

MEMO FROM OFFICERS GOING ON FURLOUGH.

Officer's name.....

Furlough pay to be paid in
India or in England.....

Provident Fund Subscriptions.

English Agents or address....

Indian Agents.....

Steamer's name.....

Date of sailing.....

Port of embarkation.....

Dues to date of departure
how to be settled.....

Medical Certificate see C. L.
Code Section 79 Rule
10 et seq.

Subsidiary Leave see C. L. Code
Section 64 et seq.

Signature and }.....
address.

Date.....

1888.

Office Note No. 1110

Madras, 27 February 1888.

To W.

Enc: 1

I solicit orders of Govt. on certain points connected with payments of salaries, or other dues, of members of the department to their agents; that is to say as to (1) the circumstances in which and (2) the authority under which such payments may be made, and (3) the form of the receipt to be obtained therefor.

2. The Code nowhere contains any express permission to pay members' dues to their agents under any circumstances, but in Code para 584(2) there is an allusion to an implied permission for this mode of payment in the case of officers of the department who may be on leave.

3. As the Code contains no express permission for this mode of payment, it of course says nothing as to the nature of the authority required from the officer himself.

There is not in the Madras P. W. D. Code

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even an incidental reference to any such authority, but in the Civil Leave Code section 161(a)(6) it is laid down that if an officer "draws his allowances through an authorized agent, the agent, whether he has or has not a power of attorney, must either furnish a life certificate . . . , or execute a bond to refund overpayments" and these words seem to imply an understanding that under certain circumstances — which however, as far as I am aware, are nowhere indicated — the agent must hold a power of attorney from the officer concerned.

4. The practice in the P. W. D. in Madras has been that, in the case of an officer proceeding on leave, the officer has been asked, when furnishing other information required for the preparation of his last pay certificate, to state where he wishes his leave allowances and other dues to be paid, and, if he wants them paid in India, to what agent or bank they may be paid. This information has been generally given on the enclosed form, which is seldom signed by the officer concerned, and often is not even filled up

by himself. In cases other than those of officers proceeding on leave, the payment to an agent or bank has been a matter of arrangement between the disbursing officer and the payee, and I am unable to say whether a written authority is generally required, or whether oral instructions are considered sufficient. Indeed, unless there is some difficulty about getting a voucher for the payment, as in a recent case which has led me to submit this question for orders, the fact of payment to an agent (in the case of an officer not taking leave) does not come to the knowledge of this office.

5. As regards vouchers for such payments the practice has been to accept the receipt of the bank or agent as a final receipt; and apparently no doubt has been entertained as to the sufficiency of such a receipt as a voucher for the amount paid. The only difficulty apparently has been one arising out of the Code requirement (vide Code para 475) that receipts for salaries shall acknowledge the receipt of the gross, and not of the net, amount paid, because no bank or agency firm will

(as such) give any receipt for anything except the net amount paid.

6. In considering, what rules, if any, should be laid down as to these matters, it will, I think, be convenient to take first the question of the voucher, and next that of the authority to be required from the officer concerned; because the authority to be demanded depends on the sort of voucher that is to be required; and the expediency of allowing payments to agents in this or that class of cases will probably depend, more or less, on the degree of strictness with which a formally sufficient authority is to be insisted on.

7. As regards the voucher question, it seems, doubtful whether the receipt of an agent or bank — the receipt, that is, of an agent as distinguished from an attorney — is of any real value except as an ad interim receipt, to be subsequently exchanged for a final receipt signed by the principal; and if in any class of cases payments to banks and firms of agency (as such and not as attorneys of the officers concerned) may be permitted, the difficulty as

to the detail of the voucher can, and I think should, be got over by requiring the officer himself to give a final receipt in the form and detail required by the Code. On the other hand if payments may be made only to the duly constituted attorney or attorneys of the officer concerned, I presume that such attorney or attorneys would feel no difficulty about giving a receipt in the form and detail in which the officer himself would give it. The receipt in that case would be given by some individual partner of the firm of agency, or some individual officer of the bank, signing as attorney for the principal and not on behalf of the firm or bank.

8. As regards the question of whether a power of attorney should be required in all cases, or in any class of cases, it appears to me that, if the receipt of an agent is to be regarded as merely an ad interim receipt, payments to agents (as distinguished from attorneys) should not be allowed in cases in which there is likely to be any difficulty or delay, in exchanging the ad interim receipt for a final receipt;

and that, consequently, payments of leave allowances to officers out of India, or possibly even out of the Madras Presidency, should only be made to the officer himself, or to his duly constituted attorney: and if it is thought that payments to an agent (as such) must be confined to cases in which the payee is in India (or in the Madras Presidency), in which cases cheques can always be sent to the officers concerned, it may be a question whether it would not be better to forbid such payments altogether, and to require cheques drawn in the names of the officers concerned to be sent either direct to themselves or to their agents to be forwarded. Payments to anybody except the creditor himself would then be prohibited in the case of an officer actually in India (or in the Presidency) whether on leave or not, and in the case of an officer proceeding on leave out of India (or out of the Presidency) it would be necessary to ascertain whether he wished cheques sent to himself, or whether, having executed, or being about to execute, a power of attorney he wished payments made to his attorney.

9. Should Govt. consider it desirable to require^a power of attorney in any class of cases, it will be necessary to provide the means of ascertaining that a proper power of attorney has, in each case, been duly executed; and with a view to this it will probably be desirable to rule that such power of attorney shall be sent to some central office — probably the Examiner's — for note or registry, and that payments shall only be made under instructions, whether special or general, from such central office. Instructions will also be necessary as to the precautions to be taken to ensure that a power of attorney remains in force.

10. It is presumed that cheques drawn for payment to an attorney should be drawn in the name of the Principal, not in the name of the attorney.

11. Supposing that powers of attorney are not considered necessary, it should I think at any rate be ruled that no payment should be made to an agent without formal authority to that effect in writing.

12. It is purely a question for Government to consider, whether powers of attorney should be required or not; but I believe that in England they are always required, when payments of ~~of~~ official salaries or pensions are made to banks or agents, except in the case of quasi-official agents such as Messrs. Cox and Co; and I may point out that the Code (para 1617) requires the production of a power of attorney in cases of payments to the representatives of a contractor. Possibly Govt. may consider that in dealing with its own servants it is necessary to insist on the same degree of formality as is prescribed for dealings with contractors, but I think that if any laxity is to be allowed in such transactions, it should be done on the responsibility and with the express permission of Govt., and not on the responsibility of the Examiner or of the disbursing officer.

13. As the principles involved in the questions now raised are not peculiar to the P.W.D., and as orders may possibly have been issued already in other departments, it may be

advisable to refer the matter for the consideration of the Financial Department.

note
27/2

PWC No. 1927 300/00

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Financial Department.



PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following paper

From the Public Works Department, of 29th Feb. 1888. No. 845C.

From the Accountant-General, of 12th April 1888. No. 1015.

In reply to your reference on No. 279 of 1888, of the 8th of March 1888, I have the honor to state as follows:—

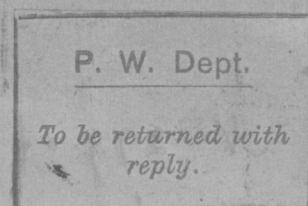
(The rules in the Civil Department under which pay and absentee allowances are drawn, are contained in the Civil Account, and Civil Leave books, and briefly stated, are as under:—

Civil Account 2. While on duty, an officer must have Chapt 3, rule 3 sign his own paybill (Form 1, page 245, Civil Account Code) in which he gives his receipt for the net amount of salary after all deductions, the amount he actually receives.

3. He is at liberty, at the President Town, to send his bill direct to this office, when the cheque is issued in his own favour.

CURRENT NO. 279

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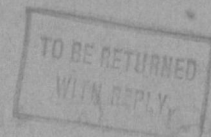
No. 845C of 29th Feb. 1888

Referred to the
Financial Department.

WCR Baddley

Capt R.E.

Under Secy. to Govt P.W.D.



Mh
28/2/88

favor, or to endorse his Pay Bill in favor of a Bank, or House of Agency, when a cheque is issued in favor of the endorsee on his acquitting the document. If the officer endorses the Bill, "Please make cheque payable to Bank or agency House (naming them) the cheque is issued in their favor "on account of" the Government Officer by name. If the sum does not exceed Rs 100, cash is paid to the messenger sent by the Officer or Bank, or Agency House, for the purpose, whose name is inserted on the Bill by the presenter.

4. While on leave, an officer sec. 161. 6

can either himself sign the bill for his absentee allowances, or draw them through an authorized agent, the Accountant-General obtaining information regarding the Officer's wishes on this point, in accordance with section 163.1 Civil Leave Code. In the former case, if he does not present his bill in person at this office, or at the Treasury of the District in which he is residing, he must, with it, send a Life Certificate, and can endorse his Bill, as in the case of an officer on duty, when the Bill is paid in the manner specified above. When absentee allowances

are to be drawn by an authorized agent, the officer ^{either} leaves his Bills duly signed and endorsed, or addresses the Accountant General and ordinary letter requesting that those allowances may be paid to Bank or Agent (naming them). — The Bill form used by the Agent, is the same as that which the officer himself would use, and it is acquitted as under

Name of officer
by his agents
A.Os.

The stamp 1/0 (if less than Rs 5) on this Bond depends upon the amount of Indemnity specified.

With the first Bill, the agent has to forward a Bond of Indemnity (bearing a stamp not exceeding Rs 5) to cover over payments, unless the Bank or House of Agency has lodged with the Accountant-General, a general Bond of Indemnity in virtue of the permission accorded in chapter 32 Rule 17 A Civil Account Code.

5. (From the above, it will be apparent that the Government of

India

of India are desirous that officers should be put to least trouble and inconvenience, compatible with security to Government, in receiving their dues — The proposals made by Major Christie would have quite the opposite effect, so that any alteration in the Public Works Department books, should be in the direction of the regulations in force in the Civil Deptt.

Order, of 20th April 1888, N^o 339.

(The Accountant-General's letter, in the concluding words of which the Government entirely agree, will be communicated to the Public Works Department with the intimation that the system pursued in the civil department appears all that can be desired.

(True Contract)

McBain

To
The P. W. D. with C. N^o 279 }
" Accountant-General. }
under Secy. P. W. D.
for
Chief Secretary.

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no. 845C of 29-288

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Mem 3901

Gobt. of 188 Madras.

No. 1346 of 8 May 1888

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Communicated

to the Secy. P.W. Dept.
with reference to his
office note No. 1140 of
27 Febry 1888.

WMB

30.4.88

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To

The P.W. Dept.

27/4/88

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Proceedings, dated 20 April 1888.
No. 339

Subject.

No. 1346 of 8 May 1888

Passing orders on referred
connected with payments of salaries
on other dues of the members of the department
to their agents

Secy. P.W. Dept.
1/5/88
1143.8
11.2.88
11/5/88

with the order