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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No. / ~~B.P.~~ No.	3503	Press / ~~Mis.~~
Dated	14 - 12 -	8794 ~~195~~

Not to be folded or roughly handled

No. 262. Read the following Proceedings of the Government of India in the Public Works Department, (Account—General,) dated Fort William, 23rd November 1874, Nos. 695—714 A—G.:—

Report on the working of the Public Works Account Department for 1872-73.

Read—

Report by Accountant-General, Public Works Department, No. 2,043½G, dated 22nd October 1873.

OBSERVATIONS.—The Government of India observes that this report is a record of a large amount of work which is not made public, except in results which show no trace of the difficulty with which they are arrived at.

2. The establishment which deals with the Public Works expenditure, exclusive of Railways, costs, it is observed, about 1½ per cent. of the outlay.

3. During the year 1872-73 the work of the department has been carried on with increased punctuality and accuracy, and various simplifications have been from time to time introduced. One difficult and laborious task undertaken during the year was the organization of a complete system of Capital and Revenue Accounts of Irrigation works. Much is still unsettled, but the progress made has been satisfactory.

4. In the accounts of the Telegraph Department also much improvement has been effected. The Government of India notice that Mr. Palmer, the Controller of Telegraph Accounts, and Colonel Murray, the Officiating Director-General of Telegraphs, are thanked for their assistance.

5. One important duty of the Public Works Account Department is the investigation of the outstanding amounts of former years, in view to reconciling them with the Treasury accounts, and in this also the Government notice that good progress has been made.

6. The compilation of statistics referred to in paragraph 88 of the report is a task which the Government of India would be glad to see taken up at a very early date.

7. Considerable improvement has been made in the accounts of Guaranteed Railways. The work of organizing and carrying out a system of accounts for State Railways has been very heavy, and has been most satisfactorily managed by Captain A. J. Filgate, R.E., the Deputy Accountant-General, Public Works Department.

8. In paragraph 17 of the report by Colonel O'Connell, reference has been made to a proposal that the division of the accounts into sub-heads of work should be abolished in the case of works costing Rupees 2,500 and under each. The Government of India have recently accorded sanction to revised proposals on this point, which, without sacrificing useful check, will, it is hoped, result in considerable relief in the account keeping of Executive Engineers' Offices.

9. The question raised in paragraph 22 of the report about circulating tables of quantities with standard plans will receive consideration as opportunity offers; while as regards the proposal to relieve Executive Engineers of account work

by increasing the responsibility of Divisional Accountants referred to in paragraph 23 of the report, a step towards this end has been taken in the case of the accounts of State Railways, and may hereafter be extended to the department generally.

10. The services rendered by Colonel P. P. O'Connell, R.E., while Officiating Accountant-General, Public Works Department, have been valuable, and deserve the acknowledgments of the Government of India.

ORDER.—Ordered that this Resolution, together with the report referred to, be communicated to the Governments, Administrations, and Officers noted in the margin and to Colonel P. P. O'Connell, R.E., for information.

The Governments of Madras, Bombay, Bengal, the North-Western Provinces, and the Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners of Oudh, Central Provinces, British Burmah, Mysore and Coorg and Assam.
The Resident at Hyderabad.
The Agents to the Governor-General for Central India and Rajpootana.
The Superintendent of Port Blair.
The Director-General of Telegraphs.
The Inspector-General of Military Works.
The Accountant-General, Public Works Department.
The Director of State Railways.

Ordered also, that a copy be forwarded to the Secretary of State and the Financial Department.

(Sigded) C. H. DICKENS, Colonel, R.A.,
Secy. to the Govt. of India.

No. 263. ORDER THEREON, 14th December 1874, No. 3,503.

ACCOUNT, No. 22.

ORDERED that a copy of report and observations be communicated to the Chief Engineer for Irrigation, the Consulting Engineer for Railways, and the Controller of Public Works Accounts.

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Chief Engineer for Irrigation.
" Consulting Engineer for Railways.
" Controller of Public Works Accounts.
" Examiner of Railway Accounts.

Exd. S. T. Austin.
Spare Copies

Appendix C.

OF THE REPORT ON THE WORKING OF THE ACCOUNTS BRANCH OF THE PUBLIC WORKS DEPARTMENT DURING 1872-73.

Formation of an Apprentice class for training Accountants for the Public Works Department.

THE many calls on this Office for competent Accountants for the Public Works Department renders it necessary that some special arrangements should be made to meet the demand.

2. Towards this end Captain Westmorland suggested that a school should be formed in the Punjab, having at its head an Accountant of the 2nd grade.

3. The expense of the arrangement prevented its being carried into effect, and led to Colonel Innes proposing that account-keeping should be one of the special subjects adopted for teaching in the Roorkee College.

4. The proposal is now under consideration by the Government of India, but the demands recently made upon this Office for qualified Accountants renders it necessary to revive Captain Westmorland's suggestion in a less expensive shape, for although the proposal by Colonel Innes was good in theory, yet it would have taken some time before it produced adequate results. It would probably have given the men brought under training a book knowledge of their work, but it would not have tested their ability to undertake with confidence the duties for which they were trained. What is wanted is a practical knowledge of the work to be done. That practical knowledge can be acquired only by actual working, and as ability to draft ordinary letters and to write a tolerable abstract of a case is essential, and as such knowledge can best be acquired by practice, it seems necessary that an Apprentice class should be formed for the purpose of being taught what is wanted. But care will be necessary that the Apprentices are youths of intelligence and industry, besides possessing a competent knowledge of Arithmetic and English.

5. Our present system under which men are appointed if they can pass an examination in Arithmetic, if they can spell properly, and write a decent hand, answered in times when Controllers had the leisure to train Accountants. But more is now wanted. It is essential that our Accountants should possess a knowledge of their duties, instead of its being left to them to acquire such knowledge by chance or as opportunities offered, and in this view it is necessary that they should be properly and systematically trained, so as to admit of Accountants being sent to an Executive Engineer's Office with a thorough knowledge of the duties to be performed. At present it is feared that many of the Accountants do not possess such knowledge, and are consequently of little or no use to Executive Engineers. But the demand for Accountants has been so great, that it is no wonder if some few of the numerous appointments have proved failures.

6. As showing the increase in the demand for Accountants, and the proportion who have passed the higher examination for promotion to 2nd grade, the following table of the total strength of the Account Establishment at successive periods is given—

	Strength.	Number who have applied to be examined for promotion to 2nd grade.	Number who passed the examination for promotion to 2nd grade.
1st November 1863	107	8	4
" 1864	114	9	3
" 1865	151	16	5
" 1866	224	10	5
1st October 1867	242	23	6
" 1868	255	23	9
" 1869	288	24	7
" 1870	315	10	...
" 1871	336	26	1
" 1872	370	13	2

7. There may be special reasons for the small proportion who have passed the prescribed examination for promotion to 2nd grade. To a certain extent it bears out the assumption that a large proportion of the men appointed in late years are not properly qualified. What is now required is the adoption of special measures for meeting the supply of Accountants for Executive Engineers' Offices. The number wanted is steadily on the increase, and, with the extension of Irrigation Works and State Railways, it may safely be expected that the demand will exceed the supply. As it is, four Accountants are required for the Indus Valley Railway, and a similar number for Military Works; and the appointments can be filled only by untrained men. It is to avoid the repetition of such appointments that a scheme for an establishment of Apprentices is submitted for consideration.

8. As an experimental measure, it is proposed to limit the number of Apprentices to twelve youths, of whom six would be trained in Calcutta, and three each at Allahabad and Lahore, respectively. The selection of youths should be made from the principal schools and colleges, and from such other candidates who may be considered suitable. The youths selected should be recommended by their masters or employers as intelligent, industrious, of good moral character, and as having a competent knowledge of Arithmetic and ability to write a letter in English on any ordinary subject: their acquirements in two latter subjects being tested by the selecting officer. On appointment, they might receive from Rs. 20 to Rs. 35 a month, to be increased gradually to Rs. 40 and Rs. 50 a month at the discretion of the Accountant General. The youths should be appointed on the distinct understanding that they are liable to be dismissed if they show any want of industry or capability to acquire a knowledge of what has to be done, and that they are liable to be transferred wherever required. They should be posted to do duty for the first six to twelve months in the Offices of several Executive Engineers, and after that period, transferred to the Office of the Controller of Public Works Accounts, or Telegraph Accounts, or Accountant General, Public Works Department, to complete their knowledge of what has to be learnt. And after working in any of these Offices from four to six months, and after passing the required departmental examination, they can be appointed Accountants as vacancies occur, and drafted to the Offices of other Controllers for posting to Divisional Offices as necessity arises.

9. The scheme will not be expensive: at the most it will cost Rs. 600 per mensem; and that cost is more than met by savings that exist caused by the vacancies in the higher grades of subordinate Accountants.

10. It may be added that youths of the required degree of intelligence can be obtained for the rates of salary mentioned.

11. Of the twelve youths, six to eight might be Natives, and the remainder British-born subjects.

12. Sanction to the experiment is requested for one year, after which period the continuance of the arrangement may be made to depend on the result of its working.

13. It is known that a class of Apprentices was formed in one or two other Provinces some few years ago, and that it did not prove quite satisfactory. But this is easily explained. The field of selection was limited, so that the youths appointed were not of an average degree of intelligence. And their training commenced at the wrong end, *viz.*, in a Controller's Office, instead of in that of an Executive Engineer. Necessarily, the experiment was not quite successful. But by appointing the youths to learn their work in Executive Engineers' Offices, a fair degree of success may safely be anticipated. It need not be feared that the young men will be in the way in such Offices, for as the field of selection in Calcutta, Allahabad and Lahore is large, particular care would be taken in the selection to see that the youths can apply the ordinary rules of Arithmetic correctly as well as rapidly, can check calculations with facility, and write an ordinary letter with ease, so that the Apprentices would be of great assistance in an Executive Engineer's Office, and the Accountant

Appendix D.

Of the Report of the working of the Accounts Branch of the Public Works Department for 1872-73.

Circular No. 29, dated Simla, the 15th October 1873.

From—Lieut.-Col. P. P. L. O'Connell, R. E., Offg. Accts. Genl., P. W. Dept.,
To—The Controllers of Public Works Accounts.

Several reports of inspections of offices of Executive Engineers by Controllers have recently come under my notice. Some of them are probably as full and complete as could be desired, but many of them, as judged by what is stated therein, show that it is necessary to draw attention to the points to be borne in mind in these inspections. In most cases an entire page of the inspection report is taken up with details as to the number of sub-divisions, the officers in charge of them, the imprest-holders, the amounts in their hand, and such like particulars; the remainder of the report being taken up with indicating the defects, if any, in the *mechanical* or book-keeping portion of the accounts. These details are probably useful, and I have no desire to order their discontinuance, but I deem it necessary to indicate briefly what I consider the most essential points in a thorough inspection.

2. What I have to say may be grouped under two heads: first, the book-keeping portion of the inspection. What is wanted is more or less clearly understood. The clearness of the entries in the cash-book, the cash abstract book, the register of works, and the other documents comprising the monthly accounts, their agreement one with the other, the neatness with which they are kept, and other points relating to the accounts, are, judging from the reports submitted, always attended to. It is, therefore, not necessary for me to particularize what is necessary; but I must say that seldom indeed have I found Controllers bringing to notice, as the result of their inspections, defects in the system of account-keeping prescribed for Executive Engineers' Offices. It is needless to disguise the fact that defects exist; and there seems no better opportunity of discovering such defects, and suggesting a remedy than in the inspection of an Executive Engineer's Office. But very rarely indeed has the opportunity been taken to point out the defects that may be discovered, and I therefore think it necessary to state that no opportunity should be lost to watch carefully the working of the system, to see that the various links in the chain of accounts are complete, that only necessary documents are kept up, and to enquire when superfluous documents can be dispensed with. The inspection of an office is the most convenient time to ascertain, and to make enquiries on these points, and to record the result of the enquiries in cases *of defects requiring to be remedied*. Let me not be misunderstood. I do not want that cases of defects of a trivial nature should be continually dwelt upon until they become wearisome and disagreeable. What is wanted is only that defects of an important nature in which the reference from one document to another is not complete, or where an additional record is required to admit of the transactions of a division being properly recorded, or where certain documents are obviously unnecessary, or where the arrangements for the transaction of business are not proper, should only be noticed. It is difficult to lay down the exact line between trivial and important defects. That must be left to the judgment of Controllers. Of one thing I am certain, and that is that having drawn attention to the matter, I feel quite assured that what is wrong, or tedious or cumbersome, in the system as actually worked will be brought to my notice in connection with these inspections, and that the means will thus be placed at my disposal for remedying defects.

3. The second point to which I have to draw attention, and which has escaped notice save in a few provinces, refers to the genuineness of the accounts submitted, the accuracy with which they are compiled, the correctness of the stock accounts, the question as to whether the Accountant of the Division can have collusion with contractors and others, the check, so far as it is possible to

would only be too glad to avail himself of their services, and thus to teach them their work. To make them, however, directly interested in paying personal attention to the training of these youths, I venture to ask to be allowed the option of giving Accountants of Executive Engineers' Offices a bonus of from Rs. 50 to Rs. 100 for such youths who may have been under their training, and who may be found competent. A course of practical instruction would be laid down for the training of the youths, and as the experiment would be under the control of this Office at the commencement, and as those who do not show any aptitude, or of whom unfavourable reports are received, would be mercilessly turned out, there is every reason to hope that the arrangements suggested will not be a failure. Many of the present Accountants in the Department have commenced their career as Apprentices, and there seems no better way of obtaining men who would continue attached to the Department, and who would gradually acquire a complete knowledge of what has to be done than by employing them when young. Of course the proposals would not prevent the appointment of other qualified Accountants. The sole object in view is to have a reserve, from which appointments of Accountants could be made with confidence, and it is thought that the proposal made would ensure the attainment of such an object.

do so by an inspection of the original accounts, upon excess or irregular charges, the arrangements for stock, the manner in which the accounts of works by sub-heads are kept, the agreement of the entries in the register of works with the corresponding entries in the schedule, and other points of a similar nature.

4. As you are aware, under the system of accounts in force the Controller has no guarantee that the schedule as submitted to him is an accurate representation of facts. It is therefore necessary that he should seek for that guarantee on the occasion of his inspections In this view he should examine carefully and minutely the original records of the Executive Engineer's Office, and trace the entries step by step into the final record in the register of works and schedule. Thus, calling for the complete accounts of any one month, he should see that the entries in the daily report are correctly transferred to the day-book, that the accounts of cash in the latter correspond with the entries in the cash-book, that the totals of the day-books are correctly taken into the register of works and the schedule. Examining the day-book carefully to see whether any irregular charge for establishment or items of outlay which the Government have prohibited to be incurred, are not charged for therein, he should take up the several series of returns comprising the stock accounts, and see that the entries have been posted properly from account to account, that the rates at which the issues of stock have been charged are not excessive, and that the materials charged for as consumed are not in excess of what would be required for the work done. Making particular enquiries as to whether the materials at site of works have been counted or not, ascertaining what has become of tools and plant lent to contractors and others, making certain that payments to contractors are not made through subordinates (and by subordinates I include the Accountants), satisfying himself that as far as is possible the Accountant of the Division is not charged with disbursements, that the cheque books are kept in proper custody, that the pass-book agrees so far as they can be compared with the cash-book, that the arrangements for issue of cheques, the custody of cash, the supply of funds to subordinates, the check on the accounts of subordinates, and the custody of stock is such as is necessary;—in all these matters the inspection should be minute and careful. Examining the accounts of any one month in this way, particular documents connected with the accounts of other months should be called for, and similarly examined. Paying careful attention to contractors' accounts, the balances of outstanding sums, and the manner in which the accounts of works are kept by sub-heads, the inspecting officer should consider carefully whether the number of sub-heads could not be reduced, examine in what respects the accounts are deficient in detail, and ascertain how expenditure that should be kept separate can be most conveniently separated. In brief what is required to see is that the original accounts if placed before a court of law cannot have their validity disputed. Discussing doubtful points with the Executive Engineer, making enquiries as to whether rents of buildings are properly realized, and whether any buildings are occupied for which rent should be claimed, censuring the Accountant when necessary, and encouraging and advising him in points of difficulty, the examination should be so conducted as to make the Accountant of the Division feel convinced that his work is carefully examined. The Executive Engineer of the Division would be relieved in finding that his Accountant's work was being thoroughly overhauled, and by the exercise of tact and discretion, and by those qualities that go to make up a careful man of business, the inspection by the Controllor should leave the Executive Engineer under the assurance that the inspection has been one not in the way of fault-finding or of censure, but in the way of assistance and relief.

5. Passing in brief review the state of each of the documents and records connected with the accounts of an Executive Engineer's Office, giving such details as were heretofore given, the inspection report should be confined to a brief description of errors, defects in system, and points that required to be attended to. By passing in brief review the accounts, I do not require that each document should be detailed in the body of the report. That can be done in the appendix prescribed in my Circular No. of , so that it will

suffice to confine the report itself to the statement of the accounts of the Division having been carefully, minutely and thoroughly examined according to the instructions conveyed in this Circular, and that the following points only have been discovered as requiring attention. Then should follow a brief description of the points. By the adoption of curt phraseology the report of the inspection need not extend at the very outside to more than two sheets of foolscap paper. The irregularities would be grave indeed to require a larger report.

6. In the report it should invariably be mentioned whether the irregularities noticed in previous reports have been remedied or not. These instructions, to be thoroughly carried out, will require a patient investigation and examination of the accounts. I should much prefer that the inspection should always be conducted step by step, and point by point, by the Controller, Deputy or Assistant, without the aid of an Accountant deputed from the Central Office, as is sometimes done. It is necessary that the Inspecting Officer should make himself thoroughly conver[illegible] with the details of the accounts of the Division, and this he can only acquire by undertaking himself the examination of the accounts.

7. The Code Chapter III, Section VII, paragraph 21, requires that the accounts of every Division should be inspected by the Controller or his Deputy at least once a year. I request that arrangements may be made to attend to this rule. A memorandum should be furnished to this Office at the close of each official year to show what Divisions have been inspected, and what not, and, in the case of the latter, it should be mentioned why it was not possible to inspect the Division.

8. I hope it will be clearly understood that these instructions do not fetter or limit the Inspecting Officer in the points to which his attention should be directed. I only ask that the important principle laid down in Chapter XX, Section 11, paragraph 22 of Code of not being precise in trifling matters which are of no importance to the State may be extended to inspections. Let not these inspections be so made as to leave the Executive Engineer irritable under the result. Rather let them be so carried out as to make the Executive Engineer feel that their object is assistance and relief and not fault-finding, so that he may look with pleasure rather than with despair to the annual inspections. And above all care should be exercised in describing the result of the inspections to avoid the use of irritating language in cases where it is necessary to find fault. I am bound to say that heretofore such has been the case in the inspection reports that have come under my observation, and I hope that the practice will be continued.

9. I may add that the reports of inspections are sometimes submitted in print. It is a needless expenditure of Government money to do so, and I therefore request that in all cases the reports may be submitted in manuscript.

Nos. 695—714 A—G.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

FORT WILLIAM, NOVEMBER 23, 1874.

Report on the working of the Public Works Account Department for 1872-73.

Read—

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The Chief Commissioners of Oudh, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agent's to the Governor General for Central India and Rajpootana.
The Superintendent of Port Blair.
The Director General of Telegraphs.
The Inspector General of Military Works.
The Accountant General, Public Works Department.
The Director of State Railways.

Ordered also, that a copy be forwarded to the Secretary of State and the Financial Department.

Colonel, R. A.,
Secy. to the Govt. of India.

No. 695 Ag.

The Secretary to the Govt. of Madras
P W Department

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

To

THE GOVERNMENTS OF MADRAS, BOMBAY, BENGAL, THE NORTH WESTERN PROVINCES AND THE PUNJAB, IN THE P. W. D., GENERAL AND IRRIGATION BRANCHES.

THE CHIEF COMMISSIONERS OF OUDH, CENTRAL PROVINCES, BRITISH BURMAH; MYSORE AND COORG, AND ASSAM.

THE RESIDENT AT HYDERABAD.

THE AGENTS TO THE GOVERNOR GENERAL FOR CENTRAL INDIA AND RAJPOOTANA.

THE SUPERINTENDENT OF PORT BLAIR.

THE DIRECTOR GENERAL OF TELEGRAPHS.

THE INSPECTOR GENERAL OF MILITARY WORKS.

THE ACCOUNTANT GENERAL, PUBLIC WORKS DEPARTMENT.

THE DIRECTOR OF STATE RAILWAYS.

COLONEL P. P. O'CONNELL, R. E.

THE FINANCIAL DEPARTMENT.

Nos. 695—714 A—G.

Dated November 23, 1874.

Received 3rd December/74.

Observations on the Report of the working of the Public Works Account Department for 1872-73.

P. W. D. Press-23-10 74—300.

7570

Govt. of {1874} Madras.

PUBLIC WORKS.

To

The Chief Engineer
Nilgiris

Dated

Read. Encl. /

G. O. 14 Dec. 1874. No. 3622

Nos. 262-263.

Account Proceedings of the Govt of India communicating Resolution offering observations on the Report of the working of the Public Works Account Dept for 1872/73, and to the Officers concerned.

K.R.