M.R.O. 1—32,400—28-11-30.

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 526-27 Press ~~Mis.~~

Dated 19-9-1859

B.No-12-14 7/8

Not to be folded or roughly handled

No. 12. PROCEEDINGS OF THE COMMISSION FOR INVESTIGATING PUBLIC ESTABLISHMENTS.

Read

Proceedings of the Madras Government, referring to the Commission, for enquiry and report, on application for an increase to the Establishment, and to the salary of the Actuary of the Government Savings' Bank, with the present and previous letters on the subject. (Here enter Order No. 468 in the Financial Department, dated 20th August 1859.)

The Government Savings' Bank of Fort Saint George is conducted under the direction of the three undermentioned Officers, viz:—

The Accountant General,
The Sub Treasurer,
The Town Major,

the Sub Treasurer acting ex-officio as Secretary. Neither the Directors nor the Secretary receive any remuneration for their services as connected with the Savings' Bank.

2. The Secretary supervises the correspondence, signs all letters, and is the medium of communication with Government, but does not otherwise concern himself with the business of the Savings' Bank.

3. The Actuary receives all letters and papers, and drafts all replies; the Secretary signs them ex-officio. The only exceptions to this rule are on the occurrence of any unusual enquiries, or contingencies, but these only happen three or four times in the course of a year.

4. The Actuary is really the Secretary, and probably has only been styled Actuary in order to distinguish his Office from that of the ex-officio Secretaryship of the Sub Treasurer. The designation is entirely a misnomer, as there are attached to the Office absolutely no duties in any way analogous to those usually understood to be performed by Actuaries.

5. Neither is the Office itself a Bank, properly so called, except as regards a portion of its work. In point of fact, the Banking operations are, with one exception, performed by the Collectors and Military Paymasters all over the country, the exception being the General Treasury, Fort Saint George.

6. The true designation of the present Savings' Bank Establishment, would be, (with the exception above alluded to) that of Audit Office of the Government Savings Banks, and its duties consist of keeping the drawing and interest accounts of the depositors, which body includes all classes of the community. The exception already referred to consists in the fact there that is a tellers Office attached to the establishment in the Fort, where deposits are made; the Collector and Paymaster of Fort Saint George, unlike other Collectors and Paymasters up country, not receiving deposits. The Establishment at present consists of an Actuary, eleven Writers, one Moochee, and two Peons—fifteen in all, at a monthly cost of Rupees 573, as shewn in the following table.

Actuary	Rupees	230	0	0
Accountant	,,	105	0	0
Deputy Accountant	,,	50	0	0
1st Assistant	,,	30	0	0
2 do.	,,	25	0	0
3 do.	,,	20	0	0
4 do.	,,	20	0	0
5 do.	,,	20	0	0
6 do.	,,	15	0	0
Shroff	,,	17	8	0
Gollah	,,	8	0	0
Do.	,,	8	0	0
Moochee	,,	10	8	0
Peon	,,	7	0	0
Do.	,,	7	0	0
	Rupees	573	0	0

7. The present Moyenzabitah was, on the institution of the Savings Bank in May 1834, Rupees 398, increased in May 1838 to Rupees 438, in January 1842 to Rupees 473, and, lastly, in April 1855 to Rupees 573 as at present. From the very commencement the Actuary's salary has remained unchanged, viz., Rupees 230, while that of the Actuary to a similar institution in Bengal was recently raised from Rupees 350 to Rupees 600; and in Bombay from Rupees 300 to Rupees 350.

8. The observation of the Directors of the Government Savings' Bank contained in the last paragraph of their letter to Government, No. 229, dated 10th August 1859, to the effect that "it "must seem most anomalous to the Government that the *salary* of the present incumbent "(the Actuary) is less than the *pension* of his predecessor," is, in the way it is put, quite beside the question; because the predecessor referred to draws his pension in respect of a personal allowance of Rupees 300, granted to him on the abolition of the old Government Bank, on account of his services in that institution, and his late Office of Actuary to the Government Savings Bank. The pension drawn by the late incumbent in respect of the Office of Actuary to the Saving's Bank, is neither more nor less than that to which the present incumbent will be entitled when he has put in the same term of service.

Mr. Robert Skill.
Lt. John Braddock.
Mr. C. A. Johnston.

9. The real facts are, that up to the date of the abolition of the old Government Bank, the Accountant of that Institution was always allowed to hold the Office of Actuary to the Saving's Bank also; that upon the abolition of the Government Bank, the Accountant, Mr. C. A. Johnston, was granted a personal allowance of the full pay of his Office, viz., Rupees 300; that the Honorable Court sent out instructions "that the earliest opportunity should be taken "to relieve the finances of Government by providing Mr. Johnston with some employment, "not inconsistent with the discharge of his duties in the Saving's Bank," and that a proposal to this end was made to which the Sub Treasurer, Mr. A. J. Cherry, objected in letter dated 9th August 1838, "as not only impracticable but unsafe."

10. Mr. Clarke, the present incumbent, argues, the Commission think fairly, from these premises, that the pay proper of the Office of Actuary was not increased, as in Bengal and Bombay, during the incumbency of his predecessor, Mr. Johnston, because, no doubt, he was already sufficiently remunerated by the additional grant of the personal allowance, and that, inasmuch as he, Mr. Clarke, does not enjoy any personal allowance, the very causes which operated to the advantage of his predecessor, have a directly contrary effect with him. The annexed table will show how very considerably the work of the Savings Bank has increased.

11. The number of depositors in 1858-59, have, when compared with those of 1853-54, been augmented from 8,268 @ 25,118, while the cash transactions have risen from Rupees 9,57,007 @ Rupees 16,26,657; that is to say, the depositors have multiplied 300 per cent, the money transactions 70 per cent.

Years.	No. of Depositors.	Receipt.	No. of withdrawals.	Disbursement.
1853-54	8,268	5,48,622	2,350	4,08,385
1854-55	7,796	4,65,284	1,757	4,28,689
1855-56	9,228	4,32,297	1,870	3,85,334
1856-57	8,938	4,83,188	1,443	3,61,440
1857-58	9,509	6,14,481	1,171	4,80,650
1858-59	25,118	10,05,795	5,999	6,20,892

12. This table represents the transactions audited, whereas, the following table, shews those only of the Deposit Office of Fort Saint George, included in the foregoing—its result is a decrease of Depositors, but an increase of money payments and their amount, during the same term.

No. of cash Depositors.	Receipt.	No. of cash Payment.	Disbursement.
2,677	2,41,057	988	3,43,002
2,527	2,03,628	1,017	2,98,268
2,160	1,67,906	942	2,23,477
2,215	2,05,599	888	2,06,340
2,312	2,22,009	939	2,35,303
2,503	3,86,932	2,892	3,86,677

13. The total number of open accounts in the year 1858, and 1859, is as follows, viz:—

Number of Accounts during 1858-59.

Her Majesty's 12th Royal Lancers.	359
Do. 15th Hussars.	6
Do. 25th Regiment.	4
Do. 94th Regiment.	3
European Artillery Veteran Company.	33
European Infantry Veteran Company.	18
Her Majesty's 1st Dragoon Guards.	103
Do. 43rd Regiment.	920
Do. 44th Regiment.	468
Do. 60th Rifles.	139
Do. 66th Regiment.	509
Do. 68th Light Infantry.	271
Do. 69th Regiment.	435
Do. 74th Highlanders.	584
Do. 84th Regiment.	366
Do. 91st Regiment.	142
Do. 1st Battalion Royal Regiment.	398
Do. Field Battery Royal Artillery.	258
1st Madras Fusiliers.	324
2nd European Light Infantry.	163
3rd Madras European Regiment.	572
Foot Artillery.	405
Horse Artillery.	171
Cash.	2,443
Transfer.	3,129
Total numbers.....	12,223

which gives, on an average, rather more than two lodgements per Depositor per annum, and somewhat less than one withdrawal per annum to every two Depositors.

List of Arrears in the Government Savings' Bank.

14. 16 Paymasters' and Collectors' Cash Accounts require posting as well as opening fresh heads.

25 Ledgers to be closed, Cash in Madras, Civil at out-stations, Regimental Registers, one for each Regiment.

Preparing Balance for 1858-59, official year.

Do. separate balance of Principal, 1858-59.

Do. do. of Interest, 1858-59.

Preparing Abstract of Deposits and Withdrawals to be forwarded to the Accountant General from August 1858, monthly.

Checking the whole of the postings for the year, 1858-59.

Auditing the Bank books from the Provinces, 1858-59.

Do. Annual Returns from Regiments, 1858-59.

Opening new Ledgers for the present year, 1859-60.

Preparing Abstract Journal and Ledger for the Accountant General and Home Government, 1858-59.

Auditing Extract of payments from Paymasters and Collectors from January 1849 to date

Five months arrears, from May to September 1859, of all work.

Hitherto the Mofussil Cash Sections were from 25 to 27, now they are 64 already, and 2 more to be written up.

Hitherto there were 16 Ledgers only, now 25.

"These arrears have accumulated in consequence of the great increase of work, caused by there being a greater number of European Troops in this Presidency now than before, and the delay in receiving Savings Bank returns from Paymasters, generally not till 4 months after, for instance, April returns not received till 25th August. The Fusiliers returns for April 1858 have not yet been received."

15. This list exhibits an amount of arrears which it is desirable, on many accounts, should be overtaken as speedily as possible, and the Commission therefore recommend that the relief asked for by the temporary employment of 7 Writers be accorded, until such time, which may be expected not to exceed one year, as may suffice for the performance of the work: this will add a sum of Rupees 182½ to the monthly cost of the Establishment, viz:

1	Writer...	Rupees	40
1	do.	„	35
1	do.	„	30
1	do.	„	25
1	do.	„	20
1	do.	„	17½
1	do.	„	15
		Rupees.....	182½

It being distinctly understood that the additional hands are to be employed on these arrears only, and that their services be dispensed with as soon as possible.

16. The Commission also recommend that reports of the progress made, be submitted, from time to time, either to the Government direct, or through the Commission, and that consideration of any permanent addition to the salary of the Actuary and Establishment be postponed until the receipt of the report that the arrears have been overtaken.

17. The Commission cannot close their report without expressing their conviction of the excessive impropriety of the records of transactions such as those of the Savings Bank, being in arrear even for a day, as such a state of things can only tend to inflict hardship and inconvenience on the very class for whose special benefit the Institution was designed, and has been maintained at a considerable annual expense.

(Signed) W. A. MOREHEAD,
(„) G. W. Y. SIMPSON, Lieut. Col.
(„) R. HAMILTON, Lieut. Col.

MADRAS,
12th September 1859.

To the Chief Secretary to Government,
Fort Saint George.

No. 13. ORDER THEREON, 19th September 1859, No. 526.

Under the circumstances represented in paragrahs 14, 15 and 17, of the foregoing report the Governor in Council sanctions, as recommended by the Commissioners, the temporary employment of seven writers at a monthly charge of Rupees 182-8-0 for bringing up the arrears in the Government Savings' Bank, it being distinctly understood that the additional hands are to be employed on these arrears only, and until such time, not to exceed one year, as may be necessary for clearing it off.

2. The Directors of the Savings Bank will submit to the Commission monthly reports of the progress made in working off the arrears.

3. The foregoing proceeding will be reported to the Government of India for their confirmation.

(Signed) T. PYCROFT,
Chief Secretary.

No. 14. TO THE SECRETARY TO THE GOVERNMENT OF INDIA, Financial Department, dated 19th September 1859, No. 527.

I am directed by the Honorable the Governor in Council to forward for submission to the Government of India, copy of a letter from the Directors of the Government Savings' Bank and of a report thereon by the Commission for investigating the efficiency of Public Establishments, and to state that, under the circumstances represented in paragraphs 14, 15 and 17, of the report, this Government has, on the emergency of the case, sanctioned the temporary employment of seven writers at a monthly charge of Rupees 182½ for bringing up the arrears in the Savings Bank, which have accumulated in consequence of the great increase of work caused by there being a larger number of European Troops in this Presidency. The additional hands are to be employed solely on these arrears, their services are to be dispensed with as soon as possible, and a monthly report of their progress is to be made to the Commission. It is hoped that this proceeding will meet with the approval of the Government of India.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. A. P. W. Begbie.

Financial Departt.

Proceedings of the Madras Government.

Read Proceedings of the Commission for investigating Public Estabts.

(Dated 12th September 1859)

Order thereon 19th September 59. No. 526.

Under the circumstances represented in paras 14, 15 & 17 of the foregoing report, the Governor in Council sanctions, as recommended by the Commissioner, the temporary employment of seven Writers at a monthly charge of Rupees 82-8-0 for bringing up the arrears in the Government Savings' Bank - it being distinctly understood that the additional hands are to be employed on these

arrears

arrears only, and until such time, not to exceed one year, as may be necessary for clearing it off.

2° The Directors of the Savings Bank will submit to the Commission monthly reports of the progress made in working off the arrears.

3 The foregoing proceeding will be reported to the Government of India for their confirmation.

To the Directors of the Govt Savings Bank
" Commissioners for investigating Public Establishts.
" Acctt General
" Civil Auditor

Disptd 23d
Encls: 1

-57

Financial Departt

No 527.

To

The Secretary to the Govt of India,
Financial Departt

Sir,

I am directed by the Honble the Governor in Council to forward for submission to the Govt of India copy of a letter from the Directors of the Govt Savings' Bank and of a report thereon by the Commission for investigating the efficiency of Public Establishments, and to state that, under the circumstances represented in paras 14, 15 & 17 of the report, this Govt has, on the emergency of the case, sanctioned the temporary employment of seven Writers at a monthly charge of Rs 182½ for bringing

bringing up the arrears in the Savings Bank, which have accumulated in consequence of the great increase of work caused by there being a ~~greater~~ larger number of European Troops in this Presidency ~~now than before~~. The additional hands are to be employed solely on these arrears, and their services are to be dispensed with as soon as possible. It is hoped that this proceeding will meet with the approval of the Govt. of India.

I have &c.

Com[r] Report to Govt

+ and 6 months Report of this progress is to be made to Commission

Lett. 30 Sept.

Pro. of Govt. 28 Septr.
Financial 1859 Dept. 11

No. 526.

Proceedings of Govt.

No. 527

To The Secy: to the Govt. of India
2/19 Septr. 59.

12 @ 14