M.R.O. 1—77,000—8-6-37.

(1) Number of pages 6

(2) Date of repair 26-7-35

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Judicial DEPARTMENT.

G.O. No. 61 Press
Mis.

Dated 23-1- 1884.

83-84 4/5

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
23rd January 1864.

No. 83. Read the following Proceedings of Government in the Revenue Department, dated 12th January 1864, No. 68 A.

Directing the entry in the Public Works Budget, pending a reference to the Government of India, of the charge for the Collecting Establishment on Cochrane's Canal. (Vide Proceedings Revenue Department, dated 12th January 1864, Nos. 132A—132C.)

No. 84. ORDER THEREON, 23rd January 1864, No. 61.

To be recorded.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd. J. Tulloch.

Proceedings of the Madras Government, Revenue Department, 12th January 1864.

Read the following papers :—

No. 132A. Proceedings of the Madras Government in the Public Works Department, dated 6th January 1864, No. 41.

Read the following letter from Lieutenant-Colonel J. P. BEADLE, R. E., Officiating Secretary to the Government of India, Public Works Department, (General), to the Secretary to the Government of Fort Saint George in the Public Works Department, dated Fort William, 21st December 1863, No. 5,314.

SIR,

1. With reference to your letter No. 1,035, dated the 27th April 1863, to the address of the Secretary in this Department with the late Governor General, forwarding a Statement of the sums chargeable to Public Works in the General Budget, in addition to the amount entered in the regular Departmental Budget, I am directed by the Governor General in Council to state that the Financial Department will be addressed in regard to the grant of an extra allotment of Rupees 40,679 for charges on account of Travellers' Bungalows in the Madras Presidency during 1863-64. For the future, however, this charge will be provided for from Local Funds; *vide* Public Works Department Circulars Nos. 59 and 66, dated respectively the 26th November, and 14th December 1863.

2. In regard to the charges on account of Establishment for Cochrane's Canal, I am to state that the amount required for the purpose, may be met by a transfer from the Reserve at the disposal of the Madras Government. Proper provision should be made for this charge in the Budget Estimate for 1864-65.

3. Instructions will hereafter be given on the subject of advances for working expenses of the Dowlaishweram Workshops. The other items entered in your letter do not call for remark.

1. Orders will be passed on paragraph 1 of the foregoing letter on the receipt of a reply to the reference made to the Revenue Department in G. O. No. 3,664, dated 11th December 1863.

2. In regard to paragraph 2 it will be ascertained from the Revenue Department whether the Establishment for Cochrane's Canal is properly chargeable to the Public Works Department.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government, P. W. D.

No. 132B. From J. L. LUSHINGTON, Esq., Acting Deputy Auditor and Accountant General, to J. D. SIM, Esq., Secretary to Government, Revenue Department, dated Fort Saint George, 9th January 1864, No. 318.

SIR,

With reference to the 64th paragraph of the Proceedings of Government, No. 2,378, dated the 24th ultimo, I have the honor to remark that, under orders of the Government of India in the Public Works Department, No. 1,374, dated 13th July* 1863, the Establishment of Cochrane's Canal should be included in the Public Works Budget. The sum of Rupees 3,000 passed by Government cannot therefore be included in the Section "E. Works of Internal Improvement and Public Convenience" now under preparation in this Office.

* Financial Department, Memorandum, dated Fort William, 31st October 1863, No. 4,900.

No. 132C. ORDER THEREON, 12th January 1864, No. 68A.

1. Under the orders quoted by the Acting Accountant General the charge for the Collecting Establishment on Cochrane's Canal must of course be entered in the Public Works Budget, pending a reference to the Supreme Government.

2. The Establishment being employed specially and exclusively for collecting the tolls levied on the Canal, the Governor in Council considers the present system of debiting it to the Public Works grant, wrong in principle.

3. The proper functions of the Department Public Works are the construction, repair and maintenance of works. With the collection of the revenue produced by those works they properly have nothing to do. Occasionally it is economical and convenient that they should collect the revenues of a work they have constructed; but these cases are rare and exceptional, and the present is certainly not one of them. On any other principle the extension of Public Works Establishments would be unlimited, for no sooner would an anicut, a canal, a tank or any other work be completed, than it would be necessary to attach a Revenue Collecting Office to the Department, and the result would be that the time of the professional Engineer would be diverted from duties for which he has been carefully and specially trained to others for which he has not been trained at all, and to perform which the Government have other trained and experienced Officers. If the principle laid down by the Supreme Government be correct, then, the entire irrigated revenue of the Presidency should be collected and accounted for by the Department Public Works. Clearly the correct and most economical arrangement in the present case is for the Department of Public Works to maintain, improve and repair the Canal, and for the Collector to realize and account for the tolls. Each Officer will thus be engaged on the duty which he understands and can best perform.

4. The plan of charging this item to the Public Works grant seems of doubtful propriety in another respect. The Public Works Department is charged with the expense of collecting these tolls, but is not allowed to appropriate the proceeds. Every work of the kind therefore instead of increasing, diminishes the resources of the Department, and the larger and more remunerative the work, the greater the diminution. The Governor in Council is clearly of opinion that if the grant for Public Works is charged with the expense of collecting the tolls, the proceeds should, *per contra*, be added to it. As the matter stands, the Supreme Government nominally make a certain grant for Public Works and practically reduce it by saddling it with miscellaneous charges.

5. But the correct plan, in the opinion of Government, is to bring this item into the Revenue Budget altogether, to credit the tolls as Miscellaneous Revenue, and to debit the charges of collecting to B. IV Miscellaneous, the specific minor heads in both cases being "Cochrane's Canal." The Public Works Department would of course continue to provide for deepening the Canal, maintaining towing-paths and all similar engineering work, which is all properly debitable to the grant annually made for "Public Works."

6. The heading in the Budget "Works of Internal Improvement and Public Convenience" is sufficiently comprehensive to include every Public Work, but there is no reason for including under it canals any more than roads or the like which are not now entered under it.

7. On the principle advocated by this Government, the Department of Public Works on completing a reproductive Public Work would hand it over to the Revenue Officers, who would thereafter realize the returns, at the charge of the Revenue Department as they do the other revenues of the State, and the entire grant made specially for Public Works would in fact as well as theory be expended on them.

(True Extract.)

Secretary to Government.

To the Board of Revenue.
" Accountant General.
" Civil Paymaster.
" Department Public Works.
" Financial Dept.
Exd. S. T. Augustin.

Rect of pr 6 Feb 1864.

Fin.l 1864 Departt.

Proc. of Government in the
Rev. Departt. No 68 A.

Dy 12th
Ry 16th } Jany 64.

No 43

Directing the Entry
in the P. W. Budget, pending
a reference to the Govt. of
India, of the charge for the
Collecting Establishment
on Cochrane's Canal.

23d January 1864 No 61.

83 & 84

Recorded