Read the following:—

No. 513. From the Deputy-Secretary to the Government of India, Public Works Department, (Account—General,) to the Secretary to the Government of Madras, Public Works Department, dated Fort William, 21st December 1871, No. 849-1 A.—G.

THE undersigned is directed to draw attention to paragraph 4 of Public Works Department Resolution marginally noted, and to request that this department may be favoured with an early reply thereto.

No. 849 A.-G. of 8th November 1871.
SUBJECT.
Transfer of Stock and Tools and Plant in hand on 1st April 1871 to Provincial Funds.

No. 514. Proceedings of the Government of India, Public Works Department, (Account—General,) dated Simla, 8th November 1871, No. 849-A-G.

Transfer of Stock and Tools and Plant in hand on 1st April 1871 to Provincial Funds.

Read again the following papers:—

Financial Department Resolution No. 3,334, dated 14th December 1870.
Letter from Secretary to Government, Bengal, No. 3,014, dated 3rd July 1871.
,, from ,, to ,, Bombay ,, 181-A, ,, 27th June ,,

Read also the following:—

RESOLUTION by the Government of India, Public Works Department, dated 19th August 1871, No. 541-A-G.

Read—

Financial Department Resolution No. 3,334, dated 14th December 1870.

Read also the following papers:—

Accountant-General's Circular No. 19 of 1871.
Letter from Secretary to Government of Bombay, No. 181, dated 27th June 1871.
,, ,, to ,, of Bengal ,, 3,014, ,, 3rd July ,,

RESOLUTION.—The Governor-General in Council observes that when a portion of the Public Works service, as noted in the margin, was transferred to Provincial management, and a fixed annual sum allotted for the purpose, and placed at the disposal of the Local Governments and Administrations concerned, an additional grant of Rupees 20 lakhs in the aggregate was given in 1870-71 as a starting margin. It has, however, been urged in the correspondence read above that such stock as really appertained to those services should also be handed over to the Provincial Funds. This stock consists of (*1st*) tools and plant, and (*2nd*) stores, and the considerations involved in the question of the transfer of the one are, the Governor-General in Council observes, different from those in the other.

Civil Buildings other than purely Imperial.
Read—
Miscellaneous Public Improvements, Establishment and Tools and Plant for above.

2. All cost of tools and plant has already been finally charged off in the Imperial accounts, and, if any be transferred, it will not render necessary any adjustment of charges, or in any way affect the accounts of the Public Works Department beyond removing the items in number or quantity from the lists

of the property of the Public Works Department. Further, that portion of the sum transferred as the annual grant to Provincial Funds, which was based on the wants for tools and plant, was calculated on the annual requirements under that head; those, namely, for re-placement of such tools and plant as periodically become unserviceable, no allowance was made for what was required to start with. Under these circumstances, the Governor-General in Council in this department is of opinion that a fair proportion of the tools and plant of each Province may be set aside as Provincial, and be available for use in divisions which are either wholly or partly Provincial, such tools and plant, however, it should be distinctly understood, must always be available for use for Imperial works in those divisions or localities.

3. The question of the transfer of stores is, the Governor-General in Council observes, somewhat more complicated. The cost of the stores referred to has not been charged off, but it is in suspense, and form part of the *balances* (in the accounts) of the Public Works Department, so that a transfer of the stores will affect the accounts in a way in which they would not be affected by the transfer of tools and plant, nor is a transfer of stores essential to the working of the Provincial Funds. They might still remain Imperial, the Provincial Funds being debited as the stores got used up. But this would be an inconvenient arrangement in many ways, especially in divisions where there would be nothing Imperial except those stores; and practically all divisions, with rare exceptions, need to have a margin of reserve stock, and this margin is nearly as essential as the starting balance of tools and plant. Practically, therefore, it is necessary, the Governor-General in Council considers, that, under certain circumstances, the Provincial Funds should have Provincial reserve stock to start with. And the question arises whether they should pay for it, or whether its Imperial stock may be given to them free. The same reasons that make it fair to the Provincial Funds to give them a starting supply of tools and plant make it fair to give them a starting supply of stores; but the case tells differently on the Imperial finances, because, in the case of such a gift, and of the consequent diminution of the Imperial balance, the value reduced must be a charge against the grant of the year. But, although a charge against the grant, it will not necessarily affect the expenditure available on works, etc., against that grant all reduction of stock, *i.e.*, all saving between the value of stock at the beginning of the year and at its end is available for expenditure in addition to the actual grant. Hence a gift of such saving, or reduction to the Provincial Funds, can be made without interfering with the intended expenditure of the Imperial Department, and if that reduction is only to such an extent as to leave the limits of the Imperial reserve stock at a sufficient amount, no disturbance of budget arrangements will result. For these reasons the Governor-General in Council in this department considers that suitable proportions of the reserve stock may conveniently be given over to the Provincial Funds, care being taken to retain the amounts required as reserve stock for Imperial purposes.

ORDER.—Ordered that these Resolutions be communicated to the Financial Department for consideration, with the opinion of this department that due proportions of tools and plant and of stores may justly and conveniently be transferred from the Imperial to the Provincial Public Works, but that all such transfers should require the specific sanction of the Government of India in this department.

RESOLUTION by the Government of India, Financial Department, dated 29th August 1871, No. 3,164.

Read again:—

Financial Resolution No. 3,334, dated 14th December 1870.

Read a communication from the Public Works Department, No. 541-A-G, dated the 19th August, forwarding for consideration a proposal for the transfer of a certain proportion of tools and plant and of stores from Imperial to Provincial Funds.

RESOLUTION.—The Governor-General in Council in this department agrees to the proposal.

ORDER.—Ordered that a copy of the above be forwarded to the Public Works Department for information and further orders.

RESOLUTION.—The Government of India in the Financial Department having sanctioned the transfer to Provincial Funds of a proper proportion of the balance of stock in hand on 1st April 1871, and of the tools and plant in hand on the same date, it now remains to give effect to the sanction.

2. If the materials in hand were transferred in proportion to the grants from Imperial and Provincial Funds, the following would be the quantity and amounts to be transferred:—

	Quantity of Tools and Plant.	Money value of stock.
		Rs.
Madras	25 per cent. of total	75,000
Bombay	25 ,, ,, ...	80,000
Bengal	25 ,, ,, ...	5,00,000
North-Western Provinces.	15 ,, ,, ...	3,50,000
Punjab	15 ,, ,, ...	2,50,000
Central Provinces	25 ,, ,, ...	1,75,000
British Burmah	40 ,, ,, ...	1,75,000
Oudh	25 ,, ,, ...	1,25,000
		17,30,000

3. Considering, however, that the greater portion of the stock in hand was purchased from the special grants for Military and Irrigation works, the Governor-General in Council considers that it would not be proper to permit of the whole amount shown above being given over to Provincial funds, and that the necessities of the case will be sufficiently met by allowing the Local Governments and Administrations concerned to divide off the existing divisions of the Buildings and Roads Branch into Imperial and Provincial, and to transfer the tools and plant and stock in hand on 1st April 1871 of the latter to Provincial Funds. But it must be understood that the amount to be transferred is not to exceed the sums shown in paragraph 2 of this Resolution, and that the divisions

ceedings of the Government of India, dated 1st November 1871, No. 778-A. -G.; but I am to state that the transfer of tools and plant and stock from Imperial to Provincial or Local will answer no practical purpose, while the system adopted in this Presidency aims at simplification.

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

Colonel, R.E.,
Secretary to Government.

Exd. F. R. Bantleman.

-G.;
l to
in

E. W. 1871 Dept
Supplies for Surveys
No. 6166.

Rec'd

The Govt of Ind

Oct 21
Nov 28 } Recd

No. 5149 dft

No. 2916.

Enclosed Copy Letter
from Receiver General

Registering copy
reply to the Resolution
regarding the transfer of
Stock and Tools and Plant
in hand on 1st April 1871
to Provincial Govts.

No. 2 to 26 Oct 1871

No. 5114
Encl. in 192 R. 16

No. 2916

1871

18

No.

The Secy. to the Government
of India, P.W.D.
Sir

I am directed to
acknowledge the
receipt of the Proceed-
-dings of the Govt. of
India dated 8th Nov/71,
No. 8 & 9 P. W. regarding the
distribution of stock
and Tools and Plant
between Imperial and
Provincial. The Govt.
of India remark that
as the greater portion
of the stock in hand
was purchased from
the

the special grants for Military and Irrigation works, the necessities of the case would be best met by dividing off the existing Divisions of the Buildings and Roads branch into Imperial and Provincial and by transferring the Tools and Plant and Stock in hand on 1st April /[illegible] of the latter to Provincial the Divisions being classed as Provincial only when the bulk of the expenditure on them is from Provincial funds. No reference is made to Local and yet we most of the Divisions of

of the Presidency that ordinary Provincial funds is insignificant as compared with that from Local.

The principle on which the Govt of India desire that the distribution of Tools and Plant and stock should be made, supposes the Department to be divided into separate branches, but as that Govt are aware, the Public Works Department of this Presidency is not so constituted. It has been the practice to provide for charges on account of Tools and Plant purchased

it will be seen that the annual provision from Imperial Local or Provincial Funds conjointly is treated as a lump grant and Imp. Expenditure are restricted to the appropriations & the total allotment for each District whether in the Imperial Provincial Budgets the entire expenditure is charged off in the accounts of the Range officer to the Imperial assignment until the last month of the year when the Controller makes the necessary entries

entries

for charging out Local Imperial allotments in the Imperial and Local Fund Budgets but the apportionment of the outlay was attended with so much difficulty and the maintenance of separate accounts of purchases from Imperial and other Funds was so inconvenient, while complete accuracy was never attained, that this Govt. considered it advisable to issue the instructions contained in their Proceedings dated 5th September 1871 No. 2257, from which

entries debiting each fund with a proportionate share of the outlay and crediting Imperial funds with a corresponding sum. The question of the rate of contribution from the several funds on account of Tools and Plant and the adjustment of the outlay is being reconsidered with reference to the Proceedings of the Govt. of India dated 1st March 71 & 77 & R.D. last Lawn to state that the transfer of Tools and Plant and Stock from Imperial to Provincial or Local will involve no practical purpose while

15

while the system adopted in this Presidency aims at simplification.

H. Lawrence

Dept 29/1/72

Pol. 66. 5693

Govt. of [1872] Madras.

PUBLIC WORKS.

To The Secretary to the Govt. of India

Dated

Recd.

Encl.

G. O. 26 January 1872, No. 66

Nos. 5136 & 5164 of 14

Tools & Plant. Issuing orders

orders on correspondence
from the Govt. of India
regarding the transfer of
Stock & Tools & Plant in
Land on 1st April 1871 to
Provincial Funds.

Replying to the pro-
posal for the transfer of
Stock & Tools & Plant &
Provincial Funds

612 Jan 1/72 R. 16