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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. <u>138</u>	Press Mis.
<u>36-37</u> Dated <u>12-3-</u> 1861.	

13/11/36 36-37

10/11

Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
12th March 1861.*

No. 36. Read the following letter from W. BALMAIN, Esq., Officiating Secretary Government Savings' Bank, to T. PYCROFT, Esq., Chief Secretary to Government, For Saint George, dated 25th January 1861, No. 1,047.

I have the honor to acknowledge receipt of the Order of Government in the Financial Department, No. 366, dated 23rd July 1860, communicating a letter from the Financial Secretary to the Government of India, No. 5,616, dated the 28th June 1860, and calling for information in respect to the changes introduced in the working of the Bank consequent on the order for abolishing the Military branch of its operations.

In reply, I beg to state that my predecessor's letter to the Accountant General, No. 777, dated 19th January last, copy of which is herewith submitted for convenient reference, contains complete information on the subject, and from the fact of the Government of India calling for explanation, I am led to suppose that that letter could not have been laid before them in its entirety. In the communication referred to, it was shewn that the plan of abolishing the Military branch of the Savings' Bank's operations, and substituting the Bengal plan of special auditing the accounts of the Regimental Savings' Banks, was not only likely to cause no saving, but was calculated to entail additional expense in the pay of a special Ledger-keeper, and fees of Auditors; and it was further shewn how by the proposal to retain the Auditing in the Savings' Bank as at present constituted, there would really be a saving as compared with the Bengal plan, notwithstanding the increase of salary proposed to the Actuary.

I beg that Mr. Sandeman's letter to the Accountant General of the 19th January 1860, may be submitted to the Supreme Government, and the order passed thereon, as containing the information required by them. Hereafter a report will be submitted as to the working of the proposed scheme. I would remark however, that while the Supreme Government call for information in the Financial Department, they have in the Military Department, sanctioned the proposals advocated for the Madras Savings' Bank, as will be seen by referring to their Proceedings, No. 1,433, dated 29th May 1860.

* Adverting to the proposal to increase the Actuary's salary from 230 to 400 Rupees which the Supreme Government seem to think not to be called for when there is a prospect of diminution of work, I would draw the attention of Government to the Report of the Commission for revising salaries, dated 12th September 1859. I beg at the same time to state that I do not agree with Mr. Sandeman's recommendation as to the advisableness of the appointment of an Assistant Sub-Treasurer; but the Directors of the Savings' Bank submit for the favorable consideration of Government that the salary of the Actuary should be raised to 300 Rupees a month, the present pay Rupees 230 monthly not being in their opinion adequate, with reference to the heavy work and responsibility now devolving on that Officer.

From H. SANDEMAN, Esq., Secretary to the Government Savings' Bank, to the Accountant General, Fort Saint George, dated 19th January 1860, No. 777.

I have the honor to acknowledge the receipt of your letter, No. 1,693, dated 7th instant forwarding copy of Extract from the Proceedings* of the Government of India, No. 8,933, dated the 29th October last, and calling upon me to report whether the arrangements for the substitution of the Regimental Savings' Banks in lieu of the Military branch of the Government Savings' Bank sanctioned for the Bengal Presidency might not advantageously be adopted for this Presidency, and what amount of Savings would thereby be effected.

2. I do not think that it will be advisable to carry out arrangements here exactly similar to those sanctioned for the Bengal Presidency, as if carried out, the new plan in its integrity would be productive of an increase, rather than a reduction of expenditure. Practically there has

*Proceedings of the Madras Government, Financial Department,
12th March 1861.*

never been a separate Military branch of the Savings' Bank in this Presidency; the whole		
Actuary...	230 0 0	Establishment (Civil and Military) as per margin,
Accountant ...	105 0 0	being indiscriminately engaged in all the duties
Deputy Accountant ...	50 0 0	of the Bank. This Establishment has been
1 Writer ...	30 0 0	shewn to be unequal to its work in a letter of the
Assistant Accountant...	25 0 0	Directors to the Government, dated 10th August
3 Writers, each 20 ...	60 0 0	last, No. 229, and a temporary Establishment
1 do. ...	15 0 0	was accordingly allowed to bring up arrears and
Shroff.....	17 8 0	to assist in general work, which has been gra-
Mootchee ...	10 8 0	dually but steadily increasing. The application
2 Gollahs, each 8...	16 0 0	of the Royal Warrant will so far arrest this grow-
2 Peons, each 7 ...	14 0 0	ing evil, that the present Establishment will
Rupees...	573 0 0	be able to carry on the Civil branch of the work
		(which has considerably increased) and also the

yearly auditing of the Regimental Savings' Bank Ledgers as contemplated in your letter No. 1,281, dated 8th November 1859. This modification appears to me the most economical arrangement and is better adapted to the circumstances of this Presidency, as by placing the whole of the present Establishment on the periodical work, all accounts may be audited within a month, without any additional expense in the shape of salary of a special Ledger-keeper and fee* for Auditors which the Bengal plan entails.

* Establishment...	1,200
Audit fee ...	2,500
Rupees...	3,700

3. I have said that practically there has never been a separation of the Establishment into Military and Civil branch, but this has more particularly been the case since the appointment of the present Actuary, who at once appreciated the advantage of working unitedly with a small Establishment. By separation each division would have been unequal to its individual work, but by a union of strength the entire Agency was better able to carry on its work. For this reason Mr. Clark considered it undesirable to confine any man to one particular duty and moreover in the event of the absence of any one man on account of sickness or other cause the particular work that he was engaged on would be delayed. He therefore with the sanction of the then Secretary indiscriminately portioned out the work, as it was received in the Office; thus making every one in the Bank familiar with all its duties and at the same time economizing the resources of a limited agency. I need scarcely say that this principle has been found in every way successful.

4. In a financial point of view the proposed plan of separating the audit of the Regimental Banking Accounts will involve an additional expense of 3,700 Rupees, to meet which I am not prepared to make any reduction in the existing Establishment of the Government Savings' Bank, while the modification now proposed will be attended with no additional expense (excepting one item) and the work will be as efficiently performed by the Savings' Bank as by separate and paid Auditors.

5. The special item to which I refer is an increase of salary to the present Actuary of the Savings' Bank, who will take up and be directly responsible for the auditing of the Regimental Ledgers, &c. The claim he had for a better rate of recompense than he now receives was felt and acknowledged even on the existing footing of the Bank. In a letter of the Directors dated 10th August last Mr. Clark's salary was recommended to be raised to 400 Rupees a month, and the Commissioners on Public Establishments to whom the proposition was referred considered that the arguments for the increased salary of the Actuary were good and valid, but they deferred any expression of opinion until the arrears should be brought up. In now strongly recommending that Mr. Clark may be allowed a salary of 400 Rupees I would unite with it a further proposition regarding the General Treasury but without any extra expense. I feel that the Sub-Treasurer needs the aid of a responsible Uncovenanted Assistant, and such aid will be more especially expedient now that by the formation of one Department of Account for the whole of

*Proceedings of the Madras Government, Financial Department,
12th March 1861.*

British India, the General Treasury is likely to have a frequency of change in its Covenanted head. At present the Treasury establishment is divided into branches with ill-paid heads to each; and there does not exist that unity of Uncovenanted control in details which is so essential in the working of large and important Offices. The double office I propose is by no means unprecedented. Indeed it is analogous to my own position. I as Sub-Treasurer am "ex-officio" the Secretary of the Savings' Bank, and my proposal is to have one responsible individual as my principal Assistant in both my Offices. The assistance I advocate was enjoyed by former Sub-Treasurers when the Accountant to the Government Bank and the Actuary of the Savings' Bank were one and the same individual and even afterwards on the abolition of the former Establishment Mr. C. A. Johnston who drew a salary of 530 Rupees was (under the views of the late Court of Directors, viz., that he should be appointed to some other duties in addition to his own in order that his salary may be really earned) attached to the General Treasury as a General Superintendent though this arrangement was one of the Office and not formally authorized by Government. But when Mr. Clark was appointed Actuary of the Bank on the reduced allowance of Rupees 230, his services could not be brought to bear on the General Treasury when such salary was considered insufficient for his substantive appointment. I beg therefore to repeat my recommendation that the Actuary of the Savings' Bank be allowed a salary of 400 Rupees a month, and that I be permitted to have the benefit of his services in the General Treasury, his designation being changed to that of "Assistant Sub-Treasurer" and "Actuary of the Government Savings' Bank."

(True Copy.)
(Signed) W. BALMAIN,
Offg. Secy. to Govt. Savings' Bank.

No. 37. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 12th March 1861, No. 138.

With reference to the correspondence noted in the margin, I am directed by the Honorable the Governor in Council to forward for submission to the Government of India a copy of a letter, with its enclosure, from the Officiating Secretary Government Savings' Bank, furnishing the information required in paragraph 5 of your letter, dated 25th January 1861, No. 1,047.

dated the 28th June last, No. 5,616, in respect to the changes introduced in the working of the Bank consequent on the order for abolishing the Military branch of its operations.

2. Adverting to the remark contained in paragraph 4 of your letter above referred to in respect to the increase proposed to the Actuary's salary, I am desired to submit for the favorable consideration of the Government of India the recommendation of the Directors of the Savings Bank that the salary of the Actuary be raised to 300 Rupees a month, the present pay of Rupees 230 not being in their opinion adequate with reference to the heavy work and responsibility now devolving on that Officer.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

No. 1182.



Fort Saint George.
GOVT. SAVINGS BANK
2 March 1861.

MEMORANDUM.

The Offg. Secy to the Savings Bank
has the honor to forward a letter to Go-
vernment which should have been dis-
patched in January, but which the
Honorable Mr. Clerk did not forward.
It was found in one of his Table drawers
today.

R. Halman
Offg. Secretary.

FORT ST. GEORGE,
Government Savings Bank,
2 March 1861.

To The Chief Secretary to Govt.

N.B.H.

St. James George
 General Savings Bank
 19th January, 1860

No. 777.

From The Secretary
 To The Accountant General
 St. James George

Sir,
 I have the honor to acknowledge the receipt of your letter No. 1693 dated 7th Instant for forwarding copy of Extract from the Proceedings of the Government of India No. 8933 dated the 29th October last and calling upon me to report whether the arrangements for the substitution of the Regimental Savings Banks in lieu of the Auxiliary Branch of the Government Savings Bank sanctioned for the Bengal Presidency might not advantageously be adopted for this Presidency and what amount of Savings would thereby be effected.

I do not think that it will be advisable to carry out arrangements here exactly similar to those sanctioned for the Bengal Presidency, as if carried out the new plan in its integrity would be productive of an increase, rather than a reduction of expenditure. Practically there has never been a separate Military branch of the Savings Bank in this Presidency: the whole Establishment (Civil and Military) - as per margin, being indifferently engaged in all the duties of the Bank. This Establishment has been shown to be unequal to its work in a letter of the Directors to the Government, dated 10th August last No. 229, and a temporary Establishment was accordingly allowed to bring up arrears and to assist in general work, which has been gradually but steadily increasing. The application of the Royal Warrant with

Assuary	230-0-0
Accountant	105-0-0
Deputy Accountant	50-0-0
1 Writer	30-0-0
Assistant Accountant	25-0-0
3 Writers each 20	60-0-0
1 do	15-0-0
Throft	17-8-0
Master	10-8-0
2 Collectors each 8	16-0-0
2 Clerks each 7	14-0-0
<u>Rupers 572-8-0</u>	

minutely engaged in all the duties of the Bank. This Establishment has been shown to be unequal to its work in a letter of the Directors to the Government, dated 10th August last No. 229, and a temporary Establishment was accordingly allowed to bring up arrears and to assist in general work, which has been gradually but steadily increasing. The application of the Royal Warrant with

* Renewed & returned

The Accountant General
 St. James George
 19th January 1860
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will so far arrest this growing evil. That the present Establishment will be able to carry on the Civil branch of the work (which has considerably increased) and also the yearly auditing of the Regimental Savings Bank Ledgers as contemplated in your letter n^o 1281. dated 8th November 1859. This modification appears to me the most economical arrangement and is better adapted to the circumstances of this Presidency, as by placing the whole of the present Establishment on the periodical work all accounts may be audited within a month, without any additional expense in the shape of salary of a

* Establishment 1200
 Audit fee 2500
Rs 3700 Special ledger keeper and fee for auditors which the Bengal plan entails -

3 I have said that practically there has never been a separation of the Establishment into Military and Civil Branch, but this has more particularly been the case since the appointment of the present Secretary, who at once appreciated the advantage of working unitedly with a small establishment. By separation each division would have been unequal to its individual work, but by a union of strength the entire agency was better able to carry on its work. For this reason Mr. Clarke considered it undesirable to confine any man to one particular duty and moreover in the event of the absence of any one man on account of sickness or other cause the particular work that he was engaged on would be delayed. He therefore with the sanction of the then Secretary indiscriminately proportioned out the work, as it was received in the office; thus making every one in the Office familiar with all its duties and at the same time economizing the resources of a limited agency. I need scarcely say that this principle has been found in every way successful -

4. In a financial point of view the proposed plan of separating the audit of the Regimental Banking accounts will involve an additional expense of 3700 Rupees to meet which I am not prepared to make any reduction in the existing establishment of the Civil Savings Bank, while the modification now proposed will be attended with no additional expense (excepting one item) and the work will be as efficiently performed by the Savings Bank as by separate and paid auditors.

5 The special item to which I refer is an increase of salary to the present Secretary of the Savings Bank, who will take up and be directly responsible for the auditing of the Regimental Ledgers &c. The claim he had for a better rate of recompense than he now receives was felt and acknowledged even on the existing footing of the Bank. In a letter of the Directors dated 10th August last Mr. Clarke's salary was recommended to be raised to 400 Rupees a month, and the Commissioners on Public Establishments to whom the proposition was referred considered that the arguments for the increased salary of the Secretary were good and valid but they deferred any expression of opinion until the arrears should be brought up. I am now strongly recommending that Mr. Clarke may be allowed a salary of 400 Rupees I would unite with it a further proposition regarding the General Treasury but without any extra expense. I feel that the Sub-Treasurer needs the aid of a responsible & unencumbered Assistant, and such aid will be more especially expedient now that by the formation of one Department of accounts for the whole of British India, the General Treasury is likely to have a frequency of change in its commanded Head. At present the Treasury establishment is divided into branches with ill

paid heads to each; and there does not exist that unity of unreverent central in details which is so essential in the working of large and important offices. The double office I propose is by no means unprecedented. Indeed it is analagous to my own position. I as Sub Treasurer am "ex officio" the Secretary of the Savings Bank; and my proposal is to have one responsible individual as my principal assistant in both my offices. The assistance and advocate was enjoyed by former Sub Treasurers when the Accountant to the Government Bank and the Actuary of the Savings Bank were one and the same individual and even afterwards on the abolition of the former Establishment Mr. C. Johnston who drew a Salary of 500 Rupees was (under the views of the late Govt of Directors viz. that he should be appointed to some other duties in addition to his own in order that his Salary may be really earned) attached to the General Treasury as a General Superintendent. This arrangement was one of the office and not formally authorized by Government. But when Mr. Colver was appointed Actuary of the Bank on the reduced allowance of Rupees 250 his services could not be brought to bear on the General Treasury when such Salary was considered insufficient for his substantial appointment. I beg therefore to repeat my recommendation that the Actuary of the Savings Bank be allowed a Salary of 400 Rupees a month, and that he be permitted to have the benefit of his services in the General Treasury, his designation being changed to that of "Assistant Sub Treasurer" and "Actuary of the Government Savings Bank".

For Mr. George.
Govt Savings Bank
19th January 1860
H

I have &c.
Saml. C. Apr.

W. H. Calcutta

off Secy Govt Savings Bank

I have &c.
H. D. / Mr. Sandyman

Secy Govt Savings Bank

138
 Fort Saint George.
 Government Savings Bank.
 25 January 1881.

N^o 1047

To

H. Patnam Esq.

Offy Secretary

Govt. Savings Bank.

J. Pycroft Esq.

Chief Secretary to Government.

Sir,

I have the honor to acknowledge receipt of the Order
 Government in the Financial Department, N^o 366, dated
 23rd July 1880, communicating a letter from the Financial
 Secretary to the Government of India, N^o 3616, dated the
 28th June 1880, and calling for information in respect to the
 changes introduced in the working of the Bank consequent
 on the order for abolishing the Military branch of its
 operations.

In reply, I beg to state that my Predecessor's letter
 to the Accountant General, N^o 777, dated 19th January last,
 copy of which is herewith submitted for convenient reference,
 contains complete information on the subject, and from the
 fact of the Govt of India calling for explanation, I am
 led to suppose that that letter could not have been laid
 before them in its entirety. In the communication re-
 ferred to it was shown that the plan of abolishing the Military
 branch of the Savings Bank's operations, and substituting
 the Bengal plan of special auditing the accounts
 of the Residential Savings Banks was not only likely
 to cause no saving, but was calculated to entail ad-
 ditional expense in the pay of a special Ledger
 Officer, and five of Auditors; and it was further
 shown how by the proposal to retain the auditing in the

1881

Delivered

Enclosure in 2 letters

from the

Secretary Govt Savings

Bank

Chief Secretary

to Govt.

N^o 1047

Dated 25th Jan 1881

To Mr. Pycroft

No 110

the Savings Bank as at present constituted, then would really be a saving as compared with the Bengal plan, notwithstanding the increase of salary proposed to the Actuary.

I beg that Mr. Sandeman's letter to the Assistant General of the 19th January 1860 may be submitted to the Supreme Government, and the order passed thereon, as containing the information required by them. Hereafter a Report will be submitted as to the working of the proposed scheme. I would remark however, that while the Supreme Govt call for information in the Financial Department, they have in the Military Department sanctioned the proposals advocated for the Madras Savings Bank, as will be seen by referring to their proceedings. N^o 1433, dated 29th May 1859.

Adverting to the proposal to increase the Actuary's salary from 230. to 400. Rupees which the Supreme Govt seem to think not to be called for when there is a prospect of diminution of work, I would draw the attention of Government to the Report of the Commission for revising salaries dated 12th Sept. 1859. I beg at the same time to state that I do not agree with Mr. Sandeman's recommendation as to the advisableness of the appointment of an Assistant Int. Treasurer, but the Directors of the Savings Bank submit for the favourable consideration of Government that the salary of the Actuary should be raised to 300 Annas per month, the present pay Rupees 230. monthly not being in their opinion, adequate with reference to the heavy work and responsibility now devolving on that Officer.

I have the honor to be
Sir

Yours

Yours most Obedient servant
R. Balaram
Offy Secretary.

George
Savings Bank
Madras 1861.

Dec 13-3-51.

Financial Depart.

No 138.

The Secretary to the Govt of India.
Financial Department

Sir,

With reference to the
Govt of India 12 May 1851. Correspondence noted in
do 28 June 1850. the margin, I am direct-
ed by the Honble the Gover-
nor in Council to forward
for submission to the Govt
of India a copy of a letter
dated 25 January 1851. No 1047.
from the Off^r Secretary, Govt
Savings Bank, furnish-
ing the information re-
quired in para 5 of your
letter dated the 28th June
last. No 5610. in respect to
the changes introduced
in the working of the
Bank consequent on the
order for abolishing the
military branch of its
operations.

2. In pursuance of
the

Pro 23 July 1850 No 54 935
" 12 May " " 7 98
" 29 May " " 10 41
" 10 July " " 7 98
" 19 July 1851 " 12 24
" 31 Oct " " 7 98
" 26 Nov " " 18 49
" 26 Aug " " 5 46

and Mr. Smith.

1851. Finl. Department

The Secretary

Govt Savings Bank

The Chief Secretary

to Government

No 1047

No

Dated 25th January 1851

Received } January 1851

with an enclosure

No 110

As per order of the
Govt of India 12 May 1851
No 54 935. and
the order of the Govt of India
28 June 1850. No 5610.
I am directed to forward
for submission to the Govt
of India a copy of a letter
dated 25 January 1851. No 1047.
from the Off^r Secretary, Govt
Savings Bank, furnish-
ing the information re-
quired in para 5 of your
letter dated the 28th June
last. No 5610. in respect to
the changes introduced
in the working of the
Bank consequent on the
order for abolishing the
military branch of its
operations.

the remark contained in
para 4 of your letter above
~~referred~~ ^{referred} to in respect
to the increase proposed
to the Statuary's salary,
I am desirous to submit
for the favorable consid-
eration of the Govt of India
the recommendation of the
Director of the Savings Bank
that the salary of the Sta-
tuary be raised to 300 Ru-
pees a month - the pre-
sent pay of Rs. 230 not
being in their opinion ade-
quate with reference to
the heavy work and res-
ponsibility now devolving
on that Officer.

Fort St George }
12 March 1861 }

JF

Letter & Encls - to follow

12/

July 11th 1861

20th June 1861 Deposition

24th 1861

To
The Secretary to the
Lord of Justice

27th June 1861

28th June 1861
29th 294-

Regarding the
Changes introduced in
the Savings Bank and
the increase to the salary
of the

25 37
36 137