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MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 2891 Press / Mis.

97-98

Dated 7-10 18 64

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 7th October 1864.

No. 97. Read the following letter from Lieutenant-Colonel M. K. KENNEDY, R. E., Secretary to the Government of Bombay, Public Works Department, to the Secretary to the Government of Fort Saint George, Madras, dated Bombay Castle, 21st September 1864, No. 1,531M:—

SIR,

In continuation of my letter No. 1,489M, of the 10th instant, I am directed to forward, for the information of the Madras Government, three copies of each of the letters as per margin, addressed by me to the Government of India, on the subject of new forms of monthly Appropriations Return, and Budget Register.

No 1,662, dated 6th September 1864.
„ 1,663, „ 6th „ „

From Lieutenant-Colonel M. K. KENNEDY, R. E., Secretary to the Government of Bombay, Public Works Department, to the Secretary to the Government of India, dated Bombay Castle, 6th September 1864, No. 1,662.

SIR,

1. With reference to paragraph 6 of Circular by the Government of India, No. 35 of the 7th of June last, I am directed to inform you, that the Auditor of Public Works Accounts had enquired, whether the orders contained in that paragraph should be carried out as regards this Government, and whether his Budget Register should be corrected as if it had been closed on the last day of the year 1863-64.

2. In reply, Colonel Kendall was directed to state, what would be the general effect of the arrangement referred to, and was requested to give one or two illustrative instances.

3. Colonel Kendall then wrote as follows:—

"In reply to Office Memorandum No. 1,273A, dated 1st instant, I have the honor to report "that the effect of carrying out the arrangements referred to in paragraph 6 of Govern- "ment of India's Circular, No. 35 of the 7th June last, would be, that all works for "which no specific appropriation has been made prior to the 1st May last, would have to "be so entered in the Appropriation Return, and that works on which excess expendi- "ture has been incurred could not have their appropriation re-adjusted by grants from "savings on other works. As an instance of the first case I take Government Resolution "Public Works Department, No. 862, dated 4th May 1864, sanctioning to the debit of "the Reserve Fund 1863-64 Rupees 1,745-3-10 for a building at Orchand for the Thana- "dar, and as an illustration of the second, Government Resolution Public Works Depart- "ment, No. 1,088, dated 11th June 1864, adjusting the excess incurred on the new "barracks at Kirkee to savings on other works in the Original and Revised Supple- "mentary Budgets."

It appears therefore that if the Government of India desire that these *ex post facto* arrangements should be carried out, it will be necessary for this Government to cancel a considerable number of its Resolutions, and to submit a return which will exhibit a large expenditure without a corresponding appropriation.

4. In regard to paragraph 4 of Circular, No. 35, I am desired to say, that the Budget of any given year shows the intention of this Government in regard to the appropriation of the assignment at disposal for that year, though of course that intention can never be fully and completely realized in practice.

5. Re-distributions may be made as the year proceeds, but there must always be a considerable expenditure for which there can be no definite appropriation till after the close of the year, because its amount cannot be ascertained till the accounts have been submitted.

6. It seems as a matter of theory to be quite as reasonable that the re-distribution should be made a day, or a month after the 30th of April, as that it should be effected at like intervals before the 30th of April.

7. The term appropriation may possibly cease to have any meaning under the circumstance mentioned in paragraph under notice, but in order to secure fully the object in view, which in the opinion of the Government of India, is held to be important, the original programme, it appears to His Excellency in Council, should be considered the basis of comparison, and there should be no re-appropriation when the Budget has once been sanctioned.

8. The really important point to ascertain, however, His Excellency in Council would submit is, not what it is meant to do, for the very best intention in this respect must fail, but what has actually happened; and how the means at disposal have been bestowed in respect to the wants of the country. His Excellency in Council may be in error, but as far as he is at present informed, the document called the appropriation return, with the exception of the first page, which exhibits merely gross results, is absolutely useless for all practical purposes, and that therefore the return, except in so far as it is a record of results under the main heads of service, might without any disadvantage be discontinued altogether.

From Lieutenant-Colonel M. K. KENNEDY, R. E., Secretary to the Government of Bombay, Public Works Department, to the Secretary to the Government of India, dated Bombay Castle, 6th September 1864, No. 1,663.

SIR,

1. I have the honor to acknowledge the receipt of your Circular, No. 34, dated 3rd June 1864, forwarding for adoption, amended form of monthly appropriation return, and in reply, am directed to inform you, that the form was sent for the report of the Auditor of Public Works Accounts to know whether there were any reasons why this form should not be at once introduced.

2. Colonel Kendall, who as you are aware, was a member of the late Commission on Public Works Accounts, reports, I am directed to say as follows:—

1. "The great objection that I see to the new Forms of re-distribution of Budget allotments for specific works and appropriations from the allotments for minor works and repairs, is that they are too elaborate in design and require information to be exhibited monthly, that might be left for final report at the end of the year."

2. "Another objection is that I fear they will be almost unintelligible to any except trained Accountants, or those accustomed to deal with papers of the kind. Each Local Government for its own information requires a monthly Return of the appropriations made from the Reserve and from the assignment for Repairs; and in my opinion this, with a list of appropriations made from grants for specific works, would have been all that was necessary to submit to the Government of India, as controlling head of the Department; and which would supply the data that could be worked up into any shape in their own office."

3. "It appears to me a very arbitrary distinction, and for which I cannot see any corresponding advantage, to keep five separate Reserve and Repair accounts, each by double entry, when each five are one and the same general fund at the free disposal of Government to be expended under any of the five sub-heads at their discretion."

4. "This Return like the old Bengal Public Works Books, exhibits monthly the state of the Department under each of the various sub-heads with full details how these results are arrived at. As well as I remember, the Accounts Commission lately assembled in Calcutta were against elaborate returns of this nature, and desired to see all the books and papers reduced and simplified. This is not a matter only of economy as many advantages result from a curtailment of office work."

5. "To prepare the Return for the Bombay Public Works Department will certainly require the entire services of an extra accountant with probably a clerk as assistant."

(2)

3. His Excellency in Council, I am desired to say, entirely concurs in Colonel Kendall's view, and would draw attention to the statement he makes, which is no doubt borne out by facts, and must be within his own knowledge that the Accounts Commission desired to simplify accounts and not to complicate them in the manner that these forms appear so well calculated to do.

4. I am also desired to draw the particular attention of the Government of India, to the very sensible and practical remarks contained in Colonel Kendall's third paragraph: and respectfully to urge on the Government of India, that it would be well to impress on their able Officers in the accounts branch of the Public Works Department, the great necessity that exists, and is recognized by all practical men, not only in the Public Works Department, but in all private firms and establishments, of simplifying all record of expenditure in such a way, that while affording essential information, it may be intelligible to others besides the experts of the Accountant General's Office.

5. Another consideration which rules, it is believed, procedure in the establishments of private companies and large contractors, is the inadvisability of paying largely for minute information not necessary to bring out the general results. What is true in the case referred to, is perhaps also true as regards Government undertakings; and His Excellency in Council would therefore ask, whether it is worth while to entertain the increased establishment the Auditor declares to be necessary to enable him to do month by month what can be as well, if not better and more efficiently done, at the close of the year.

6. With fluctuating means and with facts to deal with not figures only, as the Accountant General's forms appear to contemplate, the perpetual debiting and crediting of items that these new forms entail would, in the opinion of His Excellency in Council, be very difficult to effect, and would certainly not be worth the trouble and expense involved.

Transferred to the Public Works Department.

FORT SAINT GEORGE,
29th September 1864.

(Signed) C. G. WALKER,
Deputy Secretary.

No. 98. ORDER THEREON, 7th October 1864, No. 2,891.

Ordered to be recorded.

(True Extract.)

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

Exd. S. T. Augustin.

No. 1531 of 1864

R. D. (3)

Bombay Castle
21st September 1864

To
The Secretary to the Government
of
Fort St George
Madras.

Sir,

In continuation of my letter No. 1489 of the 10 instant, I am directed to forward, for the information of the Madras Government, three Copies of each of the letters as per margin, addressed by me to the Government of India, on the subject of new Forms of Monthly Appropriation Return, and Budget Register.

No. 1662 dated 6 Septr 1864
No. 1663 dated 6 Septr 1864

I have the honor to be —
Sir
Your most Obedt Servant

H. Reid Lieut Colonel
RE.
Secretary to Government

No. 1662 of 1864.

PUBLIC WORKS DEPARTMENT.
6th September 1864.

FROM

THE SECRETARY TO THE GOVERNMENT OF BOMBAY.

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA.

SIR,

With reference to para. 6 of Circular by the Government of India, No. 35, of the 7th of June last, I am directed to inform you, that the Auditor of Public Works Accounts had enquired, whether the orders contained in that para. should be carried out as regards this Government, and whether his Budget Register should be corrected as if it had been closed on the last day of the year 1863-64.

2. In reply, Colonel Kendall was directed to state, what would be the general effect of the arrangement referred to, and was requested to give one or two illustrative instances.

3. Colonel Kendall then wrote as follows:—

> "In reply to office Memo., No. 1273 A, dated 1st Instant, I have the honor to report that the effect of carrying out the arrangements referred to in para. 6 of Government of India's Circular, No. 35, of the 7th June last, would be, that all works for which no specific appropriation has been made prior to the 1st May last, would have to be so entered in the Appropriation Return, and that works on which excess expenditure has been incurred could not have their appropriation readjusted by grants from savings on other works. As an instance of the 1st case I take Government Resolution Public Works Department, No. 862, dated 4th May 1864, sanctioning to the debit of the Reserve Fund 1863-64 Rupees 1,745-3-10 for a building at Orchand for the Thanadar, and as an illustration of the 2nd, Government Resolution Public Works Department, No. 1088, dated 11th June 1864, adjusting the excess incurred on the new barracks at Kirkee to savings on other works in the Original and Revised Supplementary Budgets."

It appears therefore that if the Government of India desire that these *ex post facto* arrangements should be carried out, it will be necessary for this Government to cancel a considerable number of its Resolutions, and to submit a return which will exhibit a large expenditure without a corresponding appropriation.

4. In regard to para. 4 of Circular, No. 35, I am desired to say, that the Budget of any given year shows the intention of this Government in regard to the appropriation of the assignment at disposal for that year, though of course that intention can never be fully and completely realized in practice.

5. Re-distributions may be made as the year proceeds, but there must always be a considerable expenditure for which there can be no definite appropriation till after the close of the year, because its amount cannot be ascertained till the accounts have been submitted.

6. It seems as a matter of theory to be quite as reasonable that the re-distribution should be made a day, or a month after the 30th of April, as that it should be effected at like intervals before the 30th of April.

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8. The really important point to ascertain, however, His Excellency in Council would submit is, not what it is meant to do, for the very best intention in this respect must fail, but what has actually happened; and how the means at disposal have been bestowed in respect to the wants of the country. His Excellency in Council may be in error, but as far as he is at present informed, the document called the appropriation return, with the exception of the first page, which exhibits merely gross results, is absolutely useless for all practical purposes, and that therefore the return, except in so far as it is a record of results under the main heads of service, might without any disadvantage be discontinued altogether.

I have the honor to be,
Sir,
Your most obedient servant,

Sigd/ M. K. Kennedy
Lieut.-Colonel, R. E.,
Secretary to Government.

BOMBAY CASTLE,
6th September 1864.

P.W. 1244/64
Entered
Nov 5 85

No. 1663 OF 1864.

PUBLIC WORKS DEPARTMENT.
6th September 1864.

FROM

THE SECRETARY TO THE GOVERNMENT OF BOMBAY.

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA.

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I have the honor to be,
Sir,
Your most obedient servant,

Sigd. / M. K. Kennedy
Lieut.-Colonel, R. E.,
Secretary to Government.

BOMBAY CASTLE,
6th September 1864.

P.W. 2244/64

No. 2891

Recorded

Chepmell
7th Octr/64

4. I am also desired to draw the particular attention of t
of India, to the very sensible and

1864 Depte
Pro. of Govt for Octr
No. 4244

From the Dy. Secry
to Govt -

Dy 29 } Septr 1864
Rec. 01 }

(Encl 2) 2 Share copies each

Transferring letter
from the Govt of Bombay
forwarding copies of its letter
to the Supreme Govt on the
subject of new forms of
Monthly Appropriation
Return, and Budget Esti
-tes -

No. 97.98

Recorded
10 Octr 1864

No. 2891 - 7th Octr 1864.

Received 3rd Octr