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MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

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*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

No. 195. Read the following Proceedings of the Governor General of India in Council, Public Works Department, (Account,) dated Simla, 25th July 1865, Circular No. 69 :—

General Budget-Estimate of Public Works Expenditure in India for the year 1865-66.

Read the accompanying Report, dated 7th July 1865, by the Accountant General, Public Works Department, on the Public Works Budget-Estimates of 1865-66.

RESOLUTION.—The Governor General in Council observes, that Major Chesney's Report is, as usual, clear and interesting, and affords valuable statistics regarding the estimated expenditure of the year on Public Works.

2. His Excellency in Council also fully concurs in the views expressed in the first part of this Report as to the best procedure to be followed in making the annual allotment of funds for expenditure on Public Works.

3. There can be no question as to the advantage that would accrue if the Local Authorities were able to frame their annual estimates upon a definite amount, previously fixed and known, and there is reason to hope that the Government of India will, in future, be able to declare finally, in the month of October of each year, the time suggested in the Accountant General's Report, the amount of the Imperial Public Works Grant, and its distribution among the different Provinces for the ensuing year, thus allowing the several Local Governments and Administrations ample time to prepare and submit well-considered estimates and details of expenditure by the prescribed date, viz., 1st February following, which will not be subject as heretofore, to alterations in the total amount.

4. The only other point which seems to call for special notice in the Accountant General's Report, refers to the estimates for Office Contingencies, which although showing, when compared with the previous year's estimates, a reduction of nearly Rupees 50,000, are still very high, especially in the Provinces of Bengal, North-Western Provinces, Punjab, and British Burmah, where the charges under this head vary from .8 to .9 per cent. on the grant of the year.

5. Particular attention was drawn to this subject in the Resolution of this Department, No. 549 A, dated 22nd September last, on the Accountant General's Report on the estimate of the year 1864-65, and as the necessity for maintaining such exceptional rates of charges in these Provinces is not apparent, His Excellency the Governor General in Council is pleased to direct that detailed schedules be now submitted from Bengal, the North-Western Provinces, Punjab, and British Burmah, explanatory of the items which make up the charges on this head, with a Report as to whether the items are all absolutely necessary.

ORDER.—Ordered, that a copy of the foregoing Resolution, together with the Accountant General's Report, be forwarded to all Local Governments and Administrations for information and guidance, and to the Home, Military, and Foreign Departments, and to the Quarter Master General of the Army, for information.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

Also, that a copy of the Resolution and Report, together with the despatch from the Secretary of State referred to in the latter, No. 7 of 1865, be forwarded to the Financial Department for information, and with special reference to paragraph 2.

Also, that a copy of the Report, omitting paragraphs 3—14, be published in the Gazette of India.

(Signed) C. H. DICKENS, *Lieut.-Col., R. A.,
Secy. to the Govt. of India.*

(Signed) A. B. SAMPSON,
Asst. Secy. to the Govt. of India.

To the Secretary to Government of Madras, Public Works Department.

Enclosure to Public Works Circular No. 69 of 1865.

Report by MAJOR, G. CHESNEY, Accountant General, Public Works Department, on the Public Works Budget-Estimate for 1865-66.

The General Imperial Public Works Budget-Estimate of Expenditure on Public Works in India for 1865-66, was submitted to the Supreme Government with my Note dated 31st March 1865. I now proceed to offer certain observations on such of the details of this estimate as call for remark.

2. In the first place, I beg to take the opportunity of drawing attention to the remarks of the

* Secretary of State's Despatch No. 7 of 2nd February 1865
Secretary of State* on the Report and Budget-Estimate of last year.

3. In that Report I stated the difficulty there was in the preparation of a General Public Works Estimate at the commencement of the year. I explained that, as it was the practice not to fix the total Public Works Grant for India until the general financial account of ways and means was made up, it followed that the assignment to be made out of that total grant to each Province seldom, if ever, agreed with the amount for which the Provincial Estimate was framed, which amount was provisionally fixed several months earlier. The consequence was, that the original Estimates, instead of being at once passed for the amount set down in them, if otherwise unobjectionable, had to be altered and adjusted in this office to bring the amount of each estimate into accord with the grant subsequently made.

4. The disadvantages of such an arrangement I stated to be three-fold. In the first place, it was impossible that the re-adjustment of the items of the estimate of a Local Government could be made so satisfactorily by this Department as it could be by the Local Officers, while a great deal of labor was involved which might be saved by different arrangements; 2ndly, serious delay was occasioned, as the detailed estimates had, in fact, to be almost compiled anew in some cases at the time when they were properly due for transmission to England; 3rdly, sudden variations in the amount of the grant seriously interfere with the economical working of the Department.

5. This last is the most important consideration of the three, though all are important. The principle cannot, I submit, be too plainly kept in view that the money granted for public works, if it is to be applied to the best advantage and in the most economical manner, must be supplied with regularity. A sudden variation in the rate of supply cannot fail to be disadvantageous. If the change be an addition to the ordinary grant, it is usually impossible to spend it to advantage; if it be a reduction, a needless expenditure has to be incurred for establishments which cannot be suddenly reduced, while there will almost certainly be a waste arising from the excess of materials left on hand beyond the reduced wants.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

6. All considerations seem, in short, to point strongly therefore to the advantage there would be in dealing with the Public Works Grant in a more regular way than has heretofore been customary; and in my Report* for last year, I suggested that in place of the Provincial Estimates being cut down, or added to, to fit in with the anticipated surplus, the converse plan should be pursued which obtains in regard to all the other State services, viz., of basing the Imperial Estimate of the year upon fixed Provincial grants to be declared in sufficient time to admit of the Local Governments framing their estimates to correspond with the grants.

* Paragraph 7 of the Report is as follows:—
"It is therefore submitted as very desirable, that the element of uncertainty which now pervades this branch of the departmental business should be removed, and that the supplies for public works should be regulated, rather as if the demand were a determinate one which could be satisfied by a certain sum, than as something indefinite to be regulated by the surplus of the year. The final grant is, after all, not made on actual saving, but on an estimated saving, and, practically, the finances would not be liable to greater derangement if the charge for public works were treated as a fixed one for the time being, like that for the Army, than if it were altered to conform with the fluctuations in the financial estimates at the end of the year. It would never be proposed to carry on the business of any other great department by grants liable to sudden fluctuation from year to year, and it appears equally essential in the case of this department also, if the funds supplied are to be laid out with the best economy and advantage, that the rate of expenditure should be evenly maintained for considerable periods of time. A moderate grant, made in good time, is likely to go further and more profitably than a larger one made without due notice."

reply above quoted, drew attention to the subject, and expressed an opinion that it would be an improvement to give effect to this proposal.

8. This despatch was not received until March, but in the meantime an approach had been made towards the desired procedure by the assignment of the Provincial grants for 1865-66 to Local Governments and Administrations before that year began.

9. This final distribution was made early in January* 1865, and it is the first occasion on

* Public Works Circular No. 2 of 1865.

which so early a distribution has been practicable. Still it was not early enough for the full object desired. The Circular was not issued until the 6th January, and did not reach distant provinces till the middle of that month, by which time the Provincial Estimates were many of them prepared on the basis of the provisional allotments made in the previous October.† Some of the Local Governments and Administrations sent up these estimates unaltered, which had, therefore, to be

† P. W. D. Circular No. 75 of 1864.

cut down and adjusted in this Office after the old fashion, while those which were framed in accordance with the final grant, were necessarily delayed considerably beyond the date (1st February) at which they were due, according to rule, in this Office. The last estimate (that from the Central Provinces) was not received in this Department until the 25th March, and, therefore, although the utmost possible expedition was used, it was obviously not possible for the Public Works Department to furnish the Financial Department with the General compiled Public Works Estimates till immediately before the 1st April, the date when the financial statement was made in the Legislative Council. It was, however, supplied to the Financial Department on the 1st April, and the collected Budget Orders, which had previously been issued separately as they were passed by Government, were published collectively on the 22nd April. So that, for the first time, the estimates were finally disposed of before the beginning of the year to which they referred.

10. Although, therefore, a great advance has been made, still it has not been sufficient for the whole purpose required. As regards that purpose, I have dwelt on the subject mainly from a financial point of view; but really this is quite a secondary matter compared with the importance of allowing sufficient time for the provision of the necessary arrangements, specially the preparation of materials, and the disposition of the supervising establishments, connected with the execution of the works to be undertaken. That these points should be satisfactorily provided for, it appears essential that the estimates framed by the Local Governments should be prepared by the beginning of February, at the latest, and should not be liable to alteration in ordinary cases except in matters of detail, so that the departmental executive officers may know, three months beforehand, what works they shall have to undertake during the year.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

11. Such an arrangement would involve the abandonment of the idea that the Public Works Grant is to be a fluctuating sum dependent on the estimated surplus of the year, and the treatment of it as a fixed charge, like the Civil and Military services.

12. But, in fact, it is so virtually already, and any difference between the demands of this Department, and the amount that has to be supplied, can only vary within very narrow limits. The necessary expenditure on repairs cannot be reduced to make a financial equilibrium; the charges for establishments are fixed, or nearly so; the State wants for Military and Civil Buildings have to be met when they are necessary. The only part of the Public Works Estimates which can be dealt with arbitrarily is that for works of public improvement, and even here, the amount usually allowed (about two millions sterling) is so distributed over a vast area and number of works that, practically, no sensible reduction can be made suddenly without extreme derangement of the economy of the department. At any rate, it is easier to give additional grants than to cut down estimates, and therefore the argument seems to be all in favor of a fixed minimum grant allotted in good time, subject to increase afterwards if altered at all.

13. If these views are approved, then it would follow that the grants for next year should be made to the different Local Governments and Administrations in all October, before the Government of India returns to Calcutta. This would give the Local authorities from two and half to three months to prepare and print their Estimates, not at all too long a time; they would reach the Government of India on or before the 1st February, the date appointed, and the whole would be disposed, and the consolidated estimate for India would be compiled before the 1st April.

14. I now beg to turn to the Estimate of the current year, the following remarks on which may be of interest.

15. The first thing that may be usefully recorded is the Imperial grants for expenditure under the direct administration of the Public Works Department, as compared with that for 1864-65; this is given in Table A below—

TABLE A.

Grants for Public Works from 1859-60 to 1865-66, exclusive of the allotments for State expenditure on guaranteed and unguaranteed enterprise.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	1865-66.	1864-65.
	£	£
Madras	616,603	680,000
Bombay	1,560,000	1,099,330
Bengal	730,000	545,000
North Western Provinces, including Ajmere	788,760	684,538
Punjab	600,000	565,000
Central Provinces	330,000	290,000
British Burmah, including Port Blair	257,500	242,800
Oudh	187,581	207,253
Hyderabad	114,400	90,000
Straits Settlements	35,000	40,000
Rajpootana	56,250	11,367
Central India	76,250	12,075
Coorg	10,000	6,000
Unappropriated Grant	31,497	.....
	*5,363,841	4,473,363

Total Grant	...	1859-60	3,685,300
"	...	1860-61	3,371,354
"	...	1861-62	3,420,540
"	...	1862-63	3,655,335
"	...	1863-64	4,512,769

* For an explanation of the difference between this item and that shown in the General Estimate, see Table K, appended to this Report.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

16. Thus it appears that the grant for 1865-66 is in excess of that for 1864-65* by nearly a million sterling, which again was nearly a million in excess of the average grant of the four years from 1859-60 to 1863-64. Of the increase in the current year, however, half a

* The considerable grants, aggregating £394,318, made during the course of 1861-65, after the Budget Estimate was framed, are omitted from this comparison.

million is due to increase in the special grant made to Bombay, in consideration of the receipts to be realized by sales of land, in connection with the removal of the ramparts of the old fortification in the island of Bombay, the total grant for this purpose being £700,000. The North Western Provinces have received £100,000, and Bengal £200,000 more than last year, the balance being divided between the other Provinces, with the exception of Madras, the grant to which Presidency, shows a reduction of about £64,000, caused principally by its inability to make use of the whole amount of the Military grant assigned to it.

17. Table B shows the per-centage borne by the various grants assigned to the various heads of service (excluding State outlay on Guaranteed Railways and Irrigation works, and on Railway lines not guaranteed) to the aggregate allotment made to each Province.

TABLE B.

Per-centage borne by the various Grants to the aggregate allotment made to each Province.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	ORIGINAL WORKS.		REPAIRS.		ESTABLISHMENTS.		TOOLS AND PLANT.	
	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.
Madras	31.67	43.67	40.55	36.77	25.35	18.09	2.43	1.47
Bombay	78.52	70.67	9.75	15.01	10.50	13.52	1.23	.83
Bengal	56.26	51.37	25.69	28.44	17.12	20.19	.93	
N. W. Provinces, including Ajmere	58.29	55.79	22.76	24.86	18.23	19.35	.72	
Punjab	54.76	57.56	23.17	20.91	20.40	21.53	1.66	
Central Provinces	70.34	68.83	8.27	9.36	18.19	21.46	3.20	.35
British Burmah, including Port Blair	75.73	76.44	8.74	9.60	14.56	13.96	.97	
Oudh	69.49	69.71	14.56	15.75	14.99	14.54	.96	
Hyderabad	80.60	76.96	7.00	8.48	11.69	14.56	.73	
Straits Settlements	58.53	64.77	18.93	15.78	21.63	19.45	.91	
Rajpootana	73.60	81.12	12.80	8.94	12.98	9.94	.62	
Central India	70.25		13.48		15.13		1.14	
Coorg	58.65		17.85		21.50		2.00	
Unappropriated Grant	100.00	...	...	...	...	...	...	...
General average.	63.40	60.52	18.96	21.45	16.28	17.59	1.36	.44

18. The principal facts brought out by this table are, that the proportion of the total allotment given to Repairs and Establishments is 2.49 and 1.31 per cent. less, respectively, than in the previous year, while there is an increase of 2.88 per cent. on the proportion allotted to Original Works. To this increase may also be added that shown under the head Tools and Plant, a new head, the principal expenditure for which in the previous year was charged to Original Works. But this view of the case, as regards Establishment charges, will have to be modified by the considerations noticed in paragraph 37.

19. Although the proportionate allotments for Repairs and Establishments have been reduced in this Estimate, they actually have increased £56,982 and £86,606, the increase in that for Original Works having been £693,508, as shown in Table C below. The Establishment and Repairs Estimate will be noticed in detail presently.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

20. The largest proportional charge for Repairs is in Madras, where it forms a per-centage of 40.55 on the total Estimate; but this comprises, in the estimates of that Presidency, the charges for maintenance of the numerous irrigation works scattered over the country. The largest increase during the year is in Punjab, from 20.91 to 23.17 per cent. Bombay shows a considerable reduction, which, however, is rather more than compensated for by the charges in the Rajpootana and Central India Estimates, for works transferred during the year from the Bombay Presidency to those Administrations.

21. The distribution of the Grant for Original Works among the various heads of service, as compared with that made in 1864-65, is given in Table C below:—

TABLE C.

Distribution of the Grant for Original Works for 1865-66 as compared with 1864-65.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	MILITARY.		CIVIL BUILDINGS.		PUBLIC IMPROVEMENT.					
					Agricultural.		Communications.		Miscellaneous Public Improvement.	
	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.
Madras	£ 73,318	£ 100,777	£ 46,072	£ 80,445	£ 25,982	£ 48,978	£ 44,752	£ 62,608	£ 5,159	£ 4,144
Bombay	407,320	131,035	231,527	41,385	76,380	8,431	159,132	179,213	350,550	373,718
Bengal	77,500	31,727	158,500	98,970	49,000	11,568	125,200	137,735	500	500
North Western Provinces, including Ajmere.	210,811	109,823	85,444	70,591	66,354	54,212	97,177	148,207		
Punjab	188,575	102,760	40,024	45,769	36,517	55,431	55,901	114,156	7,500	7,115
Central Provinces	61,500	39,082	48,000	21,963			101,500	135,653		
British Burmah, including Port Blair.	62,000	67,197	73,000	58,179	4,000	2,835	30,000	31,398	26,000	25,990
Oudh	56,870	43,552	33,000	27,892			39,866	73,031	600	
Hyderabad	53,740	38,598	14,819	6,783			23,613	21,855		
Straits Settlements	4,200	4,723	7,500	8,508	1,500	765	2,837	2,524	3,750	9,387
Rajpootana	25,383		7,128	351			8,890	8,027		
Central India	28,686		2,911	320		90	21,970	9,000		1,000
Coorg			150	100			5,715	2,579		
Unapplied grant	23,397						8,100			
Add for Civil Buildings..	1,274,000	672,276	748,145	464,147	259,733	221,311	724,655	928,015	301,059	421,355
Add for Public Improvement.	1,378,467	1,570,681					259,733	221,311		
Total for Original Works as in General Budget-Estimate, for 1865-66, and paragraph 15 of Report on Budget-Estimates for 1864-65.	3,400,512	2,707,104					394,059	421,355		
							1,378,417	1,570,681		

22. It will be perceived that, as compared with 1864-65, the grant for Military Works, £1,274,000, is nearly double that of the previous year; also that the grant for Civil Buildings is in excess by about £280,000, while that for Public Improvement shows a reduction of £200,000, principally under the heading "Communications." The large increase to the Military estimate is, in pursuance of the determination announced by the Government of India, in Public Works Department Circular No. 2 of 1865, to carry on to completion, as fast as possible, the permanent buildings required throughout India for the accommodation for troops.

23. The large grant for Civil Buildings is explained in the remarks made on the same subject in last year's Report. A great demand for improved Jail accommodation has also arisen, especially in Bengal, Punjab, British Burmah, (for the Penal Settlement of Port Blair) and the Central Provinces. In connection with this subject, the following table, D, showing the

* Paragraph 22.—"The demand for expenditure on Civil Buildings continues to be very great. In some of the districts visited by the mutinies, the work of replacing the buildings destroyed during that time still goes on, while in others, as the Central Provinces and parts of Oudh, almost the whole of the buildings necessary for the business of the Administration have still to be constructed."

grants made for Jails (including Lock-ups and Hazut wards) from 1862-63, may be of interest.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

TABLE D.

Grants made for the construction of Jails from 1862-63 to 1865-66.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	1862-63.	1863-64.	1864-65.	1865-66.
	£	£	£	£
Madras	569	10,000	18,174	16,055
Bombay	9,255	3,420	2,562	1,495
Bengal	10,674	10,850	13,537	22,004
North-Western Provinces	2,882		10,491	28,347
Punjab	5,100	500	1,520	20,034
Central Provinces	3,000	10,000	*14,700	19,500
British Burmah, including Port Blair	16,000	20,000	20,000	26,900
Oudh	2,000	3,200	15,144	8,000
Hyderabad			6,000	8,980
Straits Settlements		5,317		
Rajpootana				
	49,480	63,487	102,131	151,315

24. The distribution of the grant for Repairs among the various heads of service, as compared with that made in 1864-65, is as follows:—

TABLE E.

Distribution of the Grant for repairs for 1865-66 as compared with 1864-65.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	MILITARY.		CIVIL ADMINISTRATION.		PUBLIC IMPROVEMENT.					
					Agricultural.		Communications.		Miscellaneous Public Improvements.	
	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.
Madras	£ 13,285	£ 13,132	£ 15,598	£ 15,087	£ 100,000	£ 108,528	£ 120,062	£ 110,224	£ 3,055	£ 3,029
Bombay	37,680	40,000	31,020	22,314	44,067	40,385	37,676	61,385	1,596	1,016
Bengal	37,500	25,920	50,000	35,500	26,000	23,750	73,000	68,720	1,000	1,110
North Western Provinces, including Ajmere.	49,189	41,925	15,385	20,008	44,400	37,425	70,513	70,877		
Punjab	31,425	21,603	9,182	9,434	31,655	21,296	65,184	65,385	1,578	385
Central Provinces	8,500	7,400	2,300	3,805		30	13,000	15,890		20
British Burmah, including Port Blair.	8,000	10,100	4,500	3,500	1,200	850	8,260	8,260	1,000	650
Oudh	9,148	10,068	2,933	3,412			15,245	18,671		480
Hyderabad	5,586	4,200	480	1,330			1,940	2,100	540	
Straits Settlements	2,511	1,424	1,819	2,021	350	210	1,550	2,335	365	321
Rajpootana	6,117	213	610	143			473	210		
Central India	2,814	160	78	1,350		70	7,179	1,700		
Coorg			100	300			1,635			
Add for Civil Buildings..	211,248	176,180	132,743	118,154	247,672	232,544	415,771	425,697	9,134	7,011
Add for Public Improvement.	132,743	118,154	Add for Agricultural				247,672	232,544		
	672,577	665,252	Add for Miscellaneous Public Improvement				9,134	7,011		
Total..	1,016,568	959,583	Total Public Improvement ..				672,577	665,252		

25. It will be observed from this Table that, though the aggregate grant for Repairs is only 18.96 per cent. of the total assignment, as compared with 21.45 per cent. for 1864-65, still the estimated charges for the current year are £56,982 more than those for the previous year, of which £35,000 is for Military, and £14,000 for Civil Works. But the increase under the last head is entirely due to the addition made to the Bengal Estimate for damages done by the Cyclone, omitting Bengal, the repairs charges for Civil Buildings throughout India have not increased.

* Including an extra grant of Rupees 9,590 made during course of year.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

26. The increase in Repairs, Public Improvement, is due to enhanced estimate for the maintenance of Irrigation works in the North-Western Provinces and Punjab.

27. The large increase in the grant for Repairs to Punjab has already been noticed in paragraph 20; the actual amount of increase is about £21,000, half of which is for Military, and half for Agricultural Works. This addition was admitted by the Government of India, on the representation of the Punjab Government, of the inadequacy of the allotments hitherto made for Repairs and that the expenditure on this account during 1864-65 was likely to amount to £130,000 against a grant sanctioned in Budget Orders of £118,152.

28. The increase in the grant for Rajpootana and Central India is occasioned by the transfer to those Agencies of certain Divisions north of the Nerbudda from Bombay, the allotment to which Province, shows a corresponding decrease.

29. The grants for the Central Provinces and Oudh exhibit a reduction of £2,315 and £5,325 as compared with 1864-65. This is due to the sums for the previous years in the former Province having been over-estimated; in Oudh it is reported to be chiefly due to the maintenance of roads there having been placed on an improved system.

30. The following Table shows the distribution of the grant for establishment for 1865-66 as compared with 1864-65 :—

TABLE F.

Distribution of the Grant for Establishment for 1865-66, compared with 1864-65.

LOCAL GOVERNMENTS AND ADMINISTRATIONS.	DIRECTION.		CONSTRUCTION.		ACCOUNTS.		COLLECTION AND POLICE.		TOTAL.	
	1865-66.	1864-65	1865-66	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.	1865-66.	1864-65.
	£	£	£	£	£	£	£	£	£	£
Madras	29,282	31,119	121,970	87,949	5,048	3,700	...	289	156,300	123,048
Bombay	23,418	21,453	135,246	123,404	4,964	3,720	...	127	167,753	148,704
Bengal	21,236	19,961	95,478	80,079	8,286	9,800	...	...	125,000	110,000
North-Western Pro- vinces	25,467	27,135	104,231	90,924	9,277	9,916	4,820	4,496	143,795	132,471
Punjab	21,593	18,514	84,563	86,168	7,262	9,165	9,051	7,762	122,479	121,619
Central Provinces ..	10,645	9,183	39,055	45,862	4,800	7,212	...	...	54,080	62,257
British Burmah ...	6,973	7,160	26,700	22,376	3,827	4,384	...	...	37,500	33,900
Oudh	4,688	4,526	20,392	21,970	3,037	3,631	...	...	28,117	30,127
Hyderabad	2,584	2,508	8,848	8,460	1,928	2,048	...	...	13,360	13,104
Straits Settlements.	1,354	1,994	4,895	4,786	820	1,000	...	...	7,569	7,780
Rajpootana	1,178	2,166	6,120	247	...	...	...	...	7,298	2,413
Central India	1,178	...	10,354	84	...	...	...	...	11,532	84
Coorg	...	...	2,150	1,322	...	...	...	...	2,150	1,322
	150,096	145,807	660,002	573,612	49,329	54,636	14,008	12,674	872,935	786,829

31. It will be noticed that the grant for 1865-66 for Establishment shows an increase of £86,606 over that for 1864-65, the excess estimated expenditure being chiefly in the following Provinces :—

	£
Madras	33,254
Bombay	15,050
Bengal	15,000
North-Western Provinces	11,325
Central India	11,448
Rajpootana	4,884

NOTE.—In the case of those Provinces in which a proportion of the Establishment charge is debited to Local Funds, and of those Provinces where an aggregate reduction has been made by the Government of India from the amount entered in the Estimate for Establishment, such deductions have been distributed rateably over the different heads, Direction, Accounts, &c.

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

32. The increase in the grant to Madras is caused, in the first place, by a reduction of £10,000, the amount of Establishment charges debited in the previous year to Local Funds as a set off against the supervision of expenditure incurred from that source by Officers of Public Works Department. In the next place, a charge of £10,000 has been brought forward in the estimate on account of Petty Establishments, hitherto charged to Works; this is in accordance with the decision of the Government of India, conveyed in Public Works Department Resolution, No. 549 A, dated 22nd September 1864. The balance of the increase is due to an increased provision for Travelling and Military Allowances; the latter being now debitable to this Department; and to the increase to the Accounts and Executive Offices necessary to admit of the introduction of the new system of Accounts.

33. The increase in the grant to Bombay is principally attributable to the inclusion of £3,216 in the Budget-Estimate of the establishment for the Rampart Removal Committee Works, to the improved position of the Upper Subordinates, and to the proposed introduction of a regular system of account and audit. There is a still further virtual increase of the Bombay Establishments, due to the transfer of a portion of them to Rajpootana and Central India, as, but for this transfer, the increase of charge in this Presidency would have been considerably more.

34. The Establishments for Bengal, which were considered inadequate to deal properly with the great extension of Public Works in that Province, have recently undergone careful enquiry and revision, and the result is an increase of about £15,000 in the grants for this head of service.

35. In the North Western-Provinces, the increased outlay is attributable to an extra Superintending Engineer having been sanctioned for that Province; to other minor arrangements connected with the conversion of the Deputy Superintendent, Irrigation Department, into an independent Superintending Engineer; and to a general increase in several other sub-heads of service.

36. The augmented outlay in Rajpootana and Central India being due to the entry of the charges for the Divisions transferred during 1864-65 from Bombay to these Agencies is chiefly nominal.

37. It has been noticed in paragraph 18, that the per-centage of Establishment on total expenditure for 1865-66 is 16.28; but that expenditure includes £500,000, specially appropriated for works in Bombay, in excess of the appropriations made in 1864-65 for the same object; deducting this sum, the per-centage of Establishment charge on the total Estimate would be 17.26, which is still slightly less than the per-centage of 1864-65.

38. The following statement of the per-centage of Establishment charge to total outlay for the last four years will be of interest, as showing the gradual reduction that has been effected :—

In 1862-63 the charge was	...	...	...	...	20.87
In 1863-64	..	...	...	...	16.62
In 1864-65	..	...	...	...	17.59
In 1865-66	..	...	...	...	16.28

39. It is to be observed that, during this time, the tendency of departmental legislation has been to extend very largely the application of the term 'Establishment,' which now embraces many charges that would, two or three years ago, have appeared under the head of Works, so that the comparison is really still more favorable. All permanent charges are now classed under this head, although they may be strictly for workmen. But the tendency of Establishment charges will be to increase, as the number of completed works increases which have to be maintained. If a canal or road could be kept in perfect order without any new outlay being incurred on it, the whole charges on such a work would be for Establishment, so that the time may come when a high, rather than a low, per-centage of charge will be a test of good Departmental management.

40. The subject of Establishment charges generally may be completed by inserting here the following tables, showing how the charges of the year are relatively distributed :—

C.

Per-centage of Establishment charges for 1864-65 on Budget Grant.

Proportion of cost of different Branches of Establishment to total cost for the year 1865-66.

[illegible]

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

41. The grant for the year 1865-66, for Establishment, includes, both in Madras and Bombay, as well as in the other Local Governments and Administrations, all items properly appertaining to that head of service, as described in paragraphs 24 and 28 of my Report on the Budget-Estimates for 1864-65. It has thus been possible, for the first time, to afford a correct comparison of the assignments for Establishments.

42. Of the aggregate grant of this head of service—

- 17 appertains to Direction.
- 75 „ to Construction.
- 06 „ to Accounts.
- 02 „ to Collection and Police.

and of the total per-centage of Establishment charges on aggregate Budget Grant,

- 2·77 appertains to Direction.
- 12·27 „ to Construction.
- 98 „ to Account.
- 26 „ to Collection and Police.

16·28

43. It will be seen that the Establishments in Madras are comparatively much more costly than they are in any other part of India.

44. In Bombay, the remarkable smallness of the charge is due to the large grant assigned to that Presidency for special works, in consideration of receipts from sales of land there. Omitting that, and making a suitable deduction of Establishment, the per-centage on the residue would be 18·08.

45. The high per-centage of the Establishment charges for Punjab is partly explained by the special charge of 1·51 for Establishments employed in the collection of Canal Revenue. This deducted leaves the charge 18·89.

46. A reduction of ·61 from the North-Western Provinces rate, on account of Collection and Police, brings down the charge there to a per-centage of 17·62.

47. It will be noticed that the charges in the Central Provinces have been much decreased. This is due to the Godavery Works Establishments having been greatly over-estimated in the previous year, there being a reduction of £6,000 alone in the grant for these Establishments for 1865-66, as compared with 1864-65.

48. The charges in Oudh and British Burmah continue to be moderate, and the Hyderabad Establishments retain their place as the least expensive of any in India.

49. In my Report last year, I remarked (paragraph 45,) on the high estimates for contingencies, especially in the North-Western Provinces, the Punjab, and Bengal. It is satisfactory to be able to report a reduction of these charges to the amount of £5,000, but they continue to be exceptionally high in those three Provinces, and there is a large increase in British Burmah which seems to call for special enquiry. Indeed, the striking variations in different provinces for the same class of charge as exhibited in Table I. below, seem to show that a careful review of them might lead to considerable reduction :—

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

TABLE I.

Distribution of charges for Contingencies on different branches of Establishment.

Local Govern- ments and Administra- tions.	Total of Budget Estimate, excluding State outlay on guar- anteed enterprise.	ESTIMATE FOR CONTINGENCIES.					PER-CENTAGES OF CON- TINGENCIES ON BUDGET GRANT.				
		Direction.	Construction.	Accounts.	Total, 1865-66.	Total 1864-65.	Direction.	Construction.	Accounts.	Total, 1865	Total, 1864.
	RS.	RS.	RS.	RS.	RS.	RS.					
Madras ...	61,66,033	8,880	13,824	600	23,304	25,213	·15	·22	...	·37	·36
Bombay ...	1,56,00,000	15,383	41,291	5,000	61,674	61,072	·10	·26	·03	·39	·55
Bengal ...	73,00,000	10,000	32,000	16,000	58,000	64,300	·14	·44	·22	·80	1·18
North-Western Provinces.	78,87,600	14,700	54,872	1,200	70,772	1,18,588	·19	·69	·02	·90	1·74
Punjab ...	60,00,000	15,000	26,697	8,750	50,447	56,986	·25	·44	·15	·84	1·01
Oudh ...	18,75,806	2,400	6,000	5,000	13,400	16,100	·13	·32	·26	·71	·78
Central Provin- ces...	30,00,000	5,000	10,400	7,000	22,400	22,630	·16	·35	·23	·75	·78
British Burmah	25,75,000	4,978	16,000	2,500	23,478	13,290	·19	·62	·10	·91	·60
Hyderabad ...	11,44,000	1,700	2,480	1,500	5,680	5,156	·15	·22	·13	·50	·57
Straits Settle- ments ...	3,50,000	250	400	500	1,150	1,850	·07	·12	·14	·33	·46
Rajpootana ...	5,62,500	600	1,662	...	2,262	...	·11	·29	...	·40	...
Central India.	7,62,500	600	4,460	...	5,060	1,802	·08	·58	...	·66	...
Coorg ...	1,00,000	...	400	...	400	500	...	·40	...	·40	...
Total...	.....	79,491	2,10,486	48,050	3,38,027	3,87,487					

50. The Provincial estimates of Public Works Revenue are now in course of submission, and will be reported upon separately as soon as they are all received.

51. The proposed expenditure from Local Funds will also form the subject of a separate Report, as some of the Provincial estimates have not yet been received. But the expenditure under this head is shown approximately in the following table, which also contains a summary of the total estimated outlay on Public Works (excluding guaranteed interest and loss by exchange) from all sources during 1865-66 :—

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

TABLE J.

Approximate estimated total outlay on Public Works in India during 1865-66.

	STATE OUTLAY.				From Local Funds.	Outlay on Railways and Irrigation Works, of which the Interest is guaranteed by the State.	Total.
	On Public Works.	On Guaranteed Irrigation Works and Railways not guaranteed.	On Guaranteed Railways.	Total.			
	£	£	£	£	£	£	£
Madras ...	616,603	15,000	15,652	647,255	90,000	1,092,700	1,829,955
Bombay ...	1,560,000	.....	121,900	1,681,900	200,000	745,000	2,626,900
Bengal ...	730,000	.....	24,800	754,800	238,350	405,000	1,398,150
N.W. Provinces.	788,760	13,740	12,680	815,180	231,145	832,300	1,878,625
Punjab ...	600,000	.....	20,363	620,363	193,494	470,000	1,283,857
Central Provinces.	300,000	.....	12,030	312,030	53,335	620,000	985,365
British Burmah.	257,500	.....	.....	257,500	56,400	.....	313,900
Oudh ...	187,581	7,419	.....	195,000	43,324	.....	238,324
Hyderabad...	114,400	.....	.....	114,400	19,186	.....	133,586
Straits Settlements	35,000	.....	.....	35,000	1,500	.....	36,500
Rajpootana...	56,250	.....	.....	56,250	.....	.....	56,250
Central India	76,250	.....	.....	76,250	.....	.....	76,250
Coorg ...	10,000	.....	.....	10,000	.....	.....	10,000
Unapplied Grant.	31,497	.....	.....	31,497	.....	.....	31,497
Total...	5,363,841	36,159	207,425	5,607,425	1,126,734	4,165,000	10,899,159
Add outlay from foreign funds in Mysore ...							170,000
Grand Total ...							11,069,159

52. The total estimated outlay on Public Works in India from all sources, is shown from Table J to amount to eleven millions sterling. The estimates for 1864-65, 1863-64, and 1862-63, were for about the same sum, making a total of forty-four millions sterling, estimated to be spent in four years.

G. CHESNEY,

Accountant General, P.W.D.

TABLE K.

Explanation of difference between amount of Grant for 1865-66, as entered in general Budget-Estimate of expenditure on Public Works, and that exhibited in the Table following, paragraph 6 of the Accountant General's Report thereon.

The Estimate for 1865-66, exclusive of grants for guaranteed and aided enterprise, is entered in Table of paragraph 6 as	£ 5,363,841
Add for State expenditure on land and Establishment for Guaranteed Railways, as per Public Works Department Circular No. 01 of 1865	207,425
Add for State outlay for land and Establishment for Guaranteed Irrigation Works in Madras	15,000
Add for State Expenditure on Railways not Guaranteed, North-Western Provinces	13,740
Oudh	7,419

Total as in General Estimate... 5,607,425

*Proceedings of the Madras Government, Public Works Department,
9th September 1865.*

No. 196.

ORDER THEREON, 9th September 1865, No. 2,641.

ACCOUNT, No. 15.

Ordered to be recorded.

(True Extract.)

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

CIRCULAR No. 69 of 1865.

PUBLIC WORKS.

PROCEEDINGS OF THE GOVERNOR GENERAL OF INDIA IN COUNCIL.

PUBLIC WORKS DEPARTMENT,
SIMLA, 25th July, 1865.

Account.

General Budget-Estimate of Public Works Expenditure in India for the year 1865-66.

Read:—

The accompanying Report, dated 7th July 1865, by the Accountant General, Public Works Department, on the Public Works Budget-Estimates of 1865-66.

RESOLUTION.—The Governor General in Council observes, that Major Chesney's Report is, as usual, clear and interesting, and affords valuable statistics regarding the estimated expenditure of the year on Public Works.

2. His Excellency in Council also fully concurs in the views expressed in the first part of this Report as to the best procedure to be followed in making the annual allotment of funds for expenditure on Public Works.

3. There can be no question as to the advantage that would accrue if the Local Authorities were able to frame their annual estimates upon a definite amount previously fixed and known, and there is reason to hope that the Government of India will, in future, be able to declare finally, in the month of October of each year, the time suggested in the Accountant General's Report, the amount of the Imperial Public Works Grant and its distribution among the different Provinces for the ensuing year, thus allowing the several Local Governments and Administrations ample time to prepare and submit well considered estimates and details of expenditure by the prescribed date, viz., 1st February following, which will not be subject, as heretofore, to alterations in the total amount.

4. The only other point which seems to call for special notice in the Accountant General's Report, refers to the estimates for Office Contingencies, which although showing, when compared with the previous year's estimates, a reduction of nearly Rs. 50,000 are still very high, especially in the Provinces of Bengal, North Western Provinces, Punjab, and British Burmah, where the charges under this head vary from .8 to .9 per cent. on the grant of the year.

197

5. Particular attention was drawn to this subject in the Resolution of this Department, No. 549 A, dated 22nd September last, on the Accountant General's Report on the estimate of the year 1864-65, and as the necessity for maintaining such exceptional rates of charges in these Provinces is not apparent, His Excellency the Governor General in Council is pleased to direct that detailed schedules be now submitted from Bengal, the North Western Provinces, Punjab and British Burmah, explanatory of the items which make up the charges on this head, with a Report as to whether the items are all absolutely necessary.

ORDER.—Ordered, that a copy of the foregoing Resolution, together with the Accountant General's Report, be forwarded to all Local Governments and Administrations for information and guidance, and to the Home, Military, and Foreign Departments, and to the Quarter-Master General of the Army, for information.

Also, that a copy of the Resolution and Report, together with the despatch from the Secretary of State referred to in the latter, No. 7 of 1865, be forwarded to the Financial Department for information, and with special reference to para. 2.

Also, that a copy of the Report, omitting paras. 3—14, be published in the Gazette of India.

(Signed) C. H. DICKENS, *Lieut.-Col., R. A.,*
Secy. to the Govt. of India.

W. H. Dawson
Asstt. Secy. to the Govt. of India.

To the Secretary to Govt. of Madras.
P. W. Department.

Account.

CIRCULĂR, No. 69.

To

FROM

SECT. TO GOVT. OF INDIA,
IN THE PUBLIC WORKS DEPT.

Dated SIMLA, 25th July, 1865.

Received

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SECRET

Franklin George
Jan. 20th 1865

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General Budget-Estimate of Public Works Expenditure in India for the year 1865-66.

2611-9m 8th 1865