the Railway Company and the expenses incurred by them in so doing shall be ascertained certified and paid in the same manner as the expenses mentioned in Article 4 of this Agreement but credit shall be given to the Siding Owner for the then value of any materials on the land of the Railway Company which shall have been provided by and at the expense of the Siding Owner such value to be ascertained and certified by the Engineer of the Railway Company.

As Witness the hands of the parties the day and year first before written.

NOTES

(a) Clause 1. A plan showing the works proposed by the Railway Company's Engineer should be submitted to the applicant before entering into the Agreement, on which the sidings and works on the Railway Company's land should be coloured Red and the sidings and works on the Siding Owner's land should be coloured Blue, as mentioned in the MODEL AGREEMENT. If in the applicant's view the proposed works are unreasonable, and the difference cannot be adjusted, it is competent for him to have the reasonableness or otherwise of the requirements of the Railway Company's Engineer decided upon by the Railway and Canal Commissioners under the provisions of the Railway and Canal Traffic Acts.

(b) Clause 6. The usual annual sum to be paid to the Railway Company for a simple easement is nominal, say, one pound.

(c) Clause 8. It is usual for the Siding Owner to marshal traffic on his own land to meet the reasonable requirements of the Railway Company, failing which he may be liable under Clause 11 of the Fifth Schedule to the Railways Act, 1921, to a charge for services rendered by the Railway Company.

(d) Clause 15. After this clause any special clauses agreed to between the parties dealing with questions of rates, tolls, charges, rebates, services, detention, etc., which vary with the circumstances in different cases, may be provided for.

Appendix B

TABLES OF EXAMPLES ILLUSTRATING THE WAYS IN WHICH CONSIGNMENTS MAY BE BULKED FOR CHARGING PURPOSES

Consignments for different consignees in the same town :

From	To	Consignee	Goods	Weight	Rate	Charges if sent separately	Charges if consigned together	Saving effected
				c. q. lbs.		£ s. d.	£ s. d.	£ s. d.
London	Taunton	Jones	1 Case Confectionery	1 0 0	35/3	3 6		
		Brown	2 Cases "	2 0 0	"	6 2	1 1 4	
		Smith	1 Case "	1 0 0	"	3 6	3	Splits
		Richards	2 Cases "	2 0 0	"	6 2	1 6	Split
		Robinson	2 Cases "	2 0 0	"	6 2		Delys.
						8 0 0		1 3 6	1 3 3	2 3
London	Bristol	Morris	1 Case Biscuits	1 0 0	30/0	2 8		
		Hobson	1 " "	1 0 0	"	2 8	11 2	
		Ashley	1 " "	1 0 0	"	2 8	6	Splits
		Black	1 " "	1 0 0	"	2 8		Split
		Green	1 " "	1 0 0	"	2 8		Delys.
		White	1 " "	1 0 0	"	2 8		
				6 0 0		16 0	13 8	2 4
London	Swindon	Morris	2 Cases Tobacco	2 2 0	36/6	5 4		
		Clayton	1 Case "	1 2 0	"	3 6	14 7	
		Moore	1 " "	1 2 0	"	3 6		Splits
		Watkins	2 Cases "	2 2 0	"	5 4	1 4	Split Delys.
				8 0 0		17 8	16 3	1 5
London	Worcester	Gough	1 Box Butter	1 3 0	45/-	2 5		
		Andrews	2 " "	2 0 0	"	4 2		
		Clarke	1 " "	1 0 0	"	2 5	13 6	
		Hall	1 " "	1 0 0	"	2 5	6	Splits
		Reynolds	2 " "	2 0 0	"	4 2	1 6	Split
		Read	1 " "	1 0 0	"	2 5		Delys.
				6 0 0		18 0	15 6	2 6

Mixed consignments :

To or from London and	Goods	Weight	If consigned as separate consignments		If Bulked			Saving effected by Bulking
			Rate applicable	Separate carriage charge	Rate applicable	Conditions attaching to Rate	Carriage charges	
Tamton	Soap	T. c. q.lbs. 1 0 0 0	42/7	£ s. d. 2 2 7	40/-	Standard 2-ton rate (Class 11)	£ s. d. 2 0 0	
	Sugar	11 0 0	"	1 3 5	"	"	1 2 0	
	Paper	2 0 0	"	5 0	31/10	Special 2-ton rate	3 2	
	Confectionery	3 0 0	33/3	8 10	33/3	"	8 0	
	Hardware (Metalware)	2 0 0	60/1	6 10	60/1	"	6 0	
	Essences and Extracts for Human Food	2 0 0	88/10	9 10	88/10	"	8 11	
		2 0 0 0		4 16 6			4 8 1	8 5
Bristol	Sugar	1 10 0 0	25/-	1 17 6	23/-	Special 2-ton rate	1 14 6	
	Butter	5 0 0	38/-	9 6	23/-	" " "	3 9	
	Coffee	2 0 0	39/3	4 8	23/-	" " "	2 4	
	Tea	1 0 0	"	2 9	30/-	" " "	1 6	
	Preserves	1 0 0	"	2 9	23/-	" " "	1 2	
	Spices	1 0 0	47/-	3 1	47/-	" any qty. "	2 4	
		2 0 0 0		3 0 3			2 7 7	12 8
Swindon	Potatoes	1 10 0 0	23/10	1 15 9	20/11	Special 4-ton rate	4 5 8	16 7
	Carrots	1 10 0 0	"	1 15 9				
	Apples	10 0 0	25/2	12 7				
	Oranges	5 0 0	32/5	8 1				
	Lemons	5 0 0	"	8 1				
		4 0 0 0		5 0 3			4 3 8	16 7
Worcester	Nails	2 10 0 0	19/10	2 9 7	17/-	Special 4-ton rate	2 2 6	
	White Lead	17 0 0	38/7	1 13 10	36/5	Standard 2-ton rate (Class 11)	1 10 11	
	Buckets (packed)	7 0 0	46/3	16 2	46/3	Spec. any qty. rate	16 2	
	Screws	3 0 0	"	7 8	"	" " "	6 11	
	Brushes (packed)	3 0 0	55/8	9 2	55/8	"	8 4	
			4 0 0 0		5 15 5			5 4 10	10 7

* Charged at actual weight instead of at "Smalls Scale"

Appendix C

1937, No.

IN THE COURT OF THE RAILWAY RATES TRIBUNAL

ROAD AND RAIL TRAFFIC ACT, 1933 SECTION 37

BETWEEN

RAILWAY COMPANIES ... *Applicants*
AND

ALL PERSONS WHOM IT MAY CONCERN ... *Respondents*

1. The Applicants apply to the Court for approval under the provisions of Section 37 of the Road and Rail Traffic Act, 1933, of the agreed charge under agreement as set out in the Schedule hereto.

2. The object to be secured by the making of the said charge cannot adequately be secured by the grant of exceptional rates under the Railways Act, 1921.

3. The Applicants further apply for an Order that the date as from which the said charge shall [be deemed to have] become operative be the _____ and that the said charge and the conditions attached thereto be recorded by copies of the said Order being filed in the loose-leaf files and indexed under the name of the trader with whom the charge has been agreed, such files to be kept at the following places:—

LONDON	...	Railway Clearing House, 123 Seymour Street, N.W.1.
BIRMINGHAM	...	District Goods Manager's Office, Snow Hill, Great Western Railway.
CARDIFF	...	Divisional Superintendent's Office, Great Western Railway.
EXETER	...	Western Divisional Superintendent's Office, Southern Railway.
LEEDS	...	District Goods Manager's Office, Wellington Street, London and North Eastern Railway.
LEICESTER	...	District Goods and Passenger Manager's Office, London Midland and Scottish Railway.

MANCHESTER ...	District Goods Manager's Office, Hunt's Bank, London Midland and Scottish Railway.
SOUTHAMPTON ...	Southern Divisional Superintendent's Office, Southampton Central, Southern Railway.
YORK	Goods Manager's Office, London and North Eastern Railway.
ABERDEEN ...	District Goods and Passenger Manager's Office, London Midland and Scottish Railway.
EDINBURGH ...	District Goods and Passenger Manager's Office, Waverley Station, London and North Eastern Railway.
GLASGOW ...	Commercial Manager's Office, Central Station, London Midland and Scottish Railway.

there to be open to public inspection without payment during the usual office hours.

The Applicants request Directions as to service and notice of this Application.

Dated (Signed) G. COLE DEACON.

This Application is filed by G. Cole Deacon (Solicitor), Secretary, Rates and Charges Committee, of 35 Parliament Street, Westminster, London, S.W.1, on behalf of the Applicants.

SCHEDULE

ROAD AND RAIL TRAFFIC ACT, 1933

SECTION 37

AGREEMENT FOR AN AGREED CHARGE

AGREEMENT made BETWEEN the — RAILWAY COMPANIES (hereinafter called "the Companies") and (name of Trader) of (Address) (hereinafter called "the Trader") for the carriage of merchandise under an agreed charge as specified hereunder.

A. *Description of Traffic*—

B. *Stations and/or Places where applicable*—

From — Goods Stations and Depots to all Goods Stations and Depots in Great Britain, other than in the Isle of Wight.

Agreed Charge—

— per ton (minimum charge per consignment as for 28 lbs.).

Conditions attaching to the Agreed Charge—

1. The Trader undertakes to hand to the Companies the whole of the said traffic for carriage as provided in paragraph B,

provided that this undertaking does not apply to any of the said traffic—

- (a) for delivery in the Trader's existing vehicles within a radius of approximately 50 miles from — and urgent deliveries to —, —, — and —.
 - (b) for delivery by road within a radius of 20 miles of —
 - (c) normally conveyed by coastwise steamer, which traffic the Trader will continue to forward by that means of transport subject to a continuance of the existing facilities.
2. The Agreed Charge will apply to all the said traffic carried by the Companies other than that which by express agreement between the Companies and the Trader is excluded owing to it being conveyed under an agreed charge made by the Companies to another trader and approved by the Railway Rates Tribunal, and shall be paid by the Trader.
 3. The Agreed Charge includes the delivery of the said traffic.
 4. In the case of any of the said traffic consigned to the Orkney and Shetland Islands and the Western Islands and Highlands of Scotland, the Agreed Charge does not include carriage or delivery beyond the mainland port.
 5. The Agreed Charge does not include the special terminal or special delivery charges on any of the said traffic consigned to Shows or Exhibitions.
 6. The Agreed Charge does not include the provision by the Companies of Containers.
 7. The said traffic will be carried by the Companies at Company's Risk subject to the application of the appropriate Standard Terms and Conditions of Carriage of Merchandise by Merchandise Train.
 8. The Trader shall notify the Companies of any material change in the character of his business or in the character of the traffic carried under the Agreed Charge.

Period for which the Agreed Charge is to operate—

— 193 to—193

THIS AGREEMENT IS SUBJECT TO THE APPROVAL OF THE RAILWAY RATES TRIBUNAL.

SIGNED for and on behalf of the above
Railway Companies,

SIGNED for and on behalf of the above
Trader,

Date.

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