

P.W.C. No: 37

1883.

FINANCIAL DEPARTMENT.

5-1-84

From the Government of
Fort St. George.

Issued

Recd. 5-1-84

Encl.

Letter, 22nd December 1883,
No. 2937.

No: 17 Way 7-1-84

DECEMBER.

Public Works Secretariat and
Account Establishment.

Inquiring whether there is any objection to the cost of the Secretary to Government, Public Works department, and his establishment, being shown under the head "Administration" instead of "Civil Buildings, Roads and Services," and requesting that the cost of the Public Works Account establishment may be debited to Imperial.

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FINANCIAL DEPARTMENT.

LETTER—from

THE OFFICIATING CHIEF SECRETARY TO THE
GOVERNMENT OF FORT ST. GEORGE,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF FINANCE AND COMMERCE.

SIR,

I am directed to inquire whether there is any objection to this Government showing the cost of the Secretary to Government, Public Works department, and his establishment, under the head "Administration" instead of "Civil buildings, Roads and Services." The former head appears to be in every way more appropriate, as there is no doubt but that the Secretary to Government in the Public Works department is a high administrative officer under this Government. All other Secretaries to Government appear under the head "Administration," and His Excellency the Governor in Council considers that the Secretary in so important a department as that of Public Works administration should not be separated from them and shown, so far as the general budget of this Presidency is concerned, under the lump Provincial grant for Civil buildings and roads. That any distinction has been made in the past between this Secretary and the Secretaries in other departments is doubtless due to the fact that until 1882-83, the head "Administration" was Imperial, and "Public works" Provincial, and as the Secretary in the Public Works department was also Chief Engineer, his pay had to be debited to the same head as that under which the rest of the establishment was shown. The recent decentralisation has removed this difficulty, and it is hoped that the Government of India will not object to this Government showing the Public Works Secretary and his establishment under "Administration" as is done in the case of the Secretary to the Government of India in the Public Works department. Both heads being alike Provincial, the change will impose no further charge on Provincial revenues; it will enable comparison to be made more readily between the cost of the executive establishment and the cost of the works on which they are employed; and, on the other hand, it will be convenient for Government to have the cost of all departments of the Secretariat shown clearly together under one and the same head of account.

2. I am at the same time directed to request that the cost of the Public Works Account establishment may be debited to Imperial in the same manner as the Civil office of account and audit, the cost of which, although it appears under a Provincial head (Administration), is nevertheless treated as Imperial. It appears to His Excellency in Council that the reasons for the proposed change are very strong, and I am

to invite attention to the remarks on this point made by the Secretary to Government, Public Works department, in the note forming an annexure to this letter. The Public Works Account establishment is to all intents and purposes an establishment entirely under the control of the Government of India; its numbers are increased according to principles laid down by Government of India rules, under Government of India sanction. The local Government have no power of refusing sanction in any case. I am to submit that however desirable this may be from a Public Works accounts point of view, the local Government are deprived thereby of the privileges which attach to provincialised services, and which were guaranteed to them in the case of each head transferred. In respect to other provincial heads of account, a local Government are vested with nearly absolute powers, subject only to certain general financial rules. They may diminish or increase the strength of any class or grade so far as appointments carrying less than Rs. 250 per mensem are concerned, and they are thus free to exercise economy when considered advisable. The Right Honorable the Governor in Council has no desire to interfere with any principles which the Government of India may consider it desirable to lay down for the management of Public Works accounts. But he conceives that the local Government may justly complain if—the principles of the Provincial system as enunciated in Lord Mayo's and the present Viceroy's resolutions on the subject in 1871 and 1881 being set aside—any charge is imposed on the Provincial revenue, which, whether necessary or not, has not been sanctioned by them. Still more are there grounds for their complaining if such debits to Provincial are both frequent and large. When in 1881-82 this Government in the Financial department had under consideration the details of the decentralisation scheme as set before them, they dealt with them so far as the head "Public works" was concerned on the assumption that nothing could be debited to that head save of their motion and under their own sanction. The cost of the Public Works Account establishment in that year stood at Rs. 1,34,290; in the following year it rose to Rs. 1,61,370; the estimate for it in the current year is Rs. 1,66,830. An additional charge of nearly a third of a lakh of rupees has thus, under regulations of the Government of India, been imposed on Provincial revenues. It is not asserted that there would have been objection raised by the local Government, but there might have been, and they would claim full discretion, as the guardians of Provincial revenues, in respect to proposed additional charges and increases of establishment, assenting to or vetoing them once for all according as they may think fit. So long as this is not so, and His Excellency the Governor in Council does not possess that control over Provincial revenues which the resolutions on the subject have professed to entrust to him, the state of things is, I am to submit, so anomalous as to call for an early remedy.

3. There appear to be but two ways in which remedy can be afforded; the mode indicated above is one; to give to the local Government control over the Public Works Accounts establishment as absolute as that which they exercise over any other Provincial head is the other. This latter course would, however, necessitate an entire recasting of the Public Works account system, and, even if the Government of India were willing to consider it, which is unlikely, His Excellency in Council would not advocate it, as he believes that the desired result can be readily, and effectually, brought about by the transfer of the account establishment to Imperial or at least that portion of it which forms the Central Office of Accounts, leaving the divisional accountants to form a portion of the ordinary Provincial establishment.

4. Apart from the necessity of the advocated change on broad administrative grounds, it is apprehended that it will be acceptable to the Examiner of Public Works Accounts to be placed on the same footing in regard to his department as the Accountant-General occupies in the Civil Account department; while on the other hand, the divided authority now exercised over the Examiner by this Government and the Public Works Accountant-General—authority only nominal in the former case—will cease to exist. In any case, however, I am to express the confident hope of the Right Honorable the Governor in Council that the Government of India will be pleased to order the transfers, both in the case of the Public Works Secretariat and the Public

Works Central Account office, to be made in the budget of the coming official year, reducing the percentage of land revenue by the amount of the cost (Rs. 1,26,830) of the latter establishment for the current year.

I have the honor to be,

Sir,

Your most obedient servant,

Frederick Hunter

Offg. Chief Secretary.

Copy to the Public Works department.

ANNEXURE.

No. 2046.

OFFICIAL MEMORANDUM.

The Secretary to Government, Public Works department, is requested to state whether, in his opinion, the cost of the Public Works Secretariat, so far as it is a Provincial charge, should not now be removed from the head "Civil Buildings, Roads and Services" to that of "Administration." The Public, Revenue, and Military Secretariats are shown under the latter head, and there appears to be no reason for placing the Public Works Secretary and his establishment, paid as they are from Provincial funds, on a different footing from the other Secretaries and their establishments—their duties being equally administrative.

2. The reason for the original separation was that till the year 1882-83 the Public Works alone of the Secretariats was paid from Provincial funds, while the Chief and other Civil Secretariats were debited to Imperial. This distinction has now ceased to exist. In the budget estimate of the *Government of India* the Public Works Secretariat is debited against "Administration," and it is probable that they will at once assent to the proposed transfer.

3. The cost of the Public Works Account department should, it is thought, similarly appear under "Administration." In connection with this, it is observed that the civil Accountant-General, and his establishment, while shown under that head, are still debited to Imperial. Similarly the Military Account department is debited to Imperial—Military. As the Public Works Account department would seem to have a tendency to increase largely, it appears a matter for consideration whether Provincial funds should not, if possible, be relieved of this heavy and growing charge. The principles, with reference to which the Civil and Military Account and Audit departments are excluded from Provincial, seem equally to apply to the similar branch of the Public Works Administration. The local Government are vested with very large powers in regard to Provincial establishments—powers only limited by the proviso that appointments carrying above a certain amount of pay must receive the sanction of the Secretary of State. But, if the position is rightly understood, the Public Works Account establishments are not under the control of the local Government, which may thus, without warning, be committed to increased expenditure unsanctioned by themselves. This state of things in a professedly Provincial department appears at first sight most anomalous, and it is requested that the Public Works Secretary will favor the Financial department with his views on the question.

E. F. WEBSTER,
Offg. Chief Secretary.

To the Secretary to Government, Public Works department.

No. 461-E.

MEMORANDUM.

With reference to the memorandum from the Chief Secretary to Government, Financial department, No. 2046, dated 18th October 1883, the undersigned concurs in the opinion that there is no longer any reason why the Public Works Secretariat should be shown under a different head of account from that of other departments of the Madras Secretariat. The proper head would seem to be "Administration."

2. The undersigned moreover sees no reason why the Examiner of Public Works Accounts and his establishment should be charged to "Provincial," while corresponding accounts establishments in the Civil department are paid by "Imperial." The control exercised by the local Government over the Public Works Accounts branch is merely nominal. The Government of India and the officers directly subordinate to them make all promotions, transfers, &c., and prescribe regulations for the direction and procedure of the Accounts branch without reference as a rule to the local Government. The Accounts branch thus being directly under Imperial control, the undersigned is of opinion that the Imperial Government should defray the cost of the establishment. The Accounts establishment is at present "fixed by the *Government of India* according to requirements" (*vide* paragraph 40 of the Public Works Code).

3. The *divisional* accountants should, it is thought, continue to be paid from Provincial funds, and be entirely subordinate to the local Government.

OOTACAMUND,
23rd October 1883.

(Signed) J. SHAW-STEWART, Col., R.E.,
Secy. to Govt., P.W.D.

To the Chief Secretary to Government.

Exd. J. Wright.