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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 2535 Press Mis.

1877-81.

Dated 21-12-1875.

35/36

Not to be folded or roughly handled

Budget.

No. 185. Read the following Proceedings of Government, in the Public Works Department, dated 2nd August 1875, No. 2220:—

ABSTRACT.—Passing orders on Resolution of the Government of India, reviewing the Madras Provincial and Local Funds Budget Estimates for 1875-76.

No. 186. ORDER THEREON, 31st December 1875, No. 2535.

Ordered to be recorded with the remark that the Provincial allotment for Public Works is as large as the means at the disposal of Government will admit, after due provision for the Provincial Services; that the balance of cost of Public Works Establishment, after deducting contribution from the Imperial, Local, and Special Funds, must fall on the Provincial Fund; and that the instructions contained in paragraphs 15 and 16 of the Resolution of the Government of India relate to the Budget compiled by the Public Works Department from those furnished by the Financial.

(True Extract.)

Chief Secretary.

To the Public Works Department.
" Accountant-General.

Exd. J. Wright.

Govt. of India. 1875. Mems.

FINANCIAL.

PUBLIC WORKS DEPARTMENT.

&c. &c. &c.

Dated December, 31st.

Read

Ditto

Ditto

G.O., 31st December 1875, No. 2355.

DECEMBER.
Nos. 185-186.

Subject.—Orders in the Public Works Department on Resolution of the Government of India, fixing the Madras Provincial and Local Funds Estimates for 1875-76, recorded with

No. 1. Read the following Proceedings of the Government of India in the Public Works Department (Account—General), dated Simla, 22nd June 1875, Nos. 378-79A.G.:—

Madras Provincial and Local Funds Budget Estimates for 1875-76.

Read the following papers:—

Public Works Department Resolution, Nos. 406-7A.G., dated 6th June 1874.
Letter from Secretary to Government of Madras, No. 131, dated 6th August 1874.
Ditto ditto ditto No. 2,477-A, dated 1st September 1874.
Ditto ditto ditto No. 735-A, dated 16th March 1875.
Ditto ditto ditto No. ——, dated 15th May 1875.

Resolution.—Compared with the Budget Estimate of 1874-75 and the outlay of the two preceding years, the estimates for 1875-76 are made up as follows:—

	Grant, 1875-76.	Grant, 1874-75.	Actuals, 1873-74.	Actuals, 1872-73.
Imperial.	Rs.	Rs.	Rs.	Rs.
Buildings and Roads	8,33,000	8,09,000	7,70,140	7,32,640
Irrigation	28,56,600	22,50,000	23,30,340	27,68,220
Extraordinary Irrigation	5,40,000	7,00,000	5,89,620	2,12,830
Total ..	42,29,600	37,59,000	36,90,100	37,13,690
Provincial and Local.				
Provincial Funds	19,40,000	22,50,000	26,66,560	23,09,040
Upper Godavery Works	32,000	Under Central Provinces		..
Special Funds	2,49,486	1,59,280	33,64,230	26,79,725
Local Funds	24,83,500	27,64,590		
Total ..	47,04,986	..	..	..
Local Civil Officers	3,26,150	..	..	..
Total ..	50,31,136	51,73,870	60,30,790	49,88,765
Grand Total ..	92,60,736	89,32,870	97,20,890	87,02,455

2. The Imperial Budget Estimates have already come under review. The Provincial and Local Funds Budgets have now to be considered.

3. Under Provincial the amount included for Public Works in the original Provincial Fund Grant given to Madras was Rupees 23,34,550. For 1875-76 the grant for Public Works from Provincial Funds is only Rupees 19,40,000, so that there has been a decrease of Rupees 3,94,550.

4. The following is an abstract of the distribution of the Provincial Fund Grant compared with the grant on which the Provincial Fund Allotment was based, the grant of 1874-75 and the outlay of the two preceding years :—

—	Grant on which Provincial Fund Allotment was based.	Grant, 1873-76.	Grant, 1874-75.	Outlay, 1873-74.	Outlay, 1872-73.
Civil Buildings.	RS.	RS.	RS.	RS.	RS.
Works	5,85,000	3,03,505	4,69,315	6,75,140	5,47,480
Repairs		1,14,405	1,26,165	1,46,710	1,14,180
Communications.					
Works		1,46,500	1,50,000	1,96,140	1,09,830
Repairs		38,130	36,020	29,680	46,000
Grant to Local Funds	12,38,800	8,40,000	9,00,000	9,00,000	8,26,000
Miscellaneous Public Improvements.					
Works		6,460	40,000	94,040	63,480
Repairs		7,500	13,500	18,460	6,820
	18,23,860	14,56,500	17,35,000	20,60,170	17,13,790
Establishment.					
Provincial	4,74,210	1,55,000	2,00,000	2,51,580	2,26,690
Grant-in-aid to Local Funds ..		3,00,000	3,00,000	3,00,000	3,00,000
Tools and Plant.					
Provincial	36,480	28,500	15,000	4,970	70,640
Suspense	..	..	..	49,840	—2,080
Total ..	23,34,550	19,40,000	22,50,000	26,66,560	23,00,040

5. As regards the distribution of the grant, it may be noticed that the provision of Rupees 10,000 (item 33) for purchase of furniture for Government House, Madras, should be placed under a distinct heading of Government House Furniture subordinate to Tools and Plant.

6. For the preservation of Tiroomala Naick's Palace, Madura, the computed outlay to end of 1874-75 is Rupees 57,424, while the grant for 1875-76 is Rs. 10,000 (item 63.)

As regards this work, it may be mentioned that, previous to the introduction of the Provincial Fund arrangements, a grant of Rupees 10,000 was entered for the work in the Budget Estimate of 1870-71, and the Government of Madras wrote as follows :—

"In pursuance of the Orders of this Government in the Public Department of the 29th September 1869, No. 1,357, a sum of Rupees 10,000 is provided in the accompanying Budget as the first annual allotment for the preservation of Tiroomala Naick's Palace in the Madura District. In forwarding a copy of these Proceedings for the information of the Government of India, I am to state that, as His Excellency in Council considers that the further dilapidation of the palace would be a matter for regret, and that as the buildings comprising it may be substantially repaired by the steady application of a few thousand Rupees per annum, and be turned to account in providing accommodation for the Revenue and Judicial Establishments of the district, this Government trust that the Government of India will accord their sanction to the proposed outlay."

The reply of the Government of India was that, "under the explanation furnished by the Government of Madras, the grant is passed, but the work should be carried out on a regularly sanctioned estimate."

7. Upwards of half a lakh has been already spent; it is proposed to spend Rupees 10,000 more; and there is apparently no estimate. The Government of Madras is requested to arrange that some limit may be placed on the outlay to be incurred on this work.

8. The figures entered in the Budget as the estimate for 1874-75 do not correspond with the estimate of that year. The differences will be seen from the following abstract :—

	As in present Budget.	As in Budget of 1874-75.
	RS.	RS.
Civil Buildings—		
Original Works	5,68,016	4,69,315
Repairs	1,26,165	1,26,165
Communications—		
Original Works	1,64,529	1,50,000
Repairs	36,720	36,020
Miscellaneous Public Improvements—		
Original Works	46,171	40,000
Repairs	13,500	13,500
Establishment	2,00,000	2,00,000
Tools and Plant	19,899	15,000
Total ...	11,75,000	10,50,000

It seems desirable to have some explanation of the cause of the difference between the two sets of figures. Probably it is due to additional grants, but the rules are that the figures of the *original* Budget Grant should always be reproduced for comparison in the estimate of the succeeding year.

9. For the Upper Godavery works, the provision is Rs. 32,000 corresponding to the grant assigned. Of this Rupees 32,000 Rupees 24,000 is for Establishment. The remainder, Rs. 8,000, is for maintenance. The provision for the latter purpose ought properly to be classed under Repairs and not under Original Works.

10. The provision of Rupees 2,49,486 from Special Funds is as follows :—

	1875-76.	1874-75.
	RS.	RS.
Convict Labor Fund	71,057	...
Police Lodging Fund	9,302	...
Other Funds	...	...
Educational Fund	99,091	83,320
Civil Budget for residence for Prince of Arcot	32,400	21,650
Canal Fund	17,200	17,200
Port Fund...	20,436	37,110
Total ...	2,49,486	1,59,280

11. The Canal Fund is the fund formed by tolls from navigation canals which were specially made over to Local Funds.

12. The distribution of the grant from Local Funds for expenditure by Public Works Officers is as follows :—

—	Grant, 1875-76.	Grant, 1874-75.	Outlay, 1873-74.	Outlay, 1872-73.
Civil Buildings.	Rs.	Rs.	Rs.	Rs.
New Works	3,000	7,200	6,106	2,457
Repairs	...	...	508	...
	3,000	7,200	6,614	2,457
Communications.				
New Works	10,08,110	11,17,050	15,84,873	11,51,620
Repairs	17,22,330	17,45,430	8,578 18,05,034	17,17,056
	27,30,440	28,62,480	33,98,485	28,68,676
Less grant from Provincial Funds ...	8,40,000	9,00,000	9,00,000	9,00,000
	18,90,440	19,62,480	24,98,485	19,68,676
Miscellaneous Public Improvements.				
New Works	88,050	1,15,660	69,261	11,796
Repairs	43,900	44,870	51,594	15,287
	1,31,950	1,60,530	1,20,855	27,083
Establishment.				
Total charge	7,21,620	8,99,510	9,87,759	9,45,259
Less grant from Provincial Funds ...	3,00,000	3,00,000	3,00,000	3,00,000
	4,21,620	5,99,510	6,87,759	6,45,259
Tools and Plant.				
Total debit	36,490	34,870	50,517	36,250
Grand Total...	24,83,500	27,64,590	33,64,230	26,79,725

13. And for expenditure by Civil Officers the provision is as follows :—

	1875-76.
Civil Buildings.	Rs.
New Works	10,530
Repairs	3,440
	13,970
Communications.	
New Works	26,850
Repairs	1,79,990
	2,06,840
Miscellaneous Public Improvements.	
New Works	48,470
Repairs	56,870
	1,05,340
Add for expenditure by Public Works Officers Grand Total	3,26,150 24,83,500
	28,09,650

14. It has to be noted that in the Local Fund Public Works Budget Estimate the grant-in-aid from Provincial Funds to Local Funds, amounting to Rupees 11,40,000, has not been deducted from the total of the Local Fund Estimate so as to bring out the actual charge to Local Funds for Public Works. This should be done for the future.

15. The Budget has been prepared so as to show the grant for works in each district. Probably this is a convenient arrangement for local purposes; but it is open to the objection that the grants for one work lying in three or more districts are scattered over the Budget Estimate. Thus in the case of the Great Northern Road the several entries are as follow :—

Page.	Estimate.	Computed outlay to end of 1874-75.	Grant, 1875-76.
	Rs.	Rs.	Rs.
3.	No estimate	...	4,000
5.	3,50,000	65,360	10,000
7.	5,41,000	1,39,681	25,000
8.	2,61,990	1,92,010	17,900

Similarly with other works. In the case of Civil Buildings the works are not arranged in consecutive order. It is suggested for the consideration of the Government of Madras that the usual form and arrangement of the Budget should be followed in the preparation of the Local Fund Estimate.

16. The provision for hospitals has been placed under the heading of "Sanitary and "Miscellaneous." It should properly be entered under "Civil Buildings."

17. The following is an abstract of the entire expenditure to be incurred by Public Works Officers during 1875-76 :—

—	Imperial Funds.	Provincial Funds.	Upper Godavery Works.	Special Local Funds.	District Funds.	Total.
New Works—	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Military	3,84,000	...	...	...	...	3,84,000
Civil Buildings ...	18,000	3,03,505	...	1,83,373	13,530	5,18,408
Agricultural ...	10,22,292	...	...	...	...	10,22,292
Communications ...	...	7,46,500	...	...	4,34,960	11,81,460
Miscellaneous Public Improvements ...	...	6,460	...	17,346	1,36,520	1,60,326
Total ...	14,24,292	10,56,465	...	2,00,719	5,85,010	32,66,486
Repairs—						
Military	2,50,000	...	...	...	...	2,50,000
Civil Buildings ...	5,000	1,14,405	...	10,100	3,440	1,32,945
Agricultural ...	14,66,800	...	...	...	...	14,66,800
Communications ...	...	2,78,130	8,000	17,200	16,62,320	19,65,650
Miscellaneous Public Improvements ...	...	7,500	...	3,090	1,00,770	1,11,360
Total ...	17,21,800	4,00,035	8,000	30,390	17,66,530	39,26,755
Total New Works and Repairs	31,46,092	14,56,500	8,000	2,31,109	23,51,540	71,93,241
Establishment	9,01,208	4,55,000	24,000	18,377	4,21,620	18,20,205
Tools and Plant ...	1,82,300	28,500	...	...	36,490	2,47,290
Grand Total ...	42,29,600	19,40,000	32,000	2,49,486	28,09,650	92,60,736

18. It is noticed that while the total of the estimate for Establishment for 1875-76 amounts to Rupees 21,24,653, the distribution of the amount to the several funds aggregates Rupees 18,20,205 only. It should be stated how the balance of the charge is to be provided for.

19. Of the total estimate of Rupees 21,24,653 for Establishment, the amount for Conservancy Establishment is Rs. 1,11,601. Deducting this amount, the balance is Rupees 20,13,052 to spend Rs. 68,67,091* of grant for Works and Repairs. The proportion borne by charge for Establishments to Works and Repairs is thus about 29¼ per cent.

	RS.
* Total as above	71,93,241
Less by Civil Officers	3,26,150
	68,67,091

ORDER.—Ordered, that a copy of this Resolution be communicated to the Government of Madras for information and guidance, and to the Financial Department for information.

(Signed) C. H. DICKENS, Colonel, R.A.,
Secretary to the Government of India.

No. 2. ORDER THEREON, 2nd August 1875, No. 2,220.

ACCOUNT, No. 1.

IN the above Proceedings the Government of India review the Public Works Provincial and Local Fund Budget Estimates for 1875-76.

2. It is pointed out in paragraph 3 that the Original Provincial Grant made to Madras included a sum of Rupees 23,34,550 for Public Works, while for the year under review Rupees 19,40,000 only have been assigned by the local Government for this purpose; thereby reducing the grant by Rupees 3,94,550. The remarks of the Government of India will be remitted for consideration in the Financial Department.

3. The instructions in paragraph 5 as to the head under which the provision for Government House Furniture is to be shown will be attended to in the preparation of future Budgets.

4. With reference to paragraphs 6 and 7, it is remarked that estimates for completion of works in connection with Tiroomala Naick's Palace have now been sanctioned,* the probable outlay being computed at Rupees 87,000. It is not expected that any further outlay will be incurred beyond a small sum for restoring and decorating those portions of the buildings which are not adjacent to the main structure. The cost of this latter work has not yet been reported, but the Consulting Architect will expedite the preparation and submission for sanction of the necessary estimates.

* G. O., No. 1,587, dated 5th June 1875.

5. The differences noted in paragraph 8 are due to additional grants having been made during the course of the year, amounting in the aggregate to Rs. 1,25,000, thus raising the original assignment of Rupees 10,50,000 to Rupees 11,75,000 as shown below:—

	As in present Budget.	As in Budget for 1874-75.	Difference.
Civil Buildings.	RS.	RS.	RS.
Original Works	5,68,016	4,69,315	98,701
Repairs	1,26,165	1,26,165	...
Communications.			
Original Works	1,64,529	1,50,000	14,529
Repairs	36,720	36,020	700
Miscellaneous Public Improvements.			
Original Works	46,171	40,000	6,171
Repairs	13,500	13,500	...
Establishment	2,00,000	2,00,000	...
Tools and Plant	19,899	15,000	4,899
Total ...	11,75,000	10,50,000	1,25,000

6. In future estimates the figures of the original Budgets will be reproduced for purposes of comparison as directed by the Government of India.

7. The allotment of Rupees 8,000 for the Upper Godavery Works will hereafter be shown under Part III. of the Budget, and attention given to the instructions in paragraph 14 as to deducting in the Public Works Local Fund Budget Estimate, the amount of the Provincial Grant-in-aid from the total of the Local Fund Estimate, so as to show the actual charge to Local Funds for Public Works.

8. As the Local Fund Budgets are prepared under instructions issued in the Financial Department, the remarks in paragraphs 15 and 16 will be referred for consideration in that department.

9. Adverting to paragraph 18 it is observed that previous to 1875-76 the principle followed in the distribution of Establishment charges was that after deducting from the total cost of establishments amounts chargeable to particular heads, the remainder was apportioned off to the several funds in proportion to the outlay incurred from each fund. This course was, however, considered to give immense trouble in accounts, and the Government of India suggested in their Proceedings of the 8th June 1874, No. 406-7 A.G. that it would simplify matters if the whole establishment were considered provincial for the purposes of accounts; Imperial Funds paying a fixed percentage for Establishment charges. The percentage suggested was 25, exclusive of the cost of conservancy establishment, and that of the Chief Engineer for Irrigation. As regards Local Funds a similar arrangement was suggested; the residue of the charge being thrown on provincial.

10. These proposals were accepted in Financial Proceedings,* No. 1,613, dated 25th September 1874, and the Budget Estimates for 1875-76 were prepared accordinly.

* Public Works G. O., No. 3,588, of 19th December 1874.

Proceedings of the Madras Government, Public Works Department,
2nd August 1875.

11. The question of providing for the balance of the charge after distribution of the cost of establishment on these principles will be remitted to the Financial Department.

(True Extract.)

Major, R.E.,
Offg. Joint Secretary to Government.

To the Controller of Public Works Accounts.
„ Consulting Architect.
„ Financial Department, with notes by the Hon. W. Hudleston.

Exd. E. C. Shunker.
6 Spare Copies will follow

Financial Department

Govt. of [1875] Madras.

PUBLIC WORKS.

To

The CONTROLLER of PUBLIC

WORKS ACCOUNTS,

&c., &c., &c.

Dated August 2nd.

Issued

Recd. 12 August/75 Encl.

G. O., 2nd August 1875 No. 2,220.

AUGUST.

Nos. 1-2

No. 1897

Madras Provincial and Local Funds Budget Estimates for 1875-76]—Passing orders on Resolution of the Government of India reviewing the —.

Note 2/

This should think be recorded with reference to this order that may be passed on the P.W. G.O. dt 2d Aug. 1875 No 2220

4-12-75

No. 486. Read the following Proceedings of the Government of India in the Public Works Department (Account—Irrigation), dated Simla, 27th September 1875, Nos. 316-31 A.—I. :—

Apportionment of Charges for Irrigation Establishments between Capital and Revenue.

Read again—

Public Works Department Resolution, No. 227-33 A.—I., dated 23rd July 1874.

Read also the following :—

Letter from Secretary to Government of Madras, No. 3,371A., dated 1st Dec. 1874.
" " " of Bombay, " $\frac{27 \text{ A. I.}}{76}$, " 15th Feb. 1875.
" " " of Bengal, " 988 I.A., " 16th Dec. 1874.
" " " of Punjab, " 4,040 A.I., dated 2nd Oct. "
" Chief Commissioner of Mysore, No. $\frac{477 \text{ A. I.}}{2,546}$, dated 2nd September 1874.
" Governor-General's Agent, Rajpootana, No. 2,475 S, dated 29th Aug. 1874.

Under the present rule as contained in Chapter XVI., Section ii., paragraph 2, Clause II., of the Code, the charges for Construction Establishment for Capital works executed in Maintenance Divisions of Irrigation works are limited to 10 per cent. of the outlay on works. The propriety of this rule having been questioned, the several Governments and Administrations were consulted on the desirability of changing it. Their replies have been received and may now be brought under review.

2. The reasons which induced the Government of India to fix originally upon the 10 per cent. charge as suitable for the debit to Capital on account of Establishments in mixed divisions, were based upon the remarks contained in paragraph 116 of Colonel (now Lieutenant-General) Strachey's report on Irrigation Finance and Management, which were as follow :—

"The only other point calling for attention in connection with the Capital Accounts is the system of charging for the cost of supervision when new works are executed by the regular fixed establishments employed on canals in operation. Of course, where new works are wholly carried out by special establishments, the entire cost of these will be a charge against the works. In the other cases it seems likely to be the best plan to charge a fixed percentage on the outlay on works debitable to Capital as the cost of establishment for the supervision of such works, and to deduct this from the total charge for the establishments for working and maintenance. I think 10 per cent. will in future be sufficient, and near enough to a fair average rate, and will be a convenient rate for calculation. In the North-Western Provinces and Punjab from 10 to 12 per cent. has been commonly taken. Where the accounts have already been drawn out, making a reasonable allowance of this sort, it will not be worthwhile to disturb them as regards the past, but for the future, and in cases where no account has yet been taken, I think 10 per cent. may be adopted."

3. For this 10 per cent. rate, the Government North-Western Provinces wish to substitute a 20 per cent. rate, because that would really represent with reasonable closeness, the total cost of establishments in the Irrigation Branch, Ordinary and Extraordinary, for a certain number of years.

4. The same Government also propose that, in calculating the charges for establishment on account of Direction and Control, a fixed rate of 5 per cent. should be used instead of the present method.

5. The Government of Madras have made no proposal on the subject, as they have no distinct establishment for Irrigation works. But, in connection with the general question of the adjustment of establishment charges between Imperial and other funds, the Government of Madras agree to the proposal that the whole establishment should be considered Provincial, and that Imperial Funds should pay 25 per cent. for establishment. Consequently, it follows,—and this was so stated in the correspondence on the subject,—that Capital should be debited with 25 per cent. for establishment, together with a proportion of the charges for the Chief Engineer for Irrigation and his office establishment; Revenue also paying the same percentage, besides bearing the cost of the conservancy establishment and a proportion of the charges for the Chief Engineer for Irrigation. It is understood that in Madras all the divisions and consequently all the establishments are what is technically called *mixed*, *i. e.*, for mixed classes of works.

6. In Bombay, unlike Madras, there is a separate Irrigation establishment in the province. The result of the correspondence that has taken place on the subject is that the charges to Capital should be apportioned as follows:—

For works costing under 2 lakhs, 25 per cent.

For works costing over 2 lakhs, 20 per cent.

The large number of small works in Bombay renders this proposal very suitable.

7. In Bengal, leaving out the purely revenue establishments,* the proposal is that as twenty-three per cent. has been found by the Controller to be the average cost of establishment in Bengal, that is the percentage on its outlay which should be charged to each of the three classes,—Capital, Revenue, and Ordinary Agricultural works, except to that class in which the largest outlay occurs which should instead be debited with the balance of the whole charge for establishment.

* They are left out of consideration, because there is no question about their being debited entirely to Revenue.

8. The objection to this is that it is an admitted fact, that the establishment for the *maintenance of canals and embankments* forms about 35 per cent. of the outlay on maintenance, this reason having been more than once assigned for the high cost of some of the maintenance divisions in Bengal. It is, therefore, considered that in the case of Capital, the charge should be always limited to 23 per cent., and that the balance of the charges should be debited to Revenue or to Ordinary Agricultural works, according to the principle of the plan proposed.

9. From the Punjab, statements have been sent up showing that the present rate of 10 per cent. for establishment in mixed divisions debitable to Capital is wholly inadequate, and that the proper rates to charge are 20 per cent. for Construction, and 5 per cent. for Direction and Account.

10. But the Officiating Chief Engineer, Colonel O'Connel, in a separate note advocates for the Punjab the proposals of the Government North-Western Provinces, with this modification that the charge to Revenue Receipts should not exceed 25 per cent., and that any excess beyond that limit should be ratably distributed over the four heads of Capital Extraordinary, Capital Ordinary, Revenue, and Ordinary Agricultural outlay.

Proceedings of the Madras Government, Public Works Department,
23th October 1875.

11. The Officiating Chief Engineer bases this conclusion on the two following considerations:—

I.—That Revenue receipts vary with the seasons without causing anything like a similar variation in the cost of establishment required for their collection.

II.—And that the calculations show that the charges against "Revenue receipts" for establishment should be only 20·3 per cent. in the case of the North-Western Provinces.

12. In the revision suggested by the Officiating Chief Engineer, a new distinction, that of revenue *receipts*, has been created. Nowhere else in the discussions on the subject have more than four heads been proposed, *viz.*:—

I.—Capital Extraordinary.
II.— Do. Ordinary.
III.—Revenue, which includes—
(A) Charges.
(B) Receipts.
IV.—Ordinary Agricultural outlay.

13. But by the proposals made by the Officiating Chief Engineer *(B) Receipts* would be made another head for the purpose of adjusting establishment charges, and the trouble would be entailed of finding out how much of the charge to that head is in excess of 25 per cent., so as to admit of the excess being ratably distributed.

14. Under the arrangements in force in this province, in no mixed division of the Irrigation Branch is there any Capital work, save exceptional and trifling cases. Hence in such divisions the establishments are really kept up for the maintenance of the canals in operation and their revenue receipts. If, however, a division executes any Capital work in addition, the question at issue would appear to be—not how should the charges be debited to each head of the account, but—how much of the charge need be apportioned to Capital.

15. The calculations made in the North-Western Provinces and the Punjab show that the establishment charges of a canal consist of—

I.—Establishment for *all* purposes of work and revenue.
II.—Establishment for purely work purposes.
III.—Purely Revenue establishment.

I. and II. are shown to amount to 20* per cent. of outlay on work and revenue; and this therefore is the rate which it would seem reasonable to debit to Capital, leaving Revenue to bear the remainder of the charge.

* Excluding 5 per cent. for Direction and Account.

But as regards III., no object is gained by restricting the Revenue receipt charge for establishment to 25 per cent. If it were so restricted, the balance of the charge would have to go to Revenue expenditure, for it could scarcely be held that Capital being already charged with its proper share should in addition bear a proportion of the balance.

16. On the whole, the original proposal to debit Capital with 25 per cent. seems the most suitable one to adopt. Capital being debited with 25 per cent., the rest would be debited to Revenue.

17. In Rajpootana, the arrangements already ordered require that 25 per cent. should be debited to Capital.

18. In Mysore, the distinction between Ordinary and Extraordinary having been abolished, the Chief Commissioner says that the proposal does not apply. But the distinction between Capital and Revenue still remains, so that the charges for establishment will have to be apportioned between the two heads. Probably what is settled for Madras will answer for Mysore.

19. On the whole, the Government of India consider that the following rules will meet all the necessities of the case :—

I.—All charges for Establishment arising in Executive Divisions in which only Capital works are in progress, and all charges for Superintending Engineers and their offices employed wholly in superintending Capital works, will be debited monthly to Capital. If the Capital works are being executed from the Extraordinary grant, that grant will be debited with the charge; but if they are being executed partly from the Extraordinary and partly from the Ordinary grant, the charge will be apportioned monthly between the two grants in proportion to the outlay from each, or in accordance with Rule II., the division being classed under Ordinary or Extraordinary according to the outlay in it.

II.—In divisions where both Capital and Revenue works are in progress, the charge noted in the margin on the actual expenditure on Capital works will be made month by month for Construction Establishment, the balance of the charge for Establishment being debited monthly to Revenue.

Madras—	*Bengal*—
20 per cent.	18 per cent.
Bombay—	*North-Western Provinces*—
20 per cent. for works estimated to cost under two lakhs, and	20 per cent.
15 per cent. for works estimated to cost over two lakhs.	*Punjab*—
	20 per cent.
	Rajpootana—
	20 per cent.

III.—In the case of mixed divisions primarily kept up for maintenance purposes, in which Capital, Revenue, and Ordinary Agricultural works are all in progress, the debit for Establishment to the first and third of these heads will be in accordance with the preceding rules, the balance of the charge going to Revenue.

IV.—The establishments kept up for collection and police for navigation and other revenue purposes will be debited entirely to Revenue.

V.—In the case of a mixed division in which the outlay on Capital works is so large that it may be fairly considered that the division is kept up primarily for Capital works, the charge to Revenue for establishment will be at the percentage rate mentioned in Rules II. and III., the balance of the charge being debited to Capital.

But before this rule is adopted the sanction of the Local Government be specially obtained and placed distinctly on record, with the reasons for it.

This rule is also to be applied in the case of a division in which the bulk of the outlay is on Ordinary Agricultural works for which no Capital or Revenue account is kept.

Proceedings of the Madras Government, Public Works Department,
28th October 1875.

19

VI.—For Direction and Account, the charge to Capital (whether Ordinary or Extraordinary) and for Ordinary Agricultural Works for which no Capital or Revenue Account is kept, will be 5 per cent. on the outlay incurred. In Madras, the proportion of the charges for the Chief Engineer for Irrigation will be additional to this. If in any case there is a Special Superintending Engineer for any one work, whose whole salary is charged to the Capital Account of that work, the amount so charged should be deducted from the amount arrived at by the 5 per cent. charge, and the balance only charged to the Capital Account for proportion of charges for Chief Engineer and Office of Account.

VII.—Charges for Survey Establishment will be debited to the Capital outlay of the work on which the establishment is employed. But no portion of the charge for Survey Establishment can be debited to the Extraordinary Grant without the sanction of the Government of India previously obtained.

VIII.—The calculation of the charge for Establishment on the percentage rate will be based on the outlay on works and repairs only.

IX.—The percentages fixed are liable to alteration as experience may show to be necessary.

ORDER.—Ordered, that this Resolution be communicated to the several Governments and Administrations marginally noted for information and guidance.

The Governments of Madras, Bombay, Bengal, North-Western Provinces, and the Punjab, in the Public Works Department, Irrigation Branch.
The Chief Commissioners of Oudh, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident, Hyderabad.
The Agents of the Governor-General for Central India and Rajpootana.

Ordered also, that a copy be forwarded to the Financial Department and the Director of State Railways for information.

Ordered further, that a copy be forwarded to the Accountant-General, Public Works Department, for such further action as may be necessary.

(Signed) C. H. DICKENS, Colonel, R.A.,
Secy. to the Government of India.

No. 487. ORDER THEREON, 28th October 1875, No. 3,062.

IRRIGATION, No. 46.
Account.

COMMUNICATED to the Controller of Public Works Accounts and to the Financial Department in continuation of G. O., No. 3,371, dated 1st December 1874. The general financial effect of the rules laid down by the Government of India will be considered in the Financial Department, and the Controller will report their bearing on departmental arrangements.

(True Extract.)

Major-General, R.E.,
Secretary to Government.

To the Controller of Public Works Accounts.
„ Chief Engineer for Irrigation.
„ Financial Department.
Exd. E. C. Shunker.
Spare Copies

5-Jany/75 Nos. 5-6. Financial Department

Govt. of [1875] Madras.

PUBLIC WORKS.

To

The CONTROLLER OF PUBLIC WORKS ACCOUNTS, &c., &c., &c.

Dated October 28th.

Rect. 10 Nov/75 Encl. 6 & C.

No 62

G. O., 28th October 1875, No. 3,062.

OCTOBER.

Nos. 486-487

Apportionment of Charges for Irrigation Establishments between Capital and Revenue. —Proceedings of the Government of India regarding the —, communicated to the Controller of Public Works Accounts and to the Financial Department.

No 33

Memorandum

In reply to Memo: from the officiating Chief Secretary, the undersigned has the honor to state that the Budget provision for Public Works Establishments for 1875/76 amounts to Rs: 21,24,653, and that the estimated outlay under all heads is Rs 76,15,449, as shown below:-

Estimated Outlay on Public Works in 1875/76.		Estimated charges for Establishment in 1875/76
Imperial-		
Buildings & Roads.		
New Works	4,02,000	
Repairs	2,55,000	
Irrigation		
New Works	14,11,300	
Repairs	15,00,000	
Provincial including Special		
New Works	6,65,184	
Repairs	1,90,425	
Local		
New Works	11,85,010	
Repairs	20,06,530	
Total	76,15,449	21,24,653

The percentage of Establishment
charges on the estimates [over-] entry amounts there-
fore to 27.9 very nearly.

I have &c.
Major RE
Offg Joint Secy to Govt
Pb D

Ootacamund
29th May 1875

3

To
The Offg Chief Secretary
to Govt: Pub Deptt

27

Memo with reference to P. W. establishment charges for Local Fund work

~~Where the~~

Before the decentralization scheme a fixed charge of 10 per cent was charged for P.W. supervision.

In 1871-72 (after the decentralization scheme) a fixed charge was made per circle which amounted in the aggregate to 19·64 per cent on all Local Fund works.

In the meantime orders came from the Govt. of India directing that the principle of rateable distribution should be adopted with reference to Provincial and Imperial funds. This was extended to Local Funds with the result of raising the charges for 1872-73 to 27·9 (I speak from memory as no reference showing the exact figure is available)

In 1873-74 certain modifications were introduced which had the result of reducing the charge for P.W. supervision to 24·5 per cent on work actually done.

Recently the Govt. of India have proposed to pay as the Imperial share of establishment charges 25 per cent on all Imperial allotments or expenditure, together with the full charges of the Conservancy estab-

+ i.e.
Charges for Provincial Establishment: Charges for Provincial works :: Charges for Imperial Establishment: Charges for Imperial works.

+ G.O.d/24th March 1873
d/28 March 1873 ✓
d/24th July 1873
See also Local fund rules passim.

* See Controller's appropriation account recorded with G.O.d/30th Sept 1874 No 1649.

Nearly 20 per cent

on other

For information (1873) Dept
from A. Corp + Mis 0.52
Public Works
Rec. 31/3 Mar 1873
No 13 -

No 1292.

Reading, in reply to Memo from Pub Works Dept the Budget Provision for P.W. Establishment for 1873-74 amounts to Rs 24,653, & that the total charge amounts to Rs 26,24,653.
Letter dated 26/15/4/73.

lishment, and that of the Chief Engineer for Irrigation, which will probably amount altogether to about 30 per cent on the expenditure. The G. O. of 30th Sept 1874 No 1649 it was considered that the proposal of the Govt of India was fair so long as no great change took place in the allotments for works. This proposal of the Govt of India makes the way clear for the long desired reduction in the charge for P.W. Supervision to Local Funds, and it seems probable that it will be practicable to reduce it (if no separate establishments are allowed) to 20 per cent on the work done, the separate Local fund portion establishment now existing being amalgamated with the general P.W. establishment and such separate charges to Local funds as at present.

A memorandum on the subject has been in circulation for months but disposal has apparently been delayed as no definite orders can be issued on the subject until it has been decided whether or not Rs 12,00,000 are to be transferred from Public Works

G. O. of 30th Sept. 1874 No 1649

to education. The return now called for has been asked for with the view of submitting definite proposals based on the latest figures so soon as the answer of the Secy of State has been received in the matter of the Rs 12,00,000. In the meantime with the view of simplifying accounts without disarranging budget arrangements it has been directed that the Local Fund budget allotment for P.W. Supervision shall be taken as a fixed charge for the year. This was 25 per cent on the allotments for works. These allotments however will be credited by appropriations from the reserve and judging from last year it seems probable that the actual charge will be about 23 per cent on the appropriations of course the percentage will be higher in the districts where the allotments are such will worked out. This will be seen where the short outlay is due to the Board's hand when it is the fault of the executive only.

As above stated however the order is only intermediate for the current year.

With regard to special Public Works establishments the Govt. have always declined to sanction them until the

Note
The first distinct order on the subject appears to have been G.O. of 24th May 1873 No 728 followed shortly afterwards by G.O. of 31st May 1873 No 762.
H.

present system has been fairly tried. - This qualified refusal appears to have encouraged repeated applications and in the Draft on the proposal from Godavery it was expected that the refusal should be absolute in its terms.

Special establishments could hardly be given up over Board and referred to others, and from the budget for the current year it appears that if the Public Works establishment were kept up for Imperial and Provincial works alone the percentage of establishment charges to works would be over 50 per cent.

This seems conclusive against local fund special establishments unless the recently re-organized Public Works Establishment is to be re-organized again with extensive reductions in numbers and emoluments.

In Bombay circumstances are very different. The area of the Presidency is much smaller and the Imperial expenditure much greater - hence it is much more easy to keep down the percentage of work establishment to works. - Again in Bombay local funds contribute to Provincial funds, ~~and Provincial funds contribute to~~ and only minor works are carried out under the administration of the Boards - hence an inferior body of [†] men would suffice - Here Provincial funds contribute to local funds and important works are carried out under the administration of the local Boards - The grounds for adopting this mode of procedure are thus stated in G.O. of 7th June 1861 "The Govt anticipate that this change of system will greatly conduce to efficiency and economy (bringing to bear more powerfully upon this branch of the administration the local knowledge and local interest which are so essential to its success.

Note
Imperial Works Rs 28,16,400
Provincial " 9,81,000
37,97,400

Establishments 21,53,000
Not excluding Local Fund portion of establishment it may be taken at Rs 2 crores.
H.

Note
The latest Bombay figures available are those for 1871-72 when the Imperial actual expenditure was Rs 47,42,969 while and additional Rs 13,00,000 lapsed
Rs 60,42,969
H.

Note
† From the administration report for 1871-72 it appears that in that year one Local Fund Engineer was suspended and dismissed, and another suspended - and the work has passed to the regular P.W. establishment
H.

29

Memo

Vide the details of the Estimated Charge of Rs 21,24,653 on account of P.W. Establishments in 1875-76 an abstract of which is given below, please see P.W. Imperial Budget (Military & Civil works) for that year, pages 16 to 25.

		Rs.	Rs.
Direction	Chief Engineer & Secretary to Govt, Under Secy & Office Establt	78269	
	Chief Engineer for Irrigation, Office Establt & Travelling allowance	35882	
	District & Executive Engineers & Consulting Architect to Govt = ment and office Establishments and Travelling allowances	426557	
			540708
Construction	Executive & Supdt Engineers, Upper & Lower Circles, Subordinates, Office Establishments, Travelling allowance & Petty Establishments	1325442	
	Temporary Survey Establishment		
	" Extraordinary " "	10000	
	" Ordinary " "	15000	25000
	Lithographic Department		12216
	Presidency Store Department		10446
			1373104
	Irrigation Conservancy Establishment		111601
	Controller of P.W. Accounts, Two Dy Controllers (one of whom looks after Irrigation Accounts) office Establishment &c &c		99240
			2124653

(Govt of India 2nd Branch 1875 No 955 Secret Expenditure Statement Imperial 7th Estimate Page 3 Charge for Civil Works)

What How much?

The cost of the Civil Engineering College is not included in the above as it now forms a charge in the Civil Provincial Budget.

The proportion of the sum of Rs 2124653 to be borne by Imperial, Provincial Local and Special Funds, is approximately calculated below.

The Estimated outlay on

Imperial

Imperial & Irrigation works as given* by the Ch: Engineer amounts to Rs 3,58,300. This is exclusive of the sum of Rs 35,000 struck out by the Govt of India from the Budget for Military & Civil works vide G.O P.W.D dated 11th April/75 No 995, but inclusive of Rs 422,208 disallowed in the Irrigation Budget vide G.O. P.W.D of 1st May/75 No 1227. The latter amount will in all likelihood be re allotted in the course of the year & hence probably it has not been omitted by the Chief Engineer.

* In Inams 8/29th May 1875 No 33.

35,68,808
4,22,208
3,46,092

Qy Is it so? Rs. 1,05,554 will not be 28% of Rs 3,46,092 add 1/4 th for a Prov. for the fixed cost of Establ.?

	Rs
25 per cent of Rs 3,58,300 will give	8,92,075 — 1,05,554
To which must be added the cost of Irrigation Conservancy Establishment	1,11,601
Do Survey Establishment for Irrigation works	25,000
Do of Chief Engineer for Irrigation Office Establishment &c	35,882
Totaling a total of	10,64,558
Which is 29·83 per cent on the contemplated outlay.	1,05,554
	9,59,004

Please see
G.O 787/25th Sept 1874 No 1613 para 2
G.O P.W.D 19th Decr 1874 No 3588 para 5
The Cost of the Dy Controller of Irrigation Accounts is not included here with reference to G.O P.W.D 2nd March 1875 No 595 para 3.

It seems to me possible that Rs 11,65,649 will have to be made good for Local & Prov: Funds.

11,65,649
1,60,095
1,05,554

Deducting Rs 1,064,558 from Rs 2,124,653 there is a balance of Establishment cost of Rs 1,060,095 left to be met from Local, Special, and Provincial Funds.

Local Funds. The allotment given by the Chief Engineer appears to include sums

Set

The tendency of L.F Rs + under take Rein on works - a Inter Com Road Cess is a matter of grave consideration with Ref to Rein deductions -

Re the reducing Rein allot for new Road to roads in the interest of Local & Canal alter - I greatly doubt Rein anticip. being realized

doubtful ?

	Rs
Original allotment	28,65,390
Subsequent allotment	8,59,617
	37,25,007

set apart for expenditure by the Revenue Depart^t. Excluding them & the allotments are as follow

	Rs.
New works	10,99,160
Repairs.	17,66,230
	28,65,390

But these do not take in the allotments that will be sanctioned in the course of the year, from the Road and General Fund Reserves and unappropriated balances. In 1873-4 the subsequent sanctions were a little over 31 per cent of the original allotments. For 1875-76 30 per cent of the original allotments might be added on account of subsequent sanctions. The total allotment will then be Rs 37,25,007. But the charge for supervision against local funds must be calculated upon actuals. In 1873-74 the expenditure was 85 per cent of the allotment. Considering the pressure put upon the P.W.D to spend the full

full allotments placed at their disposal an improvement may be expected in this direction in 1875-6 and it may be assumed that 90 per cent of the allotment will be expended. Then 90 per cent of Rs 3,72,507 Equals 33,52,506 and 25 per cent of this amount will give Rs 838126 as the charge against Local Funds

Deducting this from Rs 1060095, the balance of Estabt Cost left to be met from Special and Provincial Funds, will be Rs 2,21,969

Special Funds. The following are the Special Fund provisions appearing in the Public Works Provincial budget.

Funds	New Works Rs	Repairs Rs	Total Rs
Convict Labour Fund	55400	"	55400
Police Lodging "	9302	"	9302
Educational Building "	86271	10100	96371
~~Special Fund Political~~	32400		32400
Godavery Navigation works Fund	8000	"	8000
Port Fund	17346	3090	20436
Canal & Ferry Fund	"	5000	5000
Cochrane & Sadras Canal Fund	"	12200	12200
Total	176319	30390	206709

Taken out and put under Provincial with preference to G.O. No 765 April 1875 No 752 para 5

There are 2 uncertain factors in this calculation. If the calculation is to be [illegible]

The

	Rs
Total Special	206709
Deduct	12200
	194509
Add allotts from Jungle Conservancy fund	4620
Do from Cochrane & Sadras Canal Fund	28200
	227329

Is this deduction proper made on actual or estimate?

With a possible deficit of Rs 1,05,112 thrown on to from Imperial?

The last item does not agree with the amount sanctioned in G.O. No 12 February 1875 No 308 and the allott authorized in the same G.O. from the Jungle Conservancy fund, is omitted. Making all necessary alterations the total allotts from Special funds comes to Rs 227,329 of which about 90 per Cent or Rs 204596 will probably be expended. 25 per Cent of the last mentioned sum equals Rs 51149 which deducted from Rs 2,21,969 (balance of Establishment Cost) leaves Rs 170820 to be met from Provincial Funds.

Provincial Funds. The estimated outlay from these funds is as follows.

	Rs
New Works	4,56,465
Repairs	1,60,035
Political	32,400
	648900

Supposing

Supposing that the whole of this amount will be spent on the Establishment charges it comes to 26·32 per Cent of the Expenditure from Provincial funds.

The results of the foregoing calculations are exhibited in another manner in the following statement.

Funds	Gross Grant	Deduct Amount Recd.	Net Amt. Expended	Cost of Establt.	Percent
	Rs.	Rs.	Rs.	Rs.	
Imperial & Irrigation	25,63,300	25,63,300	25,63,300	18,64,358	29·33
Local (Establishment)	28,65,320	27,25,007	23,33,506	8,38,126	25
Special	27,529	27,529	20,496	5149	25
Provincial	6,48,900	6,48,900	6,48,900	1,70,820	26·32
Total	61,05,049	60,64,736	55,66,202	29,78,453	

Whether Provincial funds will benefit or suffer must depend upon the amount of the grants annually sanctioned from Imperial including Irrigation, and Local Funds. If these grants are large, a large proportion of the Establishment cost will be taken up by Imperial and Local Funds leaving a small balance to be met from Provincial Funds, but if they are reduced the charge against Provincial

funds

The practical result that "Provincial" has to pay Rs 1,70,820 for the duties of the P.W. Estabt. exclusive of the charge for the C.E. Coll: the various Executive & Works Estt. Cost Rs. 5,15,900 – for much indirect duties. &c. &c. the details of which &c. &c.

I do not quite know that the Establishments are to be taken including the Setts

Supposing that the whole of

of Estab.t Cost.

Above is also a proportion of the cost for this Estab.t Viz. £2.7% Direct inspection & 25% on outlay.

The Items is a useful one & should be kept at Each.

It has also been decided from 1st of January

Rs 1000 issued & Receipt drawn up pafe.

JSH

35.

funds will be raised in proportion. That Provincial funds will have in some years to bear heavy Charges on account of Establishment brought to notice by the Controller of Public Works Accounts in his letter recorded in G.O. 79 of 18th March 75 No 608 in which order Govt contemplate making a charge for supervision on outlay incurred by Civil Officers on Public Works, with a view of relieving Provincial funds if the Controllers anticipations be found to be correct in experience.

Had the sum of Rs 3.55.000 struck out of the Imperial budget for Civil & Military works not been disallowed, the charge against Imperial funds for Establishment would be Rs 88750 (25 per cent of Rs 3.55.000) higher than it is, and Provincial funds would be relieved of the amount.

JSH
30.6.75.

Memo showing the distribution between Sums of Public Works Budget Establishment Charges Estimates

Secn. PWE

3/7

In reply to a Memo from this department the Secretary to Government in the Public Works Department has intimated that the following assignment is required for expenditure on Public Works to be distributed in the Public Works budget.

Civil Buildings	— Rs	1025000
Communications	— "	525000
Miscellaneous Public Improvements	"	25000
		1575000

The allotment for the current year was — Rupees 11.75.000 and it is believed that the demand above tabulated is a statement of the amount which can be satisfactorily spent, rather than an estimate of the sum which is

actually

actually necessary.

The funds available for the year 1875-76 are very limited as will be seen from the abstract

Assets for the current year = Rs 8,98,5430

Charges – Regular Estimate

Civil Department	Rs 6,60,050	
Public Works		
Grants to Local Funds	1,42,050	
Public Works Dept.t Expenditure	1,19,820	
~~Compensation for land taken up in Trichy~~		
		8,66,960
Opening balance 1875-76		1,18,480
Receipts and Imperial Assignment		91,06,510
		92,24,990
Charges		
Civil Departments as per budgets most of which have been already sanctioned		71,50,450
		20,74,540

If Rupees 74,540 be left as a balance only Rs 2,00,000 are available for division between the Public Works Department and the grant to Local Funds for Roads.

At the time of the decentralization scheme the Public Works allotments were as follows

Roads	Rs 12,00,000
Miscellaneous public Improvements	38800
Civil buildings	5,85,060
Establishment	4,74,210
Tools and Plant	36480
	23,34,550

and the Imperial assignment was calculated on the above less about 6 1/4 per cent.

It is proposed to divide the Rs 20,00,000 as follows.

Petty Construction & Repair Civil Deptt.		60,000
Grants to Local Funds for roads and Establishment		11,40,000
Assigned to P. W. Department		
Civil Buildings	Rs 5,55,000	
Communications	60,000	
Miscellaneous public Improvements	25,000	
Establishment	1,60,000	8,00,000
		20,00,000

The proposed assignments to the P. W. Department require some remark.

(1) The allotment for civil buildings is much less than is asked for but it is equal to the amount assigned for the purpose under the decentralization scheme and

and when compared with the allotments for previous years it is to be borne in mind that the following charges have been provided from Special funds for 1875-76 which formerly fell on Provincial funds.

I cannot I have the views of Govt as the Public Works Minister of the Province I shall be in a minority as regards this proposal — I will not pursue it

14/2

Viz

Police Lodging Fund —	40.000
Convict Labour Fund —	77000
	117000

(2) For communications it is proposed to give Rs 40.000 against nine times that amount asked for for roads and establishment.

It is however the declared policy of Government "to make all roads a charge" on local funds utilizing" the sum available for this" branch of expenditure from" the Provincial funds as a" grant-in-aid of the local" funds in proportion to the" necessities of the several" local fund circles," the only

I write officially to the Public Works Department to say that the assignment for roads will be increased to Rs 400.000 and that the Finance Minister will be moved to sanction the transfer of the amount from Provincial to Local Funds.

14/2

G.O. dated 26th March 1874.

We cannot pass Civil Buildings from the new Provincial to Local Funds

L & L

Depn 15/2 '76

only exception in the first year being an assignment of Rupees 35.800 for direct expenditure by the P.W. Department. Of late years the assignment has been increased and it is proposed therefore to allot a lump sum of Rs 8,00,000 and leave the distribution to the Public Works Depart.

H.L. 10/2

P.S. The grant for petty Civil Dept Construction and Repairs has been increased by Rs 35.000 as the Public Works Dept has requested that Rs 400.000 entrusted to Civil Officers for expenditure on roads in Hill tracts should be debited to that head.

H.L.

Memorandum

Emergency

Case

Govt G. O. No 31 dated
No 2538.

Memorandum

43

Rec'd G.C. 2nd August 1935
2220. Pub Department.

In regard to the recommendation in the Provincial Grant for Public Works noticed in para 3 of the Government letter from the Govt of India cited in the above G.O., it is observed that on due consideration of the funds & receipts of this year & after allowing for the estimated charges of the Civil Department, charged to the Provincial Services, there remained a sum of Rs. 20,74,540 for utilization on Public works & provision of a suitable reserve for unforeseen expenditure. Thus 20 lacs was all that was considered available for Public works; & was distributed as follows —

The papers connected with this subject having been received by me only recently, this memo could not be prepared earlier. Being a memo, it contains at times lengthy, but opportunities I shall prepare a short note embodying the same hereafter.

Petty construction repairs to
be executed by the civil Department. 60000
Lump grant to Local Fds for
roads & establishment —— 1140000
assigned to P.W. Dept.
Civil Buildings 55000
Communications 60000
Miscell. Public im-
provements — 25000
Establishments 160000 300000
2000000

The amount of Rs 1940000,
referred to by the Govt of India
is exclusive of the 60000 above
shown as proposed expenditure
by the civil department on
account of Petty construction
& repairs.

The comparatively small
amount thus made available
for Public works appears to
be the result partly of larger grants,
than heretofore found ne-
cessary for the municipal
departments as the Police
Jails, Education &c & partly
of a certain portion of the
expenditure which under
the old arrangements

Of this sum Rs 36400
were found unexpended
S. No 19 July 1875
No 867

This is not correct
way of putting it.
Civil Station
Contribution
94,911-Von
S.O. 320 March
1875 No 620 -
Police Lodge Hindu
Rs 40,000 Von 80
30 Bast 174-No
2176.
Alteration

The scheme does not alter by Ge-
neral line of argument adopted in my Minute

Note. At first sight it would
appear that the relief thus
afforded to Provincial
Funds proceeds in a reason-
able manner by allotments
for roadings
but all that is stated is
that for Public works other
funds have also available
funds have also available
there is no necessity to
make as large a provision
for them in the Provincial
Budgets as in former
years. GP

Note. In Bombay both
Depts hold that the Civil
Budget is incomplete
without the Public Works
Budget and vice versa.
This is not right. The Budgets
are as complete as they
can be this year. Should
GP be sent to Govt before
for his remarks.

in previous years were
met from Provincial Fds
being now met from the
Police Lodging Fund & Can-
-not Later Fund.

Paras 15 & 16 of the letter
from the Govt of India treat
of the manner in which
work are shewn in the
detailed budget submit-
-ted & taken by the P.W. Dept.
They remark 1. that the grants
for one work lying in three
or more districts are scattered
over the budget estimates &
2. that the provision for hospitals
should be entered under
Civil Buildings - & not under
Sanitary & miscellaneous.
These points should be at-
tended to by the P.W. Dept.
when compiling the general
budget in that Dept. from the
several detailed budgets
sent to them by the Bds
of Revenue. The practice
appears to be simply to
copy the works given in
each detailed budget under

one after another without any attempt to classify & arrange them. When the same road, such as the great Northern road passes through several Districts, the different sections lying in each circle naturally appear separately in each Budget; but when the P.W. Department throws all the works together for example a general budget the repetition of the same work can be easily avoided by showing it as one work with the allotments for the various sections lumped together & shown against it. This clearly must be done in the P.W. Department as no general list of works is compiled either in the Govt. Office or in the Office of the Secy. of Govt.

Note
Most Dept. Govts are very naturally

Estates having Hospitals

under a new head "Civil Buildings" instead of under Sanitary & Miscellaneous, it is observed that this might also be easily done by the P.W. Department; the allotments for the various Hospitals being distinctly shown in the individual circle budgets. The forms of Local Fd accounts adopted by this Govt. & which are different from those prescribed by this Government are well suited to this peculiar system prevailing in this Residency & this Government have more than once informed the Govt. of India that they cannot conveniently adopt the Govt. of India forms. Moreover the provision for Hospitals being an item falling under the decline - time head of Sanitation cannot easily be recognized as such if included under Civil Buildings along with Educational or other works

The present forms are calculated to show separately the expenditure under the respective heads of Roads, Education & Sanitation, & this object will be frustrated by the adoption of the proposal made by the Govt. of India. There is no objection however to the P.W. Dept. so recasting the accounts as to suit the requirements of the Govt. of India.

In para 18. the Govt. of India enquire how the balance of the charge for establishment not provided for in the budget is proposed to be met. According to the arrangements recently agreed upon, the portion, in every case, chargeable to Imperial & Local Funds will be met from Provincial Funds, but before this rule can be applied & the charge made debitable to Provincial Rds, it has

Note
The arrangement of the establishments & their charge against Imperial & Local Funds will be shown in the Statement to be submitted with the Budget.

to be seen whether the portions proposed to be debited to Imperial & Local Funds have been calculated correctly. In the abstract appended to para 17 of the letter from the Govt. of India the sum of Rs 9,01,205 is shown as the cost of establishment chargeable to Imperial Funds. This total was arrived at, but by following the rules laid down in P.W.D. Code dated 19th Sept 1874 No 3584 para 5, 20th October 1874 No 2991 & para 5 & 2nd March 1875 No 595 para 3. the charge to Imperial Rds is as noted below.

P.W. Dept.

Establishments wholly chargeable to Imperial Rds.

Cost of Survey Establishment	25000	
do. Conservancy Est.	111601	
do. Chief Engineer for irrigation & his Est. &c.	35782	172483
2. 25% per cent on Budget grant which amounts to 31,46,092 Rs & is exclusive of Rs 4,22,028 allotted in the Irrigation Budget vide Govt. Order 1st May 1875 No 1227. P.W.D.		73523
		959006

In the memo furnished by the P.W.D. of May 1875 the total Imperial grant was estimated at Rs 25,68,500 - Rs

The charge to be borne by local Fds has next to be calculated.

The allotment for works is:—

according to the abstract given in para 17. ——— 2351540.

add. Lump grant for works from Provincial Fds } 840000

Total 3191540

Note: There is no amount given in the Controller's memo;

But the charge for P.W Supervision has to be calculated on the actual outlay by the P.W. officers. Therefore the estimated outlay by other agency has to be deducted from the above figures an approximate account to be made of the actual expenditure by the end of this year. from this & subsequent allotments. This can be roughly calculated as noted below:

Total budget allotment for work. 3191540

Deduct amount to be spent by agency other than P.W. dept. } 326150

Balance. 2865390

To this Rs to be added 30 percent to take in the allotments

Outlay of Provincial P.W. Dept is (Note) For the P.W. Dept.

Note: The rule is to take actuals where taken for Local Fds. The latter holds good for Imperial Fds also

Note: This is a rough calculation in detail has to after Official Not necessary. Adjustments will be made on the actuals — how we simply estimate + the figures are sufficient enough for our estimate.

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that may be made in the course of the year from the reserves & balances. but as it is not likely that the whole allotment thus made will be spent within the year, a reduction of from 10 to 15 percent on the whole will be a fair estimate of the expenditure that may be actually incurred in 1915-16 — This will be

(2865390 + 30 percent) — 10 percent of the whole = 3352500

25 percent on this or Rs 838120 is the amount debitable to local Funds. Of this however 300000, will be contributed by Provincial Funds, that amount being included in the lump grant of 1140000, leaving only 538120 to be met from local Funds —

Special Funds have similarly to contribute their quota. Out of the 231000 + 8000. or 239000 shown in the abstract in para 17 of the letter from the Govt. of India as allotted to Public works from Special Funds; Rs 32400 being deducted with reference to G.O. 6 April 1893 No 752 P.S. there remains 206709 to be debited to the Jungle Conservancy & Cochrane & Sabras canal Land allotments, & making allowance for the actual outlay falling short of the allotments by some 10 to 15 per cent yearly P.W. Establishment debitable to Special Fds may be fairly estimated at Rs 57000.-

~~Recapitulate~~

The apportionments stand briefly thus.

The total cost of P.W. Establishment-		2124653
amount to be borne by Imperial Fds as above pankhant	959006	
Do. do. Do. Local Fds Do.	534120	
Do. do. do. Special Fds Do.	51000	1548126
Balance to be met from Provincial Fds		576527

Note the Govt. of India made out Rs 304448 as yet remaining to be provided for. vide para 18 of their letter dd

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Of this, provision to the extent of Rs 5000 has already been made in the Provincial budget (vide abstract in para 17 of the letter from the Govt. of India), leaving a balance of Rs 121527 to be still provided for- Orders are requested as to whether this is to be met from Provincial Funds. Had not the Irrigation Budget been cut down by the Govt. of India to the extent of Rs 422208, the Provincial Funds would not have been liable to a further charge than some 60000, over & above the Budget provision - & the Imperial Fds. would have had to pay 1064558 instead of Rs 959006 as above shown or Rs 901208. as provided in the Budget. (Imperial).

1-12-95

Budget provisions for 1875/76.

I think all Estimates should be sent in to the Fin. Dep. 1st or 2nd week in Sept. Ed. 2220. ~~I Remarks~~

Before the Council is asked to make the Provincial allotment for F.W. it is necessary that the Provincial services for the ensuing year should be settled, and that the total cost of the Estimates, after deducting receipts from Imperial & Local Sources, be ascertained for the Provincial purse.

E.H.

* Note

The object of this lengthy calculation in the Memo was to show that the Provincial Funds would not have to pay as large a sum as the Fin. Department have made out. J.D.

Notes by the Honorable H. Rudlestan

I presume the Government gave all they could afford after estimating the several heads of all Provincial services.

The result of consideration in the Financial Department can only be that the percentage charged to Imperial and Local is too low. Will Government of India consent to pay more? or can we reduce the total charge.

/Signed/ H. H

Fin. Dept.

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The balance brought forward has been ob-
tained as follows

	Rs	
Actual balance at end of 1871-72 as per Acct. & Audit statement		9,86,392
Imperial Grants for 1872-73 as per Acct. & Audit Estimate		78,26,570
~~Loans~~ Receipts for 1872-73 as per Acct. & Audit Estimate		10,42,650
		99,05,612
Deduct Charges according to Acct. & Audit Estimate modified & letter from Inspector Genl. of Police No 9088290		93,38,290
Charges subsequently sanctioned	Rs 2,50,000	5,67,322
Add Savings anticipated & Controller P.W.D		3,00,000
P.W. Services subsequently transferred here		8,67,322

Item excluded from the above calculation as the receipts will equal the expenditure and thus the balance will remain unaffected.

N.B. During the first six months of 1872-73 the Public Works Grant was increased by Rs 12,19,025. Out of this the Controller & Collector anticipates a saving of Rs 3,00,000.

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The amount available after providing for everything but Public Works and Local Funds may be Obtained as follows:—

Balance estimated at beginning of 1873-74 as per Memo overleaf	Rs	8,67,300
Imperial Grant (Civil Estm. + Engineering)		80,19,160
Estimated Receipts as per Budget passed (Except in case of Public Works and Miscellaneous which have been based on actuals and taken at a low figure)		7,92,500
		96,78,960
Deduct estimated charges according to Budgets passed by Govt. - except in case of Miscellaneous and a few minor items		69,92,000
Amount available =		26,86,960

1872-73			
1236050	Public Works Loan	12,00,000	24,00,000
1126500	Local Funds	12,00,000	
2,86,960 = Balance			

2,86,960 = Balance

25-60 in 4 years of estimated balance at end of 1872-73 as per Financial Statement

In the statement previously prepared I showed the balance as Rs 2560 in excess of the last years estimated balance - but it has since been found necessary to modify a few items so that the proposed budget may be abstracted thus.

Receipts	
Actual balance	8.67.350
Imperial assignment	80.19.160
Receipts	7.92.500
	96.78.960
Expenditure	
other than Public works	70.20.029
Proposed Public works	12.04.000
Provincial assignment local funds	12.00.000
	94.24.029
Balance	2.54.931
	96.78.960

The estimated balance for the current

year is thus Rs 2,54,931 or
Rs 29,469 less than the sum of
Rs 2,84,400 left as unallotted
balance in the budget for the current
year. - I have also learnt from Ext
Sthes that he told Sir Arbuthnot that the
opening balance for the current year
had been under-estimated - and it is
possible that this may have been taken
into consideration when it was decided
that the sum left unallotted in the budget
should be as small as Rs 2,84,400.

It seems probable however that the sum
of Rs 2,54,931 will be quite sufficient with
savings to do more than meet all demands

the sums sanctioned during the current year
in excess of the budget provision have only
amounted to about Rs 2,50,000 and there is
no particular reason for anticipating larger
demands during the ensuing year. -

The savings in Public Works this year are
estimated at Rs 2,00,000 and though Colonel
Walker anticipates a much fuller utilization of
allotments next year it seems probable
that at least Rs 1,00,000 may be counted on
Under Police more than a Rs 1,00,000 will
almost certainly be saved unless new modes of
expenditure are sanctioned - and under Central
Jails Rs 50,000 may be looked for either as
savings or as increase in the receipts which
were put down at a low figure.

J.S.

Budget Estimate

G. O. No 2535-S
31/12/75

Fin. Deptt
65/

Read G.O.-P.W. Department-
d. 2d August 1875- No. 2220.

Asks- 31st Decr 75- Rs 2535-

Ordered to be recorded
with the Remark that-
the Provincial allotment
for P.Works is as large as is
meant at the disposal of
Government with admissi-
ble, due provision for the
Provincial Services; that
the balance of cost of P.Works
Establishment after deducting
contributions from the Imperial
Local & Special Funds, must
fall on the Provincial Fds;
& that the instructions con-
tained in Paras 15 & 16 of the
Resolution of the Government
of India recite to the Budget
compiled by the P.W. Deptt.
from Work furnished by the
Financial.
Desp 7/1/76

Memo to be
altered with
this when it
comes from
Secy

30 Jan 76

To the Public Works Deptt
— Accts General

24-12-75

Remarks of the
Govt. of India on
the P.W. Budget
for 1875-76

Govt. of {1875} Madras.

G.O., 31 May, 1875, No. 2555

Nos. 185–6

Budget

Orders on the
N.D. on resolution
of the Govt. of India
reviewing the Madras Provincial
and Local Fund
Budget estimates
for 1875–76, recorded
with remarks.