M.R.O. 1—31-69—31-12-69

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	810	Press Mark
Dated	18 · 12 · 1851	

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Not to be folded or roughly handled

No. 14. From H. RICKETTS, Esq., Commissioner for the Revision of Civil Salaries and Establishments throughout India; to the Chief Secretary to the Government of Madras, dated Ootacamund, the 30th November 1857, No. 1341.

Sir,

I beg to forward herewith for submission to the Right Honorable the Governor in Council, copy of my proposed report on the Mint Officers in Madras.

(Signed) H. RICKETTS,
Commissioner for the Revision of Civil Salaries and Establishments throughout India.

THE MINTS OF CALCUTTA, MADRAS AND BOMBAY.

The duties of a Mint Master are thus described by Captain Burke, the Mint Master and Mint Engineer at Bombay:—"The duty of the "Mint Master is to superintend, to control, and "to direct the Mint in all its branches. This duty "therefore comprises the superintendence, the "control, and the direction of all Mint operations "in every stage, from the receipt of bullion, or "uncurrent coins, to the delivery of fresh coined "money to the treasury; and he is responsible "that all such operations are conducted in the most "economical, the most speedy, and the most efficient manner. He has to ascertain, and to certify "regarding the value of Government remittances "of coin or of bullion; to draw bills on the treasury for the value, when ascertained, of the bullion tendered by banks, or by merchants, in their favor; to render daily, as well as periodically, figured accounts of Mint operations to the authorities concerned; and generally to correspond with all parties in any way interested in Mint affairs. His minor duties consist in superintending the manufacture of seals, stamps, medals, and other miscellaneous articles for Government, and in purchasing or contracting for supplies of stores for Mint use."

CALCUTTA.
Mint Master—
Salary per annum Rupees ..36,000

BOMBAY.
Mint Master—
Salary per annum Rupees ..24,000

MADRAS.
Mint Master—
Salary per annum Rupees ..21,000

The coinage operations of the three Mints for the last five years, are shown in the following statement:—

	COINAGE OUTTURN.		
	Calcutta.	Madras.	Bombay.
1853—54	1,92,13,656 9 7	67,96,802 5 2	2,08,97,949 6 1
1854—55	2,78,25,338 7 3	40,96,781 7 6	2,37,98,470 12 0
1855—56	2,51,60,139 4 1	68,50,509 2 6	2,26,00,817 9 8
1856—57	77,04,055 7 8	20,90,956 5 6	41,06,106 10 4
1857—58	4,56,90,949 4 1	55,76,726 8 1	2,55,31,951 10 11
Total	12,55,95,097 9 8	2,52,54,330 8 9	9,69,35,296 1 0

AVERAGE.

Calcutta	Rs.	2,51,19,005 5 5
Madras	"	46,50,866 1 9
Bombay	"	1,93,65,059 2 4

The cost of the establishment of each Mint, including the salary of the Mint Master, and the contingent charges for work people, is as follows :—

	Salaries.	Establishments.	Contingencies.	Total.
Calcutta	36,000	1,33,560	7,309	1,76,869
Bombay	24,000	82,583	.....	1,06,583
Madras	21,000	33,288	65,652*	1,19,940
Total Rupees	81,000	2,49,431	72,961	4,03,392

*Note. This is the assumed yearly average. It appears from a statement received from the Mint Master, that the contingent charges in August 1857, amounted to Rupees 5,471-0-7.

From this it would appear that the expense of the Madras Mint, with reference to the outturn of work, is more than treble the expense of the Calcutta Mint, and more than quadruple the expense at Bombay.

In 1818, the salary of the Master of the Calcutta Mint was raised from Rupees 27,000 to Rupees 36,000 per annum. At first the increase was given in the shape of a per centage on the private bullion coined at the Mint ; but, by the orders dated 10th September 1819, the commission was withdrawn, and the salary fixed at Rupees 36,000 per annum. It appears from the Secretary's letter, dated 12th June 1818, that the increase was allowed partly on account of individual considerations connected with the services and standing of Mr. R. Saunders, who then held the office, and partly on account of importance and responsibility of the trust. Paragraphs two to five of the Secretary's letter of the 12th June, say—" The Vice President in Council has already " had occasion to convey to your Committee the expression of the approbation with which he " has marked the conduct of Mr. Saunders. He readily therefore unites with you in opinion " that it is extremely desirable to secure the prolonged services of Mr. Saunders, by placing the " allowances of his office on a scale commensurate with the advantages which in other departments of the service he might justly expect. Independently too of individual considerations, an " increase in the allowances of the Mint Master of Calcutta appears to be suggested by the importance and responsibility of the trust reposed in him. With these impressions, the Vice " President in Council is pleased to determine that the allowances of the Mint Master of Calcutta " be raised to about Rupees 36,000 per annum." The Mint Master represents that the responsibilities are now much greater than ever they were before ;—that the average annual silver coinage of the Calcutta Mint was from 1841–42 to 1852–53 Rupees 1,91,04,011, the maximum being Rupees 2,82,35,602 ; whereas in 1855–56, the value was Rupees 5,87,02,328 ; and in 1856–57, Rupees 6,69,10,507 ;—and that from the 1st May 1857 to 18th September, the amount remitted to the treasury was Rupees 2,74,05,000.

The salary of the Mint Master at Bombay was fixed by the orders of the Honorable the Court of Directors, dated the 7th June 1854. When the Bombay Mint was established in 1830, the same Officer was Mint Master and Civil Auditor, with a salary of Rupees 5,333-5-4 per mensem, and a Deputy received a salary of Rupees 1,250 per mensem, making the whole monthly expense Rupees 6,583-5-4. Of this, one half, or Rupees 3,291-10-8 was charged to the Mint.

There was a separate Mint Engineer with a salary of Rupees 1,291 per mensem, and an Assistant with a salary of Rupees 650 per mensem, the whole expense being Rupees 6,232-10-8. The consolidation of the offices of Mint Master and Mint Engineer was directed by the Court of Directors in a despatch dated 18th October 1848, and in the despatch of the 7th June 1854, the salary was fixed at Rupees 2,000 per mensem. The Mint Master represents that " the net revenue accruing " to the Government, during the past five years, from the operations of this Mint, has amounted to " Rupees 9,87,000-15-8 ; notwithstanding the circumstance that all Government uncurrent coins " and bullion have, during those years, been converted into current coin, free of all expense, " even to ourselves."

The salary of the Mint Master at Madras was fixed in 1830. In addition to the consolidated allowance of Rupees 21,000 per annum, the late Mint Master, Colonel Smith, received Rupees 291-10-8 per mensem house rent, which was retrenched when that officer was promoted to the Mint Mastership in Calcutta. The Mint Master represents that since this retrenchment was made, the labor and responsibilities of the Mint have greatly increased ; that the number of pieces coined during the last five years of Colonel Smith's incumbency was 110 lacs, that in the last five years it was 302 lacs, and that in the present year it is expected to reach 600 lacs.

The existing salaries of the Mint Masters are not proportioned to the relative responsibilities of the three officers. The work of the Bombay Mint is now only one-fifth less than the work of the Calcutta Mint, while the work of the Madras Mint is about one-fifth the work of the Calcutta Mint, and one-fourth the work of the Bombay Mint. Of course it is quite impracticable to exactly proportion pay to work ; neither would such an adjustment be suitable. Though there is but one-fifth the work at Madras, the requirements necessary for the efficient conduct of that one-fifth, are not less than the requirements necessary in Calcutta, the difference is merely in the quantity of work, not in the quality. On the other hand, the responsibilities increase with the quantity of bullion that passes through the Mint. The aggregate of the salaries of the three Mint Masters, at present, is Rupees 81,000 per annum :—

Calcutta	Rupees 36,000	
Bombay	" 24,000	
Madras	" 21,000	
		81,000

I would distribute that sum as follows :—

Calcutta	Rupees 34,000	
Bombay	" 27,000	
Madras	" 20,000	
		81,000

These are the last offices in which I would recommend retrenchments. The requirements necessary are very rare, the responsibilities are very great, and the anxiety continuous.

Calcutta.

Assay Master—			
Salary per annum ... *Rupees* 27,000			
and an official residence worth ... ... „ 2,400			
		———	29,400
Deputy Assay Master—			
Salary per annum ... „ „	7,200		
House rent ... ... „	1,800		
		——— 9,000	
			——— 38,400

Bombay.

Assay Master—			
Salary per annum	18,000		
Deputy Assay Master—			
Salary per annum ... ... „	7,200		
House rent ... ... „	1,800		
		——— 9,000	
			——— 27,000

Madras.

Assay Master—			
Salary per annum...	18,000		
** Assistant Assay Master—*			
Salary per annum	4,800		
		———	22,800

The Calcutta Assay Master describes his duties thus: — "To make and report all "the assays for merchant's "bullion imported into the "Mint, and Government re- "mittances; also all the silver "melted for coinage, and the "pyx coins. The calculations "for all merchant's silver are "done under his superinten- "dence, and the certificates for "the ounces value are signed "and issued by him (which is "not the case at Bombay.) This "latter duty makes a very heavy "demand on his time and atten- "tion during periods when he is "otherwise fully occupied with "the assays, and much increase "the responsibility of the office. "The Dy. Assay Master per- "forms all such assay duties as "may be required of him by the "Assay Master; and, in the ab- "sence of his principal, assumes and discharges all the duties of this important office. He checks "calculations, and enters the out-turn value of bullion in the office registers, and examines "all Mint Certificates." The Assay Master represents that "the continued watchfulness required "to ensure accuracy in such enormous transactions as have been carried on during the last three "years, have kept him tied to his office to the detriment of his health; while the nature of the "duties is so peculiar, and so little connected with any thing that can lead to profitable employ- "ment, should he be obliged to leave India on account of broken health, that the present salary "is no more than sufficient compensation for the sacrifices which the performance of the duties "entails."

The Assay Masters of Bombay and Madras say no more than they have the superintendence and control of the Assay Department, weigh masters for assay, report the value of the bullion when the assays have been completed, and are answerable for the standard value of the coin issued.

If the salary of the Assay Masters is to be regulated by the quantity of work performed in each Mint, the salaries in Calcutta and Bombay should be placed more nearly on the same footing and the salary at Madras should be considerably decreased. A salary of Rupees 27,000 per annum including Rupees 2,400, the yearly value of the official residence, or Rupees 24,600 and he house for Calcutta,— Rupees 22,200 per annum for Bombay, and Rupees 16,800 per annum

* This Officer draws Military Pay not chargeable to Mint.

for Madras, would be more appropriate than the existing distribution of income. There will be a trifling saving of Rupees 400 per annum:—

Present	Calcutta	29,400	
	Bombay	18,000	
	Madras	18,000	
			——— 65,400
Proposed	Calcutta	27,000	
	Bombay	22,000	
	Madras	16,000	
			——— 65,000

In consequence of a letter from Colonel Smith, the Mint Master in Calcutta, I considered it undesirable to enter upon any revision of the salaries of the Subordinates of the Mints. It was evident that any reduction of expense was impracticable, and that interference on my part was more likely to be productive of embarrassment, than of any advantage. I called for a Statement shewing the work performed at the Mint during the last five years, and a Statement of the Establishment, shewing the designation of each office, its duties, and the allowance attached to it, with a view to introduce uniformity in the amount of salaries, and to effect reduction in the aggregate expense, should it be practicable.

In answer, Colonel Smith writes:—" I would beg to express my opinion that any *real* re- "duction in the expense of this Mint is impracticable in the method proposed, and that the attempt "to meddle with the salaries of the servants would be dangerous. At this moment the whole "Mint is crying out for *increase* of wages, and, previous to the receipt of your letter, I had already "set on foot inquiries, by means of letters addressed to the different similar Establishments in "Calcutta, with a view of suggesting to Government a timely augmentation, because I have notice "from some of the best workmen of their desire to leave, if not granted increase of pay; and am "assured that if they are not paid in proportion to what they can readily get outside, they will "certainly leave the service, to the great loss and inconvenience of the Government. This Mint "not only requires increase of salaries for the reason above mentioned, but also needs, as I have "already stated to Government, addition to its Establishment, to meet augmented demands for work. "These additions, though apparent, are not any real augmentation of expense, nor, on the other "hand, would reductions of salaries and Establishments really diminish it, a fact I can state "positively from my own experience. On joining the Madras Mint, in 1841, I found that measures "similar to those now proposed had been previously resorted to there, with the view to reduce "expenses, by gradually diminishing the salaries of the different offices, till all the departments "had become more or less inefficient; and I therefore proposed a new arrangement, involving a "general increase of about thirty or forty per cent, which was fortunately sanctioned by Govern- "ment, and the result produced was a reduction of the entire Mint expenses (including these in- "creased salaries) from Rupees 1,53,893 per annum, to Rupees 83,146, although the department "was turning out a considerably larger annual Coinage. This fact, which you will find referred "to in the Selections from the Records of the Madras Government, No. 2 for 1854, page 33, will, "I trust, convince you that any more reductions of salary are by no means necessarily attended "with a saving of expense; while I think it my duty to mention that the agitation of the subject "is not unattended with danger. For this reason I would earnestly deprecate any interference "with the salaries of the Mint Establishments, further than the expression of the wish of the "Government that every practicable reduction should be made by the heads of the departments. "I would urge this the more strenuously because I think that any agitation of the subject, which "would be hurtful under any circumstances, would be doubly inexpedient if no real saving results "from it; and I think the suggestion of measures of real reform impossible to any person not "possessed of all the data and experience of the Mint Master, who, if he has done his duty, has "already effected every practicable real saving. The adjustment of salaries cannot be regulated, "I would beg permission to observe, upon the principles of the amount of work and responsibility "attached to the appointments. There is a third item which is still more important, and which "admits any comparison such as that proposed to be made. I refer to the market value of the "qualifications. The Madras Mint is furnished with an Establishment on much lower salaries "than are required here, in some cases not one-third the amount; but the Officers there have "worked well and ably on those salaries for years past, and would continue to do so were it not that

"the market value of their services is almost sure to rise as the increase of commerce and the "development of trade stimulates the demand for it. I know men in the Madras Mint to whom "I would gladly give double their salaries here, but they would not be more contented in "Calcutta than they are at present, or have been hitherto."

"I think I may state positively, that no change can be safely made here at present, or in the "Madras Mint except increase of salaries, and that it is only a question of time how soon it will "be forced upon the Government to avoid greater evils. In Bombay, as the establishment has "been, I believe, very lately under consideration, it is not likely that any great reduction can be "made; and therefore, bearing in mind the serious evils attending any disturbance of the rates "of wages of such large and important Establishments, otherwise than by the gradual and cau-"tiously timed agency of the Mint Masters, and adding to this the assurance, which I think I "may conscientiously give, that no person without much experience of Mint details can be sure "of not doing harm instead of good by attempted reductions, I hope you will not think me guilty "of impertinence if I request you to solicit the permission of Government to omit the Mint es-"tablishments from the list of your inquiries. There is a further reason for this request, which "perhaps may not be deemed unimportant; namely that none of the Mints, at present, I believe, "draw a rupee from the Government Treasury. On the contrary, being more than fully paid "for by the mercantile public, they return a surplus, which is enjoyed as a profit by the state. "The average net returns by this Mint during the last five years have been five lacs per annum. "Any reduction, therefore, tending to compromise the efficiency of those establishments, would "be unfair to the parties for whose use, and at whose expense they are maintained."

I shewed the letter from which the above extracts are taken, to Colonel Frederick Cotton, the Officiating Mint Master at Madras. He pronounced it judicious, and intimated that any enquiries at Madras could only result in increased expenditure. As the probable results of inquisition on my part appeared clearly to be mischief and increased expenditure, I confined my inquiries to matters concerning only the Mint Masters and the Assay Masters.

An officer designated Bullion depot and Assay Master was attached to the Agra Government up to June 1854, when he was deputed to do duty in Pegu, under orders of the 22nd April. On the 16th January 1857, he was appointed to resume charge of his duties at Agra, and the Civil Auditor, writing to me on the 21th January, supposed he would draw the same allowance as he enjoyed under the orders of the Government of India, dated 12th October 1842. I have not succeeded in obtaining any further information respecting this office.

No. 13 To H. RICKETTS, Esq., Commissioner for the Revision of Civil Salaries and Establishments throughout India, dated 18th December 1857, No. 810.

SIR,

I am directed by the Right Honorable the Governor in Council to acknowledge the receipt of your letter of the 30th Ultimo, enclosing copy of your proposed report on the Mint Officers at Madras.

2. Your report is confined to the consideration of the salaries of the Mint Master, and Assay Master. You have abstained, and this Government think judiciously, from extending your enquiry into the Mint Establishment. In regard to the pay of the Mint Master you write

"The existing salaries of the Mint Masters are not proportioned to the relative responsibilities of the three Officers. The work of the Bombay Mint is now only one-fifth less than the work of the Calcutta Mint, while the work of the Madras Mint is about one-fifth the work of the Calcutta Mint, and one-fourth the work of the Bombay Mint. Of course it is quite impracticable to exactly proportion pay to work; neither would such an adjustment be suitable. Though there is but one-fifth the work at Madras, the acquirements necessary for the efficient conduct of that one-fifth, are not less than the acquirements necessary in Calcutta; the difference is merely in the quantity of work, not in the quality. On the other hand, the responsibilities increase with the quantity of bullion that passes through the Mint."

3. On this ground, viz. that the quantity of bullion worked up at the Madras Mint is much less than that which passes through the Mint at Bombay, you propose to diminish the salary of the Mint Master at Madras in the sum of one thousand Rupees a year, and to apply the saving thus effected towards the improvement of the allowances of the Bombay Mint Master.

4. Similarly on a comparison of the quantity of work performed in the Madras and Bombay Assay Offices, you propose to reduce the salary of the Madras Assay Master from Rupees 18,000 to Rupees 16,000 a year, and give the difference, Rupees 2,000 to the Assay Master at Bombay.

5. In reply this Government instruct me to state that they fail to see the justice of the principle on which these changes are based. The question, it seems to them is not one of comparison. If the Mint and Assay Masters at Madras do not receive more than fair remuneration for their labor, responsibility, and scientific attainments, this Government cannot think that their salaries should be reduced as a means of raising the allowances of similar Officers at Bombay. If the heads of the Bombay Mint and Assay Offices be underpaid, their remuneration may fitly be increased, but not at the expense of their brethren at Madras. The Government do not consider that the Mint or Assay Masters here are overpaid, and, consequently, would regret to see their salaries diminished.

6. I have further to solicit your consideration to two points, which, it is submitted, should be borne in mind in the disposal of this question.

First,—that, as shewn in Colonel Smith's letter, the Mint at Madras," as indeed at the other Presidencies, is self supporting, and "does not draw a Rupee from the Government Treasury."

Secondly,—that its past out-turn affords no criterion of what it may have to do in future. It is stated in your report that the number of pieces coined in the present year is expected to be double of that of the average of the last five years, and it is certain that the operations of the Madras Mint, especially in the fabrication of small Coins, Silver and Copper, must greatly increase if they are to bear any due proportion to the requirements of the Presidency. I should add that a large increase of power by means of Steam Machinery is in contemplation, and is urgently required.

(Signed) T. PYCROFT,
Chief Secretary.

Ed. F. Cottidge.

Dispd. 21st

Financial Department

No 810

To A. Ricketts Esqre
Commissioner for the Revision of
Civil Salaries and Establishments

Sir,

I am directed by the Right
Honorable the Governor in
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required By

For Govt St George
18 December 1857

A. W. Begbie

Financial 1837 Depart.t

No 810

To
The Commissioner for the
Provision of Civil Salaries
&c &c &c throughout
India

Dated 18 December 1837

14 & 15