Financial (1897) Department.

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GOVERNMENT OF MADRAS *CHIEF SECRETARY'S* 6 JUL 1897

39/40

[Despatch Abstract.]

Funds for famine relief purposes. Passing orders in regard to the obtaining and provision of funds; and laying down the method in which the expenditure already incurred should be debited to

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

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Government {1897} of Madras.

FINANCIAL.

Recd. } 1897. *Enclosures*

Regd. } *Spare copies*

G.O., No. 133, 8th February 1897.

FEBRUARY.

Funds for Famine Relief Purposes.

Passing orders in regard to the obtaining and provision of — and laying down the method in which the expenditure already incurred should be dealt with.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Order—No. 133, Financial, dated 8th February 1897.

It has lately come to the notice of His Excellency the Governor in Council that the orders contained in section 38 of the Famine Code relating to the obtaining and provision of funds for famine relief purposes have not been fully attended to, and that in consequence of this neglect much confusion has arisen and local funds are being drawn on to an extent which it is unlikely that they will be able to meet and in a manner which is not, in the opinion of His Excellency the Governor in Council, desirable or in strict accordance with law. His Excellency the Governor in Council therefore resolves to call the attention of all officers concerned to the procedure to be adopted in this matter in future and to lay down the method in which the expenditure already incurred should now be dealt with.

2. It is a fundamental principle of the relief scheme of the Famine Code that the Collector is the officer to whom Government looks for the initiation and control of all famine operations, and it is not expedient that his action at any point should be controlled by any authority other than Government. It is necessary that the funds which he may require should, in the first instance, be provided for from Provincial resources which must be replenished by transfers from Local Funds so far as available, or, if necessary, by grants from Imperial revenues.

Under sections 37 and 38 of the Famine Code the first step is for the Collector to frame an estimate of the funds required for each kind of work to be placed at the disposal of the Public Works Department or of himself and to obtain the funds and sanction for expenditure, and under section 108 no work should be undertaken without estimate and distinct appropriation being made by proper authority. Only with a view to ascertain what aid can be obtained from Local or Municipal Funds is it necessary, under section 33, that their budgets should be remodelled on the opening of relief works. This procedure does not seem to have been adopted in any case and the result has been confusion especially in regard to works.

3. When works are originally started as "relief works," funds must, under section 37, have been provided for them either in favour of the Public Works Department or of the Collector, from whatever source, as shown in section 38, the fund may ultimately be contributed. Expenditure on such works will be accounted for either in the Public Works Department or in the books of the Accountant-General according as the Public Works Department or the Collector is in charge of them. If started by the Collector but made over to the Public Works Department, the balance of the grant for the work must be transferred to that department and all subsequent expenditure booked in that department. The most ordinary case, however, in regard to works is that at the beginning of distress ordinary works are expanded into relief works. Such ordinary works are, it may be said, invariably either Provincial or Local Fund or Municipal, but from the time they are declared "relief works" expenditure on them should be regarded as Provincial to be accounted for either in the Civil Department, or, if taken charge of by it, in the Public Works Department.

4. Government has adopted the policy of placing, as far as possible, all relief works under the Public Works Department. Directly the work is declared a "relief work" and is taken charge of by the Public Works Department, the Collector should, if this has not already been arranged for, request Government to place all

further funds that may be required for prosecuting operations at the disposal of that department, in which the further expenditure will be incurred, accounted for and recorded. The account procedure will be that for the carrying out of works by the Public Works Department as laid down in the Famine Code.

In G.O., No. 668, dated 25th November 1896, Government have laid down that while the Public Works Department should take charge of construction, the Collector should pay the gangs. In order that the payments made by the officers appointed by him as paymasters on the works may be properly accounted for in the Public Works accounts, it is necessary that they be regarded as Public Works disbursers and obtain funds from the Public Works Department under the rules in force in that behalf. If such paymasters have sufficient leisure there will be no objection to entrusting them with the duty of aiding in the general relief charge of the work. So much of G.O., No. 57, dated 28th January 1897, as conflicts with the above view is cancelled.

5. When a local fund ordinary work is expanded into a relief work and is left as such under the charge of the Local Fund Engineer, that officer's services must be regarded as placed at the disposal of the Collector, who will obtain the necessary funds from the Civil Department and account for them to the Accountant-General as Provincial expenditure.

6. It has, as above said, occurred that famine expenditure has on the first occurrence of distress been irregularly incurred and recorded. To minimise this risk and to remedy existing defects, those cases which present any difficulty are dealt with below :—

(*a*) Expenditure in relief of famine which in fact has been incurred by *Presidents of District Boards* in connection with famine upon ordinary, test, or relief works will, for the present, remain upon the local books, if at no time the work has been carried out under Public Works Department supervision. Where, however, Public Works Department supervision has been given, then the entire expenditure on the work from the date the supervision was given will be transferred to the Public Works Department books. The Accountant-General and the Examiner, Public Works Accounts, will arrange to give effect to these directions.

(*b*) Expenditure in relief of famine on ordinary, test, or relief works which has been incurred *by the Collector* either without the assistance of the Local Fund Engineer or with his assistance after the work under his charge has become relief, will be recorded in the civil books. If, at any time, the supervision of the Public Works Department is introduced, then, as above laid down, the expenditure will be removed into the Public Works Department books from the date upon which its supervision was introduced.

(*c*) Expenditure in relief of famine on ordinary, test, or relief works initiated as such *by the Public Works Department* will, of course, be recorded upon its books in addition to any of the expenditure alluded to above in (*a*) or (*b*) as being debitable to it.

(*d*) All other famine expenditure, from whatever source met and however in the first instance recorded, will be regarded as that of the Collector and classified in the civil books—all necessary adjustments being made.

7. It is too late for the Local Fund or Municipal Budgets to be remodelled locally so as to conform to existing financial facts. This work will now be undertaken in the Government Office upon the lines laid down in section 33 of the Famine Code. Allowance will first be made for all famine expenditure which is under these orders to remain in the local books or which will be incurred, it may be incorrectly, until the end of March. Then account will be taken of future unavoidable ordinary expenditure and a sufficient sum be provided (from Provincial, if necessary) as a working balance. If there is a surplus, it will be credited to Provincial. If there is a deficit, a grant will be made from Provincial to cover the deficit.

8. In regard to next year the Local Fund Budgets will be modelled similarly so as to curtail all works that can be postponed and all expenditure that can be transferred to affected areas within the same district; and after making an allowance for a working balance, the difference will be credited to Provincial for famine relief in that district.

9. It may be that, under the orders set out in the above two paragraphs, expenditure properly debitable to Local is borne by Provincial, or conversely that Local Funds have been called upon to bear what they are not legally bound to bear. If so, the necessary adjustments between Local and Provincial will be considered hereafter and carried out in the accounts of the current and ensuing year, so that transfers from Local to Provincial may not exceed in amount the total of the relief expenditure, which may be incurred on objects which are properly provided for from Local Funds as by law regulated.

10. All questions relating to famine finance will be dealt with in the Financial Department. Orders will issue in the Local and Municipal Department only in regard to the recasting of the budgets referred to in paragraphs 6, 7 and 8 and as to the final adjustment as between Provincial and Local referred to in paragraph 9.

(True Extract.)

J. F. PRICE,
Chief Secretary.

To the Departments of the Secretariat.
" Collectors of Famine Districts.
" Accountant-General.
Editors' Table.

Ed. C. M. Thumbuswamy

[F. / 23]
1,000—29-7-96.

Financial (189) Department.

CURRENT No. 419

From The Revenue Dept

Order

Office Note No. 13

Dated 8 - 2 - 97
Received 8 - 2 - 97
Registered 8 - 2 - 97
Enclosures 1
Spare copies.

SUBJECT.

Forwarding a draft order regarding the procedure to be observed in the obtaining and provision of funds for famine relief purposes

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

[redacted]

There seem to be two [redacted] difficulties before. The first that arising out of the proceedure, which seems to me most desirable should, while the W.D. supervise the works, the collection of the payments. As to this the A.G. says that the Coll. must be treated as a P.W. disbursar, that is that the [redacted] the [redacted] expenditure incurred by the Coll. must be booked in the W.D.. I doubt exactly what. It does not matter where it is booked.

2. The second difficulty is that we do not know by how much the funds of the several L. Bds should be supplemented by grants from Govt. It seems to me useless to attempt both each to collect the L. Bds to recast their budgets. The simplest plan will be to have this work carried out in the early part of the year in which the revised [redacted] by the L. Bds for 1896-97 and their Budget estimate for 1897-98 must have been revised. When this has been done, the requisite grants to enable them to meet famine expenditure must be made from Govt. to Local.

3 Inquiries to obtain these funds of those which will be required for

R.H.

The notes below contain the views of the Local P.W., Rev. Ld. & the Accts Genl.

The Acct Genl's views seem to be unobjectionable as to the procedure that is to be adopted. In para 4 however he suggests a shortcut to facilitate business. He proposes to place the famine funds of the Loc Boards of the famine dists. [redacted] have been exhausted that Govt shd make the addl. grants direct to D.P.Ws Provincial [redacted], the strictly correct procedure being to make the grants to Local Funds which these the accts Dept. have also to pay to the D.P.Ws, for the works the execution of which they are supervising, the sums being recorded in the books

of the latter under "D.P.W. local".

The A.G. refers to most of the affected dists as having minus local balances. It is not however absolutely clear that they will exceed the year with such, since the main bulk of their receipts only falls due to be paid about this time. As, moreover, are being, I suppose, largely suspended & remitted & there will be a considerable deficit under local rates. But what will be the actual deficit of the Boards at the end of the year it is impossible at present to say. So perhaps it may be considered better on the whole to follow the prescribed course; for the suffering

P.W. expenditure, a formal application to India seems necessary & allowance & cannot be made on budget as it is impossible that we can find the money out of the sanctioned grant for 1896-97.

4 The requisite orders should, I imagine, come in Finl, but should be prepared, I should say, in Rev: in consultation with Finl & Jud. Dpts. & with the A.G.

5 The attention of R. D. should be drawn to the omission to communicate [illegible] order of the A.G. & D. & Dpts.

BA
29/1/97

If the above procedure on [illegible] reason won't do, I regret that the Rev. Sec. has [illegible] & do with famine will [illegible] time must [illegible] do.

BA

To Rev Sec

JH
29/1

the Boards with funds for the D.P.W. getting the necessary supplies from the Boards recording as "local". Besides all expenses on works which will remain under the local Bds must be provided

This Dept, I may note, has received no information as yet as to whether any of the works that dists have been declared & yet to be affected.

BA 3/2/97

DH

The A.G. notes that the papers noted on this file are before Govt. on another reference & he wishes his remarks to be considered before a final decision is given

Probably the Warrisn

It will probably be the shortest course at the
end of January only to note.
Expenditure on works undertaken to relieve
distress can be either Imperial Provincial
or Local. Again expenditure of each kind
can again be classified as civil or
Public works.
2. Under present orders (§ 33 of the Famine
Code) it is the duty of local bodies to
exhaust their resources in providing
employment. Logically their work can be
of a local provincial or imperial character.
It is, in its inception, of a provincial or
imperial character (this is not usual) then
the proper course is for the District Board concerned
to surrender the residuary balance. This balance
is then adjusted as a contribution from Local
to Provincial and if Imperial again from
Provincial to Imperial (so as adjustment
can be made from Local to Imperial except
through Provincial). Provincial or Imperial,
as the case may be, then determines whether
the classification of the work should be civil
or P.W.D and the procedure (which Idescribe
hereafter) follows the decision.
(b) But the consensus can be taken the initial

189
Famine Relief Dept.
Enclosure No. of
to
D. No. of

then the local authorities and Govt. have
to determine whether it is of a nature
that is best supervised by the local fund
engineer or the P.W.D. If placed in
charge of the former then the expenditure
proceeds in the ordinary manner like other
local expenditure. If placed in charge of
the P.W.D. then the procedure is this. The
local fund declares the balance available.
The Examiner P.W. accts. will then apply to
him for the money. Detailed estimates
for the works will then be prepared by P.W.
disbursed and the accounts will be audited
and recorded in the P.W. books as P.W. docs.
The Examiner will then prepare the schedules
of the expenditure. I send them to the Secretary
Board who will enter the amounts in
their accounts so as to reduce their balances.
I omit the entries ~~here~~ because the accounts are
already recorded in the P.W. books - to enter them
would be superfluous.

(c) I now come to the case where the District Board
owns dry. The same problem comes up:
Strictly speaking if the work was of a class
properly classified as local then the fact that
the local fund needs assistance does not
alter the nature of the work. The proper course
is therefore in such cases for Govt. to give a
grant to local and the local will proceed
as before taking

on a par of the cases described in para (b) above. A print of part I in a case suitable for use when the local fund system is in force under the new Provincial act (or in rare cases Imperial).

(d) When the work is declared Provincial, the Govt has to determine upon whether the suspension is to be said a P.W.D. If the former is the decision, the expenditure will be borne thus. If the latter then said abandon a part of the grant to P.W.D. or if no monies are available there, they have to be found somewhere. Letters of credit are then issued by the P.W.D. and the expenditure is incurred by Plnd distributes and ~~recorded~~ audited and recorded by the P.W.D. under Famine Relief.

3. Before entering upon what is the simplest course to adopt in the present case I would respectfully point out that the orders in the Rev. Dept. relating to Cuddapah and the ceded districts have never been officially communicated to me. Had they been, I should at once have taken objection to para 4 of the Cuddapah order (Rev 668 of 25 Nov. 1876) and to para 3 of Board's order (section 109 of the 5th Jan. 1877) relating to Bellary.

In my respectful opinion as given in my
letter no 197 dated the 21st inst. before
there arises any question of direct subordination of
the staff of the Govt. of India as embodied
in the account code. If such is supported
by the P.W.D. the system of account prescribing
in their dept should be adhered to. The
Rev. Secy refers, I understand, in support
of para 94 and rule 23 of appendix 11
of the Famine Code as supporting his view.
I dissent entirely. Para 94. does not in any
way whatsoever justify funds being provided
by the collector when the conflict is that
of the P.W.D. Rule 23 merely means that
the paying establishment should be distinct
from the working staff. There is no difficulty
in seeing this. If it is not thought sufficient
to employ two different branches of the P.W.D.
then a civil officer can be appointed as a Pay.
distributor. Moreover even if the Famine Code did
support the Rev. Secy's view it has no authority
as against the account codes of the civil and
P.W. Dept.

4. As regards the practical issue now to be
followed. with the ceded district has remaining
balances of about 35000 to be given for.* Grants
should now be made to them as they
suffice to cover all expd up to date. They

* The total minimum balances
in these districts originally
were 2.25 lakhs.

should then be decided to remodel their grants and budgets. To the extent to which the original system of their providing the funds which the P.W.D. has subsumed, has actually entailed the District Boards to incur expenditure in it, in like manner should record in the P.W.D. Progress Forms (Cols) and follow their system of accounting. And should give up any grants it can afford.

iii. What I suggest is afforded if it is decided to issue two early orders

5. That the Govt. consider the famine relief cost about 10 lakhs: and that 3 lakhs can be provided out of local funds. This at the whether to mean this year only or next year also. If both, this estimate is based on the Board's which estimates 15 lakhs and this estimate under certain items make provision for credit and supervision. At present the District Boards are showing the expenditure under ordinary heads so I cannot separate it, so as to see what has actually been spent on famine. I have raised them to classify under famine relief. So far as can [illegible] from imperfect material the Eff on famine to the end of December (as shown anything in P.W. books) in the ceded districts in the coastal districts a few thousands and in Bor! Dist Rows if the Board is armed in enhancing the 10 lakhs then the grants for provi

* I mean I refer only to the figures in words

6 this year and next year.

what is necessary has both passed in mins of G.C. adm. Mr Stacy A. dated the 22nd inst. I am not in a position to criticise the Revs. Secy's estimate that 3 lakhs of Rs can be met from local balances. Assuming it to be approximately correct, 3 lakhs more will be required. The Secy P.W.D. & subsequently that he requires 2.40 lakhs. The Govt should be able to meet its liabilities this year for these services about 1.20 lakhs of savings according to my revised estimate. There is portion 2.26 lakhs which is the amount by which with 1.20 by which the closing balance exceeds the minimum. This last sum however on Govt. in answer can only be appropriated under G.C. orders. I cannot preclude that the above written under very great pressure in finishing accounts: it is merely given by way of illustration of the action that may require to be taken. I have asked the Collectors of the asked districts for full estimates in order to keep the G.C. informed, so far as it is in my power, of the likely calls of expenditure but I would suggest early orders upon the lines indicated.

H.M.

27.1.97.

The Treasury
Calcutta
The 7th January 1897.

No 1490

From

The Comptroller General

To

The Accountant General
Madras.

Sir,

I have the honor to request that you will take steps so that all expenditure incurred by Civil Officers under your audit in connection with Famine Relief which may be debitable to the head 33-Famine Relief in terms of Government of India Financial Resolution No 5299 dated the 16th ultimo may appear under that head in Your Civil Accounts for the month in which the expenditure is incurred. If the expenditure cannot be classified at once in full detail it should be shown in a lump sum under one of the minor heads under the head and the necessary transfers between that and the other heads concerned should be effected afterwards.

I have the honor to be
Sir
Your most obedient Servant

True Copy

(Signed) A J Cox
Offg. Comptroller General

Chief Superintendent.

DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
11th January 1897.

No. 95

From

The ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To

THE Comptroller General
Calcutta

SIR,

I have the honour to enquire whether it is intended that no items whatever should be taken to the debt head "Famine Advance Account" and that all advances in connection with Famine Relief Works and Gratuitous Relief should be shown under one or other of the minor heads prescribed in Government of India Financial Resolution No 5299 dated the 16th ultimo, and subsequently

transferred to the correct head on the expenditure being accounted for.

Sections 182 & 183 of the Famine Code require all sums advanced to be taken to the debit head "Famine Advance Account" to be cleared by bills submitted every month by Collectors and Divisional Officers, the necessary adjustment in the accounts being therefore made by this office to the debit of 33 "Famine Relief" and credit of "Famine Advance Account".

An immediate reply is requested.

I have the honour to be
Sir
Your most obedient Servant
(Sd) F C Hannyngton
Offg Accountant

True copy
[illegible]
Chief Superintendent

× Madras Famine Code (Provisional issue - 1891)

(189) DEPARTMENT.

From

THE ACCOUNTANT-GENERAL,

MADRAS,

To

THE

No.

Dated
Received

No.

Subject.

Cor.—5,000—4-6-96.

The Treasury
Calcutta
The 19th January 1897

No 1593.

From
The Comptroller General
To The Accountant General
Madras.

Sir,

With reference to your letter No 95 dated 11th Instant, I have the honor to say that no sums withdrawn from the Treasury for Expenditure on Famine Relief should be taken to the Debt head "Famine advance Account" and that all advances drawn for the purpose should be shown under one or other of the prescribed minor heads and subsequently transferred to the correct minor head on the Expenditure being properly accounted for.—

I have &c
Signed A. F. Cox
Offg Comptroller General

True Copy

Chief Superintendent.

Debit of Famine expenditure

After talking the matter over with Mr Hobhouse I think the matter stands somewhat as under:—

1. The first step to be taken is for the Financial Relief Funds of the P.W.D. and Collectors [to ascertain the amounts (if any) which have to be secured on account of Famine Relief].

2. From the funds placed at its disposal the P.W.D. should carry out (under Code conditions whether local or otherwise) such works as may be entrusted to it by the Collrs and for the expenditure both on works and on the connected gratuitous relief being left in the hands of the Collrs, who will be supplied with funds by the P.W.D. (as will be the case with payments applied by P.W. disbursing officers).

3. The Collrs, from the funds placed at their disposal, should provide for Village Works, for relief of Weavers and for gratuitous relief in the villages.

4. The expenditure by the P.W.D. and the Collrs should be accounted for in the P.W.D. and by the Accts Genl respectively, as ordinary Local Funds works.

5. As regards the ordinary Local Funds works which should be kept in good repair after the Famine, these will make over to the L. B.d Engrs, who will make such arrangements as they please to carry them out. The L. B.d Budgets of the affected districts should be recast in the first place, as it is now too late for this work to be carried out in the L. F. Offices. At the end (1) of the Famy year, (2) of the period of scarcity, so much of the cost of the works executed should be charged to the P.W.D. as may represent the time value of the labour, if executed in ordinary times, and not under Code conditions, should be credited to Prov.l Revenues debited to L. Funds, so far as the latter are available without crippling the future resources of the Dept.

6. To sum up, all expenditure should first come out of the Provl pocket, which

x i.e. as distinguished from "Relief"

x This will necessarily be somewhat of a rough estimate.

should, later on, be replenished, as far as may be, by transfers from Local funds.

7. As to Grant Expenditure, I agree to Dec 31 (or if this will cause confusion, Jan 31). I would

(1) leave expenditure already incurred by L.F. agency in the L.F. books

(2) debit expenditure already incurred by the P.W.D. to that dept (Provl)

(3) debit expenditure other than the above by cheque to 33 Famine Relief (Civil).

8. I deprecate strongly any attempt to go back & re-classify works as ordinary and Famine Relief. To do so will throw a great deal of work on district offs & will do not no practical good. If, however, it is essential to do so, the dividing point should be the moment when a work has been started under Code conditions, not that of its having been opened as a test work.

9. Under this scheme, the L. & M. dept should receive the budgets, will have nothing to do with the matter, & should not until the time comes that action has to be taken under the last sentence of para 5.

GS
1/2/97

ACCOUNTANT GENERAL'S OFFICE,
FORT ST. GEORGE,
the 4th of Jan 1897.

My dear Stokes

The enclosed is the last rdu in the Famine Code case at any rate dispersed.

Yours ever

J Hewett

6. It has lately come to the notice of His Excellency the Governor in Coun-cil that the orders contained in section 38 of the Famine Code relating to the obtaining and provision of Funds for Famine relief purposes have not been fully attended to and that in consequence of this neglect much confusion has arisen and Local Funds are being drawn on to an extent which it is unlikely that they will be able to meet and in a manner which is not in the opinion of His Excellency the Governor in Coun-cil desirable or in strict accordance with law. His Excellency the Governor in Council therefore resolves to call the attention of all officers concerned to the procedure to be adopted in this matter in future and to lay down the method in which the expenditure already incurred must be dealt with. All expenditure should in the first instance come out of Provincial resources which should be replenished by transfers

to the attainment of their object -

~~later on~~ from Local Funds or from Grants by Imperial. ~~when so entrusted.~~

2. Before incurring expenditure the first step to be taken is for Collectors to obtain allotments of funds in the Financial Department, either to D.P.W. for the relief works which they are to be in charge of or to themselves for their own expenditure ~~or to other officers independent of themselves (if any) who may have to expend money on Famine relief.~~

3. From the Funds placed at its disposal the D.P.W. should carry out under Code conditions such works as may be entrusted to it, ~~whether Local Funds or~~ they be other works. The expenditure on such works, both on works and on the connected gratuitous relief, will be in the hands of Paymasters appointed by the Collectors who will be supplied with funds by the D.P.W. and will be P.W. disbursers. This cancels so much of G.O.No. 57 Rev. d/18th January 1897, as rules that such disbursers are not to be regarded as P.W. disbursers.

4. The Collectors from funds the

Famine Fund controlled by any authority other than Govt. Govt. think it of the first importance that the funds which be ~~at their disposal~~ may require, shall be provided & ~~received~~ in Tuticorin on the first instance, although with a view to Famine Fund Govt. contribute to combat famine ~~this expenditure~~ the attainment of this object - The famine Code enjoins that the principles to be in effect to in the G.O. 28 of this Code have ~~these functions~~ they been Govt. District Expenditure has ~~to be~~ incurred from Local Fund. ~~When~~ necessary application to the Govt. in the Famine Code ~~which connected~~

(In the Civil Branch of the Ann! Code -)

5. Instead of the above principles being learned it has occurred and may occur again that famine stops in the first instance of distress requiring incurred and needed. In training this risk and to remedy such defects the cases which present any difficulty are dealt with below.

(a) Expenditure which may in practice be incurred by Revenue & District Boards in connection with famine ordinary test or relief works under which the ~~Superintendent~~ remain upon the local works if at to them the work has been carried out under D.P.W. supervision. ~~Where such~~ D.P.W. supervision has been ~~obtained~~ given, then the entire cost of the work, from the date the supervision was given, will be transferred to D.P.W. works. The Govt. and Govt. P.W.D. will accordingly effect by these directions

(b) expenditure ~~which~~ by ordinary test or relief works under which has been incurred by the orders either without the assistance of the local P. supervision (or with his

the work while it is under his charge
after his service has been placed at the
Council's disposal) will be recorded in the
said books. When the other Land at any
time the supervision of the P.W.D. is
introduced then as in the case of Local
works paid for by Local Funds the Estimate
will be remitted direct to the P.W.D. books from
the date upon which the supervision was introduced.

(c) Estimates or applications for relief under
initiated by the P.W.D. will of course be
recorded upon its books in addition to
any of the Estimates alluded to above in (a)
or (b) as being debitable there.

(d) All sums paid in Estimates whether from whatever source sent and known in the
instance recorded will be vouched as that
of the collection and classified in the
said books - all necessary adjustments
being made.

(6) That work be taken for the Local P.W. budget
both recorded heads, or as to pass existing
financial practice. That work will never be
undertaken in the Public Estimates upon the following basis. All means will
first be made for all sums in Estimates which are
under these orders to remain in the Local Budget
and will be incurred until the end of March.
Then account will be taken of future monthly
ordinary Estimates and a sufficient sum for

(2)

The Sanction which is to
[illegible] in the
[illegible] of the Act with
reference to the Act with
in the first place of the Act
Sect. 1. [illegible] the above
[illegible] will in fact
[illegible] the L.A. Act [illegible]
a
respect of the Transfer
[illegible] the [illegible] and Instrument
as between [illegible] and
of Mortgage [illegible] will
[illegible] an [illegible]

2dly.

I am not sure whether
it is worth while
putting in from X
to X. The less
[illegible] the [illegible] known
and any [illegible]
(a) from Pres! to Local
(b) from Local balance
(c) from Pres! balance
(d) from Imperial
with all speed report to
G.! Ills.

as aforesaid — Sec 33 b
the Famine Code

(6)

as a working balance. If there is a surplus
it will be removed. If there is a deficit
a grant will be made from Pres! to
cover the deficit. Govt will next proceed
to consider what further sums will
be necessary to meet them
liabilities of the end of the year &
will make provision accordingly from the
savings and balances. Should sufficient
not be available then the Imperial Govt
will be requested to make up the balance.

7. In regard to the Govt grants the Local
Budget will be remodelled so as to
control all works and
or postponed expenditure
expenditure that can be postponed, and after
making an allowance for a working
balance the difference will be removed
by Pres!.

8. It may well be that under these rules
expenditure absolutely necessary
cannot by Pres! & Council Local
Funds can be called upon to meet when
they are not legally bound to do so. Upon
the receipt of any application to this effect
from Pres! will be considered by Govt
and carried out in the accounts of
the current and following year. The

placed at their own disposal should provide for works in charge of Civil officers, for relief to people employed otherwise than on relief work, ~~and~~ for gratuitous relief, and for such other miscellaneous ~~works~~ relief expenditure as ~~it~~ may be necessary to meet. 5. Officers independent of the Collectors who may have to meet relief expenditure will obtain funds from the Treasury against the grants obtained by ~~the Depts.~~ the Collector for the purpose, and obtain by them ~~which~~ expenditure will be accounted for in the usual way.

6. Expenditure incurred by the D.P W. should be accounted for in the ~~Dr~~ D.P.W. and that incurred by the Collectors or officers independent of him referred to above to the Accountant General ~~as provided in the Famine Code.~~

7. Much expenditure on Famine ~~rein~~ relief has however as above observed been already irregularly incurred from Local Funds. In regard to such expenditure His Excellency the Gover

Governor in Council resolves to direct:

(a) That all such expenditure incurred up to the 31st December 1896 by the Local Fund Agency and now in the Local Fund books be allowed to remain ~~this~~ as they stand pending subsequent adjustment which will be necessary to bring out the real cost of Famine Relief. In ~~making such~~ adjusting ~~such~~ such expenditure any expenditure incurred on "ordinary works" as distinguished from "relief" as defined in the Famine Code, will even in affected areas ~~whether incurred before or after the 31st December~~ be charged to Local Funds since such works are left in the hands of Local Fund Engineers who make what arrangements they please to carry them out provided funds for the purpose are at their disposal. In distinguishing the point at which an ordinary work ceases to be such and becomes a relief work, the dividing point should be the moment when a work was brought under Code conditions not that of its being opened as test work

The Local Fund revised Estimates and Budgets of the affected districts must be recast on this basis in the Government office as it is now too late for this work to be carried out in the Local Fund Offices.

(b) That out of such expenditure all expenditure hitherto actually incurred by the D.P.W. be debited to that Deptt. (Provincial) and be accounted for by it whether incurred against Local Fund grants or not.

4. At the end (1) of the official year (2) of the period of scarcity however so much of the cost of the works executed by the D.P.W as may be considered to represent the true value of the same if executed in ordinary times and not under Code conditions, should be credited to Provincial and debited to Local Funds, so far as the latter are available without crippling the future resources of the Board as required in section 33 of the Famine Code.

(c) That out of such expenditure all other expenditure incurred for ~~execu~~

gratuitous relief or otherwise be

debited to 55 Famine Relief (Civil)

In accordance with the ruling
Enclosing the position of funds in [illegible] respectively
to be debited to the respective heads
of the departments & the
adjustment of famine expenditure
will be dealt with in the L &
M dept. except the meeting
of the Auditor & the Admin
to L Fund ordered in para 3 (a)
of the above.

REVENUE SECRETARIAT.

2-2-97

OFFICE NOTE. No 13

Station Fort St.George. date 8th.February. 1897.

From The Secretary to Government,
Revenue Department.

To The Hon'ble the Chief Secretary,
Financial Department.

Reference. The Hon'ble Mr.Bliss's note dated 29th.January 1897 recorded on an office-note by the Local and Municipal Secretary(in the file).

The draft order prepared in the Revenue Department in accordance with para 4 of the Hon'ble Member's note in consultation with the Local and municipal Secretary and the Accountant General has been discussed with and passed by the Hon'ble Member. It is now forwarded to the Financial Department for issue a proof being sent to the Hon'ble Member as noted on 6th.February 1897.

2. Attention is invited to para 3 of the Hon'ble Member's note.

for Ag: Secretary to Govt.

No 1338 8-2-97

Letter see proof when ready
WS
6/2/97

It has lately come to the notice of His Excellency the Governor in Council that the Orders contained in Section 38 of the Famine Code relating to the obtaining and provision of Funds for Famine relief purposes have not been fully attended to and that in Consequence of this neglect much confusion has arisen and Local Funds are being drawn on to an extent which it is unlikely that they will be able to meet and in a manner which is not in the opinion of His Excellency the Governor in Council desirable or in strict accordance with law. His Excellency the Governor in Council therefore resolves to call the attention of all officers concerned to the procedure to be adopted

&c

in this matter in future and to lay down the method in which the expenditure already incurred should now be dealt with.

2. It is a fundamental principle of the relief Scheme of the Famine Code that the Collector is the officer to whom Government looks for the initiation and control of all famine operations. ~~He is a Provincial Public Servant~~ and it is not expedient that his action at any point should be ~~hampered and controlled~~ by any authority other than Govt. It is therefore ~~for this reason if of the first importance~~ that the funds which he may require should be provided for ^ Provincially resources in the first instance ~~the expenditure should then as far as possible come out of Provincial resources~~ which ~~should~~ must be replenished by transfers ~~to the utmost of~~ so far as available their ability from Local Funds

per each kind of work ~~sanctioned~~ to be placed at the disposal of the D.C.W. of Immediately & to obtain sanctions & sanctions for expenditure.

on the opinion of which ~~if the work is to be~~ undertaken under Section 38.

When works are officially started as "relief" works eligible funds must under Sec 37 have been provided for them either in the D.C.W. from whatever source as therein laid down & the Collr. in charge of such works or else must take the amount for either in the D.C.W or in the books of the Asst Commr. according as it is in charge of the D.C.W or the Asst Commr. If started by the Asst Commr under one of the D.C.W. the balance of the Grant ~~this Empire~~ cannot be transferred to that Dept & all subsequent expenditure be booked in that Dept

if necessary from Funds or from Grants by Imperial ~~from~~ when Provincial resources are exhausted.

The Famine Code requires that these principles should be given effect to. Under Secs: 37 and 38 the first step is for the Collector to frame an estimate of the funds required under Sec: 33, with a view to ascertain what aid can be ~~sought~~ obtained from Local or Municipal Funds it is necessary that their Budgets should be remodelled. This ~~has not been done~~ in any case, and the result has been confusion especially in regard to works.

3. As a matter of fact ~~lawyers~~ the most ordinary case in regard to works is that ordinary works are expanded into relief works. Such ordinary works as it may be said, ~~entirely~~, either Provincial ^ Local Fund or Municipal but from the time they are declared "relief" works expenditure on them should be

be regarded as Provincial to be accounted for either in the Civil Dept. or D.P.W. If the works are placed in charge of the D.P.W. in the fullest sense the Govt. (4) has adopted the Policy of placing as far as possible all relief works under the D.P.W. Directly the work is declared "relief", Dept. should meet the expenditure from the Grants which the Collector should have asked Govt. to provide the D.P.W. with, and from the moment when the work becomes "relief" the Account Procedure will be that for the carrying out of works by the D.P.W. as laid down in the Famine Code. Govt. have laid down that while the D.P.W. should take charge of construction, the Collector should pay the Lamps for G.O. No 666 & 25 Nov 96. which

if the in charge of by it in this

by the D.P.W. that

which has been extended to other districts. On reconsideration His Excellency considers that the object of Govt. will be attained if a responsible and a suitable Civil officer is placed at the disposal of the D.P.W. for the payment of the Coolies and the duty of aiding in the general relief charge of the work if necessary. Such officers will be D.P.W. disbursers and in consequence all expenditure on account of relief works will fall to be accounted for in the D.P.W. So much of G.O. No. dy as conflicts with the above view is cancelled.

5. When a Local Fund Ordinary work is expanded into a relief work and is left as such under the charge of the Local Fund Engineer, that Officer's Services

Must

must be regarded as placed at the disposal of the Collector who will obtain the necessary funds from the Civil Dept. and account for them to the Accountant General as provincial Expenditure.

(~~in the civil books of the Account Genl~~)

6. It has, as above said, occurred ~~and may occur again~~ that famine expenditure has on the first occurrence of distress been regularly incurred and recorded. To minimise this risk and to remedy ~~such~~ defects, those cases which present any difficulty are dealt with below.

(a) Expenditure which ~~may~~, in fact, have been incurred by Presidents of District Boards in Connection with famine — upon ordinary, test, or relief works will for the present remain upon the local books, if at no time the work has been carried out under D.P.W. — Supervision. Where, however, D.P.W. Supervision has been given, then the entire expenditure on the work from the date the Supervision was given, will be transferred to the D.P.W. books. The Accountant — Genl, and the Examiner, P.W. Accounts will arrange to

to give effect to these directions

(b) Expenditure on ~~ordinary~~ test or ordinary works which has been incurred by the Collector either without the assistance of the local Fund Engineer or with his assistance, the work which is under his charge becomes relief will be recorded in the civil books. If on the other hand at any time the Supervision of the P.W.D is introduced then as in the case of works paid for by Local Funds the expenditure will be removed into the D.P.W. books from the date upon which its supervision was introduced

(c) Expenditure on ordinary test or relief works initiated by the P.W.D. will of course be recorded upon its books in addition to any of the expenditure alluded to above in (a) or (b) as being debitable to it.

(d) All other famine expenditure

ture, from whatever source met and however in the first instance recorded, will be regarded as that of the Collector and classified in the civil books - all necessary adjustments being made.

J. 6 - It is too late for the Local Fund Budgets to be remodelled locally so as to conform to existing financial facts. This work will now be undertaken in the Government Office upon the ~~above~~ lines. Allowance will first be made for all famine expenditure which is under these orders to remain in the Local Books ~~or~~ which will be incurred, it may be in anticipation, until the end of March. Then account will be taken of future unavoidable ordinary expenditure and a sufficient Sum be provided (from Revenue surplus) as a working balance. If there is a surplus it will be credited to Provincial ~~refunded~~. If there is a deficit a grant will be made from Provincial

Laid down in the 33 of the Famine Code which may be summarily stated to be the following. All available funds having been allotted from the Famine to the unprotected areas.

Note.
Let the L. of the Dept understand that by "available funds" I mean funds available after the ordinary budgeted upkeep of the roads &c in the unaffected districts has been provided for.

to cover the deficit.

8. In regard to next year the Local Fund Budgets will be modelled so as to curtail all works and all expenditure that can be postponed or transferred to affected areas as required in section 33 of the Act and after making an allowance for a working balance the difference will be met by Provincial Contributions from Local Funds in manner hereinafter provided.

9. It may well be that under the orders expenditure properly debitable to Local is borne by Provincial or Converse that Local Funds have been called upon to bear what they are not legally bound to bear. If so the necessary adjustments between Local and Provincial will be considered hereafter and carried out in the accounts of the current and ensuing years, so that the Contributions from Local Funds may not exceed in all the total of the funds which may be incurred on objects which are properly payable from Local Funds, as by law stipulated.

8. All questions relating to Famine finance should be dealt with in the Financial Department of the Local Government. Orders will issue in the Local and Municipal Department only in regard to the recasting of the Budgets and as to the final adjustment as between Provincials and Local on account of the cost of Local Fund works executed on behalf of Imperial as in the Resolution para. 9.

Government {1897} of Madras.

FINANCIAL.

Recd. } 1897. *Enclosures*

Regd. *Spare copies*

G.O., No. 133, 8th February 1897.

FEBRUARY.

Funds for Famine Relief Purposes.

Passing orders relating to the Planning expenditure of —
charging them to the Head in which the expenditure
already incurred should be debited —

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

ORDER—No. 133, Financial, dated 8th February 1897.

It has lately come to the notice of His Excellency the Governor in Council that the orders contained in section 38 of the Famine Code relating to the obtaining and provision of funds for famine relief purposes have not been fully attended to, and that in consequence of this neglect much confusion has arisen and local funds are being drawn on to an extent which it is unlikely that they will be able to meet and in a manner which is not, in the opinion of His Excellency the Governor in Council, desirable or in strict accordance with law. His Excellency the Governor in Council therefore resolves to call the attention of all officers concerned to the procedure to be adopted in this matter in future and to lay down the method in which the expenditure already incurred should now be dealt with.

2. It is a fundamental principle of the relief scheme of the Famine Code that the Collector is the officer to whom Government looks for the initiation and control of all famine operations, and it is not expedient that his action at any point should be controlled by any authority other than Government. It is ~~therefore,~~ necessary that the funds which he may require should, in the first instance, be provided for from Provincial resources which must be replenished by transfers from Local Funds so far as available if necessary or by grants from Imperial revenues.

~~The Famine Code requires that these principles should be given effect to.~~ Under sections 37 and 38 the first step is for the Collector to frame an estimate of the funds required for each kind of work to be placed at the disposal of the Public Works Department or of himself and to obtain the funds and sanction for expenditure. ~~Under section 38,~~ with a view to ascertain what aid can be obtained from Local or Municipal Funds, ~~it is~~ necessary that their budgets should be remodelled. This procedure does not seem to have been adopted on the opening of relief works in any case and the result has been confusion especially in regard to works.

3. When works are originally started as "relief works," funds must, under section 37, have been provided for them either in favour of the Public Works Department or of the Collector from whatever source, as shown in section 38, the fund may ultimately be contributed. Expenditure on such works will ~~fall to~~ be accounted for either in the Public Works Department or in the books of the Accountant-General according as the Public Works Department or the Collector is in charge of them. If started by the Collector but made over to the Public Works Department, the balance of the grant for the work must be transferred to that department and all subsequent expenditure booked in that department. ~~As a matter of fact,~~ however, the most ordinary case in regard to works is that at the beginning of distress ordinary works are expanded into relief works. Such ordinary works are, ~~it may be said,~~ either Provincial or Local Fund or Municipal, but from the time they are declared "relief works" expenditure on them should be regarded as Provincial to be accounted for either in the Civil Department or, if taken charge of by it in the Public Works Department.

4. Government has adopted the policy of placing, as far as possible, all relief works under the Public Works Department. Directly the work is declared "relief work" ~~thereon~~ and is taken charge of by the Public Works Department, ~~that department should meet the expenditure from the grants which the Collector should have asked Government to provide and which the Collector made over to it,~~ and from the moment

~~when the work becomes "relief"~~ the account procedure will be that for the carrying out of works by the Public Works Department as laid down in the Famine Code, G.O., No. 668, dated 25th November 1896. Government have laid down that while the Public Works Department should take charge of construction, the Collector should pay the gangs, ~~which has been extended to other districts.~~ In order that the payments made by the officers appointed by him as paymasters on the works may be properly accounted for in the Public Works accounts, it ~~will be~~ necessary that they ~~shall~~ be regarded as Public Works disburses and ~~shall~~ obtain funds from the Public Works Department under the rules in force in that behalf. If such paymasters have sufficient leisure there will be no objection to entrusting them with the duty of aiding in the general relief charge of the work. So much of G.O., No. 57, dated 28 Jan 1897, as conflicts with the above view is cancelled.

5. When a local fund ordinary work is expanded into a relief work and is left as such under the charge of the Local Fund Engineer, that officer's services must be regarded as placed at the disposal of the Collector, who will obtain the necessary funds from the Civil Department and account for them to the Accountant-General as Provincial expenditure.

6. It has, as above said, occurred that famine expenditure has on the first occurrence of distress been irregularly incurred and recorded. To minimise this risk and to remedy existing defects, those cases which present any difficulty are dealt with below :—

(*a*) Expenditure which in fact has been incurred by *Presidents of District Boards* in connection with famine upon ordinary test or relief works will, for the present, remain upon the local books, if at no time the work has been carried out under Public Works Department supervision. Where, however, Public Works Department supervision has been given, then the entire expenditure on the work from the date the supervision was given will be transferred to the Public Works Department books. The Accountant-General and the Examiner, Public Works Accounts, will arrange to give effect to these directions.

(*b*) Expenditure on ordinary test or relief works which has been incurred *by the Collector* either without the assistance of the Local Fund Engineer or with his assistance after the work under his charge has become relief will be recorded in the civil books. It, at any time, the supervision of the Public Works Department is introduced, then, as above laid down, the expenditure will be removed into the Public Works Department books from the date upon which its supervision was introduced.

(*c*) Expenditure on ordinary test or relief works initiated by the Public Works Department will, of course, be recorded upon its books in addition to any of the expenditure alluded to above in (*a*) or (*b*) as being debitable to it.

(*d*) All other famine expenditure, from whatever source met and however in the first instance recorded, will be regarded as that of the Collector and classified in the civil books—all necessary adjustments being made.

7. It is too late for the Local Fund Budgets to be remodelled locally so as to conform to existing financial facts. This work will now be undertaken in the Government Office upon the lines laid down in section 38 of the Famine Code, which may be succinctly stated to be the following. All available funds having been diverted from the unaffected to the affected areas, allowance will first be made for all famine expenditure which is under these orders to remain in the local books or which will be incurred, it may be incorrectly, until the end of March. Then account will be taken of future unavoidable ordinary expenditure and a sufficient sum be provided (from Provincial, if necessary) as a working balance. If there is a surplus, it will be credited to Provincial. If there is a deficit, a grant will be made from Provincial to cover the deficit.

8. In regard to next year the Local Fund Budgets will be modelled similarly so as to curtail all works that can be postponed and all expenditure that can be transferred to affected areas, and after making an allowance for a working balance, the difference will be credited to Provincial for famine relief.

9. It may well be that, under the orders set out in the above two paragraphs, expenditure properly debitable to Local is borne by Provincial, or conversely that Local Funds have been called upon to bear what they are not legally bound to bear. If so, the necessary adjustments between Local and Provincial will be considered hereafter and carried out in the accounts of the current and ensuing year, so that transfers from Local to Provincial may not exceed in amount the total of the relief expenditure, which may be incurred on objects which are properly provided for from Local Funds as by law regulated.

10. All questions relating to famine finance ~~should~~ will be dealt with in the Financial Department ~~of the Local Government~~. Orders will issue in the Local and Municipal Department only in regard to the recasting of the budgets referred to in paragraphs 6, 7 and 8 and as to the final adjustment as between Provincial and Local referred to in paragraph 9.

(True Extract.)

Chief Secretary.

To Secy to Govt Rev dept — for forms of Circulars &c
" " Local "
" " P.W. "

To the Deputy Commissioners
" " Collectors of Famine districts
" " Accountant —
" " Executive Engineer —

Thumbuswamy.

Thank you for the information & offer. Pay it a little afterwards. Perhaps the Secretary might run. "District a work" declared a "Relief work" & is taken as 6, of by the Pay. The collector should, if not already been arranged for, request Govt to place all public funds that may be required for prosecuting operations, at the disposal of that dept, in which the public expenditure will be incurred accounted for and recorded. The account procedure will be also to be

Done
RS
12-2-97

Note for the Secretary.

Draft of Financial G.O.No.153,dated 8th February 1897.

The instructions given in paras.6, 7 and 8 as regards the remodelling of Local Fund budgets cannot be given effect to in this department, as we have no information here as to the affected areas in each district and as to the actual expenditure incurred on Local Fund works supervised by the Public Works Department or the Collector nor as to the total expenditure likely to be incurred debited to Local Funds up to 31st March 1897. Local Fund Budgets usually provide for the maintenance of roads and for the upkeep of the several institutions and establishments falling under Grants 1 to 5. The provision for these cannot well be transferred from unaffected to affected areas without impairing the efficiency of the roads and other institutions in the former and thus causing great public inconvenience. The only things that can be done are to strike out the provision, if any, made from general funds for new public works or other similar avoidable expenditure and to close the revised estimate for the current year and the budget estimate for the ensuing year with a balance of not less than 5 per cent of the receipts, as a working balance, any amount by which the actual balance falls short of this limit being taken credit for from Provincial Funds, any surplus being, on the other hand, credited to Provincial Funds

*vide para 10.

I asked for this in a note long ago S/R

all available funds have been diverted from the unaffected & the affected areas" in para 7, can properly refer to Govt contributions in aid of local funds raised by taxation under the Act. The funds of one district Board cannot be legally diverted to another district; if "areas" mean "districts" as apparently they do

2. The principle upon which the famine expenditure "properly debitable" to Local or Provincial Funds is to be determined should be clearly stated in para. 9.

V.R
15/12/77

Could be done after words 8th

~~be the~~ intention of the para.

I would: omit the words in red brackets in para 7, unless it is altered in some manner to indicate that it is only for contributions, so far as districts are concerned.

Of course if the words are meant to signify transfers from district to taluq funds or from one taluq to another, then there is no objection, although I do not see the necessity in the order of attempting to put a construction on Section 83 of the Famine Code; but we leave Govt. to interpret the ~~order~~ Section when the order directing it is issued. What Section could Govt. refer to?

So the words in red brackets might still be omitted. So in para. 8 at the end shd. be added "in that district". Similarly in the third line "affected areas" must mean so far as local funds raised under the Act

mean "affected areas within the same district"

S.H
15/12/77

famine grants

F.D. 133 Fmd 8-2-97.

NOTE FOR THE ~~CHIEF~~ SECRETARY.

Govt.

The part of this G.O. which has been sent by the Govt. of India has emanated from the Actual, the Revised, the Provisional. The Secy. of State does not call attention, which Govt. can and will decide in the final part.

The G.O. mentioned day, as Memo of January date on Telegraphing for accounts - Govt. until the prop. 2 Dft and is a Memo for issue at once - funds up to 15 copies just received from Govt.

17/2/97

Chiefly send enclg copies copy.

[G/74]
4,700—13-8-95.

Government {1897} of Madras.

FINANCIAL.

Recd. } 1897. Enclosures

Regd. } Spare copies

G.O., No. 133, 8th February 1897.

FEBRUARY.

15 Dec

Send 100 extra Govt. 17/2/97

Funds for Famine Relief Purposes.

Passing orders in regard to the obtaining and provision of — and laying down the method in which the expenditure already incurred should be dealt with.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Order—No. 133, Financial, dated 8th February 1897.

It has lately come to the notice of His Excellency the Governor in Council that the orders contained in section 38 of the Famine Code relating to the obtaining and provision of funds for famine relief purposes have not been fully attended to, and that in consequence of this neglect much confusion has arisen and local funds are being drawn on to an extent which it is unlikely that they will be able to meet and in a manner which is not, in the opinion of His Excellency the Governor in Council, desirable or in strict accordance with law. His Excellency the Governor in Council therefore resolves to call the attention of all officers concerned to the procedure to be adopted in this matter in future and to lay down the method in which the expenditure already incurred should now be dealt with.

2. It is a fundamental principle of the relief scheme of the Famine Code that the Collector is the officer to whom Government looks for the initiation and control of all famine operations, and it is not expedient that his action at any point should be controlled by any authority other than Government. It is necessary that the funds which he may require should, in the first instance, be provided for from Provincial resources which must be replenished by transfers from Local Funds so far as available, or, if necessary, by grants from Imperial revenues.

Under sections 37 and 38 of the Famine Code the first step is for the Collector to frame an estimate of the funds required for each kind of work to be placed at the disposal of the Public Works Department or of himself and to obtain the funds and sanction for expenditure, and under section 108 no work should be undertaken without estimate and distinct appropriation being made by proper authority. Only with a view to ascertain what aid can be obtained from Local or Municipal Funds is it necessary, under section 33, that their budgets should be remodelled on the opening of relief works. This procedure does not seem to have been adopted in any case and the result has been confusion especially in regard to works.

3. When works are originally started as "relief works," funds must, under section 37, have been provided for them either in favour of the Public Works Department or of the Collector, from whatever source, as shown in section 38, the fund may ultimately be contributed. Expenditure on such works will be accounted for either in the Public Works Department or in the books of the Accountant-General according as the Public Works Department or the Collector is in charge of them. If started by the Collector but made over to the Public Works Department, the balance of the grant for the work must be transferred to that department and all subsequent expenditure booked in that department. The most ordinary case, however, in regard to works is that at the beginning of distress ordinary works are expanded into relief works. Such ordinary works are, it may be said, invariably either Provincial or Local Fund (or Municipal) but from the time they are declared "relief works" expenditure on them should be regarded as Provincial to be accounted for either in the Civil Department, or, if taken charge of by it, in the Public Works Department.

4. Government has adopted the policy of placing, as far as possible, all relief works under the Public Works Department. Directly the work is declared a "relief work" and is taken charge of by the Public Works Department, the Collector should, if this has not already been arranged for, request Government to place all

further funds that may be required for prosecuting operations at the disposal of that department, in which the further expenditure will be incurred, accounted for and recorded. The account procedure will be that for the carrying out of works by the Public Works Department as laid down in the Famine Code.

In G.O., No. 668, dated 25th November 1896, Government have laid down that while the Public Works Department should take charge of construction, the Collector should pay the gangs. In order that the payments made by the officers appointed by him as paymasters on the works may be properly accounted for in the Public Works accounts, it is necessary that they be regarded as Public Works disbursers and obtain funds from the Public Works Department under the rules in force in that behalf. If such paymasters have sufficient leisure there will be no objection to entrusting them with the duty of aiding in the general relief charge of the work. So much of G.O., No. 57, dated 28th January 1897, as conflicts with the above view is cancelled.

5. When a local fund ordinary work is expanded into a relief work and is left as such under the charge of the Local Fund Engineer, that officer's services must be regarded as placed at the disposal of the Collector, who will obtain the necessary funds from the Civil Department and account for them to the Accountant-General as Provincial expenditure.

6. It has, as above said, occurred that famine expenditure has on the first occurrence of distress been irregularly incurred and recorded. To minimise this risk and to remedy existing defects, those cases which present any difficulty are dealt with below :—

(*a*) Expenditure in relief of famine which in fact has been incurred by *Presidents of District Boards* in connection with famine upon ordinary, test, or relief works will, for the present, remain upon the local books, if at no time the work has been carried out under Public Works Department supervision. Where, however, Public Works Department supervision has been given, then the entire expenditure on the work from the date the supervision was given will be transferred to the Public Works Department books. The Accountant-General and the Examiner, Public Works Accounts, will arrange to give effect to these directions.

(*b*) Expenditure in relief of famine on ordinary, test, or relief works which has been incurred *by the Collector* either without the assistance of the Local Fund Engineer or with his assistance after the work under his charge has become relief, will be recorded in the civil books. If, at any time, the supervision of the Public Works Department is introduced, then, as above laid down, the expenditure will be removed into the Public Works Department books from the date upon which its supervision was introduced.

(*c*) Expenditure in relief of famine on ordinary, test, or relief works initiated in such *by the Public Works Department* will, of course, be recorded upon its books in addition to any of the expenditure alluded to above in (*a*) or (*b*) as being debitable to it.

(*d*) All other famine expenditure, from whatever source met and however in the first instance recorded, will be regarded as that of the Collector and classified in the civil books—all necessary adjustments being made.

7. It is too late for the Local Fund Budgets to be remodelled locally so as to conform to existing financial facts. This work will now be undertaken in the Government Office upon the lines laid down in section 33 of the Famine Code, which may be succinctly stated to be the following :—All available funds having been diverted from the unaffected to the affected areas, allowance will first be made for all famine expenditure which is under these orders to remain in the local books or which will be incurred, it may be incorrectly, until the end of March. Then account will be taken of future unavoidable ordinary expenditure and a sufficient sum be provided (from Provincial, if necessary) as a working balance. If there is a surplus, it will be credited to Provincial. If there is a deficit, a grant will be made from Provincial to cover the deficit.

8. In regard to next year the Local Fund Budgets will be modelled similarly so as to curtail all works that can be postponed and all expenditure that can be transferred to affected areas; and after making an allowance for a working balance, the difference will be credited to Provincial for famine relief.

9. It may be that, under the orders set out in the above two paragraphs, expenditure properly debitable to Local is borne by Provincial, or conversely that Local Funds have been called upon to bear what they are not legally bound to bear. If so, the necessary adjustments between Local and Provincial will be considered hereafter and carried out in the accounts of the current and ensuing year, so that transfers from Local to Provincial may not exceed in amount the total of the relief expenditure, which may be incurred on objects which are properly provided for from Local Funds as by law regulated.

10. All questions relating to famine finance will be dealt with in the Financial Department. Orders will issue in the Local and Municipal Department only in regard to the recasting of the budgets referred to in paragraphs 6, 7 and 8 and as to the final adjustment as between Provincial and Local referred to in paragraph 9.

(True Extract.)

Chief Secretary.

To the Departments of the Secretariat.
,, Collectors of Famine Districts.
,, Accountant-General.
Editors' Table.

Printed. C. M. Thumbuswamy.

ACCOUNTANT GENERAL'S OFFICE,
FORT ST. GEORGE,

the 1st of February 1897.

1.45 P.m.

My dear Stokes

I send you the papers in connection with the delict of Tramine explosive of the existence and purport of which I informed you yesterday at our conference. They were most unfortunately not in the office when I came here this morning or I would have sent them, as I said I would, the first thing on arriving at office.

Yours sincerely.

H Hanson

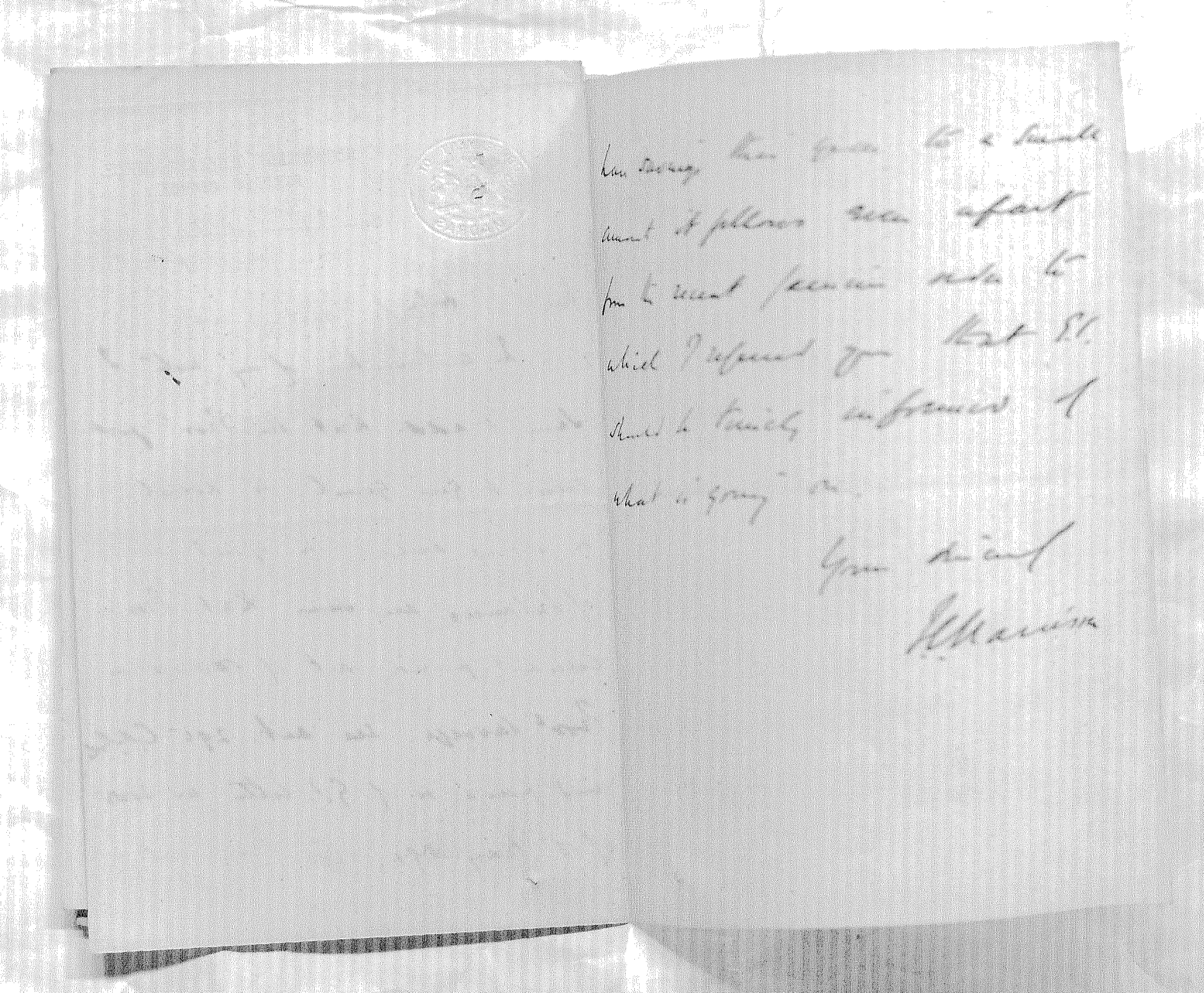
I shall take his first
opportunity of communicating
with the Local Govt.
that they may
by Local Notification
in the Local Gazette
under Sec. 18. of
Act III of 1884
declare Beads or
Suitable - Beads or
the Bore & Pounded
and to appropriate
any balance there of

ACCOUNTANT GENERAL'S OFFICE,
FORT ST. GEORGE,

the 27th of Jan. 1897

Sir,

In continuation of my note I should add that the Govt. pensioner cannot give grant to local or allow local to spend out of balances any sum that Govt. cannot permit out of ~~contingencies~~ Govt. savings see art. 29 C.C. and para 4 of G.O. letter no 2003 of 13th May 1891. as Govt. will see



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