

(1) Number of pages _____

(2) Date of repair _____

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No.	206-7 (W)	Press
~~B.P. No.~~		~~Mis.~~
Dated	26-1-	1876

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
26th January 1876.*

No 447. Read the following despatch from the Most Honorable the Secretary of State for India —

Public Works
No 21

INDIA OFFICE, LONDON,
30th November 1875.

On receipt of the letter from your Government, No 39, of 18th September last, the revised estimate for Madras Harbour, therewith enclosed, was sent to Mr Parkes

* Dated 15th November 1875

for any observations he might have to offer. A copy of his reply* is transmitted herewith

2 I observe that orders have been given that Mr May's revised estimate shall be received by the Controller of Public Works Accounts as his guide in dealing with the expenditure. Your Excellency will now have to consider to what extent any modification of the figures should be made in consequence of Mr. Parkes' observations

3. I take this opportunity of remarking that it is presumed that your Government will communicate with the Government of India as to the precise financial rules under which the funds required for these works are to be supplied and accounted for; and that in doing so, you will bear in mind the conditions imposed under paragraph 9 of my despatch to the Government of India, No 20, of the 11th March last.

I have, &c,

SALISBURY.

To His Excellency the Right Honorable
the Governor in Council, Fort St George

From W. PARKES, Esq, Civil Engineer, to the Under Secretary of State for India, dated
23, Abingdon Street, 15th November 1875

Madras Harbour

Your letter to me of the 9th instant requests me to furnish any observations I may desire on an estimate which Mr May has submitted to the Government of Madras for the works of the above harbour

2 In compliance with this request I beg to state that, on the 18th September, I received from Mr May a copy of the estimate, together with the information that he had submitted it to the Government

3 On the 24th September I wrote to Mr May requesting him to ask permission to withdraw the estimate, on the ground that I considered its submission to the Government likely to convey a false impression of the probable cost of the work

4. I now beg to repeat this opinion, and to request that the Secretary of State be pleased to recommend the Government of Madras to withhold their sanction from the estimate

5 It is only fair to Mr May that I should at once explain that this request is not to be interpreted as casting any censure upon him. I believe that the submission of the estimate was the result of a series of difficulties and misunderstandings which are now removed, and in the course of which the part taken by Mr May appears, so far as I can judge, to have been both judicious and conciliatory

6 Probably the estimate has already been withdrawn; but, as it has come before the Government of Madras and the Secretary of State, it is right that I should explain the grounds of the course I have taken, and the more so as I think an important question of principle is involved

*Proceedings of the Madras Government, Public Works Department,
26th January 1876.*

7 Mr May states in the 2nd paragraph of his covering letter that "the estimate is based generally on Mr Parkes' original estimate," and if the details are examined the truth of this statement will be seen, though the treatment which it has received in the re-arrangement has brought out a serious apparent discrepancy

8 Mr May explained to me, though he has omitted to do so in his letter to the Government, that in reducing the amounts given in my estimate from pounds sterling into rupees, he has taken the value of the latter at 1s 10d. Now as my estimate for all local expenses, amounting to nearly four-fifths of the whole, was based on rates expressed in rupees, and the results were converted into pounds sterling at the par rate of 2s per rupee, it is clear that for the re-conversion into rupees the same rate should have been taken. With regard to the portion of expenditure to be incurred in England, that for plant and cement, the point is perhaps debatable, but even for this I think the more ordinary is to assume the par rate, when, as in the present case, the expenditure will be spread over several years

9. If Mr May's estimate of Rupees 64,00,000 be converted into pounds sterling at his assumed rate of 1s 10d to the rupee, the amount becomes £386,667 as against my estimate of £565,078. If this difference of £21,589 were the only question involved, it would not, I think, be considered serious, but what is of far more importance is the *form* of Mr May's estimate to which the sanction of Government is asked

10 In the accompanying Government Order are given comparative abstracts of Mr May's estimate and my own, with the items re-arranged so as to come under the same headings. The following is a transcript of those abstracts, merely substituting pounds sterling for rupees at the rate 1s 10d. in the case of Mr May's.—

	Mr Parkes £	Mr May £
Plant		47,850
Buildings	80,000	9,165
Preliminaries		33,458
		90,473
Land		4,125
Rubble stone-work	143,972	*144,283
Concrete block-work in 2½ to 4 fathoms . .	30,250	30,250
Do do. from 4 fathoms outwards . .	231,150	*231,550
Two lighthouses	6,000	*6,050
Establishments, &c	24,569	32,157
Maintenance and contingencies	49,137	47,777
Totals	565,078	586,665

11 From this it will be seen that the greatest difference between the two is to be found in the item of plant, buildings, preliminaries, and land, which I combine in a single item of £80,000. Mr May substitutes for this fourteen items, which the Government have collected into the above four, amounting to an aggregate of £94,600 or £14,600 above my estimate. His estimate for *establishments* is also given in detail, and shows an excess of £7,588 above mine

12. The last discrepancy admits of a very simple explanation. Three items, the wages of the mechanical assistant, the concrete-maker, and the foreman diver, amounting in all to Rupees 72,000 or £6,600, were included by me in the rates for work which Mr May adopted from my estimate. This amount therefore enters twice into Mr May's estimate and should be deducted from his total. This makes our respective estimates for establishment very nearly

The slight differences in these items appear to be due to the rejection of fractions in the conversion of the rates from English to Indian units.

*Proceedings of the Madras Government, Public Works Department,
26th January 1876*

coincident, though mine is taken as merely 5 per cent on the estimate for works, and Mr May's is estimated in detail

13 The sum of £80,000 which I allowed for plant, buildings, and preliminaries (including land) was arrived at after careful consideration. I found that it would be impossible to arrive at any reliable conclusion by estimating in detail the various engines, cranes, machinery, railways, buildings and other requirements for such a work without an amount of local survey and special design, which would involve a delay and expenditure for which there seemed no justification

A better mode of obtaining a safe result seemed to be afforded by taking the actual expenditure on these items on the very similar work at Kurrachee, and applying that result to Madras after making allowance for certain broad features of difference. The estimate is confessedly only approximate, but, as a total, it is sufficiently reliable for all purposes as yet required, and, so far as can at present be anticipated, it seems likely to be substantially borne out by the actual expenditure

14 This mode of making the estimate, however, was not open to Mr May, as he has not the same knowledge of the circumstances of the two places, and, even if he had, it would not have answered his purpose, which was (under the direction of the officers of the Public Works Department) to submit a *detailed* estimate

15 He therefore did the best he could by adopting the more direct process, which I had discarded as less reliable than the indirect one

His data in 1875 are probably somewhat more reliable than mine would have been in 1873, but they are far from perfect, and his fourteen heads, though they may form a fairly reliable aggregate, are individually merely based on data of a more general character than mine. Had he merely submitted his opinion that a sum of £95,000 would be required where I had only calculated on £80,000 for the preliminary expenditure, I would have given the grounds of his opinion my best consideration, and have submitted a revised estimate if I saw sufficient reason for doing so. But this is not the question. Mr May has submitted not only an aggregate of £95,000, but the fourteen separate items which go to make up that aggregate, some of which may be confidently anticipated to be in excess, and others in deficiency of the actual requirements

16 The Government is now asked sanction for these items individually. I do not know what may be the object for which such sanction is asked, but I am quite sure of what the result would be, and would not be, if it were given. Where the estimate is excessive, the effect of the sanction would be to relax the vigilance of the Engineer who has the control of the expenditure, and the excess would not improbably be converted into a deficiency. Where the estimate is insufficient, no amount of sanction can make it suffice, and a further sanction would be required for a supplementary estimate

17 I therefore unhesitatingly advise that Mr May's estimate be cancelled, and that my own estimate as given in the abstract in the Government order be adopted, the amounts being converted if required into rupees at 2s each until materials exist for submitting a revised one

18 My objection applies equally to the details for "establishment." I submit that it is most undesirable to place on record in an official paper which, if not actually published, is readily accessible to the public, the salaries which Government are prepared to give for the performance of duties, the nature of which is not yet finally determined

19 I hope it will not be concluded that I am asking for any relaxation of the real control of the proper authorities of the Government over the expenditure on those works. My object is rather the contrary, and to prevent a premature license being given to the executive officers by the substitution of a Government sanction for their own personal responsibility. Both Mr May at Madras and myself here have the fullest sense of our obligation to submit the best estimates in our power before asking sanction for expenditure, but I object on his behalf as well as on my own to this obligation being converted into a mere formality by the submission of details which cannot be individually based on reliable data.

*Proceedings of the Madras Government, Public Works Department,
26th January 1876.*

20 That I am warranted in saying that the data for the details of Mr May's estimate of £94,600 are loose and unreliable will be apparent when I explain that about two-thirds of that amount is for expenditure to be incurred in this country under my direction, and therefore entirely beyond his knowledge or control

With regard to this the materials for the details of expenditure are being gradually collected and submitted to you in the regular way from time to time

PS—Since writing the above I have heard from Mr May in reply to my letter of 24th September alluded to in paragraph 3 He informs me that, in consequence of the reference of the matter to me for report, he had deferred acting on my request to ask permission to withdraw his estimate, but other facts which he mentions and the general tenor of his remarks on the subject tend to strengthen the recommendation I have ventured to submit herewith

Nos 448 & 449.

ORDER THEREON, 26th January 1876, No. 206.

CIVIL WORKS, No 28

ORDERED that the Home Government be addressed on the subject of the revised estimate for the Madras Harbour

2 Pending disposal in the Legislative Department of the bills referred to in G O., No. 2,060, dated 20th July 1875, action on paragraph 3 of the despatch from the Secretary of State recorded above will be deferred.

(Here enter No 207, dated 26th January 1876.)

(True Extract.)

(Signed) G. W. WALKER, Major-General, R E,
Secretary to Government.

To the Controller of Public Works Accounts
" Superintendent of Works, Madras Harbour

Exd E C Shunker
Spare Copies

MADRAS HARBOUR

Estimate of Works.

Number or Quantity		Rate	One year	Five years	Total
	<i>Preliminary Works</i>		RS.	RS	RS
	Detailed survey			5,000	
	Forming railways, including materials, rails, chairs, sleepers, &c	..		1,50,000	
	Open quarries			10,000	
	Preparing block ground			65,000	
	Rubble stone jetties			45,000	2,75,000
	Land ..			30,000	30,000
	<i>CONSTRUCTION OF PIERES</i>				
	<i>North Pier</i>				
479,909	Tons of rubble stone deposits in approach and in foundation	at Rs 15 per		7,19,860	
11,786	Cubic yards of Portland cement blocks built from 2½ to 4 fathoms water	at ,, 128 ,,		1,51,250	
90,211	Cubic yards of Portland cement blocks built from 4 fathoms outwards	at ,, 128 ,,		11,55,750	
1	Lighthouse			80,000	20,56,860
	Add for rubble work (if found necessary)	..		1,00,000	1,00,000
	<i>South Pier</i>				
479,909	Tons of rubble stone deposits in approach and in foundation	at Rs 15 per		7,19,860	
11,786	Cubic yards of Portland cement blocks built from 2½ to 4 fathoms water	at ,, 128 ,,		1,51,250	
90,211	Cubic yards of Portland cement blocks built from 4 fathoms outwards	at ,, 128 ,,		11,55,750	
1	Lighthouse			80,000	20,56,860
	Add for rubble work (if found necessary)			1,00,000	1,00,000
	Buildings			75,000	75,000
	<i>Plant</i>				
	Locomotive engines			60,000	
	Rolling stock			35,000	
	Floating plant			1,45,000	
	Engines, cranes, concrete machines, stone breakers, &c			1,25,000	
	Quarry and general tools			50,000	
	Buoys and beacons			8,000	
	Office furniture			2,000	4,20,000
	<i>ESTABLISHMENT</i>				
	<i>Direction</i>				
	Engineer in Chief (G O)	..	5,000	25,000	
	Bona (G O)			5,000	
	<i>Engineering</i>				
	Superintendent of Works		15,000	75,000	
	Office establishment		2,052	10,260	
	European Assistant		6,000	30,000	
	Office establishment		1,092	5,460	
	Native Sub Engineer (G O)		3,600	18,000	
	Office establishment (G O)		468	2,340	
	Native Superintendent of Quarries (G O)		2,400	12,000	
	Office establishment (G O)		324	1,620	

26

Estimate of Works — (Concluded)

Number or Quantity		Rate	One year	Five years	Total
	<i>Stores</i>		RS.	RS.	RS.
	Native Store keeper		4,200	21,000	
	Office establishment		824	1,620	
	<i>Medical.</i>				
	Native Apothecary		1,800	9,000	
	Medicines		500	2,500	
					2,18,800
	Office contingencies, telegrams to and from Eng land, postages, carriage of parcels, &c.		1,378	6,890	
	Travelling allowances of staff		4,000	20,000	
					26,890
	Maintenance during construction				2,45,690
					2,45,690
	Contingencies at 5 per cent.			Total	56,05,100
					2,45,690
				Grand Total	58,50,790

The extra charge of Rupees 2,00,000 on account of rubble work may, if preferred by Mr Parkes, be struck out from the above and shown as a separate supplemental estimate

(Signed) G W. WALKER, Major-General, R.E.,
Chief Engineer, Public Works Department.

Abstract of Estimate, Madras Harbour

	RS
Plant	4,20,000
Buildings	75,000
Preliminaries	2,75,000
Total	7,70,000
Land	30,000
Rubble stone work	16,39,720
Concrete block work in 2½ to 4 fathoms	3,02,500
Do do from 4 fathoms outward	23,11,500
Two lighthouses	60,000
Establishments, &c, 5 per cent	2,45,690
Maintenance and contingencies	4,91,380
Grand Total	58,50,790

8
165
1
to
The Most Honble.
the Secretary of State
for India.

My Lord Marquis

✓
We have taken into
consideration the objections
to the adoption of Mr
May's detailed estimate
for the Madras Harbour
Works made in Mr.
Parker's letter which ac-
companied your Lord-
ship's Dispatch No 21 of
30 November 1875, and
we have the honor to
submit the following

M
21/11

Remarks on the subject.

2. It is satisfactory to be assured by Mr Parkes that the difficulties and misunderstandings alluded to in para 5 of his letter have been removed; but we are under the impression that the nature and extent of these difficulties, as leading to the submission of the Estimate in question, have been misconceived and exaggerated by Mr Parkes. As stated in the first para of Mr May's letter of the 18th August, giving cover to the estimate,

103
Extract from Memo from Lieut-
Colonel J. Mullins M.C., Officiating
Chief Engineer, Ordnance Department, to
J May Esquire, Superintendent,
Madras Harbour Works, dated
Coimbatore, 25th June 1875, No 126.

2. It is of importance on all
accounts that a working estimate,
showing quantities and rates of the
several descriptions of work to be
carried out, providing for work or
 petty establishments, tools and
Plant &c; should be drawn up
as soon as possible. This estimate
in abstract is the foundation on
which accounts of expenditure
will have to be based, and unless
it be soon prepared, it would be
impracticable to start these in
a satisfactory manner, and after-
wards the re-casting of the accounts
will give rise to a good deal of
trouble and correspondence. In
the accounts required by Govern-
ment the principal heads of
charge are:-

- 1 Works (construction with all subsidiary works)
- 2 Tools and Plants.
- 3 Establishment.

Works will naturally include
1 The Harbour Works proper,
2 The various subsidiary works not forming part of the Harbour itself.
The Controller of Public Works Department will be able to furnish the Superintendent's Office with all necessary details, but it is thought that the leading features in the accounting will be useful to Mr May at once.

3 Establishments will include those for the office and those for the works. The former will keep the accounts and the correspondence, and Captain Farway Gordon's assistance in drawing up a scale for the sanction of Government will no doubt be found valuable. The total of this scale will be one item of the estimate for the Harbours, much of the Engineering Establishment has been already approximately determined upon. The subordinate establishment may be provided for by a lump sum calculated upon the probable monthly charge and the time the project will occupy. Within the amount thus provided and sanctioned the

103
Superintendent will be at liberty to arrange the details of this petty establishment at his discretion.

4. The general principle to be attended to is that for each principal description of outlay there should be a fixed and duly authorized estimate of cost. In this country these descriptions are indicated under the names of heads and sub-heads of estimates.

x x x

X^o Alt.

176
its submission is directly
due to a call made by
the Officiating Chief
Engineer in ^{his} Memorandum
No 126 of 25th June of
which the following is
an extract of the paras
relating to the subject.
It will be seen that
all that was required
was that the estimate
might be thrown into
a form such as would
enable the Controller of
Public Works Accounts
to deal with the monthly
returns of expenditure
in the manner prescribed
by the Government of
India.

(Here enter paras 2, 3 and
4 of Memo)

3. There was ample
time between the dates
of this call and the sub-
mission of Mr May's
estimate, for Mr May
to have consulted Mr.
Parker on the subject;
when the discrepancies
alluded to in paras:
7 to 9 and para 12 of
Mr Parker's letter
now under notice would
have been obviated.

But unless Mr Parker
had access to the des-
patches of this Govern-
ment to your Lord-
ship's address No 32 of
14th September 1874, and
to the despatch of His
Excellency the Viceroy
and Governor General,

126
alluded to in its first
para, the real defect
of the revised estimate
would still have re-
mained undetected.
It was not suspected
when that estimate
was forwarded with
Proceedings No 2610 of
10th September 1875 for
Mr Parker's approval;
and it is of a nature
that amply justifies
his remonstrance against
its detailed excesses
over his own Abstract
estimate.

4 The fact is that
neither the Controller of
Public Works Accounts
who had to check the
expenditure, nor

Mr May who had no in-
cur it, were aware of
the details of the sum
by which Mr Parker's
estimate of £565,090
was increased to £628,000.
the sum sanctioned
in your Lordship's
despatch to the govern-
ment of India No 20
of 11th March 1875. That
increment is made
up of two items only,
viz £20,000 added
for extra ^{cost of} Public work
in deference to the
opinion expressed by
the government of
India; and £43,000
to make up the deficit
in the Loan. Of

and it appears to
have escaped at-
tention when Mr
May's estimate
was forwarded
for Mr Parker's
approval, ~~might~~ ^{being} ~~out~~ ⁱⁿ short, ~~leaving~~
nothing to inform ~~the~~ ^{the} ~~Government~~ ^{Government} ~~in~~ ⁱⁿ England when Mr
May came out and
the details of the
increase never
having been sub-
mitted in any
proceedings of
our Govt -

216 15
which, the former sum
can alone be added to
the estimate with which
Mr May had to deal.
This is the real root of
the misunderstanding
in the matter; and we
are of opinion that it
would not have oc-
curred but for the
absence of our Chief
Engineer at short notice
to England when Mr
May came out and
picked up his work.
He should have dictated
the oversight in
dealing with that sum
and estimate on
his return; but the
want of continuity
in dealing with the
subject, caused by his
absence

absence, would appear -
to have made him
accept Mr. May's figures
without inquiry as to
the real value which
they were acquired to
make up.

The Chief Engineer
has now prepared with Mr. May's assistance
for Mr. Parker's abstract a fresh estimate, which
we are sanguine will
be acceptable to Mr
Parker in its abstract
form; while conforming
in its details to the
items of Mr. May's es-
timate, prepared to
suit the demands of
the Central Department.
We do not appreciate
Mr. Parker's objections
to the details of Estab-
lishment being given,
as

as these are recorded
in the 18th para of his
letter. For, excepting
the Store and Medical
Establishments, each
item has been separately
discussed between Mr.
Parker and our Chief
Engineer, and the result
already recorded in our
Proceedings No 1433 of 25th
May 1875. of which copy
was forwarded with
our despatch No 35 of
20th August. The
items of Pier Construction
are identical with those
of Mr. Parker's estimate.
with reference to form 20 of his letter,
while, nothing can be
easier, or more satisfac-
tory to all concerned,
than for him to make

Done 20

his own corrections of
the details under Pre-
liminary Works and
Plant. It was with the
intention that he should
deal with the details
of Mr May's Estimate,
that we withheld our
sanction of it until
it should have received
his formal approval.

Yours

Xth 1878

Abstract of Estimate Madras Harbour.

Plant	4,20,000
Buildings	75,000
Preliminaries	2,75,000
	<u>7,70,000</u>

Land	30,000
Rubble stone work	16,39,720
Concrete block work from 2½ to 4 fathoms	302,500
Concrete block work from 4 fathoms outward	23,11,500
Two light houses	60,000
Establishments &c 5 per Cent	2,45,690
Maintenance and Contingencies	4,91,380

Grand Total Proposal 58,50,790

Submitting estimate for
the proposed estimate
for the Madras Harbour.

Approved
A.P.

Stationery & Envelopes - (20)	3600	18000	
Office Stationery - (50)	468	2340	
Stationery & Envelopes of Envelopes - (90)	2400	12000	
Office Stationery - (90)	3240	1620	
Stationery & Envelopes	4200	21400	
Office Stationery	3240	1620	
Stationery & Envelopes	1800	9000	
Medicine	500	2500	218800
Office Contingencies, Telegrams to and from England, postage, Printing of papers, &c	1378	6890	
Travelling allowances of staff	4000	20000	26890
Maintenance during construction			245690
Contingencies at open cut			245690
Grand Total Disbursements			583779

The sum charge of Rs 20,00,000 in account of Subsidy for the first 10 years of the project to the Government of India, be shared with the Government of India.

Madras Warbon

Estimate of Works

Number
Quantity

Rate. Due Price
Year. Years
Total.

Reinforcing works

Detailed survey 5000
Sinking railways, including materials, rails, 150000
Chairs, sleepers, etc 10000

Open Quarries 65000
Preparing black ground 45000
Rubble stone setting 275000

Land 30000
Construction of new 30000

479,909 Sunk rubble stone deposits in approach areas 1170150

11,786 Sunkie Quads foundation 157230

90211 do 2 1/2 to 4 patterns slate 1155700
do Portland Cement blocks built from 39000
do patterns onwards 205650

Light house 100000
add for rubble work (if found necessary) 100000

479,909 Sunk rubble stone deposits in approach areas 7,19860

11,786 Sunkie Quads foundation 157230

90211 do 2 1/2 to 4 patterns slate 1155700
do Portland Cement blocks built from 39000
do patterns onwards 205650

add for rubble work (if found necessary) 100000
Rubble 75000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Reinforcing works 60000

Public Works
No 21

India Office, London.
30 November 1875.

My Lord Duke,
On receipt of the
letter from your Government,
No 39 of 18th September last,
the revised estimate for
Madras Harbour, therewith
enclosed, was sent to
Mr Parkes for any
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have to offer. A copy
of his reply is transmitted
herewith. I observe that
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that Mr May's revised
estimate shall be
received by the Controller
of

15th November, 1875

His Excellency,
The Right Honorable,
The Governor in Council
Fort St George.

of Public Works --
Accounts as his guide
in dealing with the
expenditure. Your
Excellency will now
have to consider to
what extent any
modification of the
figures should be
made in consequence
of Mr. Parkes' observations.

I take this opportunity
of remarking that it
is presumed that
your Government will
communicate with the
Government of India as
to the precise financial
rules under which the
funds required for
these works are to be supplied
and accounted for and
that

that in doing so, you
will bear in mind the
conditions imposed
under paragraph 9 of
my Despatch to the
Government of India,
No. 20, of the 11th March
last.

I have the honor to be,
My Lord Duke,

Your Grace's most obedient
humble servant,
J. Lubbock

404: Decr/73 No 75-76.
 11: May/74 : 265 to 269
 Lr to Home Govt 29: June No 23 of 1874
 " " 13: July - 26-
 " " 14: Sept - 32-
 4030: Sept/74 No 612-614 & 615-
 25: May/75 - 439 to 442
 29: June - 584-585
 20: July - 491-492
 Lr to Home Govt 20: Augt No 35 of 1875.
 4010: Sept/75 No 252-253.
 Lr to Home Govt 18: Sept No 39 of 1875.

P. W 1875 Dept
 No 23
 Public Works
 Dd 30th Nov 1875.
 Recd 4th Jan 1876.
 The Letter to Mr George
 No 21.

Encls: 1.

Forwarding copy of
 letter from Mr. Parkes
 furnishing observations
 on the revised estimate
 for the Madras Harbour.

No 1/1/7-

air 7-1-76

SEP 20 1875 29/1/76

Madras Harbour.

23 Abingdon Street
 15 November 1875.

Sir,

Your letter to me of the 9th instant
 requests me to furnish any observations
 I may desire on an estimate which Mr.
 May has submitted to the Government
 of Madras for the works of the above
 Harbour.

2. In compliance with this
 request I beg to state that on the 18th
 September I received from Mr. May a
 copy of the estimate, together with the
 information that he had submitted it
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3. On the 24th September I
 wrote to Mr. May requesting him to ask
 permission to withdraw the estimate on

The Under Secretary of State
 for India.

the

Public Works
No 21

dated 15th November, 1875

To Excellency,
The Right Honorable,
The Governor in Council

356
India Office, London.
30 November 1875.
My Lord Duke,
On receipt of the
letter from your Government,
No 39 of 18th September last,
the revised estimate for
Madras Harbour, therewith
enclosed, was sent to
Mr Parkes for any
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of his reply is transmitted
herewith. I observe that
orders have been given
that Mr May's revised
estimate shall be
received by the Controller
of

of Public Works --
Accounts as his guide
in dealing with the
expenditure. Your
Excellency will now
have to consider to
what extent any
modification of the
figures should be
made in consequence
of Mr. Parkes' observations.

I take this opportunity
of remarking that it
is presumed that
your Government will
communicate with the
Government of India as
to the precise financial
rules under which the
funds required for
these works are to be supplied
and accounted for and
that

that in doing so you
will bear in mind the
conditions imposed
under paragraph 9 of
my Despatch to the
Government of India,
No. 20, of the 11th March
last.

I have the honor to be,
My Lord Duke,
Your Grace's most obedient
humble servant,
J. Lubbock

404: Decr/73 No 75-76.
 11: May/74 - 265 to 269 1
 Lr to Home Govt 29: June No 23 of 1874
 13: July - 26 ---
 14: Sept - 32 ---
 30: Sept/74 No 612-614 & 615
 25: May/75 - 439 to 442
 29: June - 584-585
 20: July - 491-492
 Lr to Home Govt 20: Aug No 35 of 1875
 10: Sept/75 No 252-253
 Lr to Home Govt 18: Sept No 39 of 1875

P. W 1875 Dept
 No 23
 Public Works
 30th Nov 1875
 Recd 4th Jan 1876
 The Letter to Mr George
 No 21

Encls: 1.

Forwarding copy of
 letter from Mr. Parkes
 furnishing observations
 on the revised estimate
 for the Madras Harbour.

N^o 1147-

air 7-1-76

LLO no 206 7. 29/1/76

S^o 399

Madras Harbour.

23 Abingdon Street
 15 November 1875.

Sir,
 Your letter to me of the 9th instant
 requests me to furnish any observations
 I may desire on an estimate which Mr.
 May has submitted to the Government
 of Madras for the works of the above
 Harbour.

2. In compliance with this
 request I beg to state that on the 18th
 September I received from Mr. May a
 copy of the estimate, together with the
 information that he had submitted it
 to the Government.

3. On the 24th September I
 wrote to Mr. May requesting him to ask
 permission to withdraw the estimate on

The Under Secretary of State
 for India.

the

the ground that I considered its submission to the Government likely to convey a false impression of the probable cost of the work.

4— I now beg to repeat this opinion, and to request that the Secretary of State be pleased to recommend the Government of Madras to withhold their sanction from the estimate.

5— It is only fair to Mr May, that I should at once explain that this request is not to be interpreted as casting any censure upon him — I believe that the submission of the estimate was the result of a series of difficulties and misunderstandings which are now removed, and in the course of which the part taken by Mr May appears, so far as I can judge, to have been both judicious and conciliatory.

6— Probably the estimate has already been withdrawn, but as it has come before the Government of Madras and the Secretary of State it is right

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that I should explain the grounds of the course I have taken, and the more so, as I think an important question of principle is involved.

7— Mr May states in the 2nd paragraph of his covering letter that "the estimate is based generally on Mr Parkes' original estimate," and if the details are examined the truth of this statement will be seen, though the treatment which it has received in the rearrangement has brought out a serious apparent discrepancy—

8— Mr May explained to me though he has omitted to do so in his letter to the Government, that in reducing the amounts given in my estimate from pounds sterling into rupees he has taken the value of the latter at 15.10^d. Now as my estimate for all local expenses, amounting to nearly four fifths of the whole, was based on rates expressed in rupees, and the results were converted into pounds sterling at the par rate of 2/- per rupee it is clear that for the reconversion
into

into rupees the same rate should have been taken — With regard to the portion of expenditure to be incurred in England, that for plant and cement, the point is perhaps debateable, but even for this I think the more ordinary is to assume the par rate, when, as in the present case, the expenditure will be spread out several years —

9— If Mr May's estimate of Rs. 6,400,000 be converted into pounds sterling at his assumed rate of 1/10 to the rupee, the amount becomes £586,667 as against my estimate of £565,078 — If this difference of £21,589 were the only question involved it would not I think be considered serious, but what is of far more importance is the form of Mr May's estimate to which the sanction of Government is asked —

10— In the accompanying Government order are given comparative abstracts of Mr May's estimate and my own, with the items rearranged so as to come under

the same headings — The following is a transcript of those abstracts merely substituting pounds sterling for rupees at the rate 1/10 in the case of Mr May's —

	Mr. Parkes	Mr. May
Plant	80,000	47,850
Buildings		9,165
Preliminaries		33,458
		90,473
		4,125
Land	143,972	144,283
Rubble stone work	30,250	30,250
Concrete Block work in 2 1/2 to 4 fathoms		
Concrete Block work from 4 fathoms outwards	231,150	231,550
Two lighthouses	6,000	6,050
Establishments &c.	24,569	32,157
Maintenance and contingencies	49,137	47,777
Totals	£565,078	£586,665

11— From this it will be seen that the greatest difference between the two is to be found in the item of Plant, Buildings,

* The slight differences in these items appears to be due to the rejection of fractions in the conversion of the rates from English to Indian units.

Preliminaries

Preliminaries and Land, which I combine in a single item of £80,000. Mr. May substitutes for this 14 items, which the Government have collected into the above four, amounting to an aggregate of £94,600 or £14,600 above my estimate. His estimate for establishments is also given in detail, and shows an excess of £7,588 above mine.

12. The last discrepancy admits of a very simple explanation. Three items, the wages of the Mechanical Assistant, the concrete maker, and the Foreman Diver, amounting in all to Rs. 72,000 or £6,000, were included by me in the rates for work which Mr. May adopted from my estimate. This amount therefore enters twice into Mr. May's estimate and should be deducted from his total. This makes our respective estimates for establishment very nearly coincident, though mine is taken as merely 5 per cent. on the estimate for works, and Mr. May's is estimated in detail.

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13. The sum of £80,000 which I allowed for Plant, Buildings and Preliminaries (including Land) was arrived at after careful consideration. I found that it would be impossible to arrive at any reliable conclusion by estimating in detail the various engines, cranes, machinery, railways, buildings and other requirements for such a work without an amount of local survey and special design which would involve a delay and expenditure for which there seemed no justification. A better mode of obtaining a safe result seemed to be afforded by taking the actual expenditure on these items on the very similar work at Kurrachee and applying that result to Madras after making allowance for certain broad features of difference. The estimate is confessedly only approximate, but as a total it is sufficiently reliable for all purposes as yet required, and so far as can at present be anticipated it seems likely to be substantially borne out by the actual expenditure.

14.— This mode of making the estimate however was not open to Mr May, as he has not the same knowledge of the circumstances of the two places and even if he had it would not have answered his purpose which was (under the direction of the Officers of the Public Works Department) to submit a detailed estimate —

15.— He therefore did the best he could by adopting the more direct process which I had discarded as less reliable than the indirect one — His data in 1875 are probably somewhat more reliable than mine would have been in 1873, but they are far from perfect, and his 14 heads though they may form a fairly reliable aggregate are individually merely based on data of a more general character than mine — Had he merely submitted his opinion that a sum of £95,000 would be required where I had only calculated on £80,000 for the preliminary expenditure I would have given the grounds of his opinion my best consideration and have submitted

a revised

a revised estimate if I saw sufficient reason for doing so — But this is not the question — Mr May has submitted not only an aggregate of £95,000, but the 14 separate items which go to make up that aggregate, some of which may be confidently anticipated to be in excess, and others in deficiency of the actual requirements —

16. The Government is now asked sanction these items individually I do not know what may be the object for which such sanction is asked, but I am quite sure of what the result would be, and would not be, if it were given — Where the estimate is excessive, the effect of the sanction would be to relax the vigilance of the Engineer who has the control of the expenditure, and the excess would not improbably be converted into a deficiency — Where the estimate is insufficient, no amount of sanction can make it suffice, and a further sanction would be required for a supplementary estimate

17- I therefore unhesitatingly advise that Mr. May's estimate be cancelled, and that my own estimate as given in the abstract in the Government Order be adopted, the amounts being converted if required into rupees at 2/- each until materials exist for submitting a revised one.

18- My objection applies equally to the details for "establishment." I submit that it is most undesirable to place on record in an official paper which if not actually published, is readily accessible to the public, the salaries which Government are prepared to give for the performance of duties, the nature of which is not yet finally determined.

19- I hope it will not be concluded that I am asking for any relaxation of the real control of the proper authorities of the Government over the expenditure on those

works. - My object is rather the contrary, and to prevent a premature license being given to the executive officers by the substitution of a government sanction for their own personal responsibility. - Both Mr. May at Madras and myself here have the fullest sense of our obligation to submit the best estimates in our power before asking sanction for expenditure, but I object on his behalf as well as on my own to this obligation being converted into a mere formality by the submission of details which cannot be individually based on reliable data.

20- That I am warranted in saying that the data for the details of Mr. May's estimate of £94,600 are loose and unreliable will be apparent when I explain that about two thirds of that amount is for expenditure to be incurred in this country under my direction and therefore entirely beyond his knowledge or control.

With regard to this the materials
for the details of expenditure are being
gradually collected and submitted to
you in the regular way from time to
time —

I have the honor to be

Sir,

Your most obedient servant

(signed) W. Parkes.

P.S. — Since writing the above
I have heard from Mr. May in reply
to my letter of 24th September allu-
ded to in paragraph 3 —

He informs me that in consequence
of the reference of the matter to me
for report he had deferred acting on
my request to ask permission to with-
draw his estimate, but other facts
which he mentions and the general
tenor of his remarks on the subject
tend to strengthen the recommendation
I have ventured to submit herewith —

(signed) W.P.

X^o att^o R.

No 3.

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Copy Letter from Mr. Parkes.

Referred to in Public Works Letter
Madras, No 21, dated 30th Nov 1875
Para 1.

W 23/76.

No 206

Public Works Department

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the

26 Jan 76

Read the following —

From

The Secy of State — (H.C. No 21 of 30th Nov 1875)

Ordered that the
Home Government be address-
ed on the subject of the
revised Estimate for the
Madras Harbour.

Pending disposal,
in the Legislative Dept.,
of the Bills referred to
in G.O. No 2060 dated 20th
July 1875, action on para
3 of the Despatch from
the Secretary of State
recorded above will be
deferred.

5 copies of the revised Estimate
sent to Controller. 6. 4. 76

7- " to Secy of India - 6. 4. 76

2- " to Home Secy.

Conte P. W. Accto. 5-

Supt. of Works Madras
Harbour. 3

Dispd 9-2-76 Recd 17

W. W.
H.C. No 207 of 26 Jan 76

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LIBRARY

Ent No 2000

27.11.22

20/11/22
117-447
450

Received Estimate
of the parties
The Board of Directors
to show that the
Board of Directors
are the proper
the