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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

P.W. DEPARTMENT

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G.O. No.	1470-W	Press.
B.P. No.		Mis.
Dated	28-5-1879	197.

J. C.

Not to be folded or roughly handled

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No. 524 E—G.

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.

ESTABLISHMENT.

General.

Fort William, March 19, 1879.

Revised Edition of the Public Works Code.

Much unexpected delay having occurred in the preparation of the revised edition of the Public Works Code of Regulations owing to causes which it is not necessary to detail, the Hon'ble the President in Council has decided to issue, without further delay, Chapters I to XII of the Code which are now ready for publication, in order to remove in part the inconvenience to the Department which the absence of the Code has occasioned, by reason of the earlier edition being out of print. In doing so, however, the President in Council desires to draw attention to the fact that the revised Code has been prepared on the principles of the earlier edition, and that it does not meet in full the altered circumstances of the Department consequent on the introduction of the Provincial system under which the powers of local authorities have been largely extended. It is not intended that the rules in the Code should curtail such powers, or interfere in any way with the rules under which Provincial works are now carried out and Provincial funds expended.

The Hon'ble the President in Council will be glad to receive from Local Governments and Administrations and Heads of Departments, suggestions for the modification or amendment of any portion of this volume of the Code which may seem to be too minute in details, and which are likely to make it more effective.

ORDER.—Ordered, that a copy of this Resolution be forwarded to all

The Governments of Madras and Bombay, in the Public Works Department, General, Irrigation and Railway Branches.
The Governments of Bengal, North Western Provinces and Oudh, and Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners, Central Provinces, British Barmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents of the Governor General for Central India and Rajputana.
The Superintendent of Port Blair, and Chief Commissioner, Andaman and Nicobar Islands.
The Accountant General, Public Works Department.
The Inspector General of Military Works.
The Directors of State Railways, Central, Western, and North-Eastern Systems.
The Director of State Railway Stores.
The Consulting Engineers to the Government of India for Guaranteed Railways, Calcutta, Lahore and Lucknow.
The Director General of Telegraphs.
The Director-in-Chief, Indo-European Telegraph.
The Director, Persian Telegraph.
The Deputy Director, Persian Gulf Telegraph.

Local Governments and Administrations and Heads of Departments marginally noted; also to the several Secretariats of the Government of India.

J. S. THORPE,

Offg. Under Secy. to the Govt. of India.

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
ESTABLISHMENT.
General.

To

No. 524 E-G.

Dated March 19, 1879.

Received

Resolving to issue Chapters I to XII of the revised Public Works Code, and for reasons stated asking for suggestions and modification or amendment of any portion of it.

P. W. D. No. 423,--20-3-79=295.

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GOVERNMENT OF MADRAS.
FINANCIAL DEPARTMENT.

14th May 1879, No. 921.

Reduction of Expenditure.

Read the following paper:—

No. 134. *Proceedings of the Government of India in the Financial Department, dated Simla, 1st May 1879, No. 410.*

Read again—

Resolution in the Financial Department, No. 4003, dated 9th November 1878, and the Financial Statement for 1878-79.

Resolution.—By the Resolution of the 9th November 1878, the Governor-General in Council urged on the several Local Governments and Administrations the necessity of reducing the ordinary expenditure of the country within the narrowest possible limits. It was directed that measures should be taken for suspending or postponing all optional expenditure, whether Imperial, Provincial, or even from Local Funds, and that no proposals for increases of salaries or establishments should be entertained without real necessity. His Excellency in Council does not doubt that earnest attention has been given to those instructions, but it has now become requisite to repeat them in still stronger and more definite terms.

2. The Government of India has repeatedly declared it to be necessary, in ordinary times, that a surplus of Revenue over Expenditure of not less than £2,000,000 should, each year, be provided to furnish the means of protecting the country against famine, and to leave a margin to meet unforeseen contingencies. Less than a year ago, it appeared that this object had been attained; but the expectations then expressed by the Government in regard to the satisfactory condition and prospects of the finances have, during the last few months, been dispelled. The Financial Statement, published with the Resolution of the 12th March 1879, shows an estimated deficit of Revenue compared with the estimated Ordinary Expenditure in 1879-80 of £1,398,000.

3. In paragraph 265 of that Resolution, the true surplus, apart from the War in Afghanistan, is estimated at £8,13,000, being £1,181,000 less than the required surplus of £2,000,000.

4. Although other causes for anxiety are not wanting, this unfortunate change in the financial position of the Government may be considered wholly due to the state of the Exchange with England. The estimated loss by Exchange for the current year would, if provision were made to cover the whole of the Home charges, be £4,140,000, an amount exceeding by more than £1,000,000 the entry under this head in the Budget Estimate for the year which has lately closed, and it is impossible to say that this loss will not continue and go on increasing.

5. The task is serious of dealing with a difficulty of so indefinite a character, and one of which the causes are so entirely beyond the control of this Government; but the Governor-General in Council is resolved to spare no efforts to maintain the finances of the Empire in a completely satisfactory condition.

6. Apart from other measures which may become unavoidable for increasing the Public Revenues, it is obviously necessary that all practicable limits should be placed on the Public Expenditure.

7. It has been shown, on former occasions, that during the last ten years there has been a very large reduction in the net Civil Expenditure of the Empire. Excluding Famine Relief and Loss by Exchange—an element, as just stated, beyond control—that reduction has not been less than £1,500,000 a-year. Still further reductions must now be made.

8. The Public Expenditure, excluding that incurred from Local Funds, is now divided into two branches, Imperial and Provincial, for which the Government of India and the Local Governments and Administrations are respectively responsible.

9. The Military charges constitute the most serious part of the Imperial obligations, but the present Resolution is not intended to refer to them; and His Excellency in Council will now only say regarding them that he is fully alive to the urgent and paramount duty which rests on the Government of India of striving to the utmost of its power to reduce the Military Expenditure within the narrowest limits consistent with the public safety. His Excellency in Council knows that the Government of Her Majesty feels no less anxiety in this matter.

10. In respect to the Civil Expenditure, excepting the charges on account of the Public Debt and other Heads of Service, which, as they concern the Empire at large, have been retained under the management of the Supreme Government, the greater portion of the Ordinary Civil Expenditure of British India is now mainly entrusted to the Provincial Governments. With regard to that part of this expenditure, which is under his more immediate control, and, in particular, the expenditure on the central establishments of the Supreme Government, the Governor-General in Council is taking the most effective means in his power to obtain every possible economy. He has now again to notify to the several Departments under the Government of India that no increase of the Public Expenditure will be allowed which is not essential and unavoidable; and it will be the immediate duty of every Department to make, without delay, a searching review of the whole of the charges under its control. Unless positive necessity exists, no improvements in administration, however desirable, must be undertaken, if they involve increased charges; no fresh establishments must be entertained; no new offices must be created; no new works, which it is possible to postpone, must be commenced.

11. The policy thus announced, in regard to the expenditure under the immediate control of the Government of India, must, the Governor-General in Council regrets to say, be extended also to the Provincial Governments and to the Provincial Services. The policy of maintaining Provincial responsibility for the management of Provincial finances inaugurated by the Government of India, in December 1870, has now been in course of development for nine years, with a success which has equalled the most sanguine expectations of its authors. It has led to greatly increased efficiency in many of the chief branches of the public service, to the development of the revenues without addition to the public burdens, and to economy in expenditure. It was one important object of that policy that the normal and obligatory administration of the country should be, as far as possible, shielded from the effects of ordinary vicissitudes affecting the Imperial Finances; and during the last nine years, notwithstanding the serious financial pressure that has often been experienced, as for example that caused by the Famine in Bengal in 1874, by the Famine in the Madras and Bombay Presidencies in 1876 and 1877, and by the present War on the Frontier, the Governor-General in Council has left at the disposal of the Provincial Governments, without diminution, the whole of the resources assigned to them.

12. The pledge, however, originally given and subsequently repeated by the Government of India, that no fresh Imperial demand would be made on those resources, has always been declared subject to the condition that, if some great fiscal misfortune or urgent national necessity should occur, it might become unavoidable to call on the Provincial Governments to sacrifice for the relief of the Empire generally some portion of the revenues allotted to them. The anxiety of the Government of India not to exercise this power and to interfere in no way with the free development of the system of Provincial Finance, has been amply proved in the past; and no one will doubt the reluctance with which His Excellency in Council now contemplates the

necessity of inviting the Provincial Governments to give him their assistance in obtaining necessary relief to the Imperial Treasury and in averting, so far as may be possible, the necessity of imposing fresh burdens, whether Imperial or Provincial, on the country. But the unforeseen fiscal misfortune which has befallen British India in the disturbance of the relation formerly existing between the values of Silver and Gold, is more serious than any of those difficulties which it has hitherto been necessary to meet. It is more indefinite in extent, and may be more lasting; and, as already observed, the causes which led to it, and which are still in operation, are altogether beyond the control of this Government. The Governor-General in Council is most unwillingly forced to the conclusion that it has become necessary to make a revision, which he trusts may be only temporary, in the existing arrangements with the Local Governments, and this revision must involve some reduction of the resources now at their disposal.

13. Nothing is further from the intention of His Excellency in Council than to interfere in any way with the principles of the policy which has for some years past been followed with such signal success. He feels, indeed, that the emergency which has now occurred affords another and one of the strongest possible proofs that this policy is wise. But for this policy, he believes that the reductions of the public expenditure, which must now be made, would have hardly been practicable. This, at least, is certain that they will be carried out with far greater ease, and in a far more satisfactory manner, by the Local Governments than would have been possible under a system by which the Government of India attempted minutely to supervise all the details of the administration. In preparation for a contingency which must be regarded as imminent, the Governor-General in Council is compelled to direct that the prohibition of every avoidable increase of expenditure must extend not only to all Imperial Services, but to all Provincial Services also. The chief reductions in every Province will doubtless be made in the expenditure on Public Works. Without in any way contemplating greater restrictions on the power of the Local Governments in future than have been exercised under the rules actually in force, the Governor-General in Council, as a temporary measure, and with the object of preventing fresh avoidable expenditure until further arrangements can be settled with the Local Governments, think it necessary to direct that no new work estimated to cost more than Rupees 2,500, shall be commenced at the cost of Imperial or Provincial Funds, even though it may already have received the sanction of the Government. If, for some special reason, a Local Government desires that this order should in any case be relaxed, it will be at liberty to represent the circumstances to the Government of India. The same rule will be applicable to all Departments under the immediate administration of the Supreme Government.

14. The present Resolution is intended chiefly to refer to the ordinary expenditure; but it has been decided to make large reductions in the expenditure on Productive Public Works also. On this subject, further orders will be issued.

15. His Excellency in Council knows that he may confidently trust in the loyal co-operation of all the Local Governments and Administrations in giving effect to the instructions contained in the present Resolution. The Governor-General in Council will immediately place himself in communication with the several Local Governments and Administrations, and will consult them in regard to the particular measures which should be adopted for effecting the objects which have now been stated. It will be the duty of the several Officers of Audit and Account to remind the Local Governments of this Resolution, whenever it seems necessary.

Ordered that this Resolution be published in the *Gazette of India* and be communicated for information and guidance—

To the several Local Governments and Administrations.

Also to the several Departments of the Government of India, with the intimation that no proposal for any avoidable increase of expenditure must be countenanced, or forwarded to the Financial Department.

Also to the Comptroller-General and the several Accountants-General and Deputy Accountants-General in independent charge.

Also through the Military and Public Works Departments to the Officers of Military and Public Works Audit and Accounts.

Also to Chiefs of Departments administered by the Government of India in the Financial Department with instructions to all of these authorities to consider and report promptly what reduction can be effected in the Departments which they administer or control.

(Signed) R. B. CHAPMAN,
Secy. to the Govt. of India.

No. 135. ORDER THEREON, 14th May 1879, No. 921.

Resolved that the foregoing Resolution be communicated to all Departments with instructions to bear in mind that the restriction on avoidable expenditure imposed by G.O., dated 29th November 1878, No. 2128, remains in full force, and must be acted up to in the fullest manner pending further detailed instructions.

(True Extract.)

C. G. MASTER,
Acting Chief Secretary.

To the Revenue Department.
.. the Military Department.
.. the Public Works Department.
.. the Board of Revenue.
.. the Honorable the Judges of the High Court.
.. all Heads of Departments.

