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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Financial. DEPARTMENT

G.O. No.	906.	Press.
B.P. No.		Mis.
Dated	20-5-88/	197.

47/48

Not to be folded or roughly handled

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(7)

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- Nos. 8 to 54.
No. 8. From Deputy Accountant-General, to Secretary to Government North-Western Provinces (No. 3838P. A.)—Dated Allahabad, the 20th July, 1868. Aug. 8, 1868.
- SIR,—With reference to your letter No. 373, dated 13th May, 1868, I have the honour to forward for the approval of His Honor the Lieutenant Governor the accompanying draft of the Circular * which this Department purposes to issue on the subject of pensions for services paid out of Local Funds to admit of the required information being clearly placed before Government. Nos. 19 AND 20.
- * Vide Index No. 15 of this case.

I have, &c.,

J. EEDE,

Deputy Accountant-General, N.-W. P.

- No. 9. From Junior Secretary to Government, North-Western Provinces, to Deputy Accountant-General, (No. 102A.)—Dated Nynsee Tal, the 7th August, 1868. No. 20.

SIR,—I am directed to acknowledge the receipt of your letter No. P. A.-3838, dated 20th July last, with which you submit a draft of a Circular on the subject of pensions for services paid out of Local Funds.

In the opinion of the Lieutenant Governor the "Under Municipalities or," in paragraph 1, and the first clause of paragraph 3 of the draft should be omitted.

With these exceptions, the Circular is approved, and may be issued after correction.

I have, &c.,

C. ROBERTSON,

Junior Secretary.

- No. 10. From Secretary to the Government of India, Financial Department, to Accountant-General, Punjab (No. 1566).—Dated Simla, the 12th August, 1868. Aug. 29, 1868.

SIR,—With reference to your letter No. 52, dated 20th July, 1868, I am directed to inform you that the Financial Resolution, dated 24th April, 1868, does not affect the ruling regarding pensions to Municipal Police enrolled in the Civil Constabulary, and thereby under Government control, which is quoted in the 5th section of paragraph 4 of the memorandum appended to the Resolution. No. 41.

I have, &c.,

E. H. LUSHINGTON,

Secy. to the Govt. of India.

ORDERED, that a copy of the above be sent to all Local Governments and Administrations, the Comptroller General of Accounts, and the several Provincial Officers of Account.

R. H. HOLLINGBERRY,

Assistant Secy. to the Govt. of India.

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- No. 11. From Secretary to the Government of India Financial Department, to Chief Secretary to the Government of Bombay, (No. 1496.—Dated Simla, the 10th August, 1868.

AUG. 29,
1868.Nos.
42 AND 43.
No. 42.

SIR,—I have laid before the Governor-General in Council your letter No. 751, dated 2nd June, 1868, which takes exception to the ruling in Financial Resolution No. 2197, dated 24th April, 1868, that pensions should be paid from the same source from which the salaries of the pensioners were defrayed, and that accordingly the pension of a person who has served wholly in a Government Establishment maintained from a Local Fund, shall be paid from that fund, while the pension of another person who had served partly on such an establishment and in remaining part on establishments paid from the General Revenue, shall be charged to the Local Fund and to the General Revenue in the proportion of his total receipts from those sources respectively.

2. In reply, I am directed to state that this ruling upholds a principle which the Government of India and the Secretary of State for India have always maintained, viz., that the General Revenue shall not be liable for pension for establishments maintained from Local Funds; at the same time the Resolution fully meets the desire of Local Governments that public establishments maintained from Local Funds shall be eligible to pension, if serving in otherwise pensionable grades.

3. It is objected that in the following ways, the Local Funds in the Bombay Presidency may be embarrassed, or the Government of Bombay may be inconvenienced in applying the rule, viz.:—

1st.—Though a Local Fund could pay towards a Pension Fund guaranteed from the General Revenues 5 per cent. on the pay of the establishments maintained from it, yet it could not conveniently meet a direct charge for pension.

2nd.—In the Bombay Presidency, the Local Fund of each district is distinct and separate from that of every other district; and as transfers of service from one district to another may be numerous, the apportionment to the several District Local Funds of their respective shares of liability for each pension will be embarrassing.

4. On these grounds it is urged that pension in the cases mentioned in the 1st paragraph of this letter should be paid from the General Revenues, in respect of every office (maintained from a Local Fund) for which a right to pension is desired to be reserved, and that the General Revenues should be compensated by a contribution to them of 5 per cent. on the salary of every such office.

5. This proposition is much the same as that which was adverted to in paragraph 4 of my letter No. 3121, dated 30th November, 1865. The grounds on which the proposition is now made do not seem to justify any alteration of that decision, the principle of which is adverse to the present proposal.

6. But in order to give effect to the view of the Government of Bombay, respecting the adjustment of pensionary payments among the several districts, the Government of India would suggest that the Local Government might conveniently direct the deduction of 5 per cent. from the pay of establishments maintained from Local Funds, credit those deductions to a Local Pension Fund, and meet from such fund that part of the stipend of a pensioner which, under the ruling quoted in the 1st paragraph of this letter, is not payable from the General Revenues.

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- No. 11. 7. Thus the objections recited in the 2nd paragraph of this letter would be removed without interfering with the order, dated 24th April, 1868, which was passed in accordance with rulings of the Government of India and the Secretary of State.

AUG. 29,
1868.

No. 42.

I have, &c.,

E. H. LUSHINGTON,
Secretary to the Government of India.

Copy forwarded to the several Local Governments and Administrations, to the Comptroller General of Accounts, and to the Accountants General and Deputy Accountants General in independent charge; also to the Home and Public Works Departments.

R. H. HOLLINGBERRY
Assistant Secy. to the Govt. of India.

No. 12.

OFFICE MEMO. No. 143A.

No. 43.

FINANCIAL DEPARTMENT.

Dated Nynce Tal, the 28th August, 1868.

WITH reference to this office endorsement No. 374, dated 13th May last, the undersigned is directed to forward to the Secretary to this Government, in the Public Works Department, a copy of a letter from the Secretary to the Government of India, Financial Department, to Chief Secretary, Government of Bombay, No. 1496, dated 10th instant, and to request an expression of his opinion on the suggestion made in paragraph 6 thereof.

No. 144A.

The undersigned is directed to forward to the Secretary, Board of Revenue, North-Western Provinces, a copy of the papers noted in the margin and to request an expression of the Board's opinion on the suggestion made in paragraph 6 of the Government of India letter of 10th instant.

From Assistant Secretary, Government of India, Financial Department, No. 2197, dated 24th April.
To Accountant-General, North Western Provinces, No. 373, dated 13th May.
From Secretary, Government of India, Financial Department, No. 1496, dated 10th August.

No. 145A.

The undersigned is directed to request that the Accountant-General, North-Western Provinces, will favour Government with an expression of his opinion on the suggestion made in paragraph 6 of the letter from Secretary, Government of India, Financial Department, No. 1496, dated 10th instant, to the Chief Secretary to the Government of Bombay; a copy of which has been sent to him direct.

C. ROBERTSON,
Jr. Secy. to Govt. N. W. P.

- No. 13. From Secretary to the Government of India, Financial Department, to the Chief Commissioner of Oudh (No. 1841).—Dated Simla, the 19th August, 1868.

SEPT. 12,
1868.

No. 29.

SIR,—I am directed to acknowledge the receipt of your Secretary's letter No. 3094, dated the 27th ultimo, enquiring, with reference to Financial Resolution No. 2197, dated the 24th April last, regarding the pensionary claims of persons employed under municipalities or paid from Local Funds, whether the Local Government can, in engaging a man, contract with him that he shall have no claim to pension, or whether the pension is in all cases to be an absolute right.

2. In reply, I am to state that Local Funds being under the control of Local Governments, it is competent for them to declare what appointments, paid from those funds, shall be excluded from the pension rules.

3. Even with respect to pensions payable from the General Revenues, service towards pension is recognized only when it is rendered in eligible grades.

4. The order of April, 1868, was intended to meet the desire of Local Governments to allow pensions to men serving in otherwise eligible grades who are paid from Local Funds, and not to restrain them from excluding from pension other members of establishments paid from Local Funds.

I have, &c.,

E. H. LUSHINGTON,

Secretary to the Govt. of India.

A copy to the several Local Governments, the other Administrations, the Comptroller General of Accounts, and the several Accountants General and Deputy Accountants General in independent charge.

R. H. HOLLINGBERY,

Asst. Secy. to the Govt. of India.

No. 174 A.

FINANCIAL DEPARTMENT,

Dated Nynee Tal, the 9th September, 1868.

Copy forwarded to the Officiating Secretary to the Board of Revenue, North-Western Provinces, for the information of the Board.

No. 175 A.

Copy also forwarded to the Secretary to this Government, in the Public Works Department, for information.

- No. 14. From Secretary to Government, Public Works Department, to Secretary to Government, North-Western Provinces, General Department (Memorandum No. 18L-W.-C.)—Dated Nynee Tal, the 18th September, 1868.

SEPT. 26,
1868.

No. 34.

In reply to the Secretary's No. 143 A., dated 28th ultimo, undersigned has the honour to observe that he understands the proposal as it now stands to be that members of establishments maintained from Local Funds shall be required to con-

- No. 14. tribute 5 per cent. on their salaries towards a Pension Fund, and that Government guarantee to them pensions in the same terms as apply to the Uncovenanted Servants of Government, and that it seems to him the adoption of this scheme could not fail to be advantageous in making services under the Local Fund administration more sought after, and also that the fund thus formed may be expected in the long run to cover the cost of the pensions.

C. J. HODGSON, COLONEL, R.E.,

Secy. to Govt. N.-W.P., P. W. D.

- No. 15. From Deputy Accountant-General, to all Collectors of the North-Western Provinces, and Deputy Commissioners of Oudh (Circular No. 42).—Dated Allahabad, the 28th August, 1868.

OCT. 10,
1868.

No. 27.

SIR,—In forwarding, for your information, extract from Financial Resolution of Government of India, No. 2197, dated 24th April, 1868, respecting the pensionary claims of persons employed in establishments maintained from Local Funds, I have the honour to issue the following instructions for your guidance, with a view of ensuring the proper working of the rule that has now been framed.

2. In order to determine what employes of the several funds are at present holding a position which entitles them to claim pension, each case will require to be considered on its own merits, and it is therefore requested that you will furnish to this Department, at an early date, a detailed statement (form accompanying), showing the names of all such servants drawing salaries above Rs. 10 per mensem, with specification of the appointment, date of nomination to the post, salary drawn, from what fund paid, the nature of duty performed in each case, ascertained past continuous service prior to admission to present post, and age at the commencement of the continuous service.

3. You should submit this return for the establishments of those funds, which fulfil the condition laid down in paragraph 3 of Financial Resolution, dated 24th April, 1868, of possessing funds derived from "permanent sources" other than cesses collected with the land revenue, as distinguished from funds supported by "charitable donations, or voluntary and revocable contributions." You should at the same time give your reasons for considering the income of the fund permanent, in order that this office may be in a position to place the subject clearly before Government, to enable His Honor to decide what establishments should be admitted to the privilege of pensions.

4. You are requested in future to furnish, at the end of each financial year, i. e., on 1st April, a detailed statement in duplicate, of all such servants employed in grades eligible to pension, in the establishments of funds selected by Government (care being taken that in the instance of new employes, the age at the time of their admission into the service is invariably noted) to enable this Department to secure a record of employment by which claims to pension may hereafter be tested.

5. The prescribed monthly return of all leaves, other than privilege, granted to such servants, must also be furnished punctually.

I have, &c.

J. EEDE,

Dy. Acctt.-Genl., N.-W. P.

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*Extract, Financial Resolution, No. 2197, dated the 24th April, 1863.*Oct. 10,
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PARA. 2.—The rulings of the Home Authorities and the Government of India respecting the pensionary claims of persons employed under municipalities or in establishments maintained from Local Funds, are stated in the accompanying memorandum. There is no objection, under those rulings, to the pensioning of persons in otherwise eligible grades who may be employed in establishments controlled by Government and paid from Local Funds, provided that the pensions be paid from the same source from which those persons received their salaries.

3. This proviso makes it indispensable that the income of the Local Funds which incur this liability for pension should be derived from taxation, like the cesses on land revenue, for education, roads, &c., or from other permanent sources, like those of the Bengal Amalgamated District Roads' Fund, and not from charitable donations, or voluntary and revocable contributions, like some of the contributions for schools which are comprehended in Local Funds under a loose acceptation of the term.

4. In the same view, it is indispensable that the Local Funds should, as to the sources of their income, be under the control of Government, although Municipal Committees may, as in the interior of the Bombay Presidency, be employed to administer the funds.

5. The eligibility for pension from the source from which salary is paid of persons employed on establishments maintained from such Local Funds as fulfil these two conditions, is recognized by the rulings in the accompanying memorandum, and it may be provided for in such a way as to facilitate transfers of persons from establishments paid from Local Funds to those maintained from the General Revenue, and *vice versa*.

6. The Governor-General in Council is accordingly pleased to rule:—

I.—That persons employed in establishments that are maintained from Local Funds which fulfil the two indispensable conditions above stated shall be eligible to pension under the Uncovenanted Service Pension Rules, on the understanding that when the service has been rendered wholly on those establishments, the pension shall be charged to those funds.

II.—That where a person has served partly in the establishments appertaining to the Local Funds above described, and partly in establishments paid from the General Revenue, the pension shall be charged to the Local Fund and to the General Revenue, in the proportion of the total receipts of the applicant from those sources during the whole course of his service.

III.—That the pension or portion of pension which may be payable from a Local Fund under the two preceding rules shall be the first charge on the fund, so that provision to meet it shall be reserved before other expenditure of the year is defrayed from the fund.

IV.—That the pension, if payable partly from the General Revenue, shall, during the course of the year, be disbursed wholly from those revenues, which will be recouped at the end of the year by the proper contribution from the Local Fund, from the sum to be reserved for the purpose under Rule III.

V.—That where the strength and pay of an establishment are fixed with the sanction of the Government of India, pension for service on such an establishment

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shall be charged to the General Revenues, although a portion of the costs be defrayed by a contribution from a Local Fund, unless a debit of a part of the pension to the Local Fund be ordered in regulating the fund's contribution.

Oct. 10,
1868.
No. 27.

7. The Engineer Officers employed under Municipal Committees in the interior of the Bombay Presidency may be graded with the Imperial Public Works Department, on the understanding that their pay will be disbursed wholly from Local Funds, that their pensions will be adjusted under these rules, and that the income of the Local Funds will be secured by the levy of the anna cess, for which permission to legislate has been accorded by the Secretary of State.

(True Extract).

J. EEDE,
Dy. Acctt.-Genl., N.-W. P.

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- No. 17. ORDERED, that copies of the foregoing letter be sent to the Home and Public Works Departments, the several local Governments and Administrations, the Comptroller General of Accounts, the several Accountants General, and the Deputy Accountants-General in independent charge.

JAN. 2,
1869.
No. 45.

G. H. M. BATTEN,

Under-Secretary to the Government of India.

No. 393A.

FINANCIAL DEPARTMENT.

Dated Camp Budaon, the 29th December, 1868.

ORDERED, that a copy of the foregoing be forwarded to the Secretary to Government, North-Western Provinces, Public Works Department, for information.

F. HENVEY,

Offg. Junior Secy. Govt., N.-W. P.

No. 18.

NOTIFICATION,—No. 394A.

No. 46.

FINANCIAL DEPARTMENT.

Dated the 29th December, 1868.

THE foregoing letter from the Government of India, in the Financial Department, No. 3252, dated the 30th ultimo, to the address of the Chief Secretary to the Government of Fort St. George, is published for general information.

R. SIMSON,

Secy. to Govt. N.-W. P.

- No. 19. From Accountant-General, to Secretary to Government, North-Western Provinces, (No. 13401).—Dated Allahabad, the 22nd January, 1869.

FEB. 13,
1869.
No. 37.

SIR,—I have the honour to acknowledge the receipt of your No. 145A., dated 28th August last, asking for my opinion on the suggestion made in paragraph 6 of a letter from the Secretary to the Government of India, in the Financial Department, No. 1496, dated 10th idem, to the Chief Secretary to the Government of Bombay, that a Pension Fund should be created for establishments paid from Local Funds.

If the Lieutenant-Governor considers it desirable to create such a fund in these provinces, based on the principles of the Uncovenanted Service Pension Rules, I think it should be called the "Local Pension Fund" and treated in the books of this office as a Service Fund.

Contributions, which, it seems intended, shall be at the rate of 5 per cent. per mensem, on the pay of all such servants in eligible grades should be entered in the monthly bills of each fund to which the salaries are debitable, and credited in the District Treasury Account to the Local Pension Fund.

I suggest that interest at the rate of $4\frac{1}{2}$ per cent. be allowed on a book Debt Account, to which the surplus of the fund should be transferred whenever it amounts to Rs. 500. In fact, the fund should be treated as the simplest and most

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- No. 19. economical measure, exactly like the Police Superannuation Fund, as ruled by Resolution of the Government of India, Financial Department, No. 1214, of the 6th July, 1864.

FEB. 13,
1869.
No. 37.

I feel very doubtful, however, of the solvency of any such fund when I compare its position with the Police Superannuation Fund. Although the deductions from the salaries of constables are made at the rate of $3\frac{1}{2}$ per cent., those from Chief and Head constables, or all whose pay is Rs. 10 or upwards (and the present scheme concerns no lower salaries) are at the rate of 6 $\frac{1}{2}$. The average is, indeed, about $4\frac{1}{2}$, but this advantage is not, I fear, sufficient to make up for the other defects.

Again, a police officer, while still a subscriber to the fund may qualify for a Government pension, in which case the Superannuation Fund will grant only a supplemental allowance, or none at all, according to circumstances. This cannot occur in the case of the Local Funds, for as soon as an officer begins to qualify for pension by service under Government, the Pension Fund will cease to receive any contribution on his behalf. Moreover, Government, besides giving interest on the Book Debt, assists the Police Fund with the grant of savings from pay, certain fines, and sale proceeds of useless clothing, &c., for which the new fund will leave no equivalent. Most important of all, I presume that the Local Funds will contribute nothing on consideration of the years which applicants may have reckoned towards pension before the introduction of this scheme, while the Police Superannuation Fund started fair, for the reckoning of half the previous service is distinctly said to be allowed as an experimental measure, and the concession may be withdrawn if the fund is unable to support the charge.

I have, &c.,

W. WATERFIELD,

Accountant-General, N.-W. P.

No. 20.

No. 477, dated Fort William, the 27th January, 1869.

FEB. 20,
1869.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

PENSIONS AND GRATUITIES.

Nos.
34 AND 35.
No. 34.

Read again :—

The letter of this Department, No. 3252, dated 30th November, 1868, to the Government of Fort Saint George, relating to the grant of pensions to persons serving in Local Funds establishments.

RESOLUTION.—In paragraph 3 of the above-mentioned letter, it is stated that the orders of this Department noted in the margin "must not be construed as in any way binding the Government to allow pensions on retirement to persons employed on Local Fund establishments or under municipalities," but that "those orders simply permit Local Governments to grant pensions to such persons by removing the obstacles which heretofore existed against their admission to pension."

2. On re-consideration, it appears that the wording of the passage last quoted, regarding the permission, conditionally, of grants of pension to persons employed under municipalities, is apt to mislead. Such persons are not eligible to pension under

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- No. 20. any rules administered by the Government of India or the Local Governments, unless they serve in eligible grades in the Police of the Presidency towns which are under Government control or are under officers appointed by the Government, or in Municipal Police establishments in the Mofussil which are amalgamated with the civil constabulary, or in establishments paid from local funds which are under Government control, but are administered, as in the Bombay Presidency, by municipalities.

FEB. 20,
1869.
No. 34.

ORDERED, that the foregoing Resolution be communicated to the Home and Public Works Departments, the several Local Governments and Administrations, the Controller General of Accounts, the several Accountants General, and the Deputy Accountants General in independent charge.

R. B. CHAPMAN,
Offg. Secy. to the Govt. of India.

No. 21.

NOTIFICATION,—No. 88 A.

No. 3.

FINANCIAL DEPARTMENT.

Dated the 19th February, 1869.

THE foregoing Resolution of the Government of India, in the Financial Department, is published for general information :—

By order &c.,
R. SIMSON,
Secy. to Govt. N.-W. P.

- No. 22. From Officiating Junior Secretary to Government, North-Western Provinces, to Accountant-General (No. 134).—Dated Allahabad, the 8th March, 1869.

MARCH 13
1869.
No. 42.

SIR,—With reference to recent orders of the Government of India, sanctioning the payment of pensions and gratuities to persons in establishments paid from Local Funds, I am directed to request that you will favour Government with your opinion, whether such allowances, then granted, should be reported quarterly like ordinary pensions, to the Government of India, or whether they should be treated in this respect in the same way as allowances payable from the Police Superannuation Fund.

I have, &c.,

F. HENVEY,
Offg. Jr. Secy. to Govt., N.-W. P.

- No. 23. From Deputy Accountant-General, to Officiating Under-Secretary to Government North-Western Provinces, (No. P. A. 22047).—Dated Allahabad, the 12th March, 1869.

MARCH 27,
1869.
No. 14.

SIR,—With reference to your letter No. 134, dated 8th instant, I have the honour to observe that, as grants of pensions to servants on Local Fund Establish-

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- No. 23. ments, are made in accordance with the Uncovenanted Service Pension Rules, they should be treated like ordinary pensions, in respect to the grants being reported to the Government of India.

MARCH 27,
1869.
No. 14.

I have, &c.,

J. EEDE,
Deputy Accountant-General.

- No. 24. From Deputy Accountant-General, to Junior Secretary to Government, North-Western Provinces, Financial Department, (No. 21006P. A.).—Dated Allahabad, the 10th April, 1869.

JUNE 12,
1869.Nos.
30 AND 31.
No. 30.

SIR,—With reference to orders of Government of India, No. 477, dated 27th January, 1869, ruling that persons employed under municipalities are not eligible to pension under any rules administered by the Government of India or the Local Governments, unless they serve in eligible grades in the Police of the Presidency Towns, which are under Government control, or are under officers appointed by the Government, or in Municipal Police establishments in the Mofussil, which are amalgamated with the civil constabulary or in establishments paid from Local Funds, which are under Government control, but are administered, as in the Bombay Presidency, by municipalities, I have the honour to solicit the favour of being informed whether servants employed in the Choongee Department can be considered entitled to pension under the ruling in question.

* Not printed.

The case under reference, is that of Syud Shoojah Ally, whose petition * is enclosed.

I have, &c.,
J. EEDE,
Deputy Accountant-General, N.-W. P.

- No. 25. From Secretary to the Government, North-Western Provinces, to Secretary to Government of India, Financial Department (No. 1A.).—Dated Allahabad, the 12th June, 1869.

No. 31.

SIR,—Referring to the orders of the Financial Department, No. 477, dated the 27th January last, under which it is ruled that persons serving under municipalities are not eligible to pension, "unless they serve in eligible grades in the Police of the Presidency Towns which are under Government control or are under officers appointed by the Government or in Municipal Police Establishments in the Mofussil which are amalgamated with the Civil Constabulary, or in establishments paid from local funds which are under Government control, but are administered as in the Bombay Presidency by municipalities," I am directed to submit for the decision of His Excellency the Right Hon'ble the Governor-General in Council a question which has been raised by the Accountant-General of these Provinces as to the application of the above ruling to servants employed in the collection and management of the octroi tax.

2. This tax is imposed by municipalities, according to the provisions of Act VI. of 1868 under the sanction of the local Government and the

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- No. 25. funds raised thereby are administered by the committees under Government control and supervision. JUNE 12, 1869.
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3. The servants entertained for the collection and management of the tax are appointed by the Municipal Committees, paid from the proceeds of the tax, and act under the orders of the Committees.

4. I am to enquire whether such servants, in the opinion of His Excellency the Governor-General in Council, should be held eligible to pension, that is to say, whether funds raised and administered under Act VI. of 1868, should be regarded as Local Funds under Government control in the meaning of the Resolution above quoted?

I have, &c.,

R. SIMSON,

Secy. to Govt., N.-W. P.

- No. 26. From Secretary, Board of Revenue, to Secretary to Government, North-Western Provinces, (No. 623).—Dated Allahabad, the 11th of June, 1869. JULY 10, 1869.

SIR,—I am directed by the Board of Revenue to submit, for the consideration and orders of the Hon'ble the Lieutenant-Governor a reference from the Commissioner * of Jhansie Division on the subject of pensions to miscellaneous tehseelee mohurrirs. Nos. 54 TO 57.
* No. 1062, dated 18th May, 1869, with enclosure. No. 54.

2. The Board beg to solicit the orders of His Honor as to whether pensions to these officers will be treated in the same way as pensions to persons paid from Local Funds.

I have, &c.,

W. C. FLOWDEN,

Secretary.

- No. 27. From Commissioner, Jhansie Division, to Secretary, Board of Revenue, North-Western Provinces (No. 1962).—Dated Jhansie, the 18th May, 1869. No. 55.

SIR,—I have the honour to request that you will submit, for the orders of the Board of Revenue, the accompanying letter from the Deputy Commissioner of Jhansie, No. 22, of the 8th instant, enquiring whether miscellaneous tehseelee Mohurrirs are entitled to pension, or not.

2. The point to be determined is whether it is intended that the miscellaneous Mohurrirs under the new scheme (Mr. Cust's) for revision of Sub-Collectorate, or tehseeldaree establishments, should be excluded from pension, as if not, a ruling to that effect seems required.

I have, &c.,

B. P. LLOYD,

Commissioner.

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- No. 28. From Deputy Commissioner, Jhansie, to Commissioner, Jhansie Division (No. 22).—Dated Jhansie, the 8th May, 1869. JULY 10, 1869.
No. 56.

SIR,—Under Mr. Cust's new scale of establishment, two miscellaneous Mohurrirs have been appointed at each tehseelee.

2. The Mohurrirs are not paid directly from Government, but on a sanctioned scale from the income of certain funds.

3. These Mohurrirs complain that under the present system they are not entered in the Permanent Establishment Abstract, and are consequently ineligible for pension.

4. If it is a fact that these men are ineligible for pension, their case is a very hard one. They are as permanent as any of the rest of the establishment, are as well paid as the average, and their character of the work is in all respects similar to that of the so-called permanent establishment.

5. I bring the matter to your notice, and would request that a reference be made on the subject.

I have, &c.,

G. LANG,

Deputy Commissioner.

- No. 29. From Officiating Junior Secretary to Government, North-Western Provinces, to Accountant-General, (No. 53A.).—Dated Nynsee Tal, the 8th July, 1869. No. 57.

SIR,—I am directed to forward to you for consideration and report in connection with the other points on which your opinion was requested by Government order No. 373, dated 13th May, 1868, a copy of the papers marginally noted, having reference to the eligibility of Miscellaneous Tehseelee Mohurrirs for pensions and gratuities under the orders of the Government of India, Financial Department, No. 29197, dated 24th April 1868.

From Board of Revenue, No. 623, dated 11th ultimo, and enclosure.

I have, &c.,

F. HENVEY,

Ofg. Junior Secy. to Govt. N.-W. P.

No. 54A.

Copy forwarded to the Secretary to the Board of Revenue, North-Western Provinces, for the information of the Board.

- No. 30. From Under-Secretary to Government of India, Financial Department to Secretary to the Government, North-Western Provinces (No. 1602).—Dated Simla, the 29th June, 1869. JULY 17, 1869.
No. 44.

SIR,—I am directed to acknowledge the receipt of your letter No. 1A., dated 12th June, 1869, enquiring, with reference to the rule which permits the grant of

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pensions to the employes of Local Funds establishments under Government control, which are administered by municipalities, whether pensions are admissible to servants employed in the collection and management of the Octroi Tax in the North-Western Provinces, imposed by municipalities, under Act VI. of 1868, under the sanction of the Local Government.

2. In reply, I am to state, that "Local Funds" under Government control, though administered by municipalities, are distinct from "Municipal Funds." The former are the same in kind as the general revenues, the only difference being that they are locally appropriated.

3. It is not in the power of the municipality which administers these Local Funds to abolish or reduce them, and thus cut away the source for paying any pensions which may have been promised from those funds. But municipalities may abolish octroi or other municipal sources of revenue or reduce them so as to suffice for present requirements or effective charges only, without setting apart anything for pensions.

4. Accordingly, persons engaged in collecting the Octroi Tax in the North-Western Provinces, are purely servants of municipalities, and not of the Government, and they are therefore not entitled to pension from Government.

5. His Excellency the Governor-General in Council does not, however, think that there can be any objection to municipalities pensioning their own servants, (if the law allows it) under the supervision of the Local Government.

I have, &c.,

G. H. M. BATTEN,

Under-Secy. to the Govt. of India.

No. 86½A.

FINANCIAL DEPARTMENT.

Dated Nynce Tal, the 17th July, 1869.

ORDERED, that copy of the foregoing be forwarded to the Deputy Accountant-General, North-Western Provinces, with reference to his No. 21006P.-A., dated 10th April last.

F. HENVEY,

Offg. Jr. Secy. to Govt., N.-W. P.

No. 31. From Deputy Accountant-General, to Officiating Junior Secretary to Government, North-Western Provinces, Financial Department, (No. P.-A.,-7300).—Dated Allahabad, the 21st July, 1869.

SIR,—With reference to your letter No. 53A., dated 8th instant, forwarding a copy of the papers having reference to the eligibility of Miscellaneous Tehseelee Mohurrirs for pensions and gratuities, under the orders of the Government of India, Financial Department, No. 29197, dated 24th April, 1868, I have the honour to annex an extract,* paragraphs 14 and 15, from a memorandum on the

* Not printed.

proposed revision of Treasury Establishments, which was furnished to the Board of Revenue at their request, with my letter dated 23rd September, 1867.

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1869.

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2. I beg to add that the report on the other points on which the opinion of this Department was asked in the orders of Government No. 273, dated 13th May, 1868, will be submitted shortly, together with the list of Local Fund Establishments supposed to be eligible to pension.

I have, &c.,

J. EEDE,

Deputy Accountant-General.

Aug. 28,
1869.Nos.
23 AND 24.

No. 32.

From Officiating Junior Secretary to Government, North-Western Provinces, to Deputy Accountant-General (No. 162A.)—Dated Nynce Tal, the 25th August, 1869.

No. 25.

SIR,—I am directed to acknowledge the receipt of your letter No. P.-A.7300, dated the 21st ultimo, with which you submit your opinion as to the eligibility of certain tehseelee officials to pension.

2. In reply, I am desired to point out that the ruling forwarded with your letter under acknowledgment has reference to the case of Nazirs and others entertained from the Tulubana Funds; whereas, the question put by the Board of Revenue, in their Secretary's letter No. 623, dated the 11th June last, (a copy of which was forwarded with G. O., No. 53A., dated the 8th ultimo), related to those miscellaneous clerks at tehseels who used to be remunerated by fees of various kinds, but who, according to Mr. Cust's scheme, (*vide* paras. 29 and 30 of his minute of the 25th May, 1867, extract appended for ready reference) are now paid from an amalgamated fund fed from the proceeds of such petty dues.

3. It is their claim to pension and not that of the establishment paid from the Tulubana Fund, upon which the opinion of the Account Department is requested.

I have, &c.,

F. HENVEY,

Offg. Jr. Secy. to Govt., N.-W. P.

No. 33.

From Officiating Junior Secretary to Government, North-Western Provinces, to Presidents of the Municipal Committees and Commissioners of Divisions (No. 223A.-291A.)—Dated Nynce Tal, the 21st September, 1869.

SEPT. 25,
1869.

No. 28.

SIR.—I am directed to forward, for your information, the enclosed two copies of a letter from the Under-Secretary to the Government of India, in the Financial Department, No. 1602, dated 29th June, 1869, in regard to the ineligibility of servants of municipalities to a pension from Government.

I have, &c.,

F. HENVEY,

Offg. Jr. Secy. to Govt., N.-W.-P.

- No. 37. covenanted service, and would allow the remittance of such pension to the pensioner's home by a public service bill, or even go so far as to consider the claims of such servant against Government or other funds, but without giving Government the slightest concern with, or making it in the slightest degree responsible for, the municipality's share of such pension.

Hitherto, I have been urging consideration for granting pensions by rule only for service under certain funds; the method of assessment is a question wholly independent. Were all the cesses pretty equal in amount and in disposition in all districts, pensions granted might be charged in a lump, and at the year's end recovered from the different funds in the same proportions as the charge of my establishment; but the nuzool fund varies much from district to district; the school fund is expended wholly on (pensionable) establishment; while the road fund chiefly pays for works. The assessment, then, should be on the pensionable establishment of each fund, if it be, as I fear, impossible to adopt the plan in theory simpler, of recovering from each fund pension in proportion to the amount of pay drawn from it by the pensioner. But by the time these rules have benefited fifty or a hundred pensioners, some of whom have served the school fund of Etawah, the district dāk of Mynpoory, the nuzool of Agra, the road and ferry of Allygurh, and lastly, the Government Salt Department, the accounting for the pensions paid will be no simple matter; and as no classification that I can see can reduce these funds to less than three pairs to be treated provincially (if ever they be made universal) and a single one (nuzool) to be kept apart for every single district (I here neglect the special funds), I could not recommend the voluntary introduction of any such complication. I think, however, that a general pension fund might be created by a contribution from each fund of a certain percentage on the pay of each servant in pension grades. This contribution, however, would give no claim from past service and should be only equivalent to the future retrenchment which the promise of a pension might make possible in the pay of men employed; the Bombay proposal of 5 per cent. is manifestly insufficient, for the pension would be of one-third pay after 15 years and half pay after 25; the civil service deduction

* In comparing the charge for pensions with that for pensionable establishment in the cases of the Board and of Commissioners (the two least affected by recent changes or by claims for service rendered in other provinces) I find the pension charges to be 8.7 and 9.7 respectively.

of 4 per cent. on much larger salary gives little more than one-tenth pay after 25 years' service; considering the class of men affected (so far as guesses rather than statistics go) I think* a deduction of 10 per cent. would create a solvent fund, and would not be larger than might be reasonably made, and even be welcomed by the persons concerned. If the experience of 30 years—a time too short to give ground for real calculation, as service only now could begin to count—showed this deduction to be too large, refund of the excess assets could be allowed to the contributory funds in the form perhaps of a year's remission. But it must be remembered that the calculations on which the Police Superannuation Fund was based are hardly encouraging, and it cannot be expected that Government will give a more favourable rate of interest to the realizations of any new fund; the civil service annuity receipts bear 6 per cent. half as much more. I cannot therefore hope that a 10 per cent. contribution would leave any divisible surplus.

I have strongly urged the unfairness to the funds concerned of counting for pension any past service. As a weaker but wholly independent argument, I would mention my experience of the difficulty of really testing service not recorded in contemporaneous records filed out of reach of change in a central office; perwannahs of appointment cannot be trusted to distinguish between a known permanent post, and a temporary or acting one, or even a mere tolerated attendance in office, and

AUG. 13,
1870.
No. 47.

- No. 37. are evidently worthless in proof of service, unbroken by gaps, dismissals, or absence on leave.

As the receipts which formerly made the Tulubana and Record Funds are now credited to Government, there can be, I fancy, no doubt that the men now doing the work of men formerly paid from those funds will have a claim to pension from Government for their present service if the detailed establishments be formally sanctioned by Government of India.

I have, &c.,

R. TAYLOR,

Offg. Accountant-Genl. N.-W. P.

- No. 38. From Officiating Secretary to Government, North-Western Provinces, to Officiating Secretary to the Government of India, Financial Department (No. 637A.)—Dated Nynce Tal, the 10th August, 1870.

No. 48.

SIR,—Referring to the orders of the Right Hon'ble the Governor-General in Council, as contained in Financial Resolution No. 2197, dated the 24th April, 1868, I am directed to submit, for the consideration of His Excellency in Council, the following remarks on the subject of the grant of pensions to persons employed on Local Funds Establishments.

2. As regards the claim to pension of persons paid from Local Funds, it appears to the Lieutenant-Governor that there can be no claim of right or equity, excepting what may hereafter be created, but that by no means implies that the orders of the Government of India shall not have retrospective effect permissively. His Honor understands that the orders do not declare any class of servants to have a claim for pension, but declares simply the conditions on which Local Governments may select individuals or classes for the privilege.

3. There are, then, three points which specially call for consideration.

I.—The funds from which such pensions are payable.

II.—The persons who are to receive pensions.

III.—The manner in which pensions are to be provided.

4. In respect of funds, the only ones, as at present constituted, which fall under the rules laid down in the above Resolution, are the Road, Ferry, Nuzool, School, and Municipal Cess Funds. The Chowkeedaree and Road Funds, which may result from the proceedings of the Committee appointed to report on local taxation, may also come within the scope of the orders hereafter. Municipal Funds are not amenable to Government control in any way that would warrant Government in making itself responsible for pensions, but municipal servants can be paid by municipalities, if desired, by a charge upon their revenues.

5. There may, the Lieutenant-Governor considers, be three classes of persons having claims to pension.

No. 38.

First, with service prior to the rules.

Second, with service subsequent to the rules, but without any engagement in respect of pension.

Third, with service under specific engagement for pension, or in a class in favor of which Government may make such specific concession.

6. In respect of the 1st and 2nd classes, it is quite clear that there can be no question as of right. In the second, the case may be somewhat stronger than the first, inasmuch as the possibility of pensions from certain funds will be known, whereas there was formerly little or no hope of such concession.

7. But even in the absence of claims arising out of rule or engagement, it is possible that pensions may under certain circumstances be expedient. Long, continued, and faithful service creates a certain claim for provision. To turn adrift a good and old servant in sickness or old age might neither be fair, nor offer a good example to other servants of the consideration which might reasonably be expected under such circumstances. Moreover, the offer of a pension might be expedient in order to induce a superannuated servant to retire, whom it might be harsh to turn off without any such provision, and who might otherwise hang on, a burden on the fund.

8. It further remains to be considered what persons or classes may be held to be in grades eligible, at the discretion of the Local Government for pension; and on this point His Honor would follow the analogy of the Uncovenanted Service Pension Rules.

9. As to the manner in which pensions are to be provided, the Lieutenant-Governor is of opinion that in respect of classes 1 and 2 above mentioned, a permission might be given to the Committees in charge of the Funds specified to propose old servants for pension when for any special cause they may think them to have a strong claim on such fund. The current revenues might in that case be made responsible for such pensions as a first charge, or if the pensions against any fund should grow in number, it might be a question whether a Pension Reserve, calculated at the capitalized value of the various claims, might be maintained in account against such fund.

10. In regard to class 3, supposing individual officers to be engaged on condition of receiving pension, or supposing a class of officials to be declared so entitled, it would apparently become necessary to make a Reserve Fund in the manner above supposed; or to provide for the formation of such a fund by deductions from salary or payments to account in such salary to be carried to a Reserve Pension Fund, calculated to meet the claims that might be made against it.

Aug. 18,
1870.
No. 48.

No. 38.

11. In conclusion, I am to enquire if the orders of the Government of India have been correctly construed in the above remarks, and whether the suggestions of the Lieutenant-Governor have the approval of His Excellency in Council.

I have, &c.,

C. A. ELLIOTT,

Offg. Secy. to Govt., N.-W. P.

Aug. 18,
1870.
No. 48.

No. 39. From Director of Public Instruction, to Officiating Secretary to Government, North-Western Provinces (No. 484).—Dated Nynsee Tal, the 28th July, 1870.

Aug. 20,
1870.

Sim,—With attention to Government order No. 541A., dated 8th current, and proposed pension rules for educational employes borne on the local fund establishment, I have the honour of reporting as follows.

Nos.
42 to 44.
No. 42.

2. Though it will be at the cost of the number of schools opened, I approve of the formation of a reserve fund for pensions, because it will enhance the value of service in the eyes of the class employed, and tend to consolidate the system.

3. Rule II. names 5 per cent. as the yearly reserve. The expenditure from the school cess fund of the North-Western Provinces is about Rs. 300,000. An annual credit of Rs. 15,000 would, therefore, be made to the fund, and this constantly increasing fund will, by Rule V., so far as I can see remain intact for 12 years, say, at the very least. The accumulation at the end of 12 years, allowing 8 per cent. interest, viz. 3½ from the Government and 4½ from investment, would amount to Rs. 300,000 in round numbers. Beyond the facts that there are about 3,000 teachers at present, and that the number is not likely to increase, I have no data for reckoning the probable number of pensioners 12 years hence, but assuming it to be 400, and the average pension to be Rs. 5 per mensem, it is clear that a yearly expenditure of Rs. 24,000 would meet the demand; which sum is neither more nor less than the interest at 8 per cent. of the accumulated fund alone at the end of 12 years.

4. From the above considerations it appears that, as far as the North-Western Provinces are concerned, an annual credit of 5 per cent. of the school cess expenditure, will produce in 12 years, at 8 per cent., a fund sufficient to maintain 400 pensioners at Rs. 5 per mensem.

5. I should suggest under these circumstances, either that the 5 per cent. credit should be legalized for 12 years only, or that a smaller percentage should be taken, say 3 per cent. for the first 12 years, by which time the probable requirements of the fund will have been ascertained with some degree of certainty.

6. I append the remarks offered by the Officiating Inspectors of the 1st and 3rd Circles. The latter officer's objections, as to the trouble of separate accounts, and the inconsistency of creating a general fund, do not seem to me sufficient to outweigh the obvious advantages of a pension scheme.

I have, &c.,

M. KEMPSON,

Director of Public Instruction, N.-W. P.

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No. 40. From Inspector, 1st Circle, Department Public Instruction, to the Director of Public Instruction, North-Western Provinces (No. 103).—Dated 16th July, 1870.

AUG. 20,
1870.

SIR,—Considering the comparatively small number of Hulkabundee teachers and others whose salaries the present rules will render pensionable, a yearly transfer of 5 per cent. of the yearly expenditure will prove, I think, ample, more specially as for some years no one will be entitled to any pension from the fund (Rule V.), and as the fund will also be put out to interest.

No. 43.

2. The only objection that can possibly be made to Rule V., if indeed it can be regarded as an objection at all, is that a Government servant who derives his salary partly from Government and partly from the Local Fund, and may be compelled through circumstances to retire from the service, will only obtain the pension due to him from Government, not any from the Local Fund (vide Rules V. and VI).

3. As the amount of pension depends on the last five years of service, many persons might serve some years in posts payable partly from Government and partly from the local fund, might then be transferred to a purely Government appointment, and at last derive their whole pension from Government. The former kind of appointments therefore might often be filled by men who in the end would be no burden on the fund, which would thus have one more tendency to increase.

4. As regards Rule VIII. it is of course imperative that the "share of pension" should depend on good conduct. Of the ultimate sufficiency of the pension fund I feel sanguine. The amount of pension being determined by Rule VI, that amount I think it should always be "the pleasure of Government" to grant, the other two conditions of Rule VIII. permitting. The Hulkabundee teachers would appreciate the certainty of obtaining a stated pension, and would do their work more earnestly.

I have, &c.,

E. T. CONSTABLE,

Offg. Inspr., 1st Circle,

From Inspector, 3rd Circle, Department Public Instruction, to the Director of Public Instruction, North-Western Provinces, (No. 36).—Dated 18th July, 1870.

SIR,—I have the honour to acknowledge the receipt of your docket No. 136A., dated 19th July, and in answer to say that in my opinion this creation of a new fund for pensions will do no good. The most I can say in its favour is that it may not do much harm; Rule VIII. clearly says that "pension * * * shall not be claimed as a right, but shall depend upon * * * the sufficiency of the Pension Fund." Why not allow it to "depend" on the "sufficiency" of the Hulkabundee Fund, as it does now, and save us the trouble of keeping separate accounts which separate funds always involve? When a pension fund has been formed, if we have no pension to give, the quota of the school cess paid to the pension fund will remain unemployed to the detriment of our schools; and if we have to give more pensions than 5 per cent. enables us to do, the fund will be of no use. Besides, unless we create a fund for each district, the scheme will not be consistent with the principle hitherto acted upon.

I have, &c.,

R. T. H. GRIFFITH,

Offg. Inspr., 3rd Circle.

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No. 41. From Officiating Junior Secretary to Government, North-Western Provinces, to Director of Public Instruction, (No. 3592A.).—Dated Nynee Tal, the 16th August, 1870.

AUG. 20,
1870.
No. 44.

SIR,—In reply to your letter No. 484, dated 28th July, I am directed * No. 637 A., dated 10th August. to forward for your information, copy of a letter* addressed to the Government of India on the subject of the grant of pensions from Local Funds, and to state that the special arrangements for the Educational Department will be taken into consideration when the orders of the Supreme Government are received.

I have, &c.,

P. WHALLEY,

Offg. Junior Secy. to Govt., N.-W. P.

No. 42. From Assistant Secretary to Government of India, Financial Department to Officiating Secretary to Government, North-Western Provinces (No. 3090).—Dated Simla, the 26th August, 1870.

OCT. 22,
1870.
Nos.

SIR,—In reply to your letter No. 637A., dated 10th August, 1870, I am directed to state that in the remarks therein made on the subject of the grant of pensions to persons employed on Local Funds Establishments, the Government of the North-Western Provinces has correctly construed the orders of the Government of India, and that the Governor-General in Council approves of the suggestions of His Honor the Lieutenant-Governor.

35 AND 36.
No. 35.

2. With reference to paragraph 10 of the letter, I am to say that the Bombay rules for pensions to educational employes paid from Local Funds, forwarded as specimen, with my letter No. 240, dated 16th June, 1870, may be useful in the event of the Government of the North-Western Provinces deciding to form a reserve fund for the grant of pensions to Local Funds employes.

I have, &c.,

R. H. HOLLINGBERRY,

Asst. Secy. to the Govt. of India.

Copy of the above letter and of the one to which it replies, furnished to the Accountant-General, North-Western Provinces.

No. 43. From Officiating Secretary to Government, North-Western Provinces, to Accountant-General (No. 4372A.).—Dated Nynee Tal, the 17th October, 1870.

No. 36.

SIR,—Referring to the docket from this office No. 542A., dated the 8th July last, with its enclosures, I am directed to forward to you the accompanying copy of a letter No. 484, dated the 28th of the same month, from the Director of Public Instruction, North-Western Provinces, on the subject of the grant of pensions to persons employed on Local Funds Establishment, and to request that you will favour Government with an early expression of opinion on the suggestions therein made.

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No. 43. 2. His Honor doubts the necessity of forming any reserve funds as yet. It is only in the event of claims to pension becoming numerous that such funds would be requisite. While the claims are few they can be met from current revenues without any appropriation.

OCT. 22,
1870.

No. 36.

3. What is now required, His Honor thinks, is to issue a few simple and clear rules for the guidance of committees and other administrators of funds as to the persons or classes which may, from time to time, be recommended for pension under the circumstances indicated in the letter from this office No. 637A., dated 10th August, copy of which was sent to you by the Financial Department with their letter No. 3090, dated 26th August.

4. I am to request that you will draw up a few short rules of the nature suggested, which may, as far as possible, admit of general application to all the Local Funds from which pensions will in future be payable.

5. You are also requested to submit with the draft rules the information which, as appears from Mr. Taylor's letter No. 4970, dated 31st May, has been collected in your office, regarding the number of persons who are now eligible for pension on account of service performed prior to the present time; and also the numbers now employed in the different funds on salaries exceeding Rs. 10 per mensem, and who have therefore to their credit more or less service which may hereafter, at the pleasure of Government, be allowed to count for pension.

I have, &c.,

C. A. ELLIOTT,

Offg. Secy. to Govt., N.-W. P.

No. 44. From the Accountant-General, to Officiating Secretary to Government, North-Western Provinces (No. 19325-15361P). Dated Allahabad, the 10th December, 1870.

JULY 15,
1871.

SIR,—I have the honour to forward the draft rules required by the 3rd paragraph of your letter No. 4372, dated 17th October last, together with the information required in the 5th paragraph of your letter.

Nos.
44 to 46.

No. 44.

As it does not seem the intention of Government that any deductions should be made from salaries to constitute a pension fund, I see no object in charging Government with interest in order to form one.

As the pensions appear to be a pure addition to the present salaries, I think that Government should not delegate to any inferior authority the power to make specific engagements with any person or class.

I have, &c.,

W. WATERFIELD,

Accountant-Genl., N.-W. P.

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No. 45.

RESOLUTION, No. 732 A.

GENERAL DEPARTMENT.

Dated Nynce Tal, the 12th July, 1871.

JULY 15,
1871.

No. 45.

READ the following papers on the subject of the grant of pensions to Local Funds Establishments:—

Extract from Financial Resolution No. 2197, dated the 24th April, 1868, and annexed memorandum.

Letter to Government of India, Financial Department, No. 637A., dated the 10th August, 1870.

Letter from Government of India, Financial Department, No. 3090, dated the 26th August, 1870.

Letter from Accountant-General, North-Western Provinces, No. ^{10,325}_{15,361P.}, dated the 10th December, 1870, and enclosed rules for regulating the grant of pensions.

Observations.—By Financial Resolution of the 24th April, 1868, the grant of pensions was authorized to persons employed on establishments paid from Local Funds on the conditions that the income of the fund from which the pension is granted is derived from taxation, and that the fund is under the control of Government, as to the sources of its income, such pensions being chargeable to the same source from which those persons received their salaries.

These orders, it seemed to the Lieutenant-Governor, did not declare any class of servants to have a claim for pension, but merely the conditions on which individuals or classes might be selected for the privilege.

The only funds which appeared to His Honor to fall under the rules were the Road, Ferry, School, and Municipal Cess Funds, which are now amalgamated under the name of the Local Cess Fund, and the Nuzool Fund. There were, it was considered, three classes of persons who might have claims to pension.

(1.) Those with service prior to the new rule.

(2.) Those whose service commenced subsequent to the rule but without any engagement in respect of pension.

(3.) Those with service under specific engagement or in a class in favor of which Government may make a specific concession.

In respect of the 1st and 2nd classes there could, it was thought, be no claim to receive a pension or gratuity as a right either by rule or by special engagement. But still it is possible that the grant of some allowance might under certain special circumstances be expedient; and in this view, Committees in charge of the funds specified would be authorized to propose old servants for pension or gratuity when, for any special cause, they may think them to have a strong claim on such fund. The current

- No. 45. revenues might be made responsible for pensions as a first charge, or if the pensions against any fund should grow in number it might be a question whether a pension reserve calculated at the capitalized value of the various claims might not be created out of such fund.

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1871.
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In regard to class 3, supposing individual Officers to be engaged on condition of receiving pension, or supposing a class of officials to be declared so entitled, it would apparently become necessary to make a reserve fund in the manner above suggested or to provide for the formation of such a fund by deductions from salary or payments to account in such salary to be carried to a Reserve Pension Fund, calculated to meet the claims that might be made against it.

As to the persons and classes to be considered eligible for pension, His Honor was inclined to follow the analogy of the Uncovenanted Service Pension Rules.

The principles above sketched out having been approved by His Excellency the Governor-General in Council, the Accountant-General was requested to frame a set of rules to give effect to them.

These have now been submitted, and are with some slight amendments approved by the Lieutenant-Governor. They are annexed to this Resolution. The question whether a gratuity or a pension should be granted in any particular case should be considered on its merits. It should be recollected that the gratuity system is much more simple and less cumbersome than the pension system. Indeed, in most cases the grant of a gratuity at the rate of one month's salary for each year of service will probably suffice, and would be valued by the recipient equally with a pension.

No attempt is made to define the classes entitled and those not entitled to the proposed concession. The appointments under the several local funds are so various and heterogeneous that it will be more prudent to wait till actual cases occur and the system has developed, than to attempt, just now, to frame any rule on abstract grounds. Besides, officers of the same class and designation are often entertained under very different circumstances. Especially is this the case with District Engineers, some of whom might almost rank with permanent officers of the Department Public Works, others being on a most precarious and uncertain footing with no equitable expectations of pension.

For the present, His Honor is disposed to fix merely a money limit and to declare that all servants drawing Rs. 20 or more from the Local Funds specified are eligible for pension or gratuity.

C. A. ELLIOTT,
Offg. Secy. to Govt., N.-W. P.,

- No. 45. ORDERS.—Ordered that copies of this resolution with copies of the rules be forwarded to all Commissioners of Divisions, all Collectors and Magistrates, Secretary to this Government in the Public Works Department, Director of Public Instruction, North-Western Provinces, and Accountant-General, North-Western Provinces, for information and guidance.

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1871.
No. 45.

Ordered also that copies be published in the *North-Western Provinces' Government Gazette* for general information.

- No. 46. *Rules for pensions and gratuities to persons employed on Local Fund Establishments.* No. 46.

1. Pensions and gratuities may be granted under the provision of the uncovenanted service rules, to all servants drawing more than twenty rupees a month, who may, with the sanction of Government, be entertained under specific engagement for pension or belong to a class in favour of which Government may hereafter make such specific concession from the local cess and nuzool funds.

2. Such pensions or gratuities will be defrayed from the fund under which service has been rendered, but when the service has been rendered to two or more funds, or when a portion of the service has been on an establishment paid from the general revenues, the pension or gratuity shall be charged to the several local funds, or to the local fund and the general revenues in the proportion of the total receipts of the applicant from each source during the whole course of his service.

3. The pension or gratuity whether debitable wholly to local funds, or in part to the general revenues, will be defrayed in full from the latter source. In the case of pension the amount, with the exception of the portion debitable to the General fund, will be recouped annually by a debit in account to the funds concerned, under orders of the Accountant-General.

4. Persons entertained without any specific engagement for pension may, for long continued and faithful service, be recommended for pension, or gratuity, but they will have no claim to such provision or gratuity and each case will be decided on its own merits.

5. Applications for pensions or gratuities should be submitted through the Committee in charge of the fund from which the applicants are paid, and in the form prescribed for pensions or gratuities payable from the general revenues.

The applications will be forwarded by the Committee through the Commissioner, or in the case of school fund through the Director of Public Instruction to the Accountant-General for report and submission to the Government of the North-Western Provinces.

6. The Government will have no objection to Municipalities or other Committees, not mentioned in the preceding rules, recommending their servants for pension, and will consider such recommendation with the rest of the budget of the year, but will not hold itself responsible for the payment. In the event of any pension being approved under the provisions of this paragraph, the payment must be made by the Committees themselves, though they will be stowed under paragraph 92 of the bill rules to remit money at par on this account by bills drawn on any other treasury.

C. A. ELLIOTT,
Offg. Secy. to Govt., N.-W. P.

- No. 47. From Officiating Secretary to Government, North-Western Provinces, to Secretary to the Government of India, Financial Department (No. 781A.).—Dated Nynce Tal, the 12th July 1871.

JULY 15,
1871.
No. 47.

SIR,—With reference to your letter No. 3090, dated the 26th August, 1870. I am directed to submit, for the information of His Excellency the Governor-General in Council, copy of a Resolution, together with a set of rules framed by the Accountant-General, which have been approved by the Lieutenant-Governor, on the subject of the grant of pensions to Local Funds Establishments.

I have, &c.,
C. A. ELLIOTT,
Offg. Secy. to Govt., N.-W. P.

- No. 48. From Under-Secretary to Government of India, Financial Department, to Officiating Secretary to Government, North-Western-Provinces (No. 2456.)—Dated Simla, the 31st July, 1871.

AUG. 26,
1871.
Nos.
62 to 64.
No. 62.

SIR,—I am directed to acknowledge the receipt of your letter No. 781A., dated 12th July, 1871, submitting copy of a Resolution by His Honor the Lieutenant-Governor, together with a set of rules framed by the Accountant-General which have been approved by His Honor, on the subject of the grant of pensions to Local Funds Establishments.

2. In reply, I am to say that, the Governor-General in Council has no objections to the rules; but he desires it to be understood, that pensions must be entirely met from Local Funds, and that the revenues of the State are in no way pledged to supply any deficiency in the means of meeting the pensionary charges, even should the Local Funds be abolished.

3. The Governor-General in Council does not understand the precise position of the municipal cess, or of the Municipal Committees, who may under certain circumstances recommend servants for pension. The Government has nothing to do with pension to municipal servants, nor (under the law as it in some places stands) can Municipal Funds be spent in pensionary allowances.

4. I am desired to draw attention to a discrepancy between the first rule which admits to pension servants drawing "not more than Rs. 20 a month," and the last paragraph of the Resolution of the Government of North-Western Provinces which admits all "drawing Rs. 20 or more," and I am to ask which is correct.

I have, &c.,
J. WESTLAND,
Under-Secy. to Govt. of India.

Copy forwarded to Accountant-General, North-Western Provinces.

- No. 49. From Officiating Secretary to the Government, North-Western Provinces, to Secretary to the Government of India, Financial Department (No. 949 A.).—Dated Nynce Tal, the 25th August, 1871.

No. 63.

SIR,—In reply to paragraph 4 of your office letter No. 2456, dated 31st July, I am directed to state, for the information of His Excellency the Governor-General in Council, that the intention was to declare

- No. 49. that pensions or gratuities might, under certain circumstances, be granted from local funds to Uncovenanted Servants drawing Rs. 20 a month, or more, as stated in the last paragraph of the Resolution, and not as in paragraph 1 of the Rules to those servants only drawing more than Rs. 20 per mensem.

AUG. 26,
1871.
No. 63.

2. Adverting to the 3rd paragraph, I am to explain that the Municipal Cess has no connection with funds raised under the Municipal Act (VI. of 1868). The cess was a rate on the Land Revenue set apart for the Village Police, &c., but has now no separate existence, having been amalgamated with the Road and School Cesses under the name of the "Local Cess Fund."

3. As regards municipalities, the intention was merely to declare that if the Committees desired to pension their servants, Government in its controlling power would not object to admit the charge in their Budgets. There is nothing in the North-Western Provinces Municipal Act which prohibits the income raised under it being spent on pensionary allowances if the Municipal Committees so determine, and the Lieutenant-Governor confirms the determination.

I have, &c.,
C. A. ELLIOTT,
Offg. Secy. to Govt., N.-W. P.,

No. 50.

No. 950A.

No. 64.

ERRATUM.

FINANCIAL DEPARTMENT.

Dated the 25th August, 1871.

In the second line of rule 1 of the Rules for the grant of pensions and gratuities to persons employed on Local Fund Establishments published with Resolution No. 732A., dated 12th July, for "drawing more than Rs. 20 a month," read "drawing Rs. 20 a month, or more."

C. A. ELLIOTT,
Offg. Secy. to Govt., N.-W. P.

- No. 51. From Under-Secretary to the Government of India, Financial Department, to Secretary to the Government of Bengal (No. 3177).—Dated Simla, the 31st August, 1871.

OCT. 14,
1871.
Nos.
67 to 69.
No. 67.

SIR,—I am directed to acknowledge receipt of your No. 747, dated 25th February, 1871, on the subject of granting pensions to members of establishments paid from Local Funds, in which it is represented that many difficulties lie in the way of carrying out the views of the Government of India.

2. In the first place, I am to point out that the Government of Bengal have given to the Resolution of April 24, 1868, No. 2197, a wider application than was intended. It was explained in the letters of this Department, No. 1841, dated 19th

No. 51. August, 1868, and No. 3252, dated 30th November, 1868, that the object of the Resolution of April, 1868, was not to create a *right* to pension on the part of employes under Local Funds, but only to authorise the Local Governments to grant pensionary allowances to such officers if they thought fit. It would be entirely at the option of the Lieutenant-Governor to lay down such a rule as that contemplated in paragraph 4 of your letter under reply; and the embarrassment anticipated in paragraph 5 would also be avoided by abstaining from making any promise of pension to servants paid from insolvent funds.

3. In another respect, also, the papers submitted with the letter under reply show a more liberal interpretation of the rule than was intended. It is found, for example, that Municipal Funds are included in the list of those coming within its scope; whereas such funds do not satisfy the conditions expressed in paragraph 4 of the Resolution of April 24, 1868, for they are not, as to the source of their income, under the control of Government. In respect to the pound fund and the chowkeedaree fund, it is doubtful whether, as the law at present stands, pensions can be awarded from them.

4. The references made in your letter to a proposed formation of a pension fund by deduction from salaries, probably arise from the orders of this Department, No. 940, dated 16th June, 1870, which contained, as models, certain rules proposed by the Government of Bombay for the constitution of an educational pension fund there.

5. The Government of India, on a re-consideration of the whole subject, is disposed to withdraw the approval which it then expressed of the scheme set forth in these rules. There is an almost entire absence of data on which to estimate the amount of deduction, which would be necessary to render such a fund solvent, and such calculation as can be made, renders it extremely doubtful whether five per cent. is nearly enough to cover the contingent charge; and it is of course out of the question to guarantee from imperial revenues the solvency of any such fund. A pension fund formed by deduction from salary is, perhaps, objectionable also on another ground, namely, that it to a certain extent unnecessarily fetters the hands of the employer.

6. In the case, therefore, of Local Funds which will, beyond a doubt, be able, without embarrassment, to meet the pensionary claims of employes, it seems to the Government of India, that it would be best, should the Local Government think proper to grant to the employes a right to pension, to leave the pensionary claims to be met when they arise. And in Local Funds, regarding whose position there is not the same absence of doubt, it would appear to be the wisest course to abstain from making any absolute promise of pension. The ability of such funds to provide any pensions which, on special grounds, it may be deemed desirable to grant, can be more easily determined when the claim is presented for consideration, than it can be at a time antecedent by many years to the actual accrual of the charge.

7. It might even be a matter for the consideration of the Local Government whether, considering the peculiar constitution of Local Funds, it would not be well, especially in the case of such as are of uncertain solvency or stability, to credit to a separate account the capital value of any pension granted. The necessity of providing at once the entire value of a pension, instead of throwing the charge forward upon future years, would, perhaps, afford a useful check against indiscriminate recommendations by those who have the management of the funds.

I have, &c.,

J. WESTLAND,

Under-Secy. to Govt. of India.

OCT. 14,
1871.
No. 67.

No. 51. Copy forwarded to Local Governments.
Copy forwarded to Government of Bombay, with reference to No. 1496, dated 10th August, 1868, and No. 939, dated 16th June, 1870, from this Department.
J. WESTLAND,
Under-Secy. to the Govt. of India.

OCT. 14,
1871.
No. 67.

No. 52. From Under-Secretary to Government of India, Financial Department, to Officiating Secretary to Government, North-Western Provinces (No. 3553).—Dated Simla, the 12th September, 1871.

No. 68.

SIR,—In acknowledging the receipt of your letter No. 949A., dated 25th August, 1871, I am directed to refer the Government of the North-Western Provinces to the declaration of principle regarding pensions for service under Local Funds, contained in the letter to the Government of Bengal, No. 3177, dated 31st August, 1871, a copy of which was furnished to the Government of the North-Western Provinces.

I have, &c.,

J. WESTLAND,

Under-Secy. to Govt. of India.

No. 53. From Officiating Junior Secretary to Government, North-Western Provinces, to Officiating Director of Public Instruction, (No. 1222A.).—Dated Nynsee Tal, the 11th October, 1871.

No. 69.

SIR,—Referring to the endorsement from this Department, No. 541A., dated the 8th July, 1870, I am directed to forward to you the accompanying extract, paragraphs 4 and 5, from a letter from the Under-Secretary to the Government of India, Financial Department, No. 3177, dated 31st August last, to the address of the Secretary to the Government of Bengal, from which it will be seen that the sanction accorded to the Bombay educational pensionary rules has been withdrawn.

I have, &c.,

J. H. LLOYD,

Off. Junior Secy. to Govt., N.-W. P.

No. 1223A.

Copy forwarded to Accountant-General, in continuation of docket No. 542A., dated 8th July, 1870.

No. 54.

RESOLUTION No. 187A.

FINANCIAL DEPARTMENT.

Dated Allahabad, the 5th June, 1872.

READ the undermentioned papers regarding the rules for the grant of pensions to Local Funds Establishments:—

Financial	8th	August,	1868,	Nos.	19-20
"	29th	"	"	No.	41
"	29th	"	"	Nos.	42-3

JUNE 8,
1872.
No. 34.

FINANCIAL DEPARTMENT.

NORTH-WESTERN PROVINCES, JUNE, 1872.

PROGS.
No. AND
DATE.

No. 54.

Financial	12th	September, 1868,	No.	29
"	26th	"	"	34
"	10th	October, "	"	27
"	14th	November, "	"	38
"	2nd	January, 1869,	Nos.	45-6
"	13th	February, "	No.	37
"	20th	"	Nos.	34-5
"	13th	March, "	No.	42
"	27th	"	"	14
"	12th	June, "	Nos.	30-1
"	10th	July, "	"	54-7
"	17th	"	No.	44
"	28th	August, "	Nos.	23-5
"	25th	September, "	No.	28
"	15th	January, 1870,	"	36
"	9th	July, "	Nos.	41-2
"	13th	August, "	"	47-8
"	20th	"	"	42-4
"	22nd	October, "	"	35-6
"	15th	July, 1871,	"	44-6
"	15th	"	No.	47
"	26th	August, "	Nos.	62-4
"	14th	October, "	"	67-9

JUNE 8,
1872.
No. 34.

ORDER.—Ordered that the above-mentioned papers be printed in the volume of proceedings for the current month.

F. C. DAUKES,
Asstt. Secy. to Govt., N.-W. P.

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19

Note.

In Drafting from orders, the Hanka W. Audleston's note has been incorporated in the original Draft G.O. from para 9 - the remainder of the original ~~letter~~ being struck out.

The reason of the suggestion before the

19

In Feb 70 9/80

replies to the Board
of Rev. apparently was,
that the report called
for from the Board
by Co. O. 18 Dec. 1879 No
2435 p. 4 had not
been submitted.

It may be un-
necessary to wait any
longer for it

B. T. Mason

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36

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Wm. W. Haddleton

MA

Ms. A. 5. 81
No. 5-87

Local Fund Raising

900
237 21

The draft of the paper
I refer the question to
the B. of the. but
after reading the replies
from the other Govts.
I am disposed to
think that service
under L. F. B. D. com. is
: better under shadow
but not yet. I have not
entirely to the L. F. B. D. for
such funds. but

that the Govt. will be
prepared to consider
on their merits appls.
from such B's for
sanction & gratuities
a. statement in individual
cases of long & good
service - that the
decision on each
application will be
guided by the principles
& limitations of the

Financial Code relating
to gratuities from Govt.
funds & Govt. servants.

L.B. 15/4/87.
900
38
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No. 785
34

CHIEF
CL

A
H.D.
1 MAR 80

FROM *L. Kall Engeb. S.*
OFFICE SECRETARY TO THE CHIEF COMMISSIONER,
CENTRAL PROVINCES.

TO *Chief*
THE SECRETARY TO THE GOVERNMENT OF ~~India~~,
Nadiv

Dated Nappur, the 25th February 1880.

SIR,

I am directed to acknowledge your letter No. 306, dated 13th February 1880, asking for early information regarding the practice prevailing in the Central Provinces as regards the payment of pensions and grant of leave allowances to servants from Local or District funds. *qob* 2

2. In 1868, the Chief Commissioner circulated to all Heads of Departments, the Government of India Extract, Finance Resolution No. 2127, dated 24th April 1868, on the subject of the eligibility for pension of persons employed by Municipalities or in any establishments paid from Local Funds, and directed that should claims to pensions of this kind exist, provisions to meet the charges should be made.

GO (Finl) 906/81

906/2

only made in the Local Funds Budget.

3. In a Book Circular No. XXXII dated 9th July 1869, the Chief Commissioner observed that he had decided that the grant of pensions to servants of Municipalities and Local Funds establishments shall in no case be obligatory, except when a promise of pension has formed part of the terms of engagement. But Municipalities and Local Fund Committees shall be empowered to recommend grant of pension or gratuity in all cases where such indulgence may seem necessary, having regard to the length & character of the applicant's services, to the state of his circumstances, and to the condition of the fund from which the grant is to be made. Terms ⁹⁰⁶more favorable than those do not seem to be necessary to secure the services of suitable candidates for local employment, which has ordinarily the advantage over the regular Government service of allowing the employe to serve permanently in or near his home.

In 1871, the Government of India

906/28

906/28

India circulated for information its letter No. 3177 of 31st August 1871 to the Government of Bengal, regarding the grant of pensions to members of establishments paid from Local Funds. A perusal of this letter did not seem to make it necessary to alter or add to the existing instructions, but in circulating it, the Chief Commissioner remarked, that he would be prepared to consider the following suggestion of the Government of India.

"It might even be a matter for the consideration of the Local Government whether considering the peculiar constitution of Local Funds, it would not be well, especially in the case of such as are of uncertain solvency or stability, to credit to a separate account the capital value of any ⁹⁰⁶pension granted. The necessity of providing at once the entire value of a pension, instead of throwing the charge forward upon future years, would perhaps afford a useful check against indiscriminate recommendation by those who have to manage

28

manage

management of the funds."

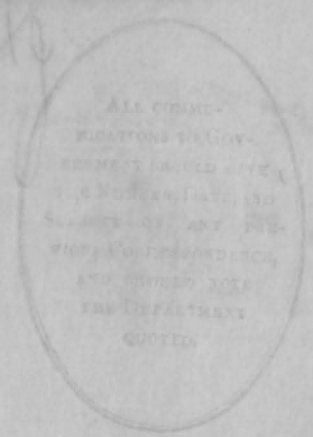
5. In cases which have actually come before him, the Chief Commissioner has been guided by the provisions of the Civil Pension Code (Sects. 39, 40 & 41), and has decided cases on their merits, and he has also regulated the leave allowances of Local Fund employees by the Code rulings.

6. It is hoped that the foregoing information may be — that which is wanted by the Government of Madras.

I have the honor to be
Sir, Your most Obedt Servt

L. Hill

Offg Secretary.



No. 361A of 1880.

96/3P
96

ROBERT SMEATON, Esq.,
JUNIOR SECRETARY TO GOVERNMENT,
NORTH-WESTERN PROVINCES AND OUDH.

The Chief Secretary to the Government
Fort Saint George

Dated Allahabad the 2^d of March 1880.

R.D.
8 MAR 80

Financial DEPARTMENT }
M.P. & Oudh.

In reply to your letter N. 305, dated
13 February 1880 I am directed to forward to
you the accompanying printed collection
of papers as per margin regarding the

Proceedings for the year 1872 grant of pensions to persons
employed on Local Funds established
in 1872. I am directed to add that there are no special
orders regarding leave.

I have the honor to be,
Sir,

Your most obedient servant

DISPOSED OF
20 MAY 81
BY G. O. N.

Smeaton

Junior Secretary to the Government
M.P. & Oudh.

From
Hind (1880) DEPARTMENT
(Local Funds - Pensions to)

in Chief, Junior
Chief Secretary
No. 785
14

Dated 28 February 1880
Received 1st March 1880

No. 655

Stating that the Chief
Commissioner C. P. has been
guided by the provisions
of the Civil Service Code
and has decided cases on
their merits, and he has
also regulated the leave
allowances of Local Fund
employees by the Code ruling.

From (1880) Dep. Secy.
(Pensions & Gratifications)
(Local Fund)

From the Government of
North Western
Provinces & Central
India

Dated 2nd March 1880
No. 82

N. 361

N. 709

Forwarding copy of a
printed collection of papers
regarding the grant of pensions
to persons employed on local
municipal establishment and
stating that there are no
special orders regarding the

No. 596. 9th 4P

From, Mr. M. Young, Esquire,
Secretary to Government

To, The Secretary to the
Government of Madras

A The Secretary to the
Government of Madras

Dated, 1st March 1880 -

Financial. Sir, In reply to your letter

No. 307 dated 13th Current, I am de-
sired to state for the information
of the Government of Madras, that
the employees of district and
Municipal Committees in the
Paiyale have been held to be
not ordinarily entitled to pensions.
The arrangements in this respect,
and also in regard to the grant of leave

are at the discretion of the Com-
mittees, subject to the general control
exercised by the Commissioners of
local divisions, and of the Govern-
ment, over any expenditure incurred
by the Committees, namely, to see
that expenditure is not of extravagant
amount or for a purpose not legally
correct, or otherwise inexpedient and
improper -

In some cases, the servants of Muni-
cipal and District Committees have
been allowed to subscribe for
providential pensions, when either
the persons, if formerly imperial
or provincial servants, have
special claims to consideration on their
merits, or when their employment
under such Committees and the
arrangements consequent thereupon

5-P
are shown to be in provincial
interests. These are very excep-
- al cases -

906
24.28
Have the honor to be,
Sir,
Yours most obedt. Servant
Robt Wainland
for secy. to Government Punjab
WR

R.D.

8th DE 80

R.D.

11 MAR 80

Financial DEPARTMENT.
Finance.

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25 29

No. 506.

From Baboo Rajendra Nath Mitra
Assistant-Secretary to the Government of Bengal,

To

The Chief Secretary to the Government of Bengal

Calcutta, the 4th March 1880.

Sir,

I am directed to acknowledge the receipt of
your letter No. 303 dated 13th ultimo, enquiring what is the
practice prevailing in Bengal as regards the payment
of pensions and grant of leave allowances to servants
paid from Local or District Funds.

2. In reply, I am desired to say that the practice
in Bengal is regulated by section 46 of the Civil
Pension Code as regards officers lent from the service
of Government to bodies financially independent of
the Government of India. For the rest I am to say

From the Government
District 10th March 80
No. 596
No. 210
Attesting that the
employment of servants and
local Committee in
the Bengal have been
settled in accordance
with the provisions.

under section 39 (as it stood before its last amendment) the grant of pension was entirely discretionary with the Government, and as a rule pension seems to have been granted in the cases contemplated by the section.

The question, however, of allowing pensions and leave allowances to the employees of District Road Funds is at present under discussion in connection with a Bill for amending the District Road Cess Act now pending before the legislature. The existing Act does not empower a Road Committee to give either pension or leave allowances.

In the Calcutta Municipality though the Act provides for the grant of pensions, the policy of the Commissioners is generally opposed to such grants but leave is constantly given on special terms made to suit each case and pensions and gratuities are sometimes granted.

I have the honor to be,
Your most obedt. servant

Rajendra Nath Mitra

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986
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Final (187) DEPARTMENT.
(Local Funds. Pensions & leave)
From
His Government
of Bengal
No.
586

N. 740
Dated 4. } March 80.
Received 11. }

No.

Replying to Enquiry
as to what is the practice
prevailing in Bengal
as regards the payment
of pensions & grant of
leave allowances to
servants paid from
Local or District funds.

N^o 1075 of 1880 7th
Financial Department
Bombay Castle 25th March 1880
From
A J. Nugent, Esquire ^{get} 28.31
Acting Secretary to the Government
of Bombay
To
The Chief Secretary to the Government
of Madras
Sir,

With reference to your letter
N^o 304 dated 13th Ultimo, I am directed to
forward the accompanying copy of a --
Memo: from the Accountant General,
Bombay, which contains the infor-
mation required by the Government of Madras
in regard to the payment of pensions and
grant of leave allowances to servants paid
from Local Funds in this Presidency.

N^o 2.7th dated 16th
19466
March 1880.

DISPOSED OF
20 MAY 81
I have the honor to be
Sir,

Your Most Obedient Servant
E. J. Nugent.

For Acting Secretary to Govt

N^o. L. F. 19466 of 1879-80. 880

Local Funds Department
Bombay 16th March 1880.

A

The undersigned has the honor to state that the payment of pensions and leave allowances to servants paid from Local Funds in this Presidency, is governed by the rules applicable to uncovenanted ser-
vants of government vide Section 39 of the Civil Pension Code and Section 12 of Civil Leave Code.

2. The Pensions of the Employees in the Public Works and Educational Branches of the Incorporated Local Funds, are paid from the Local Fund Pension Fund created in 1870, vide Rules published in the Bombay Government Gazette of the 29th September 1870 page 1062; and those of the employees of the "Excluded Local Funds" are paid from the Funds concerned, provided they satisfy the conditions laid down in Section 39 of the Civil Pension Code and are solvent.

Signed E. L. [Signature] For Accountant General

(True copy)

E. L. Davies.

Ag Under Secy to Govt

BY G. O. No.

173

Trin. 1880/1881
Local Funds. Pension
of [Signature]

So 206/04
[Signature]
of [Signature]
of [Signature]

So 206/04
[Signature]
of [Signature]

No 1095
[Signature]

Forwarding copy of memo.
from the Accountant
General Bombay regarding
the payment of pensions
and leave allowances
to servants paid
from Local Funds in
this Presidency.

A

90
900/28/33

Papers in hand down to date:—

- ✓ X No. 655 of 1880
- ✓ X No. 709 of 1880
- ✓ X No. 710 of 1880
- ✓ X No. 740 of 1880
- ✓ X No. 955 of 1880

DRAFT ORDER.

NOTE FOR ORDERS.

with May 1881.
No 906.

In G. O. 18th December 1879,

No. 2435, para 4, the Government remarked, as follows, on the subject of pensions to Local Fund employees on the engineers' establishment: "As regards pensions it must be assumed that a pension under Government rates is a part of the condition of Local Fund Service in all its branches, but how such pension shall

to para 9 (inserted)
in clause

R.D.
1 APL 80

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shall be charged, and how
such charges shall be provided
for, is a distinct and complex
question". The Government resolved
to direct the Board of Revenue
to take the entire question of local
Fund pensions into early consideration
and to report thereon in communi-
cation with the Accountant General.

2 Subsequently the Government
received the proceedings of the
Board dated 19th December 1879
No. 3359 embodied in G.O. 13th
February 1880 No 309, on the subject
of the Engineer pensions only.

In the scheme received from dif-
ferent local Fund circles
for the organization of local
Fund Engineering establishments
the question of pensions had
been

900 108
been differently treated, some local
Fund Boards being disposed to give
pensions, others none, while
many were altogether silent
on the point. The Board of
Revenue considered that the
absence of a definite under-
standing about pensions
would seriously hamper
negotiations for the entertainment
of Engineer Officers &c, and they
proceeded to submit their views
to Government and requested the
issue of early orders.

3 It had been resolved
in 1874 (G.O. 13th March 1874 No
431) after full consideration and
a reference to all local Fund
Boards that pensions should
be

be allowed to all officers of
such P. W. establishments
as were then entertained by
Local Fund Boards & the
Board observed that the principle
of this decision was unaffected
by the fact that these establish-
-ments were now to be increased.

Doubts, they said, were expressed
in some cases as to whether
Local Funds would be able
to bear the charge, but as
the grant of pensions at all
was defensible only on the
assumption that it conduced
to greater efficiency, and there-
-fore to greater economy in the
long run and as the propriety
of granting pensions to public
servants was a recognised
principle

906
288 11P
principle which the Board did
not deem to assail, they were
of opinion that any strain there
might be on the funds of any
particular circle should be
relieved rather by reducing salaries
than by withholding pensions &
they therefore recommended that
it be notified at once to all
Presidents of Local Fund
Boards that the provisions
of the pension Code would
be applicable to the establish-
-ments now proposed to be
entertained for the execution of
Local Fund works.

4 The Board recommended
that it might be generally intro-
-duced with regard to the sanction
accorded to the various schemes,
that

(1) that the Government would not object to any reductions within 20 per cent of the sanctioned amounts of salaries & (2) that a reduction must be made in all cases in which the sanctioned scales plus 25 per cent of the salaries of pensionable officers exceeded the average amount paid for Public Works establishment during the last three years, or in the case of famine districts the three years last preceding the famine. The Board fixed upon 20 per cent of the gross salary, or 25 per cent of the net salary, that being the amount prescribed by Govt as the contribution payable

on

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on account of pensionary and leave allowances by officers of Government on foreign service. The increased liability for pensionary & leave allowances rendering it a matter of great importance that the charges should be equally distributed, the Board considered that it would be necessary to modify the rules laid down in Finance G. O 25th June 1874, No 1068, and to direct instead that 25 per cent of all salaries paid to officers entitled to leave and pensionary allowances be paid annually by each Local Fund Board into a Local Pension and

and Leave Fund from which
all pension and leave charges
should be met. As the amounts
thus set aside were in fact a
portion of the emoluments of
the officers, the Board did not
think there could be any legal
objection to the arrangement.

5 These proceedings of the
Board of Revenue were referred
to the Accountant General for
his remarks

6 That officer (letter embodied
in G. O. no 309), reported that
if it be determined that pensions
should be granted at all to the
members of the establishment
to be entertained for the
execution of Local Fund

Public

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Public Works, he thought it de-
-sirable that such officers
should be made to understand
clearly that their claims to pension
and leave allowances would be
entirely dependent on the solvency
of the local pension & leave
funds, but he understood
that in Lower Bengal where
the system of administering
Local Funds & of carrying out
Local Fund works by engineers
in the sole employ of the funds
prevails, it had been resolved
to grant no pensions at all.
In view of the great liabilities
which these funds, already exposed
to heavy & increasing demands,
would incur by accepting pen-
sionary obligations, the Accountant
General

General strongly recommended
that no pensions should be granted.
Besides the actual payments for
pensions, there would, he said,
be a large cost for the Accountant
Establishment which would
be necessary to maintain
the accounts and registers, in
addition to an extra gazetted
officer whom it would be
necessary to attach to his
office, to be paid from
Local Funds whose sole duty
it would be to deal with
Local Fund questions in
connection with pensionary
and leave allowances. The
Accountant General concluded
by remarking, as regards
the

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the contention of the Board that
pensions admittedly conduce to
efficiency and are therefore
economical, that pensioning
which are very fit and
proper for the officials of a
great empire whose pay and
pensions it may be the truest
economy to regulate on liberal
principles, may be entirely
unsuitable for the employees
of a local fund the sources
of whose income are very
limited, and whose assets
it would be impossible to increase
were the pension rules to
demand it ever so urgently.
It would be impossible to
thought

thought, to grant the pensions
under any rules other than those
now laid down in the Pension
Code, and these would lay
on the local funds a burden
than they can bear.

7 The Government reserved
their orders on these papers
pending the submission of the
report on the general question
of Local Fund Pensions
called for from the Board in
para 4 of G.O. of 18th Decr
1879 No 2435 quoted above.

8. Meanwhile, references
were made (13th February 1880 nos
303-307) to the Governments of
Bengal, Bombay, North-west
ern Provinces, Central Provinces
and Punjab for information.

9. After a full consideration
of the whole subject, having
had the advantage of
learning what is done
under other Local funds,
the Govt resolves & rule that
service under L.F. Pds.
Constituted under Madras
Act IV of 1871 shall not
entitle pension from
such funds. The Govt
will however be prepared
to consider on their merits (last amendment) the grant of
pensions from such

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as to what was the practice pre-
-vailing in those provinces as
regards the payment of pension
and grant of leave allowances
to servants paid from local or
District funds. The substance
of the replies is given in the
following paragraphs.
9 The practice in Bengal
(letter of 4th March 1880 to 506)
is, it appears, regulated by
section 46 of the Civil Pension
Code as regards officers lent
in the service of Government
to this financially inde-
pendent of the Government
of India. For the rest, under
section 39 (as it stood before its
amendment) the grant of
pension

pension was entirely dis-
cretionary with Government
and as a rule pension seems
to have been granted in the
cases contemplated by the
Section. The question, how-
ever of allowing pensions
and leave allowances to the
employes of District Road
Funds is now provided for
by Act No. 10 of 1880, the
Bengal Act.

10 In the Calcutta Municipality
though the Act provides for
grant of pensions, the po
of the Commissioners is
generally opposed to such
grants, but leave is constantly
given on special terms made
to suit each case, and

Boards for sanction to
gratuities on retirement
in individual cases of
long and good service,
the decision on such
applications -
cases being ordinarily
guided by the principles
& limitations of the
Financial Codes re-
lating to gratuities from
State funds to post
servants

P.T.
Depy
P.T.

list of

To the Road Revenue
" Accountant for Calcutta
" Pension Dept 3 Sept 1876

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pensions and gratuities are
sometimes granted. 906
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11 Payment of pensions and
leave allowances to servants
paid from local funds in
Bombay, letter of 25th March 1880
No 1075, is governed by the
rules applicable to uncovenanted
servants of Government.
vide section 39 of the Civil Pension
Code and section 12 of the
Civil Leave Code. The
pensions of the employes
in the Public Works and
Educational branches of the
incorporated local funds
are paid from the Local Fund
Pension Fund created in 1870
and those of the employes of the

we

Included

"Included Local Funds" are
paid from the Funds concerned
provided they satisfy the
conditions laid down in
Section 39 Civil Pension
Code and are solvent.

12 The Government of the
North West Provinces, letter
of 2nd March 1880 No 361, in
reply to the reference from this
Government forward a printed
collection of papers regarding the
grant of pensions to persons
employed on Local Fund
establishments, and state
that there are no special
orders regarding leave. The
rules in force are at page 37
of the printed collection. They
allow

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allow pensions and gratuities
under the provision of the unre-
- wanted Service rules to all
servants drawing Rs 20 a month
or more who may, with the
sanction of Government, be
entertained under specific
engagement for pension
or belong to a class in favor
of which Government may
hereafter make such specific
concession from the Local
Cess and Nazool Funds. Such
pensions or gratuities to be
defrayed from the fund under
which service has been rendered,
or charged proportionately when
the service has been rendered
to two or more funds or on

An establishment paid
from general revenues.

The pension or gratuity whether
debttable wholly to Local
Funds, or in part to the general
revenues, to be defrayed in
full from the latter source.

Persons entertained without
any specific engagement for
pension may, for long con-
-tinued and faithful service,

be recommended for pension
or gratuity, ^{but they will have no claim to such pension or gratuity,} and each case
will be decided on its

own merits. The Govern-
-ment of India approved

of these rules (page 38 of
the printed collection) but
they desired it to be
understood

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understood that pension's
must be entirely met from
Local Funds, and that the
revenues of the State are in
no way pledged to supply
any deficiency in the means
of meeting the pensionary
charges, even should the
Local Funds be abolished

13. In the Central Provinces,
letter of 25 February 180 No 7⁸⁵/₃₄,
the following rule regulates
the practice: "That the grant
of pensions to servants of Munici-
-palities and Local Fund
establishments shall in no
case be obligatory, except when
a promise of pension has
been formed

formed part of the terms
of engagement. But Muni-
cipalities and Local Fund
Committees shall be empowered
to recommend grant of pension
or gratuity in all cases where
such indulgence may seem
necessary having regard
to the length and character
of the applicant's services,
to the state of his circumstances,
and to the condition of the
Fund from which the grant
is to be made. Terms more
favorable than those do
not seem to be necessary
to secure the services of
suitable candidates for
local

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local employment, which has
ordinarily the advantage over
the regular Government service
of allowing the employe to
serve permanently in or near
his home."

14 Employes of District
and Municipal Committees
in the Punjab, letter of 1st March
1880 No 596, have been held
to be not ordinarily entitled
to pensions. The arrangements
in this respect and also in
regard to the grant of leave are
at the discretion of the Committees,
Subject to the general control
exercised by the Commissioners
of fiscal divisions, and
of the Government, over any
expenditure

expenditure incurred by the
committees, namely, to see
that expenditure is not of
extravagant amount or for
a purpose not legally cor-
-rect or otherwise inexpedient
and improper. In some
cases the servants of
Municipal and District
Committees have been
allowed to subscribe
for provincial pensions,
when either the persons,
if formerly imperial or
provincial servants,
have special claims
to consideration on their
own merits or when their
employment under such
committees

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committees and the arrange-
-ments consequent thereupon
are shown to be in provincial
interests. These are very
exceptional cases.

15. The Government now
forward this abstract of the
correspondence to the Board
of Revenue, with the request
that they will address them-
-selves to the whole question
of pensions to local fund
employes. The Government
note the Accountant General's
objection in his letter recorded
in Board's Proceedings of 15th
December 1880 No 13904

Musallam,

Miscellaneous, but they
are not aware of any cor-
-respondence with the Govt
of India which will pre-
-clude the Board from
doing as is here desired.

The reference which they
understand the Accountant
General to indicate is on
a particular provision in
connection with the leave
allowance / Acting Allowance
Codes.

for
Ch
29.3.89

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Financial DEPARTMENT.

Pension & Leave Allowances
to Local F. Establishments

Under Disposal Docket.

PAPERS to be read in Proceedings:—

again G.O. 7/5* Sept 1868 No 407
again G.O. 7/18* Dec 1879 No 2455
again letter 7/13* Feb 1880 No 303-307
again G.O. 7/13* Feb 1880 No 309
X No. 655 of 1880
X No. 709 of 1880
X No. 710 of 1880
X No 740 of 1880
X No 955 of 1880
again G.O. 7/8* Jan 1881 Misc No 40

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In 12/24/51
P 15/24/51

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27-10-91 ✓
7/5/95 ✓

13-5-95 ✓
8/6/99 ✓
16-1-12 ✓
10-3-13 ✓

30-10-13 ✓
25-3-14 B.III ✓

17/8/14 ✓

28-6-17 ✓
19-2-18 B.III ✓

3-11-18 B.III ✓

Govt. of 1881 Madras.

Final Order

DISPOSED OF

20 MAY 81

BY G. O. No. 906

(47)

L. Funds - Pensions and

gratuities. Orders passed in
1871 that since under L.F.
constitution under Madras
Act II of 1871 shall not entitle
to pension from such funds.
in 1871 of those insured that post
will however be prepared to consider
on their merits appeals from
such Acts for sanction to
retirements on retirement in such
cases of long and good
service.