Proceedings of the Madras Government, Financial Department,
29th August 1872.

Read again Proceedings of Government, Financial Department, dated 25th October 1871, No. 606.

Read also the following papers:—

No. 190-A. Proceedings of the Board of Revenue, dated 16th December 1871, No. 5055.

Read the following letter from the Collector of Nellore, to the Acting Secretary to the Board of Revenue, dated 18th November 1871, No. 2295.

With reference to the India Government Notification of the 14th October 1871, No. 4359, and to Government Order, Public Department, No. 606, dated 25th idem, I have the honour to state that the establishments under Local Funds in this district comprise persons employed in the Local Fund Departments organized under Act IV. of 1871 and in the Jungle Conservancy Department.

2. Prior to the introduction of the Local Fund Act there were the Local Fund Overseers in the Public Works Department paid from District Road Fund and the Jungle Overseers and Inspectors paid from the Jungle Conservancy Fund. Since the passing of the new Act office establishments have been added and the establishments of schools of Deputy Inspectors and dispensaries have been transferred to the Local Fund.

3. It is a question whether, under the new rules notified by the Government of India, contributions towards pension should be levied or not from the officers transferred to, or entertained from, the Local Funds. A list of such officers is given in the margin.

I. Road Fund.

Local Fund Overseers and Malgoy.
Do. office establishment.
Accountant in the Collector's office, paid from Local Funds.

II. Education.

Deputy Inspector of Schools.
Inspecting Schoolmasters.
Schoolmasters in the Local Fund Schools.

III. Medical Services.

Native Surgeon attached to the Branch Dispensary.
Apothecary attached to the Ongole Civil Dispensary.

IV. Jungle Conservancy.

Overseers and Inspectors.

4. Under the orders of 1868 (Government of India, 24th April 1868, No. 2197), it was believed that those paid from Local Funds have had the same prospect of pension as Government servants, save that they were to be paid for their service in the Local Funds from those Funds; and it appears from paragraph 6 of the Government Order of 31st August 1871, No. 3177, that the local Government have the power of conferring the right of pensions upon them. I, therefore, request that the Government may be moved to sanction the continuance of the privileges referred to in the Order of 1868 to those employed under the Local and Jungle Conservancy Funds, these Funds being exclusively under the control of Government and of a permanent character.

5. Such orders are very necessary, as without equal prospect of pension no servant on the regular establishment would be willing to accept appointments under Local Funds. It is nevertheless in the interests of the efficiency of the Local Fund Departments that free transfers from one Department to another should be permitted. As a case in point, a Head Clerk for the Nellore Circle having been sanctioned on 50 Rupees pay, no fit person for the post can be found except among those already in employ on the regular establishment, and I have, therefore, appointed my 2nd English Clerk, who draws the same salary already, to

be Local Fund Head Clerk pending the result of this reference. He is unwilling to remain in the post if he should have to pay the contribution referred to in Order of Government of India.

6. I request that the Board will be good enough to obtain clear orders in the case of the several officers specified in the list already given. Attention is drawn to paragraph 11 of the resolution of the 14th October, which exempts the employés from contribution only in cases of mere temporary transfer to Local Funds. The appointments given in the list are all permanent ones for the time being, the employés, however, reserving to themselves the right of leaving the Local Funds for other Departments at any opportunity, and they are all employed under Local Funds to which the rules of 1868 apply.

Submitted for the orders of Government.

2. The effect of the rulings of the Government of India passed in 1868 on the subject of pensioning employés on Local Fund establishments was discussed in Board's Proceedings, 27th April 1869, No. 2840, in disposing of which the Madras Government confirmed a former order that all servants employed on the establishment of the District Road Fund should receive pensions if eligible under the rules.

To Bombay, 10th August 1868, No. 1496, Financial Department.
To Oudh, 19th August 1868, No. 1841, Financial Department.
To Madras, 30th November 1868, No. 3252, Financial Department.
Government Order, Revenue Department, 23rd July 1869, No. 2155.

Rule III. of the Local Fund Rules.

3. They still continue "under the same conditions of service."

4. With regard to pensions from the Jungle Conservancy Fund no special orders seem to have been passed; but the question only arises in districts where the Fund is important and fulfils the two conditions which make pensions allowable, viz., that the sources of income shall be permanent and that they shall be under the control of Government.

Financial Resolution, Government of India, 24th April 1868, No. 2197, paragraph 5.

5. In a resolution communicated to the Board with Government Order, Revenue Department, 8th November 1871, No. 21, the Government of India suggested that it would be best to leave pensionary claims on Local Funds to be met when they arise, and that it was to be considered whether the capital value of any pension granted should be placed at the time in a separate account. These points had been previously settled in the negative, and Government apparently considered it unnecessary to pass orders on them again.

6. In a subsequent resolution the Government of India have declared that in all cases of temporary transfer to Local Funds (from which pensions may be granted) a contribution of one-fifth of the salary of the employé must be paid by him to Imperial Funds.

Financial Resolution, 14th October 1871, No. 4359 (Accounts).

7. In this Presidency, Imperial and Local Funds establishments being regarded as equally eligible in respect of absentee allowances and pensions, transfers and re-transfers from one to the other are frequent in the ordinary course of promotion, and it can seldom be said that such a transfer or re-transfer is permanent.

8. The existing rules under which, when service is spent partly on Local Fund establishments and partly on Imperial establishments, the cost of the pension shall be charged to Local Funds and to General Revenue in the proportion of the total receipts of the pensioner from each source during the whole course of his service, is perfectly fair to Imperial interests, whilst the new rule of an arbitrary contribution to Imperial Funds from Local Fund allowances is not consistent with the present system of administration.

9. The resolution has been communicated to the Board without remark; but pending further orders they propose to make no change.

(A true Copy and Extract.)

(Signed) J. GROSE,
Secretary.

Transferred to the Financial Department.

FORT ST. GEORGE,
6th January 1872.

(Signed) W. HUDLESTON,
Secretary to Govt., R. D.

No. 190-B. Proceedings of the Board of Revenue, dated 12th January 1872.
No. 299 (Miscellaneous).

From the Acting President of the Local Fund Board, Canara Circle, to the Acting Secretary to the Board of Revenue, dated Mangalore, 11th December 1871, No. 111.

I have the honour to forward, for the orders of the Board and Government, a letter addressed to me by K. Krishna Row, lately appointed Head Clerk in the Local Fund Office, Canara Circle, requesting information as to whether, in the event of his again being brought on the Imperial establishment, his service in the Local Fund Board's office will count for pension. As the question does not appear to have been definitively settled I have the honour to request the orders of Government on the subject.

2. I may add that, in the event of such service not counting for pension, I shall have the very greatest difficulty in getting competent and rising men for the Local Fund Board's office.

From K. KRISHNA ROW, to the President of the Local Fund Board, Canara Circle, dated Mangalore, —— November 1871.

I beg most respectfully to state that I am willing to take up the post of Local Fund Head Clerk kindly offered to me. As, however, I am doubtful as to whether service in the Local Fund establishment counts for pension should the employé be hereafter transferred to the Imperial establishment, I beg your Honour will be kindly pleased to obtain the decision of Government on this point, and, in order that my previous service in the Revenue Department may not be lost in the event of the question being decided in the negative, to ask the Collector, under G. O., dated 4th September 1871, No. 1516, to grant me leave for three months.

Proceedings of the Madras Government, Financial Department,
29th August 1872.

Submitted to Government in continuation of Board's Proceedings dated 16th December 1871, No. 5055.

(True Copies and Extract.)

(Signed) J. GROSE,
Secretary.

No. 190-C. From the Under Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, Fort St. George, dated Fort William, 30th December 1871, No. 3499.

I am directed to acknowledge the receipt of your letter, No. 607, dated 25th October 1871, on the subject of the pensionary provision of employés under the Local Funds constituted under Madras Act IV. of 1871, and, in reply, to communicate the following remarks.

2. The Government of India did not, in my letter to the Government of Bengal, No. 3177, dated 31st August 1871, express any opinion that a declaration that service in Local Funds should count for pension would *in all cases* be unwise. As will be seen from paragraph 6 of that letter, they left that declaration entirely to the discretion of the local Government in the case of "Local Funds *which will beyond a doubt be able without embarrassment to meet the pensionary claims of employés.*" They withdrew the approval they had previously given to a scheme for the creation of a Pension Fund under certain rules proposed by the Government of Bombay, believing the best plan was to meet the pensionary claims as they arise out of Local Funds direct and not from any invested Fund produced by subscriptions.

3. It is accordingly entirely in the discretion of the Government of Madras, if it considers the Funds named to be of the character above described, to declare service under them to be pensionable service, provided, as said in the concluding part of paragraph 2 of your letter, it is distinctly understood that the pensions, or such portions of them as may be chargeable to Local Funds, will be dependent on the solvency of those Funds, and that the Government will be in no way pledged for the security of the payments, and provided also that the Government are satisfied that the Funds may be legally applied to the payment of pensions.

4. The Governor-General in Council entirely concurs in the remarks in paragraph 3 of your letter.

No. 190-D. Proceedings of the Board of Revenue, dated 5th March 1872, No. 1666 (Miscellaneous).

From the President of the Local Fund Board, Chingleput Division, to the Acting Secretary to the Board of Revenue, dated Sydapet, 28th November 1871, No. 285.

At the request of the President of the Sydapet School Committee I have the honour to forward, for the orders of Government, copy of his letter, No. 85, dated 22nd instant, in which he solicits information with reference, I understand, to the recent Government Order, Public Department, dated 8th instant, No. 1665, as to whether teachers employed in these schools are eligible for pension, and, if so, whether their former service under the Madras Educational Act (VI. of 1863) will count.

5

Proceedings of the Madras Government, Financial Department,
29th August 1872.

From the President of the Sydapet School Committee, to the President of the Local Fund Board of the Sydapet Circle, dated Sydapet, 22nd November 1871, No. 85.

The head masters and teachers of the Sydapet schools are very anxious to know if they will be eligible to pension under the recent orders of Government, and, if so, whether their services under the old Educational Act will be taken to account. The settlement of this doubt is very desirable, and I have the honour to request that you will be good enough to obtain the orders of the higher authorities on the subject.

Submitted for the orders of Government.

2. The Board are not aware of any order allowing service under the Madras Educational Act to count for pension; but they think that all service in qualifying grades under the Local Fund Act should do so.

(True Copies and Extract.)

(Signed) J. GROSE,
Secretary.

No. 190-E. ORDER THEREON, 29th August 1872, No. 1149.

The foregoing papers relate to the question whether service rendered under Local Fund Boards in this Presidency shall reckon for pension under the Government rules.

2. In the letter from the Government of India dated 30th December [illegible] ruled that it is entirely within the discretion of the local Governments to decide that the conditions laid down in the Orders of April 1868 are fulfilled in the case of any particular Local Fund, and that service paid from such Fund shall thereupon confer claim to pension, proportionately chargeable to Imperial revenues and the Local Fund in question.

3. The Government have already strongly expressed the opinion that it is essential to the success of the organization that pensionary allowances should be made to persons employed under Local Fund Boards constituted under Act IV. of 1871. There can, in the opinion of Government, be no doubt that the Local Funds fulfil the conditions laid down in the Order of 1868, and, though the question of pension is not referred to in Act IV. of 1871, they cannot discover any legal objection to the payment of pensions from Local Funds. The Government will, therefore, be prepared to declare that Local Funds under Act IV. of 1871 are within the scope of the Order of 1868; but they are of opinion that a title to pension should not be unreservedly granted to all Local Fund servants but should be given only to classes similar to those allowed pensions or gratuities in the Government service. Indiscriminate admission of all Local Fund servants would also entail a very heavy charge upon the Funds. The limitations would properly be embodied in the Local Fund Rules.

4. As pointed out by the Board of Revenue, servants paid from the Road Fund have been declared eligible to pension, and, as regards Local Fund Overseers and superior servants, the eligibility ought to continue. It may be a question, however, whether maistries and lascars and other inferior servants should be eligible. The opinion of the Local Boards is desired on this point, and the Revenue Board are requested to report what subsidiary instructions were issued by them under paragraph 5 of G. O., 23rd July 1869, No. 2155, Revenue Department.

5. So also it is clearly necessary that the Inspecting Schoolmasters employed under Local Boards should be eligible to pension. The Deputy Inspectors are servants of Government, and the fact that Government recover a contribution from Local Funds for their services does not cast any obligations on Local Funds in respect of their pensions. The Government, however, much question whether it is expedient to confer pensionary rights on Masters, Clerks, or servants in union schools, whether of the middle or lower class. These employés will, as a rule, be drawn from a class not needing or accustomed to inducements of the kind. Most of them for years to come will be merely improved pyal schoolmasters, and doubtless masters for the middle class union schools can be obtained without pensionary rights as readily as is now the case in aided schools. Union schoolmasters will be the most numerous class of servants of Local Boards, and to admit them to pension would involve a heavy prospective charge upon the Funds.

6. Medical Subordinates serving under Local Funds will be pensioned under military rules. As regards other servants in Local Fund dispensaries the Government think it unnecessary to extend pensionary benefits to them, and observe besides that to do so would cause discontent among similar servants in dispensaries managed by Municipalities and paid from Municipal funds, which the Government are not prepared to declare within the scope of the Order of 1868; so also it is unnecessary to make scavengers, &c., eligible to pension. Vaccinators and Superintendents on the Government establishment are now eligible, and the Government are of opinion that the Local Funds will in future be chargeable with their shares of the pensions.

7. Servants in Controlling Offices in the Presidency, in Collectors' offices, and in Local Fund Boards' offices ought clearly to be eligible.

8. In short, the Governor in Council is of opinion that pensionary benefits ought to be extended, and can safely be extended, only to superior servants employed in connexion with the Road Fund, to Inspecting Schoolmasters, to vaccine servants of classes now eligible, and to office servants of the classes to whom retiring allowances are granted in the Government service. The whole question is referred with the above remarks for the opinions of the Local Boards to be submitted through the Board of Revenue, who will frame draft clauses for incorporation with the Local Fund Rules, embodying the recommendations they may themselves see fit to make.

9. The Governor in Council is not aware that the Jungle Conservancy Fund or any other Special Fund in this Presidency comes within the Orders of 1868, and except on the clearest case shown His Excellency in Council is averse to extending the application of those orders.

(True Extract.)

Acting Under Secy. to Govt.

To the Revenue Department.
,, Board of Revenue.
,, Public Works Department.
,, Accountant-General.
,, Inspector-General, Indian Medical Department.
,, Director of Public Instruction.

Ed. A. S. Rodgers.

Financial Department.

X 2

PROCEEDINGS of the MADRAS GOVERNMENT.

Read ~~the following letter~~ again ~~referred~~.

Proceedings of Govt. Fin^l Dept. d^d 25 October 1871 No 606
Read also the following papers
Boards Proceedings dated 16^th December 1871 N^o 5055.
——"——.——dated 12^th January 1872 No 299-1
Letter from Govt. of India dated 30^th December 1871 N^o 3499
Proceedings of the Board of Revenue, dated, 5^th March 1872 N^o 1666.

Order thereon d^d Octac^d 29 Aug^t 1872
N^o 1149

The foregoing papers relate to the question whether service rendered under Local fund boards in this Presidency shall reckon for pension under the Government rules.

2. On the letter from the Government of India dated 30^th December it is ruled, that it is entirely within the discretion of the Local Government to declare that the conditions laid down in the orders of

April

B. D.
I D.

Govt. of {1872} Madras.

FINANCIAL.

To

THE REVENUE DEPARTMENT,
&c., &c., &c.

Dated August, 29th.
Read.
Encl.

G. O., 29th August 1872, No. 1149.

AUGUST.
Nos. 190-A—190-E.

Passing orders in regard to service rendered under Local Fund Boards being allowed to reckon for pension under the Government rules.

April 1868 are fulfilled in the case of any particular local fund, and that service paid from such fund shall thereupon confer claim to pension, proportionately chargeable to imperial revenues and the local fund in question.

3. The Government have already strongly expressed the opinion that it is essential to the success of the ~~local fund~~ organization that pensionary allowances should be made to persons employed under local fund boards constituted under Act IV of 1871. There can, in the opinion of Government, be no doubt that the local funds fulfil the conditions laid down in the order of 1868 and though the question of pension is not referred to in Act IV of 1871, they cannot discover any legal objection to the payment

8 11

payment of pensions from local funds. The Government will therefore be prepared to declare that local funds, under Act IV of 1871, are within the scope of the order of 1868; but they are of opinion that a title to pension should not be unreservedly granted to all local fund servants but should be given only to ~~them~~ classes similar to those allowed pensions or gratuities in the Government service. The limitations would properly be embodied in the local fund rules.

4. As pointed out by the Board of Revenue, servants paid from the road fund have been declared eligible for pension; as regards local fund overseers and superior servants the eligibility ought to continue. It may be a question, however, whether maistries and Cassars and

^ In discriminately admission of all local fund servants would also entail a very heavy charge upon the funds

and other inferior servants should be eligible. The opinion of the local boards is desired on this point; and the Revenue Board is requested to report what subsidiary instructions were issued by them under para 5 of G. O. 23rd July 1869 No 2155. R.D.

5. So also it is clearly necessary that the Inspecting School masters employed under local boards should be eligible to pension. The Deputy Inspectors are servants of Government and the fact that Government recover a contribution from local funds for their services does not cast any obligations on local funds in respect of their pensions. The Government however much question whether it is expedient to confer pensionary rights on masters, clerks & servants in

in union schools, whether of the middle or lower class. These employés will, as a rule, be drawn from a class not exceeding or accustomed to inducements of the kind. Most of them, for years to come, will be merely improved pial school masters, and doubtless masters for the middle class union schools can be obtained without pensionary rights as readily as is now the case in aided Schools - Union School masters will be the most numerous class of servants of local boards and to admit them to pension would involve a heavy prospective charge upon the funds.

6 Medical Subordinates serving under local funds will

will be pensioned under
Military rules. As regards
other servants in local
fund dispensaries, the Govt.
think it unnecessary to
extend pensionary benefits
to them; and observe, besides,
that to do so would cause
discontent among similar
Servants in dispensaries
managed by Municipalities,
and paid from Municipal
funds, which the Govt.
are not prepared to declare
within the scope of the
Order of 1860. So also, it is
unnecessary to make sca-
vengers &c. eligible to pen-
sion. Vaccinators and
Superintendents on the
Govt. Establishment are
now eligible, and the Govt.
are of opinion that the
local funds will in future
be chargable with
their

No 15

their shares of the pensions
of Servants in
Controlling Offices in the
Presidency, in Collectors
Offices, and in local
fund boards offices
ought clearly to be
eligible.

3. Lastly the Govt. are of opinion that pensionary benefits ought to be extended, and can safely be extended, only to superior Servants employed in connexion with the road fund, to Inspecting Schoolmasters, to Vaccinators Servants of classes now eligible, and to Office Servants of the classes to whom retiring allowances are granted in the Govt. Service. The whole question is referred with the above remarks

I would write 20th
or 25th Inst.
for sanction WJ

remarks for the opinions of the local boards who submitted through the Board of Revenue who ~~submitted~~ draft clauses for incorporation with the local fund rules embodying the recommendations they may themselves see fit to make.

9. The Govt are not aware that the Bengal Conservancy funds or any other special fund in this Presidency comes within the orders of 1880; and, except on the clearest case shown, they are averse to extending the application of those orders.

H.L.

The Rev. Dept.
" Board of Revenue
" P. W. Dept.
" Accts General
" Insp. Genl. Civ. Hospitals
" Director of P. Instn.

Govt. of {1872} Madras.

Financial

To

The Revenue Dept.

Dated Aug. 29 } 1872, No. 1149.
Recd. }

Nos. 90 A 90 E.

Passing orders in regard to service rendered under L. F. Boards being allowed to reckon for pension under the Govt. Rules.

27-11-95
29-10-96
25-4-95
28-8-00
26.5.03
26-3-06
11-7-10
18/1/12
10.3.13

15 8/81

1037.5/8

M.R.O. 1—77,006—8-6-37.

(1) Number of pages 18.

(2) Date of repair 29.1.40.

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 1149	Press / Mis.
190 A-E.	
Dated 29-8-1872.	

10/4

190-A, E

Not to be folded or roughly handled

1141