(1) பக்தங்களின் எண்ணிக்கை 124

(2) புதுக்கித் திருப்பிய நாள் 2/89

(3) ஆதாரங்குறிப்பவர் கருக்கொப்பம்

தமிழ்நாடு ஆவணக் காப்பகம்.

தமிழ்நாடு அரசு

P.W துறை

அரசாணை எண். மு. கோப்புத் தாள் எண்.	480-481 W
நாள் :	14 2 1890

அச்சகம் பலவகை

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...வோ கண்டபடி கையாளவோ கூடாது

...-1—18,000—15-6-87.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Establishment.

READ—the following papers :—

Proceedings of the Government of India, Public Works Department (General), dated Simla, 17th September 1889, No. 2642-G.

The undermentioned paper is forwarded to the Government of Madras for favor of its opinion and that of the Examiner, Public Works Accounts.

2. The reference to the Financial Account para. 50 will be hereafter illustrated by a sample form now under preparation.

(By Order.)

(Signed) G. H. D. WALKER,
Under-Secretary to the Govt. of India.

Document referred to.

Note by MR. R. G. Macdonald, Deputy Accountant-General, Public Works Department, on reduction of work and staff in the Office of the Examiner, Public Works Accounts, Madras.

Office note from Major C. H. P. CHRISTIE, R.E., Examiner, Public Works Accounts, to the Secretary to Government, Public Works Department, dated Madras, 15th January 1890, No. 183.

I have delayed replying to your office note, No. 4370 C, dated 30th September 1889, in the hope that I might be able to put forward some definite proposal with reference to para. 21 of Mr. Macdonald's report, in which he suggests that I should be asked to classify the duties to be performed in my office, and to classify the staff with reference to the duties, and to submit fresh proposals for establishment; but I am afraid it must be sometime yet before I can do anything of this sort to any real purpose.

2. I am quite at one with Mr. Macdonald as to the possibility of a large reduction of the cost of my office, and I have very little doubt that the proposals which I shall, in due course, be able to make, will result in an eventual economy which, if it does not exceed, will at any rate not fall short of, that suggested in para. 9 of the report by a reference to similar proposals of Mr. Macdonald for other offices. In fact, as will be seen further on (paras. 15 and 16), I have already taken steps towards a considerable reduction in the immediate future, and as will be seen from the accompanying memorandum (dealing categorically with Mr. Macdonald's remarks), I am prepared to undertake to reduce the cost of subordinate establishment eventually by at least 38 per cent., if only I may be allowed a tolerably free hand in the re-organization of the office, and in the planning of the scheme of work; and I need hardly say that I would not undertake to do this, if I did not feel pretty confident of being able to go a good deal further. But a little consideration of the means by which this economy must be affected will, I think, show how useless it would be to attempt at present any accurate estimate of the extent of the economy, or to attempt to frame in detail any scale of future establishments.

3. It is not, I think, alleged—not now at any rate—that the office is overmanned; with reference to the work to be done, and to the system of working which has hitherto obtained in this as well as in other Examiners' offices. Whatever may have been said or suggested to the contrary a year or more ago, Mr. Macdonald's report makes it quite clear, I think, that the Madras office is *not* more costly than other similar offices: and in the separate memorandum already referred to as accompanying

this office note, I have shown that Mr. Macdonald's comparison does not by any means do justice to the Madras office, and that it is really very much cheaper than any of the others with which it has been compared. It is now, I think, admitted that such reduction of cost as may be possible must be obtained by the following means, namely:—

(1.) by a radical alteration of the system of work, so as, by sub-division and specialization, to give to each clerk or to each section of two or more clerks, either some one kind of work, or at most two or three kinds, the doing of which can then be greatly simplified and facilitated, and made almost entirely mechanical by the use of special instructions, set forms of letters, and stereotyped objections.

(2.) by the abolition of unnecessary work, partly as a consequence of modification of requirements in respect of divisional accounts, and partly independent of such modifications, and

(3.) by a revision of the scale of salaries with reference to (*a*) the lower rates at which (as compared with former times) the services of suitably educated men can be obtained, and to (*b*) the mechanical or semi-mechanical character of most of the work as a consequence of (1).

4. Now specialization of work, as I understand it, is not a thing that can be introduced in a month or two. Even if it were possible on a single review of the work of the office to settle off-hand all the details of the future sub-division and distribution of work, it would be quite impossible to introduce the change suddenly throughout the office. The only result of such an attempt would be unutterable confusion, and a practical stoppage of all work. But, in the first place, it is not possible to lay out the whole scheme of work at once. And, in the second place, when and where a certain modicum of sub-division and distribution seems to be possible and desirable, each little bit of change has to be made very cautiously, and the working of the new system has to be very carefully watched.

5. Take, for instance, the account audit branch as that in which sub-divisions of work can probably be extended in the greatest degree and with the most advantage. A list of the work done in this branch is given in appendix C of Mr. Macdonald's note. This list, which is in considerable detail, shows all account audit work connected with the accounts of a single division, the whole of which, according to the present system, is done by an accountant and his assistant or sometimes two assistants this combination of two men being the working unit on the present system, each such unit having to do the whole of the accounts audit of three or four or more divisions. On the system which, as I understand the matter, it is desired to introduce—the system at any rate that I am introducing in my own office—this work has to be divided off into convenient sub-divisions in such a way that either one man, or a small section of the office (say two or three men) may do the whole of one (or perhaps two or three) sub-divisions of work in respect of all the 34 or more divisions of the Presidency. With a view to this, it is necessary to consider the work in very much greater detail than is shown even in the list referred to above. Work shown in one line in this list may comprise a whole series of more or less independent operations. The possibility of detaching each of these operations, either singly or in suitable sections, from the main body, and making it over to a separate section of the office, has to be considered; and then it is necessary to consider in respect of each such detachable section, what forms will be required to enable those who will have to do the detached work to do it methodically and systematically, and with a minimum of trouble and friction in respect of the inevitable points of contact with other sections; for it is essential to remember that no one section of the work can be absolutely isolated from, and made completely independent of, all others. Every section has either to get certain information, from or to give it to, probably two or three other sections, and unless provision is made for doing this methodically, the chances are that the time wasted by clerks in running about the office, interrupting themselves and interrupting others, in order to get the required information, will be greater than the time saved by sub-division and specialization of work. Thus each step in the detachment of work involves not only a very considerable amount of preliminary trouble, but also careful subsequent watching and the revision and supplementing of instructions already given and of forms already provided. Moreover almost every step involves the introduction of several new forms, some of which it probably becomes necessary to modify after a short experience. Some of these forms can be conveniently cyclostyled, but often they are of a kind that can hardly be legibly reproduced by this means, and then a supply must be printed before anything can be done. The sanction recently given by Government for printing such special forms at the Lawrence Asylum Press will enormously reduce the delays due to this cause; but even under the most favorable circumstances the necessity of getting a form printed before advancing a step is a serious hindrance to progress. It follows that very little indeed can be done in one month. At first at any rate I cannot even count on starting one new separately working section (or individual) in each month. With the accounts for September, I started a separate section for the preliminary examination of accounts (comparison of documents sent with lists of documents purporting to be sent, &c.) and for the examination and check of vouchers; and I had hoped that with October's accounts I should have been able to start another section for the arithmetical check of schedules and accounts current, and for the cross check of one with the other, but unexpected difficulties have obliged me to put it off to November's accounts: and, in all probability, in consequence of the interruption of the Christmas holidays, I shall not be able to make any further progress until January's accounts come to be dealt with.

6. So far then as the eventual reduction of establishments depends on specialization of work, the case is this, that at this moment I am quite unable to say either how far such specialization can be carried, or how long it will take to make the change. I can only promise to get on as quickly as possible.

7. As regards reduction of work (see para. 3 (2) above), it must be obvious that so far as it depends on modification of the system of divisional accounts, it is quite impossible to form any reliable estimate of their quantitative effect until they have been brought into force, and that it is still less possible to do so at the present moment when the changes to be made have not even been settled, and the more so because though some of the proposed changes will certainly reduce work if adopted, others will as certainly increase work, as far as Examiners' offices are concerned.

8. Mr. Macdonald has indeed attempted, in paras. 23 to 27 of his note to estimate the extent of reduction of work; but whilst fully endorsing, as I have already said, his views as to the possibilities of ultimate reduction, I have no hesitation in saying that his estimate is utterly valueless *as a basis for proposals for revision of establishment*. He starts with the assumption that certain operations, which by the bye do not by any means exhaust the work to be done in connection with the audit of divisional accounts, take on an average $10\frac{3}{4}$ man-days per division; this assumption is said to be based on statements of the men engaged on the work as to the time that the different parts of it occupy them, on an average; but it would have been more correct to have said that it is based on mere guesses by these men. I know how these statements were prepared, and I am quite sure that they do not deserve to be called anything more than guesses: indeed on the present system of working, it is almost impossible to get even approximately at the time taken by any operation, and therefore at the cost of doing it; and, in my opinion, this is by no means the least of the evil consequences of the present system. Mr. Macdonald then starts with an assumption of $10\frac{3}{4}$ days, based as I maintain on mere guesses, and proceeds, by another series of guesses, to cut this $10\frac{3}{4}$ down to 5; and then, finally, by what is, I think, the wildest guess of all, which indeed does not even *profess* to be anything but a guess, he cuts these 5 days down to 3 days. The estimates in Mr. Macdonald's para. 26 are unquestionably little more than guesses, and it is impossible to say positively whether they exaggerate the probable reduction of work or understate it; but, after careful consideration, I am decidedly of opinion that, whilst they make no allowance whatever for the increase of work, which will result in some cases, they exaggerate the reduction in those cases in which reduction is admittedly probable; and as regards his para. 27, however flattering may be Mr. Macdonald's appreciation of my efforts in the direction of specialization of work and reduction of processes to routine, I must say that I do not myself anticipate from them anything like an all-round reduction of 40 per cent. in time (*i.e.*, man-days). Here and there it may be

possible to get a saving of 40 per cent., but on the whole I should be very well pleased if I could get a saving of 10 per cent. (of time) by the means in question, my own opinion being that the economy to be secured by such means will be the result, not so much of a reduction of time (man-days), as of a reduction of salaries to be paid for work made more mechanical.

9. Let it be understood, however, that I am quite at one with Mr. Macdonald as to the possibility of large eventual economies, and that I only object to being asked to frame detailed proposals for future establishment on the basis of what I take to be mere guesses founded, so far as they have any solid foundation at all, on proposals for changes which are still under discussion.

10. As regards possible reduction of work independently of changes in the system and details of divisional accounts, I may point out that it depends primarily on the direct requirements of the Accountant-General and other authorities in respect of returns and accounts to be submitted, and secondarily on the extent to which the Government of India and the Accountant-General may be willing to leave to Examiners the responsibility for determining the books to be kept in their own offices, and the other necessary means for complying with the requirements of such authorities. I am very decidedly of opinion that there is room for great simplification and reduction of work in this respect; but, for reasons given more fully later on (see para. 18), I believe it is hopeless to expect any satisfactory results, as long as the attempt is made to settle the details of the Examiner's books from the Accountant-General's office; and I would therefore beg to be excused from offering any remarks regarding specific changes, pending settlement of the question, raised further on, whether the responsibility for these matters cannot be left to Examiners.

11. As regards reduction of scale of salaries (see para. 3 (3) above), I agree generally with the views expressed by Mr. Macdonald in his note on the Punjab Examiner's office; and I may add that I have never intended to say, and that to the best of my belief I never have said, anything at all inconsistent with this. When the question of the establishment of my office was under discussion a year or more ago, the allegation was that the staff was *numerically* excessive. Not the slightest hint was given that the scale fixed for accountants—*fixed by the Government of India*—whether as to salaries of grades, or as to numbers in each grade, might be treated as an open question, or that the provincialization of such establishments was an open question: I therefore had then to deal with the matter on the supposition that the pay of, and the numbers in, the four higher grades of accountants were already fixed for me, and that the accountants in these grades formed one imperial body of accountants, just as they are shown in the Government of India classified lists. Whatever I said was governed by these conditions; and whatever I said about insufficiency of the pay of accountants referred to the insufficiency of the pay of the lowest grades of accountants.

12. Apparently the conditions, under which the question is now to be approached, are quite altered. The proposal now is that the establishments of accountants shall be provincial, just as the establishment of clerks is (see para. 16 of Mr. Macdonald's appendix A, note on Punjab office); and this, in my opinion, is the proper plan, at any rate as regards the larger provinces, as the establishments will then be quite large enough, whilst the service will be more popular, and to that extent more economical. Also the grading and the pay of grades being now an open question, I consider that, for this presidency, the scale suggested in para. 14 of Mr. Macdonald's appendix A, (note on the Punjab office) is more than sufficiently liberal to secure the services of men competent to discharge the duties that will be required of them.

13. I am however disposed to think that it is neither necessary nor desirable to have as many as five grades of accountants. I have already explained that I am not yet in a position to give in detail the eventual distribution of work, and to classify the necessary establishment in detail accordingly; but at present I am very decidedly of opinion that, if only I may be allowed a tolerably free hand in the matter, it will be possible to sub-divide and specialize and systematize the work of the office, in such a way that, putting aside superintendents and assistant superintendents of branches, there will not be any work at all which cannot be made so mechanical or so simple that it will be necessary to pay the man who does it more than 60 or 70 rupees a

month. My impression—I may almost say my conviction—is that there will not be any necessity, in the central office, for any accountants except as superintendents and assistant superintendents of branches, and on this supposition I should be disposed to have only three grades of accountants, thus—

	RS.	RS.
First Grade	200	to 300
Second „	140	„ 180
Third „	70	„ 110

This grading is based on a consideration of the classes of posts to be filled by the graded men. These, I think, will be three, viz., divisional accountants, and assistant superintendents and superintendents of the central office. The divisional accountants would be taken from the 3rd grade, the numbers in which would be determined accordingly; assistant superintendents in the central office would be taken from the 2nd grade, and the 1st grade would supply superintendents of branches. Two or three well paid clerks will be required for the correspondence branch, including probably one, ranking and paid as a superintendent, for the general supervision of the branch, the charge of which with the printing and supply of all departmental forms is one of the hardest worked posts in the office. The rest of the establishment, besides of course a certain number of menials, would consist of clerks on salaries of from Rs. 15 to Rs. 60, or at the outside Rs. 70 per mensem, engaged in the mechanical and semi-mechanical operations of audit and as copyists. It will probably be necessary to allow for small local allowances of divisional accountants in two or three special divisions, *e.g.*, any division located in Madras, or such a division as No. I Periyár, but otherwise I do not propose to have any local allowances; and bearing in mind that the 3rd grade would consist of divisional accountants only, and the 2nd grade of central office accountants only, the difference between the maximum proposed for one grade and the minimum for the other is not more than sufficient to compensate for the admittedly greater expense of living in Madras; but in view of the fact that, apart from expense, service in Madras, is far more popular than service in the mofussil, I think the difference is quite sufficient.

14. It might perhaps be possible to make even now a very fair estimate of the number required in the higher grades, whether of accountants or clerks, but I could not attempt at present to estimate the number required in the lower grades. I have at present only a very vague and general idea of the way in which the work of the office can be sub-divided and distributed, and even when any kind of work has been detached and specialized, it takes some months to find out how much of it a given number of men can do in a given time, or how many men are required to do a given quantity in a given time. It is not until the work actually has been detached, and then only by experience—by carefully watching the actual working—that it is possible to discover all the many little ways in which this work can be facilitated, and made more or less mechanical; and it is only as a result of practice, and of the familiarity which comes with practice, that the full advantage can be got from specialization, *i.e.*, from keeping one man to one thing, or at any rate to a few things.

15. But though I am obliged to ask, and to ask most earnestly, that I may not now be pressed to submit definite proposals for a revision of the scale of establishment, I would not have it supposed, that I am doing nothing towards immediate reduction of establishments. I have given notice to two accountants and one clerk that in consequence of reduction of establishment their services will not be required after the end of February, and I am taking steps to retire a third accountant on the ground of physical incapacity; and, if I cannot immediately do more than this, it is because I have one accountant now under suspension, and because, at the instance of the Accountant-General, I have undertaken to make another accountant available for transfer to another presidency, if his services should be required. This means altogether a possible reduction, in the immediate future, of five accountants and one clerk on salaries and allowances aggregating about Rs. 1,100 a month. Moreover I now am, and for some months shall be, obliged to employ two accountants almost exclusively in assisting me in working out the details of instructions and forms in connection with the revision of the system of working. As far as account work is concerned, these two men are practically supernumeraries.

16. Also in March last I gave notice that any promotions made after the end of that month would be subject to revision in the event of any re-organization of establishment, and that any recommendation that I may hereafter have to make regarding personal allowances will, as far as I am concerned, be based on salaries and allowances drawn on the 31st March 1889. Unless Government should wish me to suspend all promotions and increments, I do not think anything more can be done in this direction. The establishment will be carefully watched, and reductions will be made from time to time as they become feasible and therefore the steps already taken in respect of promotions are, I think, sufficient to ensure that delay in framing a definite scale of future establishment shall make no appreciable difference from the financial point of view.

17. But if it is not at present possible to frame a complete scheme for the Examiner's office, it is possible, and in my opinion it is very desirable to settle the establishment of divisional accountants. I have no desire, and I do not think it is necessary to argue any further the question referred to in para. 21 of Mr. Macdonald's note, the question whether the establishment of my office can be satisfactorily dealt with quite apart from the establishment for divisional offices. I am content to put it that the one cannot at present be satisfactorily dealt with at all, whereas the other can probably be settled very easily: also that the two are, to say the least of it, very intimately connected, because in future, as explained in para. 13, the divisional posts will probably be the only ones available for men of intermediate grades, and it would be very difficult to organize the establishment of a large office satisfactorily with no posts between Rs. 60 or 70 and Rs. 130; also that the specialization of work in the central office has a very direct bearing on the recruitment of the divisional staff, because, however poor a school for divisional accountants the central office may be now, it will in future be even less useful in this respect; and because when the work of the central office is thoroughly specialized and sub-divided it will be even more inconvenient, if not impossible, than it is now to be continually upsetting the office in order to supply vacancies in divisional offices: it will in fact be absolutely necessary to have a proper system of training divisional accountants, and a supply of men, outside the central office, ready to fill vacancies when required. As however Government may find it convenient to deal separately with the question of divisional accounts establishments, I shall embody my remarks on this head in a separate memorandum to be submitted with this office note. My proposals as there explained, are based on the supposition that the Government of India will not be disposed to insist on making the accountant the head of the divisional office, and I venture to hope that Government will see fit to move the Government of India to reconsider its decision on this point.

18. I return now to the question referred to in para. 10, the question of the way in which the details of the working of the office should be settled, I have said several times, I think, and I say again, that, whether by elimination of useless books and redundant processes or by specialization and systematization of work, there is room for great economy, but I am firmly convinced that if the thing is to be done properly, it must be done entirely on the spot, and not by dictation from the Accountant-General. I do not at all mean that the Accountant-General should exercise no control over the working of an Examiner's office; but I contend that, if the object is to get a really efficient system of working, the Examiner should be held primarily responsible for introducing the books and processes necessary to enable him to comply with the requirements of other authorities in the matters of audit and submission of accounts and returns; and that the Accountant-General's control should be exercised by way of after-criticism rather than of initiation.

19. I submit in the first place that it is absolutely impossible for anybody, and least of all for a distant authority quite out of touch with the work concerned, to settle finally in all its details the method of doing, and to provide the forms necessary for doing, any single piece of work. If I have to systematize any section of the work of my office, before attempting to lay down instructions and draw up forms, I discuss the matter probably for weeks with those who are in daily contact with the work in question, but I nearly always have to modify forms and instructions in the light of actual working experience. If the Government of India or the Accountant-General

prescribes a form or a procedure, it is final; it has to be adopted and adhered to. Of course it will be said that any omissions and defects can be pointed out and remedied under proper authority; but everybody knows that this is hardly ever done, and the explanation is that the trouble is altogether excessive. Few things are more difficult than to discuss in correspondence the details of a form or procedure. Moreover what is wanted is the power of instant correction either on the first discovery of a defect, or on the first convenient occasion; and not the power of correction once only, but of repeated correction if necessary. Every new form and procedure requires careful watching, and probably for some time after its introduction repeated modification of little details, if not of more serious matters.

20. Again in every province there are local peculiarities which make it a physical impossibility that a cast-iron system prescribed by a single central authority shall be economically suitable for all. An Examiner has to deal not only with the Accountant-General, but with a number of local authorities, such as the local Government, the Board of Revenue, the Chief Engineers, and Superintending Engineers, the Provincial Accountant-General, and so on, each of whom may, and probably does, want information furnished in some detail, or according to some classification, differing in some way or other from the detail or classification required elsewhere. The Accountant-General prescribes some set of books or registers which are perhaps admirable as a means of complying with his own requirements, but which take no account of the requirements of local authorities; or which fulfil admirably the requirements of the local authorities in some provinces from which the books have been taken, but fail to meet the local requirements of another province; and the result probably is that the whole thing has been done twice over in slightly different ways, once to meet the requirements of the Accountant-General, and again to meet local requirements. Probably budget registers are the most conspicuous examples of opportunities for this sort of waste of labor, but it is not by any means confined to this. Every inspecting officer of the Accountant-General's office must know that in every Examiner's office numbers of books are kept, and necessarily kept, over and above those prescribed in the codes or by the Accountant-General.

21. I submit that if the Government of India and the Accountant-General want to prescribe the details of the working of an Examiner's office they should do it thoroughly and completely, *leaving nothing unprovided for*; and if they cannot do this—and it is quite impossible that they should do it—it would be very much better not to attempt it at all, because the result is almost certain to be either inefficiency through incompleteness or extravagance through repetition. The fact that the Accountant-General is supposed to settle what is to be done in an Examiner's office, not only makes it difficult in many cases to fit in the necessary additional processes without waste of labor, but it weakens the Examiner's sense of responsibility and prevents him from attempting to supplement the prescribed books and procedure even in the most necessary directions, with the result that when supplementary books and processes are required their introduction is practically left to the men who do the work and who very seldom indeed have any sufficient notions of system and method. I submit that it would be very much better to make the Examiner responsible for keeping up an efficient system as regards every single detail of his work, and to exercise the necessary control—for undoubtedly some control must be exercised by the Accountant-General—by way of suggestion and criticism, for which ample opportunities are afforded by the periodical inspections of the Deputy Accountant-General. At the same time as far as may be necessary and desirable the Accountant-General might keep each Examiner informed of what is being done by other Examiners.

22. I do not mean that the Accountant-General should absolutely confine himself to suggestion and criticism, for of course in the last resort he must have the power of enforcing his own views as against those of the Examiner, or, if supported by the Government of India, as against those of the local Government; but I submit that he should never prescribe and insist upon the adoption of any particular procedure until he has had an opportunity of considering the efficiency and economy of any alternative procedure that may probably for good reasons, be preferred locally. If there is any particular thing that he wants done, I would say by all means let him show how he would propose to do it, and let him circulate his views to Examiners; but in so

doing, let him state plainly what his *object* is, and what is the *essence of his proposals*, and then—subject to subsequent review—let him leave each Examiner to provide in his own way, according to local convenience, for doing the essential thing.

23. I am firmly convinced that it is only by proceeding on the lines here indicated that we are likely to arrive at a really efficient and really economical system of working, and by way of summing up, I may say that I base my opinion briefly on the following considerations :—

(*a*) I believe that in the multitude of counsellers there is wisdom : I am sure that if you want to find out the best way of doing a thing, the more ways you try the more likely you are to succeed :

(*b*) I believe in responsibility ; that is, that responsibility for results is the surest inducement to the discovery of the most efficacious means of attaining the results desired :

(*c*) I look upon actual contact with work, and complete familiarity with its details and also with local circumstances, as absolutely essential for the proper devising of details of procedure :

(*d*) I look upon the practical finality, which, for various reasons, attaches to any procedure prescribed by the central authority, as fatal to efficiency ; the secret of efficiency in such matters being constant attention to details and prompt modification of them when necessary : and lastly,

(*e*) Whilst attaching full value to uniformity, I submit that it is a great mistake to confound it with, or subordinate it to, system : The essential thing is that there should be *system* ; but you may have system without absolute uniformity, and system is much more important than uniformity : moreover, on such a plan of proceeding as I have ventured to suggest, the comparison of different systems would surely lead to the gradual adoption in each province of that which is best in the system of other provinces, and the eventual result would be such uniformity, and so much of it, as is really desirable,—a rational uniformity resulting from the survival of the fittest, or at any rate from the elimination of inferior variations, instead of an irrational uniformity, the result of nothing but a desire for uniformity either for its own sake or because it is mistaken for system.

24. I have a firm conviction that, even as a permanent arrangement, the plan suggested above is, the best one, at any rate as regards the larger provinces ; but I venture to think that it is the only one really possible just now, when the whole of the forms and procedure not only of the Examiner's office but of divisional offices are, so to speak, in the melting pot. When it is merely a question of introducing, or modifying, a stray bit of procedure here and there, it may be possible for the Accountant-General to discuss the matter profitably in correspondence with Examiners before prescribing anything, or for Examiners to suggest modifications if necessary before adopting any prescribed procedure ; but I submit that this is physically impossible when it is a question of overhauling the system of work in every detail, concurrently with a thorough revision and change of the divisional accounts procedure.

25. In conclusion I may sum up my proposals as follows :—

(*a*) Defer for the present any attempt to frame a detailed scale of establishment for the central office ; leaving the Examiner to make reductions from time to time as they become feasible, in consequence of reduction and systematization of work, or in any other way :

(*b*) Ask the Government of India to leave the Examiner, to settle the details of the system of working in his office, including the complete settlement of what books, registers, &c., are necessary to be kept therein, subject to efficient fulfilment of the requirements of the Accountant-General, and other authorities, in the matter of audit and of accounts and returns to be submitted to such authorities :

(*c*) Ask the Government of India to leave it to the local Government to settle the position of the accountants of divisional offices ; and if this is allowed, leave the present order undisturbed, confining the accountant to duties of account, and defining those duties as clearly as possible :

(*d*) Sanction the immediate introduction of assistant divisional accountants in the manner proposed, as a body from which divisional accountants may be recruited :

(*e*) Sanction the gradual revision of the establishment of divisional accountants on the scale proposed.

26. Two separate memoranda accompany this office note : one dealing with the establishment and recruitment of divisional accountants, and the other dealing categorically with the remarks in Mr. Macdonald's note, so far as seems necessary, and so far as they could not be satisfactorily or logically dealt with in the course of this office note.

ENCLOSURE.

CATEGORICAL remarks on Mr. Macdonald's note on reduction of work in the office of the Examiner, Public Works Accounts, Madras.

Paras. 1 *to* 8. In these paragraphs Mr. Macdonald compares the cost of the Madras office with the cost of similar offices in other provinces, and admits that the Madras office compares favorably with other offices. According to Mr. Macdonald, the cost per executive division for subordinate establishment of the audit office is—

	Rs.
Punjab	2,271
Madras	2,490
Bombay	2,731
North-Western Provinces and Oudh	3,039
Central Provinces	5,299

Thus Madras comes second in order of cheapness, but I submit that the comparison is not fairly made, and by no means brings out the real relative economy of the Madras office.

2. In the first place, the figures for Madras, and I presume the figures for Bombay also, include local allowances, *i.e.* presidency allowance and presidency house rent ; and as similar allowances are not given at Lahore, Allahabad and Nagpur, it is evident that the comparison is vitiated. These allowances are given on account of the greater cost of living and of house rent in the presidency towns ; they would not be given if the Madras office were located at, say, Bangalore ; and it is obviously unfair to include them in such a comparison as is now in question. These allowances amount in Madras to Rs. 890 per mensem for the subordinate staff enumerated in Mr. Macdonald's para. 3 ; and this is equivalent to Rs. $\frac{890 \times 12}{34}$ = Rs. 315 per division per annum. Calculating ratably the amount for Bombay may be taken at Rs. $315 \times \frac{2,731}{2,250}$ = Rs. 378 per division per annum, and the true cost per division of subordinate establishment of the central office will then stand thus—

	Rs.
Madras	2,175
Punjab	2,271
Bombay	2,353
North-Western Provinces and Oudh	3,039
Central Provinces	5,299

3. In the second place I submit that, for the purposes of the comparison, the senior first-grade accountant of the Madras office ought to be included among the gazetted officers. Mr. Macdonald twice admits (paras. 17 and 59) that the office is short in gazetted staff, and in para. 17 he himself says that for the purpose of a precisely similar comparison, it would be only fair to remove the senior accountant from the category of subordinate establishment. Moreover, as a matter of fact, the senior accountant does perform the duties of a gazetted officer, and it would be hardly possible to work the office if he did not. Excluding local allowances, his pay is Rs. 450 per mensem or Rs. 5,400 per annum, and deducting the sum of Rs. 900 attributed in Mr. Macdonald's calculation to code work, there remains Rs. $\frac{4,500}{34}$ = Rs. 132 to be subtracted from the sum of Rs. 2,175 shown in para. 2 above. With this correction, the comparison stands thus :—

	Rs.
Madras	2,043
Punjab	2,271
Bombay	2,353
North-Western Provinces and Oudh	3,039
Central Provinces	5,299

4. Finally I submit that no comparison is really fair which does not take into account the cost of accounts establishment in divisional offices. It stands to reason that the better the work is done in the divisional office, the less there will be to do in the central office, and in the long

run and on an average a more highly paid divisional staff means a more efficient staff, doing their work better and giving the central office less to do. I have ascertained from the Examiners, Bombay, North-Western Provinces and Punjab, the cost of their divisional accountants at the dates of Mr. Macdonald's inspections, and taking them into account, the comparison stands thus:—

	Central office.	Divisional office.	Total.
	RS.	RS.	RS.
Madras	2,045	1,284	3,329
Punjab	2,271	1,512	3,783
Bombay	2,353	1,716	4,069
North-Western Provinces ...	3,039	2,028	5,067

Or taking Madras as a standard, the costs compare thus, Madras Rs. 100, Punjab Rs. 114, Bombay Rs. 122 and North-Western Provinces Rs. 152. It was not worth while to inquire about the Central Provinces.

5. In connection with my remarks in para. 3 above, I may point out that apparently Mr. Macdonald must have made some mistake in the cost of the gazetted officers of the Punjab office. According to his para. 7, the cost of that staff is Rs. 3,492 — Rs. 2,271 = Rs. 1,221 per division per annum, and with twenty-three divisions — the number given to me by the Examiner — this is equivalent to only Rs. $\frac{1,221 \times 23}{12}$ = Rs. 2,340 per mensem; but on referring to the classified lists published by the Government of India, I find that the actual staff was as follows:—

Rank.		December 1888.	January 1889.
Examiner, 1st class and Lieut.-Colonel, R.E.		1,802 or 1,843	1,802 or 1,843
Deputy Examiner, 1st grade.	Civil Engineers transferred from Executive branch and drawing Rs. 50 extra each.	... 600	650 ...
Deputy Examiner, 2nd grade.		500	500
Total ...		2,902 or 2,943	2,952 or 2,993

I mention this because it might otherwise seem that the Punjab office is also short of gazetted staff, and that there also a senior accountant might fairly be removed from the category of subordinate establishment. Having regard to the comparatively small number of divisions in the Punjab, this cannot, I think, be maintained.

5½. On the whole then I submit that on a just comparison, and judged by the standard—cost per division—selected by Mr. Macdonald, the subordinate accounts establishment of the Madras Presidency is decidedly the cheapest of all; and I have taken some trouble to make this clear, because it is only a few months ago that this establishment was attacked as being quite exceptionally costly.

6. *Para.* 9. Mr. Macdonald's meaning in his para. 9 is not very clear, but I understand that the present total cost referred to in the estimates of possible reductions of other offices is, in each case, the total cost of subordinate establishment only. On this understanding, the cost per division per annum, supposing Mr. Macdonald's expectations to be fully realized would be—

	Present cost.	Percentage of reduction.	Reduced cost.
Punjab	2,271	33	1,508
Bombay	2,731	43	1,557
North-Western Provinces	3,039	41	1,793
Central Provinces	5,299	42	3,073

As elsewhere explained I am not at present prepared to put forward any detailed scale for future establishments, but taking the present cost per division per annum including local allowances, but excluding the senior 1st grade accountant, as Rs. 2,358 (Mr. Macdonald's Rs. 2,490 *minus* the Rs. 132 of my para. 3 above), and on the understanding that the staff of gazetted officers will be increased as is admittedly necessary, I will engage to reduce the cost to a maximum of Rs 1,450 per division, that is by at least 38½ per cent of present cost, provided that I may be allowed a reasonable amount of freedom in laying out the work, and settling what books it is necessary to keep and in what forms, and generally what is necessary to be done, in order to comply with the ascertained requirements of the Accountant-General, Public Works

Department, and other authorities, in the matter of audit and of accounts and returns to be submitted. This, I will undertake to do as a minimum, whereas it would seem that the estimates given in Mr. Macdonald's para. 9 are admittedly put forward as outside estimates, as to which moreover it is not clear whether Mr. Macdonald's opinion is or is not shared by the Examiners concerned.

7. *Paras.* 10 *to* 13. I agree generally with views expressed in these paragraphs, but I am disposed to think that work can be made mechanical, or nearly so, to a greater extent even than Mr Macdonald thinks. On the other hand I altogether take exception to the view suggested in para. 12 (first line) that it is an *easy* matter to make the works mechanical. I knew from experience that it is not *easy* in any sense of the word; it is not only difficult in the sense of requiring in most cases a great deal of thought, and often considerable ingenuity; but it is also difficult in the sense of being tedious and laborious and time-taking.

8. *Paras.* 14 *to* 19. I attach very little value to the comparisons made in these paragraphs. I have no doubt that, if we give up old fashioned methods of working and organize work on a rational plan, the scale of salaries can be greatly reduced; but as a matter of fact when the men work, as they do, on totally different systems, it is not, in my opinion, correct to speak of the men in an Examiner's office and the men in a bank or in a railway audit office as performing "like duties." The words "audit" and "book-keeping" are about the only two things that the two systems have in common. As regards the railway audit office and an Examiner's office, it may be true that the establishments, taking each as a whole, do very much the same sort of work, but the scale of individual salaries should depend upon what individual men have to do; and if, as I take it, the two establishments work on radically different lines it is useless to compare the scale of salaries. The only comparison that would be of any use, under the circumstances, would be a comparison of the cost of doing the work, in each case, as a whole, but in order to do this you must first get some standard or measure of work; and this has not been attempted, and I do not myself think it would be possible. There is a certain amount of likeness between the work of one office and that of the other, but, in my opinion, the resemblance is not sufficiently close to admit of any useful standard of comparison. As the matter stands, the figures given by Mr. Macdonald do not afford the slightest clue to the solution of the question which of the two offices is most economically worked.

9. *Para.* 21. In the office note covering this memorandum, I have explained at length why I am not at present able to submit proposals as suggested and, waiving all argument as to the possibility of dealing quite independently with the central office, I have stated reasons for dealing now with the question of divisional accountants, and I have submitted proposals with reference thereto. With reference to the concluding words of Mr. Macdonald's para. 21, I may say that if my proposals are adopted, it will not, in my opinion, be necessary to make any special provision on account of absence on leave.

10 *Paras.* 23 to 27. As fully explained in para. 8 of my covering office note, I look upon the estimates put forward by Mr. Macdonald in these paras. as the merest guesses, which are of no value whatever *as the basis of scheme for establishment.* With reference to para. 27 (and also to para. 21 of Mr. Macdonald's appendix A), I will here add that I do not share Mr. Macdonald's opinion as to the best working unit. I find that the number of individual operations in which two men can work together more economically than one man can work by himself are very few indeed. There are of course many operations in which two men working together will do the same work in less time than one man, but for economy it is necessary that they should do it in less than half the time. Moreover, when Mr. Macdonald speaks of one of his working units disposing of seven (or any other number of) sets of accounts, it seems to me that he fails to realize what sub-division and specialization of work really mean, or should mean. What I understand by it, I have explained in para. 5 of my covering office note, and on the system which I contemplate it would be impossible to speak of any one man or any two or more men, less than the whole branch, disposing of any one set of accounts, because every man, or rather every section, of the branch, would dispose of some special part of every single set of accounts.

11. *Para.* 29. For the life of me I cannot see what is to be gained by the Committee's proposals regarding contingent bills; as to which see also para. 199 of my note on the Committee's report; and I see that considerable inconvenience will follow from their adoption. They cannot possibly reduce total work, because a schedule of contingent charges, in some shape or other, must be prepared; and on the other hand the proposals are directly opposed to specialization of the work of the Examiner's office.

12. *Para.* 30. For reasons given in paras. 177 to 193 of my note on the Committee's report, I earnestly trust that the Committee's principal proposals regarding payment of salaries and travelling allowances will not be adopted; but in any case, for reasons similar to those set forth in para. 18—24 of my covering office note, I submit that it should be left to the Examiner to settle the details of working arrangements of his own office, and I do not think it worth while to express at present any opinion regarding Mr. Macdonald's sketch of the working arrangements, knowing, as I well do know from experience, that I should probably have to modify my opinion, more or less, several times in the course of the first few months of actual working.

13. *Para.* 32. *Audit of salaries, Audit Registers, Deduction sheets, &c.* I am not at present disposed to reduce these registers to simple records of totals. I am not disposed to express any definite opinion regarding these registers, or any possible substitutes for them, until I know distinctly what the Government of India expects in the matter of verification of services for pension; and I think that when this is known, the best plan will be to leave the Examiner to work out the details of the registers and other records necessary to enable him to comply with the requirements of the Government of India. In any case I do not think it is desirable to make any changes until I am able to ascertain the actual cost of this and other items of work under the revised system of working. For budget purposes some sort of register of temporary establishments is necessary, apart from the audit register; but it may be much simpler, and at the same time very much more useful, than the one now kept. Note-books are not kept at all: I strongly object to them.

14. *Para.* 33. *Income tax.* For reasons already referred to I earnestly trust that the conditions of audit after payment, as recommended by the Accounts Committee will not obtain. There is no difficulty whatever in preparing the required income tax statements in agreement with the accounts: all that is wanted is a little system.

15. *Para.* 35. As at present informed, I am disposed to prefer the audit registers; but everything depends upon what are the ultimate requirements of the Government of India in respect of audit of salaries, and check of services for leave and pension. My own opinion is that, in all probability, it would save trouble on the whole (that is taking into account the work done in all offices concerned at different times), if registers of service were kept in the Examiner's office for all servants, or at any rate for all pensionable servants; but then I should like to have the devising of the machinery, in all its details, and liberty to modify it when necessary, and I should want plenty of time for doing it, and in the meanwhile I would not attempt to interfere with the present machinery. In any case I should like to have time to ascertain the cost of existing processes under a revised system of working, before expressing an opinion as to the expediency of dispensing with any process which cannot be dispensed with without accepting risk in the matter of pensions. As regards check over leave, the present rules and practice seem to me absurd. The Examiner is forbidden to report on leave applications of officers for whom service books are kept, but he still has to audit their claims to leave allowances: thus he has frequently to refuse to say whether leave is due or not, though quite able to do so, and afterwards to disallow allowances drawn and call attention to other serious consequences of the improper grant of leave. As at present informed I am disposed to think that in the long run, it would give less trouble to every body, and be in every way more satisfactory, if the Examiner kept suitable service registers (instead of service books) for all servants, and if he was required to report on leave applications in all doubtful cases, that is whenever asked to do so But then the machinery would have to be very carefully considered.

16. *Para.* 36. *Travelling allowances.* I am disposed to agree with Mr. Macdonald that the travelling allowance registers might probably be reduced to simple records of totals; but I am disinclined to make any changes until I can ascertain the cost (under new conditions) of keeping up these registers in their present detail. Probably the proposed changes would necessitate some compensating change in some other direction, and I should much prefer to be allowed to lay out the work at leisure on a consideration of the whole of the conditions.

17. I may say here that, as regards this and the numerous other suggestions of changes of details, I do not feel myself able to express a final opinion off-hand. In all these matters the only possible road to success is, in my opinion, to be found in proceeding tentatively, carefully watching the working of each change, and modifying the details at once whenever the necessity arises. I have no belief whatever in the possibility of finality in these matters, and least of all in the possibility of attaining finality at one step, and antecedently to working experience.

18. *Paras.* 37 *to* 39. *Audit of contingent bills.* By all means do away with the classification of contingent items, if Government does not want the classification; but I protest most strongly against the other proposals of the Accounts Committee, as saving no trouble whatever to any single soul anywhere, whilst they are dead against specialization of work in the Examiner's office. Also as regards para. 39 (objectionable items) please see paras. 150 *et seq.* of my note on the Accounts Committee report.

19. *Paras.* 40 *and* 41. *Verification of pension claims.* I agree with Mr. Macdonald's remarks in para. 40; but the practice referred to is not peculiar to Madras It is for the Government of India to say whether the leave and service registers of gazetted officers may be accepted as correct for verification of pension claims without further reference to the accounts office concerned. With regard to para. 41, I would at any rate make no change until the cost of verification under new conditions can be ascertained. In any case it is to be remembered that the knowledge that claims below a certain amount will not be verified, will be a direct encouragement to improper claims.

20. As I have several times suggested the expediency of making no change as regards any existing process until the actual cost of it, under new conditions, can be ascertained, I may point

out that, under the system of work now contemplated, there will be no difficulty in ascertaining accurately the cost of almost every separate operation: because, if a man is not employed solely on one kind of work or operation, he will at any rate be confined to two or three operations, at each of which he will as a rule work continuously for a considerable stretch at a time, and, without any appreciable trouble or waste of time he can be made to keep a diary showing the time devoted to each separate operation.

21. *Paras.* 42 *to* 47. *Budget.* I have very little doubt that the budget work might be greatly reduced; but it would be useless to attempt to revise the procedure until the system of appropriating (now under discussion in connection with the Accounts Committee's report) has been settled; and when that has been settled it will, I think, be best to leave the Examiner to settle the procedure of his own office, and to hold him responsible for its efficiency.

22. *Para.* 48. *Booking.* Here also I would suggest that the Examiner be held responsible for the details of the machinery required to comply with the Accountant-General's requirements in respect of accounts and returns.

23. *Paras.* 49 *and* 50. *Accounts compiled.* The accounts required by the Accountant-General are a matter to be settled by him and by the Government of India; but it seems to me that the Accountant-General might consider whether it is really necessary that transactions should be accounted for to him in all the detail in which they must necessarily be accounted for by Executive Engineers to Examiners. Transfer and remittance transactions must perhaps be accounted for in such detail as may be necessary to enable the Accountant-General to see that they are cleared by the province or department concerned, but even this is doubtful; if the Accountant-General does *not* see to this, as at present I think he does not, the cross verification of debits and credits being made between the Examiners concerned in what seems to me an unnecessarily clumsy way. But as regards final heads of receipt and expenditure I do not quite understand what use the Accountant-General can make of any detail over and above that which is required for incorporation in the accounts published monthly by the financial department, or for the comparison of expenditure with grants controlled by the Government of India; and as regards suspense heads I doubt whether he can really make any use of any detail of classification beyond the distinction between accounts which do and accounts which do not affect budget grants.

24. *Para.* 50. The bulk of the finance accounts will apparently be the same whether they are in seven parts or in one. The so-called "notes" which now have to be submitted with each set of annual accounts are in my opinion the merest rubbish being for the most part nothing but (1) wordy repetitions, or statements of facts which are, or which easily might be, much more conveniently exhibited in figured statements, and (2) explanations of differences which could be given much more briefly, and with much greater convenience to all concerned, in the shape of side notes in a remark column of the figured statement to which they relate.

25. As regards suspense accounts, it seems to me that the statements required with the annual accounts are in most unnecessary detail. There seems to be no use whatever in requiring details of deposits, such as contributions or securities of contractors, as to which the only possible irregularity would seem to be the absence, not the existence of a deposit; and as regards debtor accounts, such as miscellaneous advances, it seems useless to require any detail except of irregular items remaining unadjusted more than a certain specified length of time.

26. On the other hand there seems to me to be a great want of supervision over Examiner's offices in respect of their efficiency in the matter of requiring prompt and punctual compliance with requirements, and I think it would tend to greater efficiency if Examiners were required to give periodically—annually or otherwise—information on such points as the number of vouchers overdue, the number of completion reports overdue more than a certain time, the number of establishment objections unsettled after a certain number of months, meaning not items disallowed and unrecovered, which is a separate matter, but items provisionally passed, &c., as to which no final settlement has been arrived at; also the number of items in objectionable items statement and audit notes similarly unsettled after a certain number of months. I doubt very much whether, in some offices, it would be possible to get this information at all, without an elaborate analysis of all outstanding audit notes and objectionable items statements expressly made *ad hoc*, and yet it seems to me impossible without it to judge of the efficiency of an Examiner's work.

27. *Para.* 51. *Returns compiled.* I venture to suggest that items (7), (10) and (11), returns of unpaid cheques, and the six months and revised estimates might be dispensed with. It is for the local Government or other corresponding authority, and not for the Examiner, to submit budget estimates, &c., and if the estimate submitted by them go, as I understand they do, to the Accountant-General as Deputy Secretary to the Government of India, it would seem useless for the Examiner to submit precisely similar statements. If duplicate copies are wanted, it would be simpler to have the estimate submitted in duplicate by the authority preparing it.

28. *Para.* 52. *Statistics.* My office simply furnishes to the irrigation branch of the secretariat the figures required for the report, taking them from the administrative accounts. It is for the secretariat to consider whether any changes can be made in the direction of assimilating the two statistical statements.

29. Accounts of individual works for the India office have already been abolished by the Government of India.

30. *Para.* 53. I have very little doubt that the system of dealing with exchange accounts could be greatly improved; but here again I would suggest that it should be left to the Examiner to settle the procedure, holding him responsible for having an effective system.

31. *Head-Quarter Transactions.* It was decided some time ago to make the Examiner the paying officer, the intention being to go a good deal further than Mr. Macdonald's proposal and to do away with all cash disbursements whatsoever in the head-quarter office; but press of other work has made it impossible to carry out the change as yet. I hope to be able to make it however before the present Presidency Division is transferred to the Military Works Branch, but in order to do this it will be necessary to curtail the original programme, the Examiner's office taking over, in the first instance, simply the work now done by the Presidency divisional office. The system can afterwards be extended at leisure.

32. *Appendix A.* With reference to para. 13, I am of opinion that, under the conditions of work now contemplated, it should be possible to greatly reduce the employment of temporary establishment. It is much better to have permanent establishment, and not to be continually changing your men, provided you can employ them constantly. Under present conditions it is necessary to employ extra temporary establishments regularly every year at certain periods; but under the system of work now contemplated, I propose to have a special section for dealing with annual and half-yearly returns, and I hope, with the approval of Government, to be able to arrange for the submission of these returns by Executive Engineers at periods differing for different divisions, so as to spread the work evenly over the year, or rather over a portion of it, leaving the section free, at certain times of the year, to take up the additional work which comes with the annual accounts, &c. As regards copyists also, I should prefer to have permanent men for ordinary work, with a supplementary lump sum for occasional pressure.

33. With regard to para. 14, I have stated my views regarding the scale in paras. 11 to 13 of my covering office note. I may add here that, if, as I understand, the intention is in future to promote thoroughly competent and deserving accountants to the superior establishment more freely than has been the practice in the past, it should not, in my opinion, be necessary to provide for any increments to accountants over Rs. 300. But then the superior staff must be of proper strength, so that the senior accountants may do their own proper work—that of superintendents of branches—and not the work of gazetted officers.

34. With reference to para. 15, I venture to think it is a mistake to reduce the pensionable posts unless Government deliberately resolves to extend the same principle to all branches of its civil service. After all a pension is merely a deferred payment of salary, and if you do away with the pension, you must give more salary. It is very difficult to keep men in non-pensionable posts as long as the bulk of civil service posts of the same class are pensionable.

35. I agree with the first clause of para. 16; but I think that for all except graded accountants, the educational qualifications required from clerks by Madras code para. 172 are quite sufficient. I see no use in multiplying examinations.

36. As stated in the accompanying separate memorandum regarding divisional accountants, I am of opinion that these men should be recruited from a small body of assistant divisional accountants, who again should be recruited, *at a comparatively early age*, from the more promising of the junior clerks of the Examiner's office. I am opposed to any scheme of promotion which would tend to fill the higher posts of the Examiner's office with fossils, more especially if it is proposed to promote accountants at all freely to the superior establishment. As already indicated I consider it unnecessary to have any *special departmental* test for promotion for clerks; but clerks seeking promotions to the position of accountant should be required to pass the present entrance examination.

37. I am however of opinion that the present examination for promotion to second grade—the examination which Mr. Macdonald would apparently retain for promotion to the Rs. 200 grade—should be so far modified as to make establishment rules (salary, travelling allowance, pension, &c.) a *separate* subject of examination. It is very necessary that there should be some means of ascertaining the qualifications of accountants for taking charge of the establishment audit branch, a post which requires a special knowledge of very special rules, of rules, moreover, relating to matters with which a divisional accountant may have very little to do in the ordinary course of his divisional duties. It is not, in my opinion, sufficient to give prominence to these matters in the examination, as has been recently done, because, unless the subject is taken separately, the results of examinations will give no information as to accountants' proficiency in these subjects.

38. I am also of opinion that no accountant should be allowed to present himself for this examination until he is within measurable distance of promotion to the grade for which it is to qualify. What is wanted is a test of fitness at or about the time of promotion, and if an accountant passes the examination six or seven years before his time for promotion, he may forget almost everything before his time comes. Also I am disposed to think that this examination should be required only as a qualification for promotion to the highest grade. Accompaniment to office note, No. 183, dated 15th January 1890.

(Signed) C. H. P. CHRISTIE, Major, R.E.,
Examiner, Public Works Accounts.

Memorandum of proposals regarding divisional accountants.

I propose that to each of, say, eight of the divisional offices in which the accounts work is heaviest there should be attached an *assistant accountant*, who would be a member of the accounts branch, just as the accountant is. On a previous occasion I suggested apprentices, on the system tried elsewhere, but I think it would be very much better to take men who have already served for some time in the central office, and regarding whose capabilities some useful judgment can be formed; and an additional argument in favor of this arrangement is that, if it is decided upon pretty soon, it may afford a means of disposing temporarily of some of the surplus establishment of the central office, whether permanent or temporary. Then assistant accountants would be selected, by examination otherwise, from the computers and inferior clerks of the central office, and they should of course not be additional to the present staff of divisional offices, except possibly at first when surplus clerks drafted from the central office might become supernumeraries on the divisional staff instead of retiring on compensation pensions; but on the first opportunity they should be absorbed in the regular establishment.

2. As regards the grading and scale of salaries for divisional accountants, I would do away with all increments, higher minimum salaries, and charge allowances and other refinements, and would make the rate of pay dependent on the class of the division to which the accountant is attached. *Caeteris paribus*, the senior of two accountants, as long as he is physically fit for work, should be the best man and ordinarily the senior accountants would be posted to the divisions of the highest class; but if they proved themselves unfit for the heavier charge they would have to go back to an inferior division and inferior pay. I start with the assumption that, suitable provision having been made for training accountants, no man should be or would be posted as a divisional accountant unless he is really fit for the charge, and therefore I can see no use in giving a separate allowance for being "in effective charge" (code para. 510). If an accountant is not effective, he should revert to a post for which he is fit.

3. I would have then three classes of divisions, classing them according to the accounts work, and I consider that, if the accountant is kept to his proper work, the pay need not exceed Rs. 110 for the 1st class, Rs. 90 for the 2nd, and Rs. 70 for the 3rd. There would probably be 8 or 9 divisions of the 1st class, and as many of the 3rd, the remainder being of the 2nd class; the average salary would therefore be Rs. 90, the pay of a 2nd class division. This is lower than the present average (Rs. 107 including allowances), but I am confident that it is quite sufficient, if, as I say, the accountant is kept to his own work. My quarrel with the present scale of pay is not at all with the average, but with the commencing pay, which is ridiculously insufficient and is the result of tacking on a fifth grade to a previously existing scale, and making the total cost the same as elsewhere, without reducing the salaries of the higher grades of the old scale: the result being that you have one man on Rs. 30 or Rs. 40, and with little or no experience, doing or trying to do almost the same work as another man of fifteen or twenty years experience and drawing Rs. 230 or Rs. 240 a month.

4. In my opinion, if you keep the accountants to their proper work, all that you need do is to put them on a par with the head clerks of divisional offices, due consideration being given to the different conditions of service. Now the clerical establishments of executive offices are practically district or circle establishments. Except by his own desire, or by reason of promotion, a clerk is seldom transferred beyond his circle, whereas an accountant will be liable to be sent at any moment to any part of the presidency. Taking this into account, and allowing for the expenses of such transfers, and for the difficulties to which an accountant is thereby often put in respect of the education of his children, and in other respects, I do not think the scale of pay suggested above is more than enough to put the divisional accountants as a body on a par with the divisional head clerks. It is not an adjustment that can be made with absolute precision.

5. As regards the assistant accountants, I would propose that they should get Rs. 30 a month during the first year, Rs. 35 in the second and Rs. 44 thereafter, until transferred to the independent accounts charge of a 3rd-class division. They would thus, in the eight selected divisions, take the place of the clerk, 4th class, 2nd grade, allowed for each division. Their pay would be less than that of the highest paid of the computers and audit clerks of the central office, but the latter would consist of senior men of inferior education and ability who fail to show any decided capacity for anything beyond mechanical or semi-mechanical work, whereas the assistant accountants should, I think, be selected on the occurrence of vacancies, from the more promising of the comparatively junior clerks, say from those having not less than two and not more than four years' service in the central office, and who have passed the Entrance Examination for the accounts branch as now prescribed. Only permanent vacancies among the

assistant accountants, or vacancies caused by long leave should be filled up in this way: in the case of temporary vacancies caused by an assistant accountant taking short leave, or by his transfer to take the place of an accountant during short leave, the necessary arrangements for carrying on his duties should be made locally.

6. The scheme sketched above would, without any additional expense, ensure a supply of really competent men being always available for divisional accounts charges when required. No man would be put in training as a divisional accountant until his general capacity has been tested by two or three years' service in the central office, and by suitable examinations, and he would probably have to serve at least three years as assistant divisional accountant before being permanently promoted to a separate charge, which would always be an easy one at first, that is a 3rd-class division. With less than eight assistant accountants I do not think I could count on being able to make proper provision for temporary vacancies due to leave or sickness.

7. Should the above proposals be approved, I would suggest that assistant accountants should be attached as soon as possible to each of the eight following divisions, namely:—

Kistna Eastern.	Kurnool.
Godávari Eastern.	South Arcot.
Godávari Western.	Periyár No. I.
Nellore.	Presidency Workshops.

I include the Presidency Workshops Division because I think it is important that every accountant should have some knowledge of workshop accounts, and, when the scheme is in full working, I should probably wish to post every assistant accountant to that division for a few months as a commencement.

8. The above proposals regarding the pay of divisional accountants are made on the supposition that it will not be necessary to upset the decision come to in Madras regarding the position of the accountant. I am aware that the Government of India have accepted the view of the accounts committee that "as a rule the accountant should be treated as the head of the Executive Engineer's office establishment;" but I hardly think they would be disposed to insist on the universal acceptance of this view. There are two sides to this, as to most questions. No doubt a complete grasp of the business of the division and the power of distributing the work of the office are of great assistance to the accountant in the performance of his duties as accountant; but on the other hand I would urge—

(*a*) That, since, for purposes of discipline, promotion, &c., the accountant is subject to the Examiner, and must in any case be somewhat an anomalous one, and that it is highly desirable to reduce the anomaly to the narrowest possible proportions. *Primâ facie* nothing could well be more objectionable than that the Executive Engineer should not have complete control over the head of his own office; but if you limit the accounts duties—as, I submit, you easily can limit them—to the record and compilation of accounts transactions; and if you make the accountant responsible—and I submit that you not only can but should make him responsible—for the correct performance of their duties of record and compilation, then the anomaly practically disappears. Since the accountant must be the subordinate to the Examiner, it is essential that the matters in respect of which the Executive Engineer may possibly have occasion to complain to the Examiner, shall be confined to matters regarding which the Examiner is really in a position to judge of the extent, if any, of the accountant's culpability. In my experience I have not had many such complaints against accountants, but I must say that, of the complaints that I have received, the majority have referred to matters with which, in my opinion, the accountant should never have been required to meddle at all, matters in connection with which I have found it exceedingly difficult, if not impossible, to form any independent judgment as to the merits of the case.

(*b*) That it is essential for the proper administration of the accounts branch that divisional accountants shall be freely and promptly transferable under the orders of the Examiner. If this is not the case, an important division may have to remain for months without any accountant at all, simply because the Examiner cannot get a Superintending Engineer to agree to the removal of a suitable man from some other division. If the previous concurrence of the Executive Engineer is to be a mere form, there is no objection in insisting on it; but it is to be anything more than a form, it is practically certain that the Superintending Engineer's view of the matter will, in every case, be simply a reflexion of the Executive Engineers: it is hardly conceivable that he should have any independent opinion in the matter; and, as between the Executive Engineer and the Examiner, it is only natural that he should prefer the convenience of his own executives to the interests of the accounts of a division in some other circle. The getting of the Superintending Engineer's concurrence must therefore be either a useless formality, or else a disastrous hindrance to the administration of the accounts branch. If you confine the accountant to his legitimate duties as accountant, you at any rate minimize the inconvenience of a change which must in any case be more or less inconvenient to the Executive Engineer, whereas if you insist on making the accountant the head of the office, you raise the inconvenience to a maximum.

(*c*) That it would be little short of absurd that, without the concurrence of an individual Superintending Engineer, the Examiner should be unable to recruit the superior establishment of his own office from an establishment nominally under his own orders, and which is the only source from which he can recruit it.

(*d*) That, as regards the "friction and interruption of business" which, it is said, often occurs "where there is a separate and independent head clerk" our experience in Madras, where for a good many years in about one half of the divisions, the head clerk, and in the other half, the accountant, has been the manager of the office, shows that there is just as much friction under one system as there is under the other; whilst there is good reason for believing that this friction is generally due to the uncertainty of the position, whichever man is out of the managership doing everything he can to oust the other.

(*e*) That if you insist on making the accountant the head of the office, you very greatly increase the difficulty of securing suitably trained men for the position. If you select an intelligent man after two or three years' service in the central office, and post him for a couple of years as assistant accountant in a heavy division, he ought at the end of that time to be competent to take independent charge of the accounts of a light division; but it does not by any means follow that he will then be a suitable man to put at once at the head of an establishment of half-a-dozen clerks and draftsmen, several of whom in all probability will have put in three or four times as much service as he has. In my opinion it is essential that the higher posts in the central office shall be filled by men of long divisional experience, and in order that these posts (in the central office) may be filled by men of suitable age, it is essential that the commencement of their services as divisional accountants should be deferred as little as possible beyond the time really necessary to train them as accountants, and I am decidedly of opinion that, in the majority of cases, the men so trained will be too young to put over the heads of a number of senior clerks. In any case, however, it must be quite impossible for the Examiner to judge of such a man's fitness for the managership of a divisional office.

(*f*) That therefore if you insist on making the accountants the heads of the divisional offices, you must have older men for the posts and, if you are to get the same class of men, you must pay them better. Mr. Macdonald says "as a rule the men on Rs. 150 would be divisional accountants." I am quite sure that if you confine them to accounts duties it is not necessary to give more than the average proposed by me (Rs. 90), and I do not see the use of paying considerably more in order to secure an object as to which, apart altogether from the question of economy, it is exceedingly doubtful whether, on the whole, it is a desirable object.

9. For the above reasons, I venture to hope that Government will see fit to move the Government of India to reconsider its decision, and to leave the matter to the discretion of the Madras Government.

(Signed) C. H. P. CHRISTIE, Major, R.E.,
Examiner, Public Works Accounts.

Office note from Major C. H. P. CHRISTIE, R.E., Examiner, Public Works Accounts, to the Secretary to Government, Public Works Department, dated Madras, 24th January 1890, No. 385.

With reference to para. 6 of the categorical memorandum on Mr. Macdonald's note which accompanied my office note No. 183 of 15th January 1890, I have to state that, in reply to a telegram, I have now been informed by the Accountant-General, Public Works Department, that the percentages mentioned in para. 9 of Mr. Macdonald's note are calculated on the total cost of the offices mentioned *including gazetted officers*. This of course makes a considerable difference when you come to compare the reduction which I have undertaken to make with the reductions mentioned as possibly possible elsewhere.

2. In my telegram I also asked the Accountant-General whether these reduction estimates were endorsed by the several Examiners concerned. The Accountant-General does not however answer this question, but says that "the object of the inquiry is not apparent as it will not affect your (my) consideration of the proposals made in Mr. Macdonald's note." This is no doubt in a certain sense true; but I may observe that the reference to possible reductions elsewhere was no doubt intended as, in some sort, an indication of the extent of the reduction that ought to be possible in Madras; and from this point of view it seems to me of some importance to be able to estimate the value of these other estimates.

3. In para. 6 of the memorandum referred to above, I assumed that the reduced cost per division of other Examiner's offices, supposing Mr. Macdonald's estimates to be realized, would be as follows:—

	RS.
Punjab	1,508
Bombay	1,557
North-Western Provinces	1,793

but, if it is not intended to reduce the gazetted staff—and it seems quite clear from Mr. Macdonald's note that there is no such intention—it now appears that, calculating the possible reduction on the total cost of the several offices, and applying the reductions entirely to the subordinate establishment, the cost of the latter would be as follows:—

	RS.
Punjab	944
Bombay	855
North-Western Provinces	1,271

contrasted with these figures, instead of with those originally given, my undertaking to reduce the cost to a maximum of Rs. 1,450 per division may probably seem quite insufficient; and if I were assured that Mr. Macdonald's estimates were endorsed by the Examiners concerned I should think it right to consider seriously whether I could not undertake to make a more considerable reduction. As it is, however, I am somewhat incredulous as to the value of these estimates which, like the estimate in para. 27 of Mr. Macdonald's note, may not improbably be based upon what I regard as the merest guesses.

4. As I have said in my previous note, I have not at present sufficient information to admit of my attempting a detailed estimate of the scale of establishment ultimately necessary; and therefore I am not prepared to say that it will be impossible to reduce the cost of subordinate establishment to Rs. 855 per division, or for that matter to any less amount; but on the other hand I am not at present prepared to *undertake* to make any reduction below the level already indicated, Rs. 1,450 per division; but of course I would not *undertake* to do this if I did not confidently expect to be able to go beyond it.

Office note from Major C. H. P. CHRISTIE, R.E., Examiner of Public Works Accounts, to the Secretary to Government, Public Works Department, dated 29th January 1890, No. 394.

ORDER—dated 14th February 1890, No. 480 W., Public Works.

Ordered that the Government of India be addressed.

(Here enter No. 481 W., dated 14th February 1890.)

(True Extract.)

(Signed) R. R. E. DRAKE-BROCKMAN, Lt.-Col., R.E.,
Ag. Joint Secy. to Govt., P.W.D.

To the Examiner, Public Works Accounts.

Fxd. G. A. Lewis.
Spare Copies

GENERAL.
ESTABLISHMENT.

Govt. of {1890} Madras

PUBLIC WORKS.

Dated February, 14th.

Recd. *Encl.*

G.O., 14th Feb. 1890, No. 480 W.

FEBRUARY.

Office of the Examiner, Public Works Accounts, Madras

Ordered that the Government of India be addressed on the subject of reduction of work and staff in the —.

PUBLIC WORKS DEPARTMENT.

General.
Establishment.

Letter—from

Lieut.-Colonel R. R. E. DRAKE-BROCKMAN, R.E.,
Ag. Joint Secretary to the Government of Madras,
Public Works Department,

To

The SECRETARY to the GOVERNMENT of INDIA,
Public Works Department.

Sir,

I am directed to acknowledge the receipt of your endorsement No. 2642-G, dated 17th September 1889, forwarding for opinion a note by Mr. R. G. Macdonald, Deputy Accountant-General, on reduction of work and staff in the Office of the Examiner, Public Works Accounts, Madras.

2. In reply, I am directed to forward the accompanying copy of the Proceedings of this Government, No. 480 W., dated 14th February 1890, embodying the opinion and remarks of the Examiner, Public Works Accounts, on the various suggestions made by Mr. Macdonald.

3. In his note No. 182, dated 15th January 1890, the Examiner submits his views with respect to possible future reductions in the staff of his office, and with it he forwards two papers :—

(*a*) Categorical remarks on Mr. Macdonald's note on reduction of work in the Office of the Examiner, Public Works Accounts, and

(*b*) Memorandum of proposals regarding divisional accountants.

4. It will be seen that Major Christie is unable at present to draw up any definite scale of establishment for his office, but that he proposes to make reductions as they become feasible in consequence of reduction and systematization of work ; and I am to say that, in the opinion of this Government, it would be inadvisable to lay down any fixed scale until the details of the work that must be done in the Central Accounts office have been settled, and that, obviously, this settlement must follow the reorganization of the system of accounts now in progress.

5. With reference to the conclusions arrived at in para. 25 of Major Christie's office note No. 183 of 15th January 1890, I am to state that this Government entirely shares the opinions expressed in proposals (*a*), (*b*) and (*c*), but as regards the proposed revision of the scale of pay of accountants, and the introduction of assistant accountants, this Government is strongly of opinion that the time has not yet arrived for the consideration of the latter proposal, while in the case of the former there is no evidence to prove that the circumstances of Madras are such as to justify a hope that work can be efficiently carried out in the Accounts branch of the Public Works Department by lower paid agency than in other parts of India ; but on the contrary, the reasons which led to the reorganization of the Madras system of accounts in 1876 still hold good, and the experience of former years shows that there are no reasonable grounds for assuming that efficient accountants can be obtained in this Presidency on lower salaries than elsewhere in India.

6. The present proposals of the Examiner as regards the future rates of pay to be granted to accountants practically involve a return to the state of affairs which existed before 1876. The Committee appointed by this Government in 1875, of which Colonel Conway Gordon was a member, described the Public Works accountants of the day as a body of ill-paid and inefficient men, and to enable this Government to introduce the system of accounts prescribed by the Government of India Code, and to attract to the department the class of men required to carry out that system, it was found necessary to adopt in this Presidency the scales of pay and allowances laid down in the Government of India Code for Public Works accountants. Later on, in July 1878, it was considered desirable, as a means of further improving the status and prospects of the subordinate accounts establishment, to suggest * to the Government of India the desirableness of entering on the printed Public Works Establishment list of the Government of India the names of all the accountants employed in this Presidency. That proposal, which was sanctioned in your office letter No. 1196 E.G., dated 3rd August 1878, was based on a note by Colonel Conway Gordon, dated 30th April 1878, a copy of which is attached for perusal. All these advantages will be lost if the status and pay of the men be altered to the scale now proposed by Major Christie, and there seems no reason why Madras accountants should be placed in a worse position than men of the same class performing exactly the same duties in other parts of India. Such distinction would engender discontent, and lead the best men of the Madras establishment to seek constantly for transfer to other Presidencies.

* Letter from the Government of Madras, No. 2900 W., dated 16th July 1878.

7. This Government is fully aware of the necessity for reducing work, and exercising economy in the Examiner's office; and, provided it is allowed a free hand in the matters referred to in clauses (*a*), (*b*) and (*c*) of the Examiner's note, any general revision of the numerical strength and composition of the accounts establishment that will lead to economy will be gladly accepted; and in this connection I am to invite the attention of the Government of India to the arguments and facts adduced by Major Christie which show that the relative economy of the Madras Accounts establishment, as compared with the cost of similar establishments in other provinces, is even greater than supposed by Mr. Macdonald.

8. In conclusion, I am to express an earnest hope that the Government of India will not disturb the control which the Government of Madras now possesses over the details of the system of accounts in this Presidency, and that the opinions expressed by His Excellency the Governor in Council in this office letter No. 303 W., dated 29th January 1890, may be fully accepted.

I have the honor to be,
Sir,
Your most obedient servant,

Lt.-Col., R.E.,
Ag. Joint Secy. to Govt., P.W.D.

FORT ST. GEORGE,
14th February 1890.

Exd. J. Moses.
Spare Copies

GENERAL.
ESTABLISHMENT.

Govt. of {1890} Madras.

PUBLIC WORKS.

Dated February, 14th.

Read. *Encl.*

G.O., 14th Feb. 1890, No. 481 W.

FEBRUARY.

Office of the Examiner, Public Works Accounts, Madras

On the subject of the reduction of work and staff in the —.

100
B

communications should be addressed to the Secretary.

No. 2642. G.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

GENERAL.

SECRETARIAT TO GOVERNMENT OF INDIA. 25 SEP 1889 P.W. DEPARTMENT, MADRAS.

Simla, the 17th September 1889.

The undermentioned paper is forwarded to the Government of Madras, for favour of its opinion and that of the Examiner, Public Works Accounts.

2. The reference to the Financial Account paragraph 50 will be hereafter illustrated by a sample form now under preparation.

By Order.

G. H. Walker

Under Secretary to the Govt. of India

Document referred to.

Note by Mr. R. G. Macdonald, Deputy Accountant General, Public Works Department, on Reduction of work and staff in the Office of the Examiner Public Works Accounts, Madras.

No. 437 acc of 30 Sept 1889.

Mr
18th

Referred to the Examiner P.W. Accounts for report.

Auditor-Barchman.
7 Lt-Col R.E.
Jt Secy to Govt P.W.S

Mr

26.9.89

EXAMINER
No. 1665
1 OCT 1889
ENCLOSURES
P.W. ACCOUNTS.

P.W.C. No. 8022

P 28.9.89

2nd 1147 Wa/s 26.487
2610-11 Wa/s 4.10 87
1335 Wa/s 7.5.88
2247 Wa/s 23.7.88
2882-3 Wa/s 14.9.88
[illegible] Wa/s 22.12.88
289 W a/s 2.2.89
754 W a/s 12.3.89
2640 W a/s 21.9.89

15th Endorsement

2 2 8 0

14

REDUCTION OF WORK AND STAFF IN EXAMINERS' OFFICES.

Note No. 8.

OFFICE OF EXAMINER OF PUBLIC WORKS ACCOUNTS, MADRAS.

Public Works Department No. 370 A.G., dated 18th October 1888.

I was able to inquire into the constitution and the cost of the above named office when at Madras in March last with the Public Works Accounts Committee.

2. The office is divided into the following branches:—

(1) Account audit.
(2) Establishment audit.
(3) Budget and booking.
(4) Correspondence and records.
(5) Code.

3. The staff attached to the office at the time consisted of—

	Rs.	Rs.
Gazetted officers—		
1 Examiner, 3rd class	1,342	
1 Deputy Examiner, 1st grade	695	
1 Assistant Examiner, 2nd grade	320	
		2,357
Accountants—		
2 Accountants, 1st grade	940	
3 Ditto, 2nd ,,	1,125	
6 Ditto, 3rd ,,	1,650	
5 Ditto, 4th ,,	761	
11 Ditto, 5th ,,	530	
		5,006
Clerks—		
1 Clerk, 2nd class, 2nd grade	160	
1 Do., 3rd ,, 1st ,,	100	
2 Do., ,, ,, 2nd ,,	156	
7 Do., ,, ,, 3rd ,,	414	
7 Do., 4th ,, 1st ,,	308	
9 Do., ,, ,, 2nd ,,	336	
18 Do., ,, ,, 3rd ,,	468	
12 Do., 6th ,, 1st ,,	199	
	2,141	
Clerks, temporary—		
9 Clerks	210	
		2,351
Petty—		
2 Attenders	22	
3 Muchis (duftries)	30	
1 Messenger	10	
1 Ditto	8	
4 Ditto @ 7	28	
6 Ditto @ 6	36	
3 Lascars @ 6	18	
2 Rollers @ 5	10	
		162
Per mensem		9,876
TOTAL PER ANNUM		1,18,512

4. The cost of the staff is distributable, approximately, as follows, over the work done :—

Classes of work.	Original work.	Check by subordinates.	Total.	Menials.	General items.	Gazetted officers.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Audit of executive engineer's accounts ...	28,226	9,474	37,700	444	...	16,200*	54,344
„ Telegraph accounts	179	291	470	...	...	...	470
„ Railway accounts	48	...	48	...	...	...	48
Establishment audit	12,133	4,559	16,692	216	...	4,020	20,928
Budget and book-keeping	11,893	4,875	16,768	204	...	2,016	18,988
Correspondence and records	9,330	2,250	11,580	1,056	...	2,016	14,652
Code and forms' work	3,905	1,121	5,026	24	...	4,032	9,082
TOTAL ...	65,714	22,570	88,284	1,944	...	28,284	1,18,513

* This includes the salary of the Deputy Examiner, who is exclusively employed on inspection work.

	Rs.	Rs.
Original work		65,714
Check by subordinates	22,570	
Gazetted officers' supervision	28,284	
		50,854

5. The Madras office compares as follows with the other offices I have already similarly examined :—

	Punjab.	North-Western Provinces and Oudh.	Bombay.	Central Provinces.	Madras.
	Rs.	Rs.	Rs.	Rs.	Rs.
Total cost divided by number of divisions—					
(*a*) of original work	1,519	2,406	1,946	2,988	1,933
(*b*) of check by subordinates	745	1,084	803	2,246	664
(*c*) of gazetted supervision	1,529	1,620	1,634	1,920	832
	3,793	5,110	4,383	7,154	3,429
Percentage of check by subordinates to original work	49·09	45·06	41·27	75·17	34·34
Percentage of gazetted officers' supervision to original work *plus* subordinate check ...	67·51	46·42	59·46	36·68	32·04

This is a rough all-round comparison from which nothing more than a general idea can be deduced; the circumstances of the provinces and of the offices vary considerably. Some examiners do much more for the local secretariat than others; in some provinces the divisions are larger than in others. The manner of carrying out the execution of works also affects the bulk of the accounts to be dealt with in the examiner's office.

6. Throwing out exceptional branches of work, the cost of the office per division, the accounts and bills of which are audited and booked, is as follows :—

Clases of works.	Original work.	Subordinate check.	Menials.	General items.	Gazetted officers.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Total cost	65,714	22,570	1,944	...	28,284	1,18,512
Deduct—						
Telegraph accounts	...	...	...	...	...	470
Railway accounts	...	...	...	...	...	48
Code and forms' work ...	...	...	...	...	...	9,082
						9,600
Remainder for 34 divisions ...	...	...	...	...	...	1,08,912
Cost per division	...	...	...	...	...	3,203

7. The present cost per division, calculated after the same manner, is, in the under noted offices, as follows :—

PROVINCES.	Exclusive of gazetted officers.	Inclusive of gazetted officers.
	Rs.	Rs.
Punjab	2,271 [illegible]	3,492
North-Western Provinces and Oudh	3,039 [illegible]	4,312
Bombay	2,731 [illegible]	4,365
Central Provinces	5,299	7,179
Madras	2,490	3,203

8. The Madras office compares favourably with the other offices. This result is considerably helped by the accident of the code work. Rs. 900 of the senior accountant's pay and Rs. 4,032 of the examiner's pay are allocated to code work; but it would not be possible to reduce the office by any part of this sum of Rs. 4,932 if the duties in connection with the code were removed.

9. The offices used in the comparison are, however, more costly than appears to me necessary; and proposals have been put forward whereby it may be possible to reduce them as follows :—

Punjab, by 38 per cent. of present total cost;
North-Western Provinces and Oudh, by 41 per cent. of present total cost;
Bombay, by 43 per cent. of present total cost; and
Central Provinces, by 42 per cent. of present total cost.

It seems possible to reduce the cost of the Madras office considerably.

10. The general directions in which it seems possible to reduce examiners' offices are—

(1) by a classification of the duties to be performed, in order to fix the salaries of the staff according to the nature of the work required of the men;
(2) by reduction of work where possible; and
(3) by systematising the work which must remain.

11. The duties which have to be performed by subordinates in an examiner's office may be summarised under the following main classes :—

(*a*) Check of calculations.
(*b*) Audit of (1) documents on which payments have been made.
(2) Salary and travelling allowance bills.
(3) Compilations such as accounts, schedules, and periodical returns.
(*c*) Posting books and registers.
(*d*) Clearing transfer and remittance accounts.
(*e*) Compilation of accounts, statements, and statistics.
(*f*) Leave and pension work.
(*g*) Drafting and noting upon important questions and on cases referred unofficially by the Government.
(*h*) Check of the work of others.
(*i*) Guidance and instruction of juniors.
(*k*) Inspection and test audit.
(*l*) Routine work.—(1) Registration of correspondence.
(2) Copying.
(3) Record keeping.
(4) Referencing.
(5) Supplying forms.
(6) Distributing papers in office.
(7) Correcting office codes, &c.

12. A considerable part of this work is, or can be readily made, purely mechanical.

The check of calculations can be performed by men with a special aptitude for such work, who need otherwise possess very humble scholastic attainments.

The audit of vouchers of payments, other than those relating to salaries and allowances, can also be made purely mechanical; the clerks can be given a sheet of instructions showing the points they have to look to in dealing with each class of paper, and the action required of them can be reduced to the quotation of a number indicating the nature of the error and the remedy.

The audit of salary and allowance bills, and the disposal of leave and pension questions, require a higher class of intelligence, and knowledge not only of the Public Works but also of the Finance Codes.

The audit of accounts and other compilations, such as returns of stock or tools and plant, needs fair general intelligence, knowledge of book-keeping, the principles of audit, and of the Public Works Code.

The men engaged on the classes of works referred to in the two sub-paragraphs above have to raise objections which cannot always be stereotyped (although much can be done in this direction). They must be able to exercise judgment and to express themselves well in English.

The mere posting of books and registers is a mechanical operation; but a knowledge of book-keeping is necessary to be able to clear transfer accounts and accounts with other departments.

Drafting and noting on important questions, check of work of others and guidance and instruction of juniors, require the highest class of intelligence.

13. The classes of workmen required are—

Checkers of calculations.
Auditors whose duties can be made mechanical.
Auditors whose duties require judgment and discretion.
Posters of books and registers.
Compilers of accounts, &c.
Accounts clerks whose duties require intelligence.
Routine clerks for mechanical duties.
Routine clerks for duties requiring intelligence.
Superintendents.

These may, I think, be all reduced to three classes :—

I.—Superintendents.
II.—Audit or accounts clerks.
III.—Computers and routine clerks.

14. The remarks made in the paragraphs of my note No. 1 of this series, attached as Appendix A, seem applicable to Madras. In that city educated labour is exceptionally cheap. A native graduate, a man better educated than most of our accountants, is content to work on a salary of from R40 to R100 per mensem in a first-class educational institution. The Madras Railway Company pays far lower rates of salary for men to perform similar duties than those paid in the examiner's office, and this is the case although the Company's service has not the advantage of pension.

15. I was able to obtain full details of the salaries paid and the work done by each man in the Madras Railway Audit office. The staff of officers in the Public Works Examiner's and in the Railway Chief Auditor's office may fairly be held to be employed generally on the same class of duty.

16. In the Railway office the following are the rates of salary paid :—

Branch of the office.	Classes of staff as distinguished by rates of salary.																								
	R 532	R 200	R 175	R 150	R 110	R 100	R 90	R 85	R 80	R 60	R 55	R 50	R 45	R 42½	R 40	R 37½	R 35	R 32½	R 30	R 27½	R 25	R 22½	R 20	R 17½	R 15	R 12½	R 10
Expenditure audit	...	...	...	...	...	...	...	...	1	1	...	1	1	...	...	...	...	...	...	1	...	1	1	...	1	...	...
Stores audit	...	...	...	...	...	...	...	1	...	...	2	1	...	...	4	1	1	1	...	...	...	...	2	1	3	5	1
Traffic audit—																											
In-door	...	...	...	...	1	...	1	...	...	...	2	4	...	...	1	...	5	1	4	2	4	3	9	8	17	35	23
Out-door	...	1	...	3	...	2	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1	...	...	...
Statistics	...	...	1	...	...	...	...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Book-keeping	...	...	...	1	...	...	...	...	...	...	1	...	...	...	...	...	1	...	1	1	...	1	2	3	3	4	6
Cash and pay	1	...	...	...	...	...	...	...	1	...	2	...	1	...	...	1	...	3	1	...	1	...	1	1	1	1	2	...
																											...
Total	1	1	1	4	1	2	1	1	1	3	6	4	16	2	1	7	1	8	3	5	6	6	7	17	15	20	45	29

17. In the Examiner's office the following are the rates of salary paid to men employed upon like duties :—

			With additional allowances of.	
			House rent.	*Presidency Allowance.*
	Rs.	to Rs.	Rs.	Rs.
Accountants—First grade	350	450	20	The difference between the salary he is drawing and Rs. 400.
Second „	250	340	20	50
Third „	160	240	10	50
Fourth „	80	150	10	40
Fifth „	40	75	5	15
Clerks—2nd class, 2nd grade... ...	120	160		
3rd „ 1st „	80	100		
„ „ 2nd „	60	80		
„ „ 3rd „	50	60		
4th „ 1st „	40	50		
„ „ 2nd „	30	40		
„ „ 3rd „	20	30		
5th „ 1st „	15	20		

It might be legitimate to remove one of the first grade accountants in the Examiner's office out of the category of a subordinate and place him on a par with the officers of the Railway audit office; but the second first grade accountant could not in justice be so placed. The Examiner's office is short in gazetted staff.

18. I do not put the Madras Railway office forward as an example of perfect economy. Its cash and pay branch is in my opinion too expensive and so possibly is its out-door traffic audit; but I have not the examined work critically. At present I merely draw attention to the difference between the rates paid in the two offices.

19. I have lately obtained the rates of salary paid to clerks in the head office of the Bank of Bengal. Here they are :—

	Rs.	to Rs.
General ledger keepers	50	90
Bill and loan ledger keepers	30	67
Cash and daybook writers	55	65
Current account and savings bank ledger keepers ...	25	65
Draft writers and subsidiary register writers ...	30	60
Despatchers	40	70
Copyists and ordinary clerks	20	45
Cash, paying and receiving tellers	40	100
Tellers' assistants	25	45
Calculators	40	100

20. The Examiner, Major Christie, R. E., is doing much in the direction of systematising work and reducing it to routine. He has introduced a system of set forms of letters, the principal of which has, in my opinion, great possibilities of economy. This system is described by Major Christie himself in a note which I attach as appendix B. These letters save thinking as well as labour by the drafter, reading and correction by superiors, they ensure the use of correct English, they ensure Code and other references being correctly quoted without the necessity of looking for them and they facilitate the examination with fair copies. The only fear I have with respect to them is that there is a tendency to overdoing the routine.

21. The Examiner might be asked to classify the duties to be performed in his office and the staff by the nature of the duties, and submit fresh proposals for his establishment. I can see no reason why the question of the strength of this office should not be dealt with quite apart from the staff of accountants required for divisional offices. Government should, I venture to think, settle, on general considerations, what allowance should be made on account of absences on leave of the various kinds.

22. It remains for me to endeavour to point out how work can be reduced.

Account Audit Branch.

23. A statement of the work done and of the cost of the various parts thereof will be found in appendix C. This branch audits, and partially books, the compiled accounts recieved from executive engineers.

24. The operations of audit through which a set of executive engineer's accounts pass, and the time which the men engaged upon the work say that the different parts of it occupy, for an average set of accounts, are shown below :—

Operations.	Days.	Total time. Days.
Check of calculations—		
I in documents on which money has been paid ...	2¼	
II in work vouchers	½	
III in schedules and accounts	¾	
	—	3⅓
Audit and enfacement of vouchers		1¾
„ of work vouchers		¼
„ of establishment vouchers		½
„ of extract from contractors' ledger.		¼
„ of rent returns		¼
Cross check of accounts and schedules		½
Check with previous months' accounts		¾
Audit of receipt side of schedule ... ... }		½
„ of expenditure ditto ... ... }		
„ of suspense schedules		¼
Disposal of audit notes		1
„ of objectionable items' statement		¾
Registers—		
Divisional register of receipts and charges		½
		10⅜

25. If the recommendations of the Public Works Accounts Committee be accepted, the bulk of the accounts received monthly from the executive engineers will be very greatly reduced. I estimate that an account, under the Committee's proposals, should not be more than one-third the size of a set of accounts as submitted at present.

26. The specific reductions, in operations, which seem to me feasible, are—

	Saving in days on one set of accounts.
(*a*) Reduce check of the arithmetic of payment vouchers to 25 per cent. ¾ of 2¼ = ...	1 11/16
(*b*) Give up putting audit enfacements on payment vouchers and use instead a piercing stamp, say	½
(*c*) The Committee has proposed that work vouchers, establishment vouchers and extracts from contractors' ledger should disappear	1⅓
	3 11/16
The saving due to reduction in bulk should show itself under—	
Check of calculation in schedules and accounts, say ...	½
Cross check of accounts and schedules	¼
Check with previous month's accounts	½
	4 6/16
The Committee's proposal to limit the examiner's audit of works outlay ought to reduce the labour in connection with objectionable items' statements and audit notes by one-half ...	1 4/16
	5 3/16

27. This accounts for a possible reduction of 5 3/16 days upon 10 3/4 days, leaving five days for each set of accounts. Improvements by specialisation of labour, reduction of processes to routine in the way the examiner is doing, ought, I venture to think, to make it quite possible to reduce this further. In my opinion two men—an audit clerk and an assistant clerk—should dispose of one set of accounts in three days. One of these units ought, therefore, to be able to dispose of seven sets of accounts and have four days to spare for miscellaneous work of the character stated in appendix C, in the working days of an ordinary month. Five working units would be required for the 34 divisions, and an assistant superintendent and a superintendent over them.

Establishment Audit.

28. Details of the work done and of the approximate cost of the different sections thereof will be found in appendix D.

29. The work of this branch may be somewhat increased if the proposals of the Public Works Accounts Committee with respect to payment of salaries and travelling allowances be sanctioned, but that Committee's proposal with respect to contingent bills would reduce the work of this branch.

30. The Committee's proposals if adopted would, perhaps, be best worked in some such manner as this. The receipted salary and travelling allowance bills would be received with the monthly accounts of the executive engineer by whom they were paid, inside a docket, enumerating the bills and stating the payments on each and the total of all the bills. This docket, with the bills, the Account audit branch would pass over to the Establishment audit branch, where the bills would be audited as now, and the completeness of the acquittance tested. The docket and the bills themselves duly enfaced would be returned to the Account audit branch. The audit enfacement would show the sum passed and disallowed on each bill. The Account audit branch would keep a record, in its objectionable items' register and statement, of the total disallowances of salaries and allowances separately. It would be imperative that disallowances should be recovered from the first bill falling to be paid after advice reached the executive engineer.

31. The Establishment audit branch would issue, as now, its own disallowance slips; and no doubt the routine connected with these could be minified greatly by the examiner's admirable system of set lists of objections.

32. *Audit of salaries.*—The following suggestions are made for reduction of work in connection with audit of salaries :—

(1) Reduce salary registers to simple record of the totals of bills passed, and notes of events and orders affecting the audit of individual claims.
(2) Dispense with deduction sheets, part II, of form No. 64 altogether.
(3) Note sanctions for temporary establishments in audit register only.
(4) Dispense with note books.

33. *Income tax.*—It will, under the condition of audit after payment, be now possible to prepare form No. 21C in agreement with the accounts.

34. *Scales.*—The strength according to the permanent, sub. *pro tem* and temporary scales, of the different classes of establishment, has to be watched by the examiner; and each change in each establishment for which there is a provincial scale will thus be audited by him, either on the office-note from the Secretariat, or on receipt of advice from the sanctioning authority, on the former by preference.

35. The examiner prefers the audit registers to the annual statement of establishment, late form No. 94A, on the ground that no verification of the latter can be secured in the absense of the audit registers except with an expenditure of labour which he thinks at least equal to that required to keep up the register. If the verification of the annual statement be dispensed with, Government will have to accept a certain amount of risk in the matter of pensions.

36. *Travelling allowances.*—The audit of bills will be conducted as heretofore. The following reduction of work appears, however, feasible:—

(1) Reduce the register to a simple record of the total of each bill passed.

(2) Reduce work in connection with objections as the examiner proposes by his set forms.

(3) Note sanctions to conveyance allowance in the audit register only.

37. *Audit of contingent bills.*—The audit of contingent bills may be transferred to the Account audit branch. The Public Work Accounts Committee has suggested that the bills should be reduced to an unclassified list of items prepared from the cash book.

38. Those offices of direction which have imprest accounts may be excused the preparation of contingent bills, and their imprest account may be submitted as a voucher of the accounts of the executive engineer who recoups them, and therewith audited.

39. All objections on account of contingent items may appear in the ordinary objectionable items statement.

40. *Pension claims.*—Applications for pensions are now frequently delayed by the practice of referring the service in other provinces and departments to the examiner or accountant general who passed the pay, for verification. In the case of gazetted officers this ought not to be necessaary, the service registers might be relied upon; but I do not think the entries in service books of non-gazetted officers could be accepted without verification by the officer who passed the salary.

41. It seems unnecessary to expend the labour now given to the verification of the services of menials to whom gratuities or pensions, of the capital value of less than Rs. 100, are proposed to be bestowed, but the examiner is doubtful whether the present procedure should not be continued.

Budget and Booking.

42. Details of the work done in this branch and the cost thereof will be found in Appendix E.

43. *Budget.*—The following simplification appears possible in budget work proper:—

(1) Instead of the elaborate registers now kept, as prescribed, keep one general register showing the grants by funds, finance heads, departmental heads and services.

(2) Keep another register of changes in, and appropriations from, general allotments and reserves in the following form:—

Authority.	Repairs allotment.	Minor works.	Tools and plant.	Reserve with A. E.	"	"	Total.
Budget orders							
Appropriation return of							
* * *							
* * *							

(3) Keep another register of total assignments to each district in the same form as that suggested above, but substitute names of districts and reserves, &c., for repairs, &c., across the top.

44. It is possible that the second register might be partially dispensed with by relying upon the appropriation return sent in by superintending engineers with respect to repairs.

45. The form of appropriation return may be simplified if indeed the return be not altogether unnecessary.

46. Irregular appropriations should, I think, be noted in a formal register, corresponding with the objectionable items statement, as they are discovered and reported monthly or individually in a form like No. 50 now used.

47. The elaborate register now prescribed in form No. 51 may be dispensed with, if the approximate monthly account from executive engineers, recommended by the Public Works Accounts Committee, be adopted.

48. *Booking.*—The books kept are—

28 Sub-registers. These are kept by finance heads.
2 General registers.
2 Examiner's divisional registers.
3 Transfer registers.
1 London store account register.
1 Credits to expenditure in England register.
1 Recoveries of advances in England register.
1 Register of family allotments.
1 Ditto of state expenditure on guaranteed railways.
4 Adjustment books.
13 Miscellaneous irrigation registers for Finance and Administrative accounts.
19 Exchange account registers.

In my opinion sub-registers are best kept in the Account audit section. Questions are now under discussion as to the possibility of reduction in the books kept in examiners' offices.

49. *Accounts compiled.*—The accounts compiled are—

5 Monthly accounts to Accountant General, Public Works Department.
2 Central adjusting accounts.
3 Exchange accounts.
7 Sets annual finance accounts.
2 Sets suspense balances.
5 Annual accounts current, preliminary.
5 Ditto ditto, final.

50. The seven sets of annual finance accounts may be combined into one abstract account with separate schedules, showing the transactions under finance heads and comparing it with that of the previous year. The differences would be explained in the remarks column of the schedules, and would take the place of the notes which now accompany the accounts.

A statement of the suspense balances remaining on the examiner's books after closing them for the year, with brief explanation of their currency and efficiency, may be substituted for the two sets of accounts of suspense balances.

51. *Returns compiled.*—These are—

Monthly—
(1) Transactions of the civil engineers' provident fund.
(2) Port fund statement.
(3) Incorporated local funds receipts and expenditure.
(4) State outlay on guaranteed railways.
(5) Approximate receipts and expenditure under provincial and local funds.

Quarterly—
(6) Statement of deferred college fees and expenditure under all financial heads.
(7) Return of unpaid cheques.

Half-yearly—
(8) Classified statement of capital expenditure on state railways.
(9) Return of capital expenditure on productive public works.
(10) Six-months' estimates, 3 sets.
(11) Revised estimates.
(12) Form A of exchange accounts.
(13) Statements of expenditure by departmental heads, 7 numbers.
(14) Statement of works for which continuous record of expenditure is kept.

I am afraid these cannot be much, if at all, reduced.

52. *Statistics.*—The following might be simplified or done away with—

(1) Could not the compilation of figures for revenue report, which are given in a shape only slightly differing in the annual administrative accounts, be made to serve the purpose by one compilation ?

(2) Accounts of individual works for India Office. These appear to be superfluous.

53. *Exchange accounts.*—A question is now under discussion whether the present system of dealing with exchange accounts cannot be simplified.

54. *Head-quarters' transactions.*—One direction in which the work at the head-quarters of the Madras Government might, it is thought, be greatly improved is to make the examiner the paying officer for the salaries of all head-quarters' establishments, and place the adjustment of all transfers between funds which do not affect individual divisions upon him. This procedure has been recommended for general adoption by the Public Works Accounts Committee.

Correspondence and records.

55. The details of the work done will be found exhibited in Appendix F.

56. The examiner is reducing routine greatly by his system of set letters and printed (or cyclostyled) copies thereof.

Code Branch

57. Details of the work done will be found in Appendix G.

58. I am unable to make any recommendation about the work in this branch. The attention of the Madras Government might be invited to the cost of the code work. With printing and stationery added it must be very considerable.

General Remarks.

59. *Gazetted officers.*—The present staff is certainly the smallest in numbers the office can be worked with, seeing one officer must be constantly absent on inspection. In fact, I think another gazetted officer in place of the present senior accountant would be an advantage.

60. *Test audit.*—One audit clerk (if not two) is required to accompany the officer engaged on inspections.

R. G. MACDONALD,
Dy. Accountant General,
P. W. Dept. on Special Duty.

Simla,
The 17th July 1889.

Appendix A.

Extract paras. 6 to 17 and 21 from a note on the Office of the Examiner of Public Works Accounts, Punjab.

Para. 6. I venture to think that a great reduction in the cost of the office is possible—*1stly*, by reduction of work; *2ndly*, by the adoption of methods of working tending to shorten labour; *3rdly*, by close attention to work in office hours, and, *4thly*, by the employment of a cheaper agency than the present. * * *

Scale.		Rs.	Rs.
4th grade	... ...	80 to 150	
3rd ,,	... ...	160 to 240	
2nd ,,	... ...	250 to 340	
1st ,,	... ...	350 to 450	
with special increments up to		... ...	550
	Annual increments.		Rs.
4th grade	... ...		7
3rd ,,	... ...		10
2nd ,,	... ...		15
1st ,,	... ...		20

7. * * * * *

* I beg to record the conclusions I have arrived at on the general subject of the cost of the subordinate agency employed in examiners' offices. I venture to think that the grading of accountants on the present scale* and with increments has resulted in a charge to Government far in excess of that for which it would now be possible to perform the duties efficiently.

8. This shows itself very markedly in the account audit sections of this examiner's office. Here there are seven accountants employed on salaries aggregating Rs. 1,832 *per mensem*; whereas one man on a salary of, say, Rs. 300 *per mensem*, with an assistant on half the pay, ought to be quite able to perform the subordinate supervision and check of audit clerks' work of the united branch. There is, also, one clerk on a salary of Rs. 155 in this part of the office.

		Rs.
1 Accountant, 1st grade	...	410
2 Accountants, 2nd ,, at 340	...	680
1 Accountant, 3rd ,,	...	240
1 ,, 3rd ,,	...	230
1 ,, 4th ,,	...	150
1 ,, 4th ,,	...	122
	Total	1,832

I imply no reflection on the officials holding these appointments, some of whom are accountants of marked ability; but I think they are now employed upon duties which can be quite as efficiently performed by men far less highly paid. In any action taken by Government on recommendations made here, it would of course be necessary to safeguard these men's personal interests.

9. The classes of subordinates required in an examiner's office are men fit to take charge of the branches and check in detail the work of the other members thereof; others to conduct responsible duties of audit and book-keeping; and these last frequently need assistants, as the best working unit is often two men. Correspondence and routine clerks are also required.

10. The heads of branches and the accountants of divisional offices should, I think, be classed as accountants; but they might be placed on a reduced and non-incremental scale.† The men employed under the Superintendents of branches might appropriately be called audit clerks, and they need not, except in a sufficient number to recruit the staff in divisional offices and the staff employed as heads of branches, be classed as accountants. The audit clerks' assistants might be called computers.

11. It must be recognized that the labour market has greatly changed within the last twenty years. The pressure for employment of the kind I am now referring to is great; and the men pressing are not generally unqualified for the duties.

12. Judging from what is paid to men on similar duties in other offices, no audit clerk or computer need, in my opinion, ever be paid anything in excess of Rs. 100 or Rs. 50 respectively. The ruling rates might be Rs. 50 to Rs. 80 and Rs. 25 to Rs. 40. These men, and routine and copying clerks, should, I think, be paid on the principle that a carpenter is paid, that is, within a limited range a smart man would receive a higher wage than a man of less capacity or intelligence; but no reward should be given for mere length of service.

13. Routine clerks, except one man in an office, who might rise as high as an audit clerk, need never be paid over Rs. 50; and for copyists the examiner might be allowed a lump sum for the year, and permitted to take on men when he had a press of work and discharge them when he required their services no longer.

14. The scale I would suggest for accountants is :—

Rs. 100	... ...	for 5th grade.
150	... ...	4th ,,
200	... ...	3rd ,,
250	... ...	2nd ,,
300	... ...	1st ,,

† The amounts of pay put down for accountants are meant to be *maxima*. Men of the different grades would usually begin on a sum considerably under the maximum, and be advanced gradually, but by no fixed sum for a fixed period, to the maximum.

with special increments up to Rs. 400, as now, to one man in a province or on a railway under the same conditions, as a first grade accountant can at present rise to Rs. 550. In the present state of the labour market this is, in my opinion, quite sufficient to ensure good men for divisional offices and for superintendents of branches in examiners' offices. As a rule, the men on Rs. 100 would be audit clerks, and the men on Rs. 150 would be divisional accountants.

15. I see no reason why the copyists, routine clerks, and most of the audit clerks and computers should be pensionable servants; but the accountants and a few of the audit clerks, from whom the staff of accountants would be recruited, should, I think, remain pensionable. These men would be employed mostly as accountants of divisions and superintendents of branches in the examiner's office, and there would be solid advantages to Government in having them welded together in a separate and pensionable service. This would give some hold upon them.

It would be desirable to inaugurate a provident fund for the non-pensionable men regularly employed from year to year; but this, and the details of the conditions of service, are questions outside of the scope of my present note.

16. I would have the same examination for entrance to the subordinate accounts establishment as at present; but would entirely localise the service to the province or railway on which the men were employed, and limit the examination for promotion to the grade of Rs. 200, to a test, of the severity now followed, in the accounts of the province or railway only. For audit clerks there should also be a similar test. For others, appropriate educational qualifications might be accepted.

17. A computer should be eligible for promotion by examination and selection, to audit clerk, and the latter to accountant on the same conditions. Accountants might be eligible for advancement, by selection, to the superior establishment.

* * * * * * * *

21. The processes of check can also be expedited, *e. g.*, when two statements have to be checked, the one with the other, two men should be employed on the operation, and discrepancies observed during the comparison should be simply marked by the clerk who holds the copy being ticked off, the tracing out of differences being taken up as an after operation. Other methods of shortening work can, and should, be adopted. I have been much impressed in the course of my inquiry by the amount of time wasted by adhering to old-fashioned processes of working. In time-sheets I have observed a job put down as taking a single highly-paid man half an hour, which two men on less than his salary could easily have done in less than five minutes.

8 200

20

Appendix B.

Set forms for letters.

Note by Major C. H. P. Christie, R. E., Examiner of Public Works Accounts, Madras.

OVER and above the obvious saving of writing and copying, the use of set forms has quite a number of advantages direct and indirect, thus—

i.—They save thinking by the drafter.

ii.—They save reading and correcting by superiors of all degrees.

iii.—They ensure the use of correct English.

iv.—They ensure all necessary code and other standing references being *correctly* quoted without any necessity for looking them up in the first instance or for veryfying them afterwards.

v.—They facilitate examination of fairs and afford a ready means of ensuring that each class of letter shall receive the amount and kind of examination that it requires. Examination is, or should be, directed to two points, (1) agreement of fair with rough, (2) the sense of the two. The former is a mechanical affair easily done by a pair of clerks on about Rs. 25 each; the latter—the seeing that sheer nonsense (such as is often copied) or even bad English is not allowed to issue—requires a considerably more intelligent, and more highly paid, agency. Practically set forms require only the former, and they can be made over to the inferior agency, leaving the superior to examine the remainder. When all letters are in manuscript, no such mechanical separation is possible. The examination of the set form letters is, moreover, limited to examination of the entries in the blank spaces.

vi.—They facilitate the issue registering: thus, if I report to the accountant general in set form of letter No. 216, the pay and allowances I propose to pass to Mr Jones, the issue register keeper need only enter (under subject of the letter) the form number (216) and the name (Mr. Jones), the former in a column kept expressly for the purpose. The exact particulars that he is to enter can be indicated on the draft form, so that the register keeper has not to think about it.

vii.—Conversely, the process of tracing this letter afterwards is facilitated. If the establishment branch wants to know when this letter was sent, they will ask the issue register keeper when the accountant general was written to in form 216 *re* Mr. Jones, and he (issue register keeper) will simply run his eye up the proper column, looking out for a 216 with "Mr. Jones" against it.

viii.—Similarly, by working the form No. into the serial numbering of the letter (*e.g*, numbering letter No. k in form n as $\frac{k}{n}$) so as to make the responding officer's reference quotation an index to the nature of the letter replied to, the particulars in the receipt register can be reduced (as regards replies to set form letters) to the form number of the letter replied to without anything more.

ix.—Similarly, by using the quotation reference as an index to the branch from which the draft issued, and in which the reply should be disposed of, the distribution of received letters direct to branches concerned may be facilitated.

x.—I also hope to be able, by similarly using the form number as indices, to be able to arrange for the easy distribution of all correspondence *from the outset* into two main classes—

(*a*) Correspondence having no permanent value,
(*b*) Correspondence having a permanent value or not being susceptible of classification otherwise,

to keep these two classes separate in the records, and the former classified in the records in such a way as to admit of periodical destruction after suitable periods according to the nature of the case, and so get over the difficulty arising from the ever-growing accumulation of matter of which nine-tenths or more is absolutely useless a year or less after date.

xi.—Last, but by no means least, these set forms afford a ready means of distinguishing the drafts which do, from those which do not, require the approval of the head of the office before issue. Set forms of drafts that may be passed by the "section officer," *i.e.* by the gazetted officer, other than the examiner, in superior charge of the branch or section concerned, are marked in printing or cyclostyle with an (S), and the copying section of the office will not receive for copying, without my initials, any letter not so marked or any letter so marked, but modified or added to otherwise than by the filling in of the blanks. This is a very difficult matter to deal with in any other way. In the first place it is most difficult to make any general rule on the subject; so much depends on the individual concerned; the head of the office may be willing to trust one subordinate a great deal further than another; then, to remember the rule is almost as difficult as to

make it, and there is no possible check over the abuse of the rule, accidental or otherwise; whereas, on the system explained above, there is an independent check, which is applied with ease and certainty. Of course, if, when the use of set forms of letters has been carried to the utmost possible extent, the balance of the manuscript letters is so great that the Examiner cannot, with due regard to other duties, consider and dispose of them all himself, then there is nothing for it but frame some rule or to rely on the discretion of subordinate officers; but the thing is made much simpler by the reduction of quantity; and my own opinion, based on experience already gained, is that, in such an office as this, the examiner should be able himself to consider and pass all drafts not definitely marked off, on the system explained above, as to be disposed of by a subordinate officer.

xii.—The advantages detailed above apply to such set forms as are intended for letters, properly so called. When the set form is for use as an objection statement, or disallowance list, or for enquiry and remarks in connection with some statement or returns examined, the set form has advantages i, ii, iii, iv, v and xi as above, and has the further advantage of being practically a manual for the guidance of the accountant or clerk concerned in the conduct of his examination, and also, if they like to use them, for those who have to use the returns and statements.

xiii.—In order to reap the full advantage,—I might almost say to reap any advantage from the use of set forms,—it is absolutely essential that each individual using them should have suitable means of keeping a small stock of them in such a way that he can in a moment lay his hands on the particular form that he requires, and be sure of finding it in a cleanly state and generally fit for use. If he has to keep them in a drawer, or to send to the stores or elsewhere when he wants a form, he will get on better with blank paper. In this office we use flat cabinets, about 20″ by 10″ high, and 14″ (foolscap length) deep, which hold from 30 to 40 forms, either two abreast or four abreast, according as they fold to foolscap or half foolscap size. For the cabinets used by the clerks of the copying section, the form number, and in other cabinets the titles of the forms, are written on the edges of the shelves.

Appendix C.

Account Audit Branch.

Heads of work.	Original work.	Subordinate check.	Total.
	Rs.	Rs.	Rs.
Audit of executive engineers' accounts	15,455	5,747	21,202
„ half-yearly stock and tools and plant returns	362	145	507
„ completion reports	656	1,256	1,912
„ transfer papers	95	...	95
„ estimates	452	322	774
„ of Telegraph accounts, Kurnool Canal	179	291	470
„ of Public Works Department Secretariat cash books ...	114	...	114
„ of Stores ledgers	129	...	129
Posting divisional books	332	284	616
Preparing statements	1,257	751	2,008
Compiling accounts of Madras State Railways	48	...	48
„ administrative accounts of workshops	9	4	13
Drafting	7,387	1,015	8,402
Noting and drafting routine orders	710	126	836
Disposing of inspection reports	1,100	102	1,202
Copying	706	...	706
Office economy (work done for the office itself)	500	...	500
Total ...	29,491	10,049	39,540
Abstract.			
Dealing with executive engineers' accounts	28,236	9,474	37,700
„ Telegragh accounts	179	291	470
„ Railway accounts	48	...	48
Budget and booking work	332	284	616
Correspondence and records	706	...	706
Total ...	29,491	10,049	39,540

Work done.

	Monthly.
Divisional accounts received and audited	34
Accounts compiled, sets	2
Completion reports disposed of	306
Transfer papers of executive engineers and divisional accountants ...	4
Abstract of estimates registered, checked, and filed	36
Returns of sanctioned estimates checked	36
Number of files maintained	34
Divisional registers booked and closed	36
Provincial objectionable items statements to Government prepared ...	3
Abstracts of ditto to A. G., P. W. D., do. ...	7
Extracts of ditto to ditto do. ...	3

	Monthly.
Progress reports of receipts and disposal of accounts to A. G., P. W. D., prepared	2
Progress reports to Local Government prepared	1
Statement of disallowances unremedied prepared	1
„ of workshop jobs undertaken without previous deposits prepared	1
Statement of European articles purchased locally without sanction prepared	1
Report of non-submission of certificate of check of accounts prepared	1
Check of outlay portion of applications for letters of credit ...	34
Statement of charges to be eliminated in calculating percentages of establishment and tools and plant prepared	1
Statement for preparing monthly list of transfers prepared ...	1
„ of state outlay on Guaranteed Railways establishment prepared	1
Transfer advices to executive engineers of items in exchange accounts	50
Transfers advices of payments made in England for London stores ...	2
Circulars and circular letters drafted	3
Notes and drafts put up and general numbers disposed of ...	1,200
Reminders disposed of	50
Transfer debit advices and acceptances disposed of	36
Copying divisional objectionable items statements for which copies are retained	30
Copying divisional objectionable items in which disposals are copied ...	30
„ „ items in which superintending engineer's and executive engineer's remarks are copied ...	30
Copying executive engineer's replies copied into audit notes ...	35
„ the final disposals on audit notes	35
„ the final remarks in transfer reports	4
Auditing and booking the accounts of Kurnool Canal telegraph line ...	1
„ and reporting on cash books of the Public Works Department Secretariat	2
Auditing store ledger in Store-keeper's office	1
Drafting routine orders	20
„ set forms of letters	5
	Quarterly.
Compiling statement of unpaid cheques	1
„ „ of unacknowledged transfers	34
Filling in outlay portion in statement comparing outlay with grants	2
	Half-yearly.
Auditing tools and plant returns	38
„ stock ditto.	19
	Yearly.
Compiling secondary series of annual accounts	2
„ statement of surveying and mathematical instruments by divisions	1
Compiling administration reports of workshops	2
Summarising and disposing of inspection reports	34
Miscellaneous statements filled up, for annual accounts	

Miscellaneous registers maintained.

	Numbers.
Register of completion reports	1
„ of impounded vouchers	1
Register of points noticed in inspection reports requiring executive engineer's explanation	1
Register of points noticed in inspection reports to be taken up separately	1
Register showing balance of executive engineers in treasuries compared with outlay	1
Register showing receipts and disposal of audit notes ...	1
„ „ „ of objectionable items statements	1
Registers showing receipts and disposal of accounts ...	1
„ „ „ of half-yearly returns ...	2
„ of vouchers outstanding from each division	1
„ of miscellaneous irregularities	34

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Appendix D.

Establishment Audit Branch.

Heads of work.	Original work.	Subordinate check.	Total.
	Rs.	Rs.	Rs.
Audit of salary bills	2,135	809	2,944
„ of travelling allowance bills	2,404	851	3,255
„ of contingent bills	337	281	618
Drafting and noting	3,474	720	4,194
Leave and service questions	402	360	762
Pension cases	304	424	728
Maintenance of miscellaneous registers	758	90	848
Checking income tax from works' establishments ...	58	32	90
Statements and returns	738	624	1,362
Noting orders and correcting codes	552	...	552
Recording papers	228	228	456
Copying	180	...	180
Registering sanctions, &c.	179	36	215
Office economy (work done for the office itself) ...	564	104	668
Total ...	12,313	4,559	16,872

Abstract.

	Direct charges.	Share of general items.	Total.
	Rs.	Rs.	Rs.
Salary bills	2,944	2,703	5,647
Travelling allowance bills	3,255	2,988	6,243
Contingent bills	618	567	1,185
Leave and service questions	762	700	1,462
Pension cases	728	669	1,397
Income tax on works establishment	90	...	90
Office economy	668	...	668
Correspondence and records	180	...	180
Total ...	9,245	7,627	16,872

	Rs.
Cost of auditing a salary bill	105
„ „ travelling allowance bill	116
„ „ contingent bill	22

Establishment Audit.

Work done.

	Monthly.
Salary bills—	
Salary bills audited	54
Salary bills and deduction sheets posted into registers	„
Noting sanctions and events in registers	84
Preparing and disposing of disallowance lists	141
Disposing of last pay certificates	6
Audit of compensation bills	52
Travelling allowance bills—	
Travelling allowance bills audited	54
Noting sanctions, &c.	15
Preparing and disposing of disallowance list	121
Work establishment bills	10

	Monthly.
Contingent bills—	
Contingent bills audited	54
Noting sanctions, &c., ...	22
Preparing and disposing of disallowance lists	57
Leave and service work—	
Posting leave and service registers	128
Disposing of leave applications...	15
Maintaining service books	142
Audit of claims to pension—	
Verification of services and disposal of applications	5
Disposal of references	22
Returns.	
Fortnighty—	
Report of changes in the personnel of the engineer and upper subordinate establishment	1
Monthly—	
List of fund subscriptions	5
Quarterly—	
Return of officers on leave whose allowances are not chargeable wholly to Indian revenues.	
Return of pension applications received and disposed of ...	4
Gradation list—	
Return of Royal Engineer officers struck off the Indian establishment.	
Annual—	
Return of officers who have attained the age of 55.	
Ditto ditto ditto 50.	
Detailed statement of establishment.	
Efficiency report on accountants.	
Statement of Europeans and Eurasians.	
Jury list.	
Establishment budget estimate tables.	
Promotion rolls.	
Statement of establishment on 1st January.	
History of services.	
Miscellaneous—	
Posting registers of security bonds and Government promissory notes.	
„ of attachments of salaries.	
„ of important documents and title-deeds.	
„ of mortgage bonds by members of Public Works Department for advances for building purposes.	
Keeping up office cash book.	
Check of statement of securities.	
Correcting codes and books for reference.	
Check of income tax schedules of works establishment. ...	25
	Half-yearly.
Correction of classified list	1
List of persons employed for municipality	2
	Weekly.
Checking and numbering notifications for the gazette.	

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Appendix E.

Budget and Booking Branch.

Heads of work.	Original work.	Subordinate check.	Total.
	Rs.	Rs.	Rs.
Posting budget registers	240	148	388
Compiling form D returns	776	328	1,104
Audit of appropriations	340	487	827
„ estimates	402	340	742
Posting general books	935	340	1,275
„ sub-registers	916	148	1,064
Dealing with completion reports	362	1,143	1,505
Compiling monthly accounts	205	222	427
„ annual accounts	495	259	754
„ returns and statements	1,253	457	1,710
Exchange accounts	2,333	571	2,904
Drafting	3,304	148	3,452
Total ...	11,561	4,591	16,152
Add—from Appendix C	332	284	616
Total ...	11,893	4,875	16,768

Work done.

Registers.

	Nos.
Budget—	
Budget registers, with abstracts	14
Register of liabilities for form D	1
Booking—	
Provincial registers	3
Sub-registers, with abstracts	28
Registers of Provincial transfers	2
„ of London account stores	1
„ of credits to expenditure in England	1
„ of family allotments	1
„ of recoveries of advances in England	1
„ of state expenditure on Guaranteed Railways	1
„ of divisional transfers (unacknowledged items)	1
Provincial annual summary	1
Examiner's adjustment books	4
Examiner's divisional registers	2
Miscellaneous irrigation registers	13
Exchange account registers	19
Monthly—	Sets.
Accounts current, with schedule	5
Exchange and central adjusting accounts	5
Provincial forms D	4
Incorporated local fund receipts and expenditure	2
Port fund statement	1
Appropriation returns, with statement of unauthorized appropriations...	4
General application for letters of credit	2
Monthly account of state outlay on Guaranteed Railways to Consulting Engineer	1

	Sets.
Statement of approximate receipts and expenditure under provincial and local funds, to Secretary, Public Works Department ...	1
Statement of civil engineers' provident fund, to Comptroller General ...	2
Monthly lists of transfers	12
Letters of credit	34
	Monthly.
Scrutiny of statement of re-allotments from Superintending Engineers	6
,, of lists of local funds estimate	6
,, of completion reports	300
Compiling lists of works for which completion reports are due	35
Quarterly—	
Statement of deferred college fees and expenditure under all financial heads	4
List of works for which completion reports have not been received	8
Half-yearly—	
Classified statements of capital expenditure on state railways	2
Comparative statements of grants and outlay by divisions	2
Return of capital expenditure on productive public works	2
Annual—	Sets.
Accounts currents, with schedules	6
Finance accounts, with schedules	7
Incorporated local funds, receipts and expenditure	1
Provincial receipts and expenditure	1
Form A, with schedules	3
Six months' estimates	3
Revised and budget estimates	3
Annual statements of provincial transfers	1
Statements of expenditure to other departments	7
Irrigation administrative accounts	16
Accounts of individual productive public works	9
Statement of financial results of irrigation works	1
Progress report on capital expenditure not charged to revenue	9
Statement of works on which continuous record of expenditure is kept, 61 groups	1
Statement of savings and excesses on completed works, 15 irrigation systems	1
Statistical statements of irrigation systems, to Chief Engineer	1

Appendix F.

Correspondence and Record Branch.

Heads of work.	Original work.	Subordinate check.	Total.
	Rs.	Rs.	Rs.
Registering receipts	587	20	607
,, issues	493	62	555
Copying	2,939	596	3,535
Putting away papers and accounts	44	...	44
Custody of records	336	776	1,112
Sorting and destroying old records	350	25	375
Giving references	1,162	96	1,258
Despatching papers	401	38	439
Stationery and forms	943	301	1,244
Office economy (work done for the office itself)	763	121	884
Drafting	232	215	447
Total	8,250	2,250	10,500
Add—From Abstract C	706	...	706
Ditto D	180	...	180
Ditto G	194	...	194
Total ...	9,330	2,250	11,580

Correspondence and Record Branch.

Work done.

	1888.
Registering letters, &c., inwards, *viz.*—	
A.—Letters	11,892
B.—Periodical returns and occasional statements registered precisely like letters	5,844
C.—Periodical returns entered in detail in a register and transferred to business branches	19,284
Total receipts ...	37,020
Issues—	
Letters	9,636
Statements	1,176
Total issues ...	10,812
Invoices for forms, standing orders, &c., issued	984
Forms, standing orders, &c., prepared and passed through press ...	360
Indents complied with	528
Cyclostyling—	
Original copies of set forms, routine orders, &c.	552
Copies of the above struck off	44,664

Examination of old records with a view to destroying some and re-arranging the remainder.

EXAMINER
No. 1017
1 OCT 1889
ENCLOSURES
P. W. ACCOUNTS.

Appendix G.

Code Branch.

Heads of work.	Original work.	Subordinate check.	Total.
	Rs.	Rs.	Rs.
Drafting and revising standing orders ...	1,740	432	2,172
Revising forms	641	240	881
„ code index	289	...	289
Correcting codes and filling standing orders ...	20	...	20
„ proofs of standing orders and forms...	175	245	420
Despatching standing orders	30	...	30
Drafting	831	204	1,035
Registering letters	45	...	45
Giving references	18	...	18
Copying	194	...	194
Office economy	116	...	116
TOTAL ...	4,099	1,121	5,220
ABSTRACT.			
Code branch	3,905	1,121	5,026
Correspondence and records	194	...	194
TOTAL ...	4,099	1,121	5,220

CODE BRANCH.

Work done.

	No.
Drafting and revising standing orders	576
Drawing up and revising forms	468
Examining proofs, standing orders and forms to the code and book of forms, and working forms requiring reprint ...	1,984
Putting up code notes on standing orders, forms, &c. ...	624
„ notes and drafts (correspondence)	1,116
Registering cases and noting disposals in register	444
Posting and filing standing orders in codes and book of forms...	2,172
Receiving and transmitting standing orders received and sent out of the branch	3,600
Routine orders arranged for press, index and proof examined ...	3,288
Revising code index.	
Copying.	

G. G. Press, Simla.—No. 413 P. W. D.—A. G.—2-9-89.—50.

[C. No. 8.]

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GOVT. OF MADRAS. } 1890 188 . { P. W. DEPT.

EXAMINER, P. W. ACCOUNTS.

Madras, 15th January 1890 188.

OFFICE NOTE No. 183.

To

ACCT. TO GOVERNMENT
16 JAN. 90
P. W. DEPARTMENT, MADRAS.

W.

I have delayed replying to your office note No.4570 C.dated 30th.September 1889 in the hope that I might be able to put forward some definite proposal with reference to para 21 of Mr. Macdonald's report,in which he suggests that I should be asked to classify the duties to be performed in my office,and to classify the staff with reference to the duties,and to submit fresh proposals for establishment; but I am afraid it time must be some yet before I can do any - thing of this sort to any real purpose.

2. I am quite at one with Mr. Macdonald as to the possibility of a large reduction of the cost of my of - fice,and I have very little doubt that the proposals which I shall,in due course, be able to make,will result in an even- tual economy which,if it does not ex - ceed,will at any rate not fall short of, that suggested in para 2 of the re - port by a reference to similar proposal

KEEP-WITH Genl. No.

dated 188 .

2,000-9-10-88.

of Mr.Macdonald for other offices.In fact,as will be seen further on (paras 15 and 18),I have already taken steps towards a considerable reduction in the immediate future,and as will be seen from the accompanying memorandum (dealing categorically with Mr.Macdonald's remarks),I am prepared to undertake to reduce the cost of subordinate establishment eventually by at least 38 per cent, if only I may be allowed a tolerably free hand in the re-organization of the office,and in the planning of the scheme of work; and I need hardly say that I would not undertake to do this,if I did not feel pretty confident of being able to go a good deal further. But a little consideration of the means by which this economy must be effected will I think show how useless it would be to attempt at present any accurate estimate of the extent of the economy,or to attempt to frame in detail any scale of future establishments.

3. It is not,I think,alleged — not now at any rate — that the office is overmanned,with reference to the work to be done,and to the system of working which has hitherto obtained in this as well as in other Examiners' offices. Whatever may have been said or suggested to the contrary a year or more ago,Mr.Macdonald's report makes it quite clear,I think,that the Madras office is not more costly than other similar offices;and in the separate

memorandum already referred to as accompanying this office note,I have shown that Mr.Macdonald's comparison does not by any means do justice to the Madras office,and that it is really very much cheaper than any of the others with which it has been compared. It is now, I think,admitted that such reduction of cost as may be possible must be obtained by the following means namely :-

(1) by a radical alteration of the system of work,so as, by sub division and specialization,to give to each clerk or to each section of two or more clerks,either some one kind of work,or at most two or three kinds,the doing of which can then be greatly simplified and facilitated,and made almost entirely mechanical by the use of special instructions,set forms of letters, and stereotyped objections,

(2) by the abolition of unnecessary work,partly as a consequence of modification of requirements in respect of divisional accounts,and partly independent of such modifications,and

(3) by a revision of the scale of salaries with reference to (a) the lower rates at which (as compared with former times) the services of suitably educated men can be obtained,and to (b) the mechanical or semi-mechanical character of most of the work as a consequence of (1).

4. Now specialization of work, as I understand it, is not a thing that can be introduced in a month or two. Even if it were possible on a single review of the work of the office to settle offhand all the details of the future sub-division and distribution of work, it would be quite impossible to introduce the change suddenly throughout the office. The only result of such an attempt would be unutterable confusion, and a practical stoppage of all work. But, in the first place, it is not possible to lay out the whole scheme of work at once. And, in the second place, when and where a certain modicum of sub-division and distribution seems to be possible and desirable, each little piece of change has to be made very cautiously, and the working of the new system has to be very carefully watched.

5. Take for instance the account audit branch as that in which sub divisions of work can probably be extended in the greatest degree and with the most advantage. A list of the work done in this branch is given in appendix C of Mr. Macdonald's note. This list, which is in considerable detail, shows all account audit work connected with the accounts of a single division, the whole of which, according to the present system, is done by an accountant and his assistant or sometimes two assistants this combination of two men being the working unit on the present system,

each such unit having to do the whole of the accounts audit of three or four or more divisions. On the system which, as I understand the matter, it is desired to introduce — the system at any rate that I am introducing in my own office — this work has to be divided off into convenient sub-divisions in such a way that either one man, or a small section of the office (say two or three men) may do the whole of one (or perhaps two or three) sub-divisions of work in respect of all the 34 or more divisions of the Presidency. With a view to this, it is necessary to consider the work in very much greater detail than is shown even in the list referred to above. Work shown in one line in this list may comprise a whole series of more or less independent operations. The possibility of detaching each of these operations, either singly or in suitable sections, from the main body, and making it over to a separate section of the office, has to be considered; and then it is necessary to consider in respect of each such detachable section, what forms will be required to enable those who will have to do the detached work to do it methodically and systematically, and with a minimum of trouble and friction in respect of the inevitable points of contact with other sections; for it is essential to remember that no one section of the work can be absolutely isolated from, and made

completely independent of, all others. Every section has either to get certain information, from or to give it to, probably two or three other sections, and unless provision is made for doing this methodically, the chances are that the time wasted by clerks in running about the office, interrupting themselves and interrupting others, in order to get the required information, will be greater than the time saved by sub-division and specialization of work. Thus each step in the detachment of work involves not only a very considerable amount of preliminary trouble, but also careful subsequent watching and the revision and supplementing of instructions already given and of forms already provided. Moreover almost every step involves the introduction of several new forms, some of which it probably becomes necessary to modify after a short experience. Some of these forms can be conveniently cyclostyled, but often they are of a kind that can hardly be legibly reproduced by this means, and then a supply must be printed before any - thing can be done. The sanction recently given by Government for printing such special forms at the Lawrence Asylum Press will enormously reduce the delays due to this cause; but even under the most favorable circumstances the necessity of getting a form printed before advancing a step is a serious hindrance to progress. It follows that very little indeed can be done in one month.

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At first at any rate I cannot even count on starting one new separately working section (or individual) in each month. With the accounts for September, I started a separate section for the preliminary examination of accounts (comparison of documents sent with lists of documents purporting to be sent etc.) and for the examination and check of vouchers and I had hoped that with October's accounts I should have been able to start another section for the arithmetical check of schedules and accounts current, and for the cross check of one with the other, but unexpected difficulties have obliged me to put it off to November's accounts: And, in all probability, in consequence of the interruption of the Christmas holidays, I shall not be able to make any further progress until January's accounts come to be dealt with.

8. So far then as the eventual reduction of establishments depends on specialization of work, the case is this, that at this moment I am quite unable to say either how far such specialization can be carried, or how long it will take to make the change. I can only promise to get on as quickly as possible.

7. As regards reduction of work (see para 3(2) above), it must be obvious that so far as it depends on modification of the system of divisional accounts, it is quite impossible to form any reliable estimate of their

quantitative effect until they have been brought into force, and that it is still less possible to do so at the present moment when the changes to be made have not even been settled, and the more so because though some of the proposed changes will certainly reduce work if adopted, others will as certainly increase work, as far as Examiners' offices are concerned.

5. Mr.Macdonald has indeed attempted, in paras 23 to 27 of his note to estimate the extent of reduction of work; but whilst fully endorsing, as I have already said, his views as to the possibilities of ultimate reduction, I have no hesitation in saying that his estimate is utterly valueless as a basis for proposals for revision of establishment. He starts with the assumption that certain operations, which by the bye do not by any means exhaust the work to be done in connection with the audit of divisional accounts, take on an average IO½ man-days per division; this assumption is said to be based on statements of the men engaged on the work as to the time that the different parts of it occupy them, on an average; but it would have been more correct to have said that it is based on mere guesses by these men. I know how these statements were prepared, and I am quite sure that they do not deserve to be called anything more than guesses; indeed on the present system of working,

it is almost impossible to get even approximately at the time taken by any operation, and therefore at the cost of doing it; and, in my opinion, this is by no means the least of the evil consequences of the present system. Mr.Macdonald then starts with an assumption of IO½ days, based as I maintain on mere guesses, and proceeds, by another series of guesses, to cut this IO½ down to 5; and then, finally, by what is, I think, the wildest guess of all, which indeed does not even profess to be anything but a guess, he cuts these 5 days down to 3 days. The estimates in Mr.Macdonald's para 26 are unquestionably little more than guesses, and it is impossible to say positively whether they exaggerate the probable reduction of work or understate it; but after careful consideration, I am decidedly of opinion that, whilst they make no allowance whatever for the increase of work, which will result in some cases, they exaggerate the reduction in those cases in which reduction is admittedly probable; and as regards his para 27, however flattering may be Mr.Macdonald's appreciation of my efforts in the direction of specialization of work and reduction of processes to routine, I must say that I do not myself anticipate from them anything like an all round reduction of 40 per cent in time (i.e. man-days). Here and there it may be possible to get a saving of 40 per cent, but on the whole I should

be very well pleased if I could get a saving of IO per cent(of time) by the means in question,my own opinion being that the economy to be secured by such means will be the result,not so much of a reduction of time (man-days),as of a reduction of salaries to be paid for work made more mechanical.

9. Let it be understood,however, that I am quite at one with Mr.Macdonald as to the possibility of large eventual economies,and that I only object to being asked to frame detailed proposals for future establishment on the basis of what I take to be mere guesses founded, so far as they have any solid foundation at all,on proposals for changes which are still under discussion.

IO. As regards possible reduction of work independently of changes in the system and details of divisional accounts,I may point out that it depends primarily on the direct requirements of the Accountant General and other authorities in respect of returns and accounts to be submitted,and secondarily on the extent to which the Government of India and the Accountant General may be willing to leave to Examiners the responsibility for determining the books to be kept in their own offices, and the other necessary means for complying with the requirements of such authorities. I am very decidedly of opinion that there is room for great

simplification and reduction of work in this respect;but,for reasons given more fully later on (see para I8),I believe it is hopeless to expect any satisfactory results,as long as the attempt is made to settle the details of the Examiner's books from the Accountant General's office; and I would therefore beg to be excused from offering any remarks regarding specific changes,pending settlement of the question,raised further on,whether the responsibility for these matters cannot be left to Examiners.

II. As regards reduction of scale of salaries (see para 3(3) above), I agree generally with the views expressed by Mr.Macdonald in his note on the Punjab Examiner's office; and I may add that I have never intended to say,and that to the best of my belief I never have said,anything at all inconsistent with this. When the question of the establishment of my office was under discussion a year or more ago,the allegation was that the staff was numerically excessive. Not the slightest hint was given that the scale fixed for accountants— fixed by the Government of India — whether as to salaries of grades,or as to numbers in each grade, might be treated as an open question,or that the provincialization of such establishments was an open question : I therefore had then to deal with the matter on the supposition that the pay of,and the numbers in,the four higher grades

of accountants were already fixed for me, and that the accountants in these grades formed one imperial body of accountants, just as they are shown in the Government of India classified lists. Whatever I said was governed by these conditions; and whatever I said about insufficiency of the pay of accountants referred to the insufficiency of the pay of the lowest grades of accountants

12. Apparently the conditions under which the question is now to be approached, are quite altered. The proposal now is that the establishments of accountants shall be provincial, just as the establishment of clerks is (see para 16 of Mr. Macdonald's appendix A, note on Punjab office); and this, in my opinion, is the proper plan, at any rate as regards the larger provinces, as the establishments will then be quite large enough, whilst the service will be more popular, and to that extent more economical. Also the grading and the pay of grades being now an open question, I consider that, for this Presidency, the scale suggested in para 14 of Mr. Macdonald's appendix A(note on the Punjab office) is more than sufficiently liberal to secure the services of men competent to discharge the duties that will be required of them.

13. I am however disposed to think that it is neither necessary nor desirable to have as many as five grades of accountants. I have already explained

that I am not yet in a position to give in detail the eventual distribution of work, and to classify the necessary establishment in detail accordingly; but at present I am very decidedly of opinion that, if only I may be allowed a tolerably free hand in the matter, it will be possible to sub-divide and specialize and systematize the work of the office, in such a way that, putting aside superintendents and assistant superintendents of branches, there will not be any work at all which cannot be made so mechanical or so simple that it will be necessary to pay the man who does it more than 60 or 70 rupees a month. My impression — I may almost say my conviction — is that there will not be any necessity, in the central office, for any accountants except as superintendents and assistant superintendents of branches, and on this supposition I should be disposed to have only three grades of accountants, thus

1st. Grade.....Rs. 200 to 300

2nd. Grade.....Rs. 140 to 180

3rd. Grade.....Rs. 70 to 110

This grading is based on a consideration of the classes of posts to be filled by the graded men. These, I think, will be three, namely divisional accountants, and assistant superintendents and superintendents of the central office. The divisional accountants would be taken from the 3rd. grade, the numbers in

which would be determined accordingly; assistant superintendents in the central office would be taken from the 2nd. grade, and the Ist. grade would supply superintendents of branches. Two or three well paid clerks will be required for the correspondence branch, including probably one, ranking and paid as a superintendent, for the general supervision of the branch, the charge of which with the printing and supply of all departmental forms is one of the hardest worked posts in the office. The rest of the establishment, besides of course a certain number of menials, would consist of clerks on salaries of from Rs.I5 to Rs.80, or at the outside mensem Rs.70 per, engaged in the mechanical and semi-mechanical operations of audit and as copyists. It will probably be necessary to allow for small local allowances of divisional accountants in two or three special divisions, e.g. any division located in Madras, or such a division as No.I Periyar, but otherwise I do not propose to have any local allowances; and bearing in mind that the 3rd. grade would consist of divisional accountants only, and the 2nd. grade of central office accountants only, the difference between the maximum proposed for one grade and the minimum for the other is not more than sufficient to compensate for the admittedly greater expense of living in Madras; but in view of the fact that, apart from expense,

service in Madras, is far more popular than service in the mofussil, I think the difference is quite sufficient.

I4. It might perhaps be possible to make even now a very fair estimate of the number required in the higher grades, whether of accountants or clerks, but I could not attempt at present to estimate the number required in the lower grades. I have at present only a very vague and general idea of the way in which the work of the office can be sub-divided and distributed, and even when any kind of work has been detached and specialized, it takes some months to find out how much of it a given number of men can do in a given time, or how many men are required to do a given quantity in a given time. It is not until the work actually <u>has</u> been detached, and then only by experience — by carefully watching the actual working — that it is possible to discover all the many little ways in which this work can be facilitated, and made more or less mechanical; and it is only as a result of practice, and of the familiarity which comes with practice, that the full advantage can be got from specialization i.e. from keeping one man to one thing, or at any rate to a few things.

I5. But though I am obliged to ask, and to ask most earnestly, that I may not now be pressed to submit definite proposals for a revision of the

scale of establishment, I would not have it supposed, that I am doing nothing towards immediate reduction of establishments. I have given notice to two accountants and one clerk that in consequence of reduction of establishment their services will not be required after the end of February, and I am taking steps to retire a third accountant on the ground of physical incapacity; and if I cannot immediately do more than this, it is because I have one accountant now under suspension, and because, at the instance of the Accountant General, I have undertaken to make another accountant available for transfer to another presidency, if his services should be required. This means altogether a possible reduction, in the immediate future, of five accountants and one clerk on salaries and allowances aggregating about Rs.1100 a month. Moreover I now am, and for some months shall be, obliged to employ two accountants almost exclusively in assisting me in working out the details of instructions and forms in connection with the revision of the system of working. As far as account work is concerned, these two men are practically supernumeraries.

16. Also in March last I gave notice that any promotions made after the end of that month would be subject to revision in the event of any re-organization of establishment, and that any recommendation that I may hereafter have to make regarding personal allowances

will, as far as I am concerned, be based on salaries and alowances drawn on the 31st. March 1889. Unless Government should wish me to suspend all promotions and increments, I do not think anything more can be done in this direction. The establishment will be carefully watched, and reductions will be made from time to time as they become feasible and therefore the steps already taken in respect of promotions are, I think, sufficient to ensure that delay in framing a definite scale of future establishment shall make no appreciable difference from the financial point of view.

17. But if it is not at present possible to frame a complete scheme for the Examiner's office, it is possible & in my opinion it is very desirable to settle the establishment of divisional accountants. I have no desire, and I do not think it is necessary to argue any further the question referred to in para 21 of Mr. Macdonald's note, the question whether the establishment of my office can be satisfactorily dealt with quite apart from the establishment for divisional offices. I am content to put it that the one cannot at present be satisfactorily dealt with at all, whereas the other can probably be settled very easily: also that the two are, to say the least of it, very intimately connected, because in future, as explained in para 18, the divisional posts will probably be the only ones available for

men of intermediate grades, and it would be very difficult to organize the establishment of a large office satisfactorily with no posts between Rs.60 or 70 and Rs.180; also that the specialization of work in the central office has a very direct bearing on the recruitment of the divisional staff, because, however poor a school for divisional accountants the central office may be now, it will in future be even less useful in this respect; and because when the work of the central office is thoroughly specialized and sub-divided it will be even more inconvenient, if not impossible, than it is now to be continually upsetting the office in order to supply vacancies in divisional offices: it will in fact be absolutely necessary to have a proper system of training divisional accountants, and a supply of men, outside the central office, ready to fill vacancies when required. As however Government may find it convenient to deal separately with the question of divisional accounts establishments, I shall embody my remarks on this head in a separate memorandum to be submitted with this office note. My proposals as there explained, are based on the supposition that the Government of India will not be disposed to insist on making the accountant the head of the divisional office, and I venture to hope that Government will see fit to move the Government of India to reconsider its decision on this point.

18. I return now to the question referred to in para 10, the question of the way in which the details of the working of the office should be settled, I have said several times, I think, and I say again that, whether by elimination of useless books and redundant processes, or by specialization and systematization of work, there is room for great economy, but I am firmly convinced that if the thing is to be done properly, it must be done entirely on the spot, and not by dictation from the Accountant General. I do not at all mean that the Accountant General should exercise no control over the working of an branch office; but I contend that, if the object is to get a really efficient system of working, the Examiner should be held primarily responsible for introducing the books and processes necessary to enable him to comply with the requirements of other authorities in the matters of audit and submission of accounts and returns; and that the Accountant General's control should be exercised by way of after-criticism rather than of initiation.

19. I submit in the first place that it is absolutely impossible for anybody, and least of all for a distant authority quite out of touch with the work concerned, to settle finally in all its details the method of doing, and to provide the forms necessary for doing, any single piece of work. If I have to

systematize any section of the work of my office, before attempting to lay down instructions and draw up forms, I discuss the matter probably for weeks with those who are in daily contact with the work in question, but I nearly always have to modify forms and instructions in the light of actual working expe - rience. If the Government of India or the Accountant General prescribes a form or a procedure, it is final; it has to be adopted and adhered to. Of course it will be said that any omissions and defects can be pointed out and remedied under proper authority; but everybody knows that this is hardly ever done, and the explanation is that the trouble is altogether excessive. Few things are more difficult than to discuss in correspondence the details of a form or procedure. Moreover what is wanted is the power of instant correction either on the first discovery of a defect, or on the first convenient occasion; and not the power of correction once only, but of repeated correction if necessary. Every new form and procedure requires careful watching, and probably for some time after its introduction repeated modification of little details, if not of more serious matters.

20. Again in every province there are local peculiarities which make it a physical impossibility that a cast-iron system prescribed by a single central authority shall be economically

suitable for all. An Examiner has to deal not only with the Accountant General, but with a number of local authorities, such as the local Government, the Board of Revenue, the Chief Engineers & Superintending Engineers, the provincial Accountant General, and so on, each of whom may, and probably does, want information furnished in some detail, or according to some classification, differing in some way or other from the de - tail or classification required elsewhere. The Accountant General prescribes some set of books or registers which are perhaps admirable as a means of complying with his own requirements, but which take no account of the requirements of local authorities; or which fulfil admirably the requirements of the local authorities in some provinces from which the books have been taken, but fail to meet the local requirements of another province; and the result probably is that the whole thing has been done twice over in slightly different ways, once to meet the requirements of the Accountant General, and again to meet local requirements. Probably budget registers are the most conspicuous examples of opportunities for this sort of waste of labour, but it is not by any means confined to this. Every inspecting officer of the Accountant General's office must know that in every Examiner's office numbers of books are kept, and necessarily kept, over and above those pre - scribed in the codes or by the Accountant

General.

21. I submit that if the Government of India and the Accountant General want to prescribe the details of the working of an Examiner's office they should do it thoroughly and completely, leaving nothing unprovided for; and if they cannot do this — and it is quite impossible that they should do it — it would be very much better not to attempt it at all, because the result is almost certain to be either inefficiency through incompleteness or extravagance through repetition. The fact that the Accountant General is supposed to settle what is to be done in an Examiner's office, not only makes it difficult in many cases to fit in the necessary additional processes without waste of labour, but it weakens the Examiner's sense of responsibility and prevents him from attempting to supplement the prescribed books and procedure even in the most necessary directions, with the result that when supplementary books & processes are required their introduction is practically left to the men who do the work and who very seldom indeed have any sufficient notions of system and method. I submit that it would be very much better to make the Examiner responsible for keeping up an efficient system as regards every single detail of his work, and to exercise the necessary control — for undoubtedly some control must be exercised by the Accountant General — by way of suggestion and criticism, for which ample opportunities are afforded by the periodical inspections of the Dy Accountant General. At the same time as far as may be necessary and desirable the Accountant General might keep each Examiner informed of what is being done by other Examiners.

22. I do not mean that the Accountant General should absolutely confine himself to suggestion and criticism, for of course in the last resort he must have the power of enforcing his own views as against those of the Examiner, or, if supported by the Government of India, as against those of the local Government; but I submit that he should never prescribe and insist upon the adoption of any particular procedure until he has had an opportunity of considering the efficiency and economy of any alternative procedure that may probably for good reasons be preferred locally. If there is any particular thing that he wants done, I would say by all means let him show how he would propose to do it, and let him circulate his views to Examiners; but in so doing, let him state plainly what his object is, and what is the essence of his proposals, and then — subject to subsequent review — let him leave each Examiner to provide in his own way, according to local convenience, for doing the essential thing.

23. I am firmly convinced that it

is only by proceeding on the lines here indicated that we are likely to arrive at a really efficient and really economical system of working, and by way of summing up, I may say that I base my opinion briefly on the following considerations:-

(a) I believe that in the multitude of of counsellors there is wisdom: I am sure that if you want to find out the best way of doing a thing, the more ways you try the more likely you are to succeed:

(b) I believe in responsibility; that is, that responsibility for results is the surest inducement to the discovery of the most efficacious means of attaining the results desired.

(c) I look upon actual contact with work, and complete familiarity with its details and also with local circumstances, as absolutely essential for the proper devising of details of procedure:

(d) I look upon the practical finality, which, for various reasons, attaches to any procedure prescribed by the central authority, as fatal to efficiency; the secret of efficiency in such matters being constant attention to details and prompt modification of them when necessary: and lastly,

(e) Whilst attaching full value to uniformity, I submit that it is a great mistake to confound it with, or subordinate it to, system: The essential

thing is that there should be system; but you may have system without absolute uniformity, and system is much more important than uniformity: moreover, on such a plan of proceeding as I have ventured to suggest, the comparison of different systems would surely lead to the gradual adoption in each province of that which is best in the systems of other provinces, and the eventual result would be such uniformity, and so much of it, as is really desirable,-- a rational uniformity resulting from the survival of the fittest, or at any rate from the elimination of inferior variations, instead of an irrational uniformity, the result of nothing but a desire for uniformity either for its own sake or because it is mistaken for system.

24. I have a firm conviction that, even as a permanent arrangement, the plan suggested above is, the best one, at any rate as regards the larger provinces but I venture to think that it is the only one really possible just now, when the whole of the forms and procedure not only of the Examiner's office but of divisional offices are, so to speak, in the melting pot. When it is merely a question of introducing, or modifying, a stray bit of procedure here and there, it may be possible for the Accountant General to discuss the matter profitably in correspondence with Examiners before prescribing anything, or for Examiners to suggest modifications if

necessary before adopting any prescribed procedure; but I submit that this is physically impossible when it is a question of overhauling the system of work in every detail, concurrently with a thorough revision and change of the divisional accounts procedure.

25. In conclusion I may sum up my proposals as follows:-

(a) Defer for the present any attempt to frame a detailed scale of establishment for the central office; leaving the Examiner to make reductions from time to time as they become feasible, in consequence of reduction and systematization of work, or in any other way.

(b) Ask the Government of India to leave the Examiner, to settle the details of the system of working in his office, including the complete settlement of what books, registers etc. are necessary to be kept therein, subject to efficient fulfilment of the requirements of the Accountant General, and other authorities, in the matter of audit and of accounts and returns to be submitted to such authorities:

(c) Ask the Government of India to leave it to the local Government to settle the position of the accountants of divisional offices;

and if this is allowed leave the present order undisturbed, confining the accountant to duties of account, and defining those duties as clearly as possible:

(d) Sanction the immediate introduction of assistant divisional accountants in the manner proposed, as a body from which divisional accountants may be recruited:

(e) Sanction the gradual revision of the establishment of divisional accountants on the scale proposed.

28. Two separate memoranda accompany this office note : one dealing with the establishment and recruitment of divisional accountants, and the other dealing categorically with the remarks in Mr. Macdonald's note, so far as seems necessary, and so far as they could not be satisfactorily or logically dealt with in the course of this office note.

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Accompaniment to office note No.I86 dated I5th.January I890.

Categorical remarks on Mr.Macdonald's note on reduction of work in the office of the Examiner P.W.Accounts Madras.

I. Paras I to 8. In these paras Mr.Macdonald compares the cost of the Madras office with the cost of similar offices in other provinces, and admits that the Madras office compares favorably with other offices. According to Mr.Macdonald the cost per executive division for subordinate establishment of the audit office is,

Punjab.....Rs.2,27I

Madras.....Rs.2,490

Bombay.....Rs.2,73I

North-Western Provinces & Oudh.....Rs.3,039

Central Provinces.....Rs.3,299

Thus Madras comes second in order of cheapness, but I submit that the comparison is not fairly made, and by no means brings out the real relative economy of the Madras office.

2. In the first place, the figures for Madras, and I presume the figures for Bombay also, include local allowances, i.e. presidency allowance and presidency house rent; and as similar allowances are not given at Lahore, Allahabad, and Nagpur, it is evident that the comparison is vitiated. These allowances are given on account of the greater cost of living and of house rent in the presidency towns; they would not be given if the Madras office were located at, say, Bangalore; and it is obviously unfair to include them in such a comparison as is now in question. These allowances amount in Madras to Rs.890 per mensem for the subordinate staff enumerated in Mr.Macdonald's para 3; and this is equivalent to Rs. $\frac{890 \times 12}{34}$ =Rs.3I5 per division per annum. Calculating ratably the amount for Bombay may be taken at Rs.3I5 $\times \frac{273I}{2250}$ =378 per division per annum, and the true cost per division of subordinate establishment of the central office will then stand thus,

Madras.....Rs.2,I75

Punjab.....Rs.2,27I

Bombay.....Rs.2,353

North-Western Provinces & Oudh.....Rs.3,039

Central Provinces.....Rs.3,299

3. In the second place I submit that, for the purposes of the comparison, the senior Ist.grade accountant of the Madras office ought to be included among the gazetted officers. Mr.Macdonald twice admits (paras I7 and 56) that the office is short in Gazetted staff, and in para I7 he himself says that for the purpose of a precisely similar comparison, it would be only fair to remove the senior accountant from the category of subordinate establishment. Moreover, as a matter of fact, the senior accountant does perform the duties of a gazetted officer, and it would be hardly possible to work the office if he did not. Excluding local allowances, his pay is Rs.450 per mensem or Rs. 5,400 per annum, and deducting the sum of Rs.900 attributed in Mr. Macdonald's calculation to code work, there remains Rs. $\frac{4500}{34}$ = I32 to be subtracted from the sum of Rs.2,I75 shown in para 2 above. With this correction, the comparison stands thus:-

Madras.....Rs.2,043

Punjab.....Rs.2,27I

Bombay.....Rs.2,353

North-Western Provinces & Oudh.....Rs.3,039

Central Provinces.....Rs.3,299

4. Finally I submit that no comparison is really fair which does not take into account the cost of accounts establishment in divisional offices. It stands to reason that the better the work is done in the divisional office, the less there will be to do in the central office, and in the long run and on an average a more highly paid divisional staff means a more efficient staff, doing their work better and giving the central office less to do. I have ascertained from the Examiners Bombay, North-Western Provinces and Punjab, the cost of their divisional accountants at the dates of Mr.Macdonald's inspections, and taking them into account, the comparison stands thus:-

	Central office Rs.	Divisional office Rs.	Total Rs.
Madras.....	2,045	I,284	3,329
Punjab.....	2,27I	I,5I2	3,783
Bombay.....	2,353	I,7I6	4,069
North-Western Provinces	3,069	2,028	5,097

or taking Madras as a standard the costs compare thus, Madras I00, Punjab II4, Bombay I22, and North-Western Provinces I52. It was not

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worth while to inquire about the Central Provinces.

5. In connection with my remarks in para 3 above, I may point out that apparently Mr.Macdonald must have made some mistake in the cost of the gazetted officers of the Punjab office. According to his para 7, the cost of that staff is Rs.3,492 - Rs.2,27I = Rs.I,22I per division per annum, and with 23 divisions — the number given to me by the Examiner — this is equivalent to only Rs. $\frac{I,22I \times 23}{I2}$ = Rs.2,340 per mensem; but on referring to the classified lists published by the Government of India I find that the actual staff was as follows:-

Rank		December I888 Rs.	January I889 Rs.
Examiner Ist.class & Lieut.Colonel R.E.		I,802 or I,843	I,802 or I,843
Examiner 2nd. class 3rd.grade			850
Dy.Examiner Ist.Grade	Civil Engineers transferred from Executive branch & drawing Rs.50 extra each.	600	
Dy.Examiner 2nd.Grade		500	500
Total		2,902 or 2,943	2,952 or 2993

I mention this because it might otherwise seem that the Punjab office is also short of gazetted staff, and that there also a senior accountant might fairly be removed from the category of subordinate establishment. Having regard to the comparatively small number of divisions in the Punjab, this cannot, I think, be maintained.

5½. On the whole then I submit that on a just comparison, and judged by the standard — cost per division — selected by Mr.Macdonald, the subordinate accounts establishment of the Madras Presidency is decidedly the cheapest of all; and I have taken some trouble to make this clear, because it is only a few months ago that this establishment was attacked as being quite exceptionally costly.

6. Para 8. Mr.Macdonald's meaning in his para 8 is not very clear, but I understand that the present total cost referred to in the estimates of possible reductions of other offices is, in each case, the total cost of subordinate establishment only. On this understanding, the cost per division per annum, supposing Mr.Macdonald's expectations to be fully realized would be

	Present cost.	Percentage of reduction.	Reduced cost.
Punjab	2,271	38	I,508
Bombay	2,781	43	I,557
North-Western Provinces	3,039	41	I,793
Central Provinces	5,299	42	3,073

As elsewhere explained I am not at present prepared to put forward any detailed scale for future establishments, but taking the present cost per division per annum including local allowances, but excluding the senior Ist.Grade accountant, as Rs.2,352 (Mr.Macdonald's Rs.2,490 minus the Rs.I38 of my para 6 above), and on the understanding that the staff of gazetted officers will be increased as is admittedly necessary, I will engage to reduce the cost to a maximum of Rs.I,450 per division, that is by at least 38½ per cent of present cost, provided that I may be allowed a reasonable amount of freedom in laying out the work, and settling what books it is necessary to keep and in what forms, and generally what is necessary to be done in order to comply with the ascertained requirements of the Accountant-General, P.W.Department, and other authorities, in the matter of audit and of accounts and returns to be submitted. This I will undertake to do as a minimum, whereas it would seem that the estimates given in Mr. Macdonald's para 6 are admitted to put forward as outside estimates, as to which moreover it is not clear whether Mr.Macdonald's opinion is or is not shared by the Examiners concerned.

7. Paras I0 to I3. I agree generally with views expressed in these paragraphs, but I am disposed to think that work can be made mechanical, or nearly so, to a greater extent even than Mr.Macdonald thinks. On the other hand I altogether take exception to the view suggested in para I2 (first line) that it is an easy matter to make the works mechanical. I know from experience that it is not easy in any sense of the word; it is not only difficult in the sense of requiring in most cases a great deal of thought, and often considerable ingenuity; but it is also difficult in the sense of being tedious and laborious and time-taking.

8. Paras I4 to I9. I attach a very little value to the

comparisons made in these paragraphs. I have no doubt that, if we give up old fashioned methods of working and organize work on a rational plan, the scale of salaries can be greatly reduced; but as a matter of fact when the men work, as they do, on totally different systems, it is not, in my opinion, correct to speak of the men in an Examiner's office and the men in a bank or in a railway audit office as performing "like duties". The words "audit" and "book-keeping" are about the only two things that the two systems have in common. As regards the railway audit office and an Examiner's office, it may be true that the establishments, taking each as a whole, do very much the same sort of work, but the scale of individual salaries should depend upon what individual men have to do; and if, as I take it, the two establishments work on radically different lines it is useless to compare the scale of salaries. The only comparison that would be of any use, under the circumstances, would be a comparison of the cost of doing the work, in each case, as a whole, but in order to this you must first get some standard or measure of work; and this has not been attempted, and I do not myself think it would be possible. There is a certain amount of likeness between the work of one office and that of the other, but, in my opinion, the resemblance is not sufficiently close to admit of any useful standard of comparison. As the matter stands, the figures given by Mr.Macdonald do not afford the slightest clue to the solution of the question which of the two offices is most economically worked.

9. Para 2I. In the office note covering this memorandum, I have explained at length why I am not at present able to submit proposals as suggested and, waiving all argument as to the possibility of dealing quite independently with the central office, I have stated reasons for dealing now with the question of divisional accountants, and I have submitted proposals with reference thereto. With reference to the concluding words of Mr.Macdonald's para 2I, I may say that if my proposals are adopted, it will not, in my opinion, be necessary to make any special provision on account of absence on leave.

I0. Paras 25 to 27. As fully explained in para 8 of my covering office note, I look upon the estimates put forward by Mr.Macdonald in

these paras as the merest guesses, which are of no value whatever as the basis of scheme for establishment. With reference to para 27 (and also to para 21 of Mr.Macdonald's appendix A), I will here add that I do not share Mr.Macdonald's opinion as to the best working unit. I find that the number of individual operations in which two men can work together more economically than one man can work by himself are very few indeed. There are of course many operations in which two men working together will do the same work in less time than one man, but for economy it is necessary that they should do it in less than half the time. Moreover, when Mr.Macdonald speaks of one of his working units disposing of seven (or any other number of) sets of accounts, it seems to me that he fails to realize what sub-division and specialization of work really mean, or should mean. What I understand by it, I have explained in para 5 of my covering office note, and on the system which I contemplate it would be impossible to speak of any one man or any two or more men, less than the whole branch, disposing of any one set of accounts, because every man, or rather every section, of the branch, would dispose of some special part of every single set of accounts.

11. Para 29. For the life of me I cannot see what is to be gained by the Committee's proposals regarding contingent bills; as to which see also para 199 of my note on the Committee's report; and I see that considerable inconvenience will follow from their adoption. They cannot possibly reduce total work, because a schedule of contingent charges, in some shape or other, must be prepared; and on the other hand the proposals are directly opposed to specialization of the work of the Examiner's office.

12. Para 30. For reasons given in paras 177 to 193 of my note on the Committee's report, I earnestly trust that the Committee's principal proposals regarding payment of salaries and travelling allowances will not be adopted; but in any case, for reasons similar to those set forth in paras 18-24 of my covering office note, I submit that it should be left to the Examiner to settle the details of the working arrangements of his own office, and I do not think it worth while to express at present any opinion regarding Mr.Macdonald's sketch of the working arrangements, knowing, as I well do know from experience, that I should

probably have to modify my opinion, more or less, several times in the course of the first few months of actual working.

13. Para 32. Audit of salaries, Audit Registers, Deduction sheets etc. I am not at present disposed to reduce these registers to simple records of totals. I am not disposed to express any definite opinion regarding these registers, or any possible substitutes for them, until I know distinctly what the Government of India expects in the matter of verification of services for pension; and I think that when this is known, the best plan will be to leave the Examiner to work out the details of the registers and other records necessary to enable him to comply with the requirements of the Government of India. In any case I do not think it is desirable to make any changes until I am able to ascertain the actual cost of this and other items of work under the revised system of working. For budget purposes some sort of register of temporary establishments is necessary, apart from the audit register; but it may be much simpler, and at the same time very much more useful, than the one now kept. Note-books are not kept at all. I strongly object to them.

14. Para 33. Income tax. For reasons already referred to I earnestly trust that the conditions of audit after payment, as recommended by the Accounts Committee will not obtain. There is no difficulty whatever in preparing the required income tax statements in agreement with the accounts: all that is wanted is a little system.

15. Para 35. As at present informed I am disposed to prefer the audit registers; but everything depends upon what are the ultimate requirements of the Government of India in respect of audit of salaries, and check of services for leave and pension. My own opinion is that, in all probability, it would save trouble on the whole (that is taking into account the work done in all offices concerned at different times), if registers of service were kept in the Examiner's office for all servants, or at any rate for all pensionable servants; but then I should like to have the devising of the machinery, in all its details, & liberty to modify it when necessary, and I should want plenty of time for doing it, and in the meanwhile I would not attempt to interfere with the present machinery. In any case I should like to have

time to ascertain the cost of existing processes under a revised system of working, before expressing an opinion as to the expediency of dispensing with any process which cannot be dispensed with without accepting risk in the matter of pensions. As regards check over leave, the present rules and practice seem to me absurd. The Examiner is forbidden to report on leave applications of officers for whom service books are kept, but he still has to audit their claims to leave allowances; thus he has frequently to refuse to say whether leave is due or not, though quite able to do so, and afterwards to disallow allowances drawn and call attention to other serious consequences of the improper grant of leave. As at present informed I am disposed to think that in the long run, it would give less trouble to every body, and be in every way more satisfactory, if the Examiner kept suitable service registers (instead of service books) for all servants, and if he was required to report on leave applications in all doubtful cases, that is whenever asked to do so. But then the machinery would have to be very carefully considered.

16. Para 36. Travelling Allowances. I am disposed to agree with Mr. Macdonald that the travelling allowance registers might probably be reduced to simple records of totals; but I am disinclined to make any changes until I can ascertain the cost [illegible] under new conditions) of keeping up these registers in their present detail. Probably the proposed changes would necessitate some compensating change in some other direction, and I should much prefer to be allowed to lay out the work at leisure on a consideration of the whole of the conditions.

17. I may say here that, as regards this and the numerous other suggestions of changes of details, I do not feel myself able to express a final opinion off-hand. In all these matters the only possible road to success is, in my opinion, to be found in proceeding tentatively, carefully watching the working of each change, and modifying the details at once whenever the necessity arises. I have no belief whatever in the possibility of finality in these matters, and least of all in the possibility of attaining finality at one step and antecedently to working experience.

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18. Paras 37 to 39. Audit of contingent bills. By all means do away with the classification of contingent items, if Government does not want the classification; but I protest most strongly against the other proposals of the Accounts Committee, as saving no trouble whatever to any single soul anywhere, whilst they are dead against specialization of work in the Examiner's office. Also as regards para 38 (objectionable items) please see paras 150 et seq of my note on the Accounts Committees report.

19. Paras 40 and 41. Verification of pension claims. I agree with Mr. Macdonald's remarks in para 40; but the practice referred to is not peculiar to Madras. It is for the Government of India to say whether the leave and service registers of gazetted officers may be accepted as correct for verification of pension claims without further reference to the accounts office concerned. With regard to para 41, I would at any rate make no change until the cost of verification under new conditions can be ascertained. In any case it is to be remembered that the knowledge that claims below a certain amount will not be verified will be a direct encouragement to improper claims.

20. As I have several times suggested the expediency of making no change as regards any existing process until the actual cost of it, under new conditions, can be ascertained, I may point out that, under the system of work now contemplated, there will be no difficulty in ascertaining accurately the cost of almost every separate operation: because, if a man is not employed solely on one kind of work or operation, he will at any rate be confined to two or three operations, at each of which he will as a rule work continously for a considerable stretch at a time, and, without any appreciable trouble or waste of time he can be made to keep a diary showing the time devoted to each separate operation.

21. Paras 42 to 47. Budget. I have very little doubt that the budget work might be greatly reduced; but it would be useless to attempt to revise the procedure until the system of appropriating (now under discussion in connection with the Accounts Committees report) has been settled; and when that has been settled it will, I think, be

best to leave the Examiner to settle the procedure of his own office, and to hold him responsible for its efficiency.

22. Para 48. Booking. Here also I would suggest that the Examiner be held responsible for the details of the machinery required to comply with the Accountant General's requirements in respect of accounts and returns.

23. Paras 49 and 50. Accounts compiled. The accounts required by the Accountant General are a matter to be settled by him and by the Government of India; but it seems to me that the Accountant General might consider whether it is really necessary that transactions should be accounted for to him in all the detail in which they must necessarily be accounted for by Executive Engineers to Examiners. Transfer and remittance transactions must perhaps be accounted for in such detail as may be necessary to enable the Accountant General to see that they are cleared by the province or department concerned, but even this is doubtful if the Accountant General does not see to this, as at present I think he does not, ~~see to this, as at present I think he does not~~, the cross verification of debits and credits being made between the Examiners concerned in what seems to me an unnecessarily clumsy way. But as regards final heads of receipt and expenditure I do not quite understand what use the Accountant General can make of any detail over & above that which is required for incorporation in the accounts published monthly by the financial department, or for the comparison of expenditure with grants controlled by the Government of India; and as regards suspense heads I doubt whether he can really make any use of any detail of classification beyond the distinction between accounts which do and accounts which do not affect budget grants.

24. Para 50. The bulk of the finance accounts will apparently be the same whether they are in seven parts or in one. The so-called "notes" which now have to be submitted with each set of annual accounts are in my opinion the merest rubbish being for the most part nothing but (1) wordy repetitions, or statements, of facts which are, or which easily might be, much more conveniently exhibited in figured statements

and (2) explanations of differences which could be given much more briefly, and with much greater convenience to all concerned, in the shape of side notes in a remark column of the figured statement to which they relate.

25. As regards suspense accounts, it seems to me that the statements required with the annual accounts are in most unnecessary detail. There seems to be no use whatever in requiring details of deposits, such as contributions or securities of contractors, as to which the only possible irregularity would seem to be the absence, not the existence of a deposit; and as regards debtor accounts, such as miscellaneous advances, it seems useless to require any detail except of irregular items remaining unadjusted more than a certain specified length of time.

26. On the other hand there seems to me to be a great want of supervision over Examiners' offices in respect of their efficiency in the matter of requiring prompt and punctual compliance with requirements, and I think it would tend to greater efficiency if Examiners were required to give periodically — annually or otherwise — information on such points as the number of vouchers overdue, the number of completion reports overdue more than a certain time, the number of establishment objections unsettled after a certain number of months, meaning not items disallowed and unrecovered, which is a separate matter, but items provisionally passed etc. as to which no final settlement has been arrived at; also the number of items in objectionable items statement and audit notes similarly unsettled after a certain number of months. I doubt very much whether, in some offices, it would be possible to get this information at all, without an elaborate analysis of all outstanding audit notes and objectionable items statements expressly made ad-hoc. and yet it seems to me impossible without it to judge of the efficiency of an Examiner's work.

27. Para 51. Returns compiled. I venture to suggest that items (7), (10) and (11), returns of unpaid cheques, and the six months and revised estimates might be dispensed with. It is for the Local Government or other corresponding authority, and not for the Examiner, to submit budget estimates etc., and if the estimate submitted by them go, as I

understand they do, to the Accountant General as Dy. Secretary to the Government of India, it would seem useless for the Examiner to submit precisely similar statements. If duplicate copies are wanted, it would be simpler to have the estimate submitted in duplicate by the authority preparing it.

28. Para 52. Statistics. My office simply furnishes to the irrigation branch of the secretariat the figures required for the report, taking them from the administrative accounts. It is for the secretariat to consider whether any changes can be made in the direction of assimilating the two statistical statements.

29. Accounts of individual works for the India office have already been abolished by the Government of India.

30. Para 58. I have very little doubt that the system of dealing with exchange accounts could be greatly improved; but here again I would suggest that it should be left to the Examiner to settle the procedure, holding him responsible for having an effective system.

31. Head Quarter Transactions. It was decided some time ago to make the Examiner the paying officer, the intention being to go a good deal further than Mr. Macdonald's proposal and to do away with all cash disbursements whatsoever in the head quarter office; but press of other work has made it impossible to carry out the change as yet. I hope to be able to make it however before the present Presidency Division is transferred to the Military Works Branch, but in order to this it will be necessary to curtail the original programme, the Examiner's office taking over, in the first instance, simply the work now done by the Presidency divisional office. The system can afterwards be extended at leisure.

32. Appendix A. With reference to para 13, I am of opinion that under the conditions of work now contemplated, it should be possible to greatly reduce the employment of temporary establishment. It is much better to have permanent establishment, and not to be continually changing your men, provided you can employ them constantly. Under present conditions it is necessary to employ extra temporary establishments regularly every year at certain periods; but under the system of work now contemplated, I propose to have a special section for dealing with annual and half yearly returns, and I hope, with the approval of Government, to be able to arrange for the submission of these returns by Executive Engineers at periods differing for different divisions, so as to spread the work evenly over the year, or rather over a portion of it, leaving the section free, at certain times of the year, to take up the additional work which comes with the annual accounts etc. As regards copyists also, I should prefer to have permanent men for ordinary work, with a supplementary lump sum for occasional pressure.

33. With regard to para 14, I have stated my views regarding the scale in paras 11 to 13 of my covering office note. I may add here that it, as I understand, the intention is in future to promote thoroughly competent and deserving accountants to the superior establishment more freely than has been the practice in the past, it should not, in my opinion, be necessary to provide for any increments to accountants over Rs. 300. But then the superior staff must be of proper strength, so that the senior accountants may do their own proper work — that of superintendents of branches — and not the work of gazetted officers.

34. With reference to para 15, I venture to think it is a mistake to reduce the pensionable posts unless Government deliberately resolves to extend the same principle to all branches of its civil service. After all a pension is merely a deferred payment of salary, and if you do away with the pension you must give more salary. It is very difficult to keep men in non-pensionable posts as long as the bulk of civil service posts of the same class are pensionable.

35. I agree with the first clause of para 16; but I think that for all except graded accountants, the educational qualifications required from clerks by Madras code para 172 are quite sufficient. I see no use in multiplying examinations.

36. As stated in the accompanying separate memo regarding divisional accountants, I am of opinion that these men should be recruited from a small body of assistant divisional accountants, who again

should be recruited, at a comparatively early age, from the more promising of the junior clerks of the Examiner's office. I am opposed to any scheme of promotion which would tend to fill the higher posts of the Examiner's office with fossils, more especially if it is proposed to promote accountants at all freely to the superior establishment. As already indicated I consider it unnecessary to have any special departmental test for promotion of clerks; but clerks seeking promotions to the position of accountant should be required to pass the present entrance examination.

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37. I am however of opinion that the present examination for promotion to second grade — the examination which Mr.Macdonald would apparently retain for promotion to the Rs.200 grade — should be so far modified as to make establishment rules (salary, travelling allowance, pension etc.) a separate subject of examination. It is very necessary that there should be some means of ascertaining the qualifications of accountants for taking charge of the establishment audit branch, a post which requires a special knowledge of very special rules, of rules, moreover, relating to matters with which a divisional accountant may have very little to do in the ordinary course of his divisional duties. It is not, in my opinion, sufficient to give prominence to these matters in the examination, as has been recently done, because, unless the subject is taken separately, the results of examination will give no information as to accountants' proficiency in these subjects.

38. I am also of opinion that no accountant should be allowed to present himself for this examination until he is within measurable distance of promotion to the grade for which it is to qualify. What is wanted is a test of fitness at or about the time of promotion, and if an accountant passes the examination six or seven years before his time for promotion, he may forget almost everything before his time comes. Also I am disposed to think that this examination should be required only as a qualification for promotion to the highest grade.

Major R.B.

Examiner P.W.Accounts Madras.

(a) 46

Accompaniment to office note No.183 dated 15th.January 1890.

Printed 9476

Memorandum of proposals regarding divisional accountants.

I propose that to each of say, eight of the divisional offices in which the accounts work is heaviest there should be attached an assistant accountant, who would be a member of the accounts branch, just as the accountant is. On a previous occasion I suggested apprentices, on the system tried elsewhere, but I think it would be very much better to take men who have already served for some time in the central office, and regarding whose capabilities some useful judgment can be formed; and an additional argument in favour of this arrangement is that, if it is decided upon pretty soon, it may afford a means of disposing temporarily of some of the surplus establishment of the central office, whether permanent or temporary. Then assistant accountants would be selected, by examination and otherwise, from the computers and inferior clerks of the central office, and they should of course not be additional to the present staff of divisional offices, except possibly at first when surplus clerks drafted from the central office might become supernumeraries on the divisional staff instead of retiring on compensation pensions; but on the first opportunity they should be absorbed in the regular establishment.

2. As regards the grading and scale of salaries for divisional accountants, I would do away with all increments, higher minimum salaries, and charge allowances and other refinements, and would make the rate of pay dependent on the class of the division to which the accountant is attached. Caeteris paribus, the senior of two accountants, as long as he is physically fit for work, should be the best man and ordinarily the senior accountants would be posted to the divisions of the highest class; but if they proved themselves unfit for the heavier charge they would have to go back to an inferior division and inferior pay. I start with the assumption that, suitable provision having been made for training accountants, no man should be or would be posted as a divisional accountant unless he is really fit for the charge, and therefore I can see no use in giving a separate allowance for being "in effective charge"(code para 510). If an accountant is not effective, he should revert to a post for which he is fit.

3. I would have then three classes of divisions, classing them according to the accounts work, and I consider that, if the accountant is kept to his proper work, the pay need not exceed Rs.110 for the 1st class, Rs.90 for the 2nd. and Rs.70 for the 3rd.. There would probably be 8 or 9 divisions of the 1st.class, and as many of the 3rd., the remainder being of the 2nd.class; the average salary would therefore be Rs.90, the pay of a 2nd.class division. This is lower than the present average (Rs.107 including allowances), but I am confident that it is quite sufficient, if, as I say, the accountant is kept to his own work. My quarrel with the present scale of pay is not at all with the average, but with the commencing pay, which is ridiculously insufficient and is the result of tacking on a fifth grade to a previously existing scale, and making the total cost the same as elsewhere, without reducing the salaries of the higher grades of the old scale: the result being that you have one man on Rs.30 or Rs.40, and with little or no experience, doing or trying to do almost the same work as another man of fifteen or twenty years experience and drawing Rs.280 or Rs.240 a month.

4. In my opinion, if you keep the accountants to their proper work, all that you need do is to put them on a par with the head clerks of divisional offices, due consideration being given to the different conditions of service. Now the clerical establishments of executive offices are practically district or circle establishments. Except by his own desire, or by reason of promotion, a clerk is seldom transferred beyond his circle, whereas an accountant will be liable to be sent at any moment to any part of the presidency. Taking this into account, and allowing for the expenses of such transfers, and for the difficulties to which an accountant is thereby often put in respect of the education of his children, and in other respects, I do not think the scale of pay suggested above is more than enough to put the divisional accountants as a body on a par with the divisional head clerks. It is not an adjustment that can be made with absolute precision.

5. As regards the assistant accountants, I would propose that they should get Rs.30 a month during the first year, Rs.35 in the

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second and Rs.40 thereafter, until transferred to the independent accounts charge of a 3rd.class division. They would thus, in the eight selected divisions, take the place of the clerk 4th.class 2nd.grade allowed for each division. Their pay would be less than that of the highest paid of the computers and audit clerks of the central office, but the latter would consist of senior men of inferior education and ability who fail to show any decided capacity for anything beyond mechanical or semi-mechanical work, whereas the assistant accountants should, I think, be selected on the occurrence of vacancies, from the more promising of the comparatively junior clerks, say from those having not less than two and not more than four years' service in the central office, and who have passed the Entrance Examination for the accounts branch as now prescribed. Only permanent vacancies among the assistant accountants, or vacancies caused by long leave should be filled up in this way: in the case of temporary vacancies caused by an assistant accountant taking short leave, or by his transfer to take the place of an accountant during short leave, the necessary arrangements for carrying on his duties should be made locally.

6. The scheme sketched above would, without any additional expense, ensure a supply of really competent men being always available for divisional accounts charges when required. No man would be put in training as a divisional accountant until his general capacity has been tested by two or three years' service in the central office, and by suitable examinations, and he would probably have, at least three years as assistant divisional accountant before being permanently promoted to a separate charge, which would always be an easy one at first, that is a third class division. With less than eight assistant accountants I do not think I could count on being able to make proper provision for temporary vacancies due to leave or sickness.

7. Should the above proposals be approved, I would suggest that assistant accountants should be attached as soon as possible to each of the eight following divisions namely :-

Kistna Eastern

Godavari Eastern

Godavari Western

Nellore

Kurnool

South Arcot

Periyar No.I

Presidency Workshops.

I include the Presidency Workshops Division because I think it is important that every accountant should have some knowledge of workshop accounts,and,when the scheme is in full working,I should probably wish to post every assistant accountant to that division for a few months as a commencement.

8. The above proposals regarding the pay of divisional accountants are made on the supposition that it will not be necessary to upset the decision come to in Madras regarding the position of the accountant. I am aware that the Government of India have accepted the view of the accounts committee that " as a rule the accountant should be treated as the head of the Executive Engineer's office establishment"; but I hardly think they would be disposed to insist on the universal acceptance of this view. There are two sides to this,as to most questions. No doubt a complete grasp of the business of the division and the power of distributing the work of the office are of great assistance to the accountant in the performance of his duties as accountant; but on the other hand I would urge,

(a) that,since,for purposes of discipline,promotion etc., the accountant is subject to the Examiner,and must remain so,as long as the accounts branch is a distinct service, his position must in any case be somewhat an anomalous one,and that it is highly desirable to reduce the anomaly to the narrowest possible proportions. Prima facie nothing could well be more objectionable than that the Executive Engineer should not have complete control over the head of his own office;but if you limit the accountants duties — as,I submit,you easily can limit them — to the record and compilation of accounts transactions; and if you make the accountant responsible — and I submit that you not only can but should make him responsible — for the correct performance of their duties of record and compilation,then the anomaly practically disappears . Since the accountant must the subordinate to the Examiner,it is esstential that the the matters in respect of which the Executive Engineer may possibly have occasion to complain to the Examiner,shall be confined to matters regarding which the Examiner is really in a position to judge of the extent,if any,of the accountants culpability. In my experience I have not had many such complaints against accountants, but I must say that, of the complaints that I have received,the majority have referred to matters with which,in my opinion,the accountant should never have been required to meddle at all, matters in connection with which I have found it exceedingly difficult ,if not impossible,to form any independent judgment as to the merits of the case.

(b) That it is essential for the proper administration of the accounts branch that divisional accountants shall be freely and promptly transferable under the orders of the Examiner. If this is not the case,an important division may have to remain for months without any accountant at all,simply because the Examiner cannot get a Superintending Engineer to agree to the removal of a suitable man from some other division. If the previous concurrence of the Executive Engineer is to be a mere form,there is no object in insisting on it; but if it is to be anything more than a form,it is practically certain that the Superintending Engineer's view of the matter will,in every case,be simply a reflexion of the Executive Engineers; it is hardly conceivable that he should have any independent opinion in the matter; and ,as between the Executive Engineer and the Examiner,it is only natural that he should prefer the convenience of his own executives to the interests of the accounts of a division in some other circle. The getting of the Superintending Engineers concurrence must therefore be either a useless formality,or else a disastrous hindrance to the administration of the accounts branch. If you confine the accountant to his legitimate duties as accountant,you at any

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rate minimize the inconvenience of a change which must in any case be more-or less inconvenient to the Executive Engineer, whereas if you insist on making the accountant the head of the office, you raise the inconvenience to a maximum.

(c) That it would be little short of absurd that, without the concurrence of an individual Superintending Engineer, the Examiner should be unable to recruit the superior establishment of his own office from an establishment nominally under his own orders, and which is the only source from which he can recruit it.

(d) That as regards the "friction and interruption of business" which, it is said, often occurs "where there is a separate and independent head clerk " our experience in Madras, where for a goodmany years in about one half of the divisions, the head clerk and in the other half, the accountant has been the manager of the office, shows that there is just as much friction under one system as there is under the other; whilst there is good reason for believing that this friction is generally due to the uncertainty of the position, whichever man is out of the managership doing everything he can to oust the other.

(e) That if you insist on making the accountant the head of the office, you very greatly increase the difficulty of securing suitably trained men for the position. If you select an intelligent man after two or three years service in the central office, and post him for a couple of years as assistant accountant in a heavy division, he ought at the end of that time to be competent to take independent charge of the accounts of a light division; but it does not by any means follow that he will then be a suitable man to put at once at the head of an establishment of half a dozen clerks and draftsmen, several of whom in all probability will have put in three or four times as much service as he has. In my opinion it is essential that the higher posts in the central office shall be filled by men of long divisional experience, and in order that these posts (in the central office)

may be filled by men of suitable age, it is essential that the commencement of their services as divisional accountants should be deferred as little as possible beyond the time really necessary to train them as accountants, and I am decidedly of opinion that, in the majority of cases, the men so trained will be too young to put over the heads of a number of senior clerks. In any case, however, it must be quite impossible for the Examiner to judge of such a man's fitness for the managership of a divisional office.

(f) That therefore if you insist on making the accountants the heads of the divisional offices, you must have older men for the posts and, if you are to get the same class of men, you must pay them better. Mr.Macdonald says " as a rule the men on Rs.150 would be divisional accountants". I am quite sure that if you confine them to accounts duties it is not necessary to give more than the average proposed by me(Rs.90), and I do not see the use of paying considerably more in order to secure an object as to which, apart altogether from the question of economy, it is exceedingly doubtful whether, on the whole, it is a desirable object.

9. For the above reasons I venture to hope that Government will see fit to move the Government of India to reconsider its decision, and to leave the matter to the discretion of the Madras Government.

Major R.E.
Examiner P.W.Accounts Madras.

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[C. No. 8.]

GOVT. OF MADRAS. } 1890 ~~188~~ . { P. W. DEPT.

EXAMINER, P. W. ACCOUNTS.

Madras, 24 January 1890 ~~188~~.

OFFICE NOTE No. 385.

To

W.

With reference to para 8 of the categorical memorandum on Mr. Macdonald's note which accompanied my office note No.183 of 14th.January 1890, I have to state that, in reply to a telegram, I have now been informed by the Accountant General P.W.D. that the percentages mentioned in para 8 of Mr.Macdonald's note are calculated on the total cost of the offices mentioned including gazetted officers. This of course makes a considerable difference when you come to compare the reduction which I have undertaken to make with the reductions mentioned as possibly possible elsewhere.

2. In my telegram I also asked the Accountant General whether these reduction estimates were endorsed by the several Examiners concerned. The Accountant General does not however answer this question, but says that " the object of the inquiry ---------- is not apparent as it will not affect your

* File in the Circ 638 in Circular

KEEP-WITH . Genl. No.

dated 188 .

(my) consideration of the proposals' made in Mr.Macdonald's note F. This is no doubt in a certain sense true; but I may observe that the reference to possible reductions elsewhere was no doubt intended as, in some sort, an indication of the extent of the reduction that ought to be possible in Madras; and from this point of view it seems to me of some importance to be able to estimate the value of these other estimates.

3. In para 6 of the memorandum referred to above, I assumed that the reduced cost per division of other Examiners' offices, supposing Mr.Macdonald's estimates to be realized, would be as follows;-

Punjab.....Rs.I,508
Bombay.....,, I,557
North-Western Provinces, I,793

but, if it is not intended to reduce the gazetted staff — and it seems quite clear from Mr.Macdonald's note that there is no such intention — it now appears that, calculating the possible reduction on the total cost of the several offices, and applying the reductions entirely to the subordinate establishment, the cost of the latter would be as follows -

Punjab.....Rs.944
Bombay.....,, 855
North-Western Provinces,,I27I

Contrasted with these figures, instead

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of with those originally given, by undertaking to reduce the cost to a maximum of Rs.I,450 per division may probably seem quite insufficient; and if I were assured that Mr.Macdonald's estimates were endorsed by the Examiners concerned I should think it right to consider seriously whether I could not undertake to make a more substantial reduction. As it is however I am somewhat incredulous as to the value of these estimates which, like the estimate in para 27 of Mr.Macdonald's note, may not improbably be based upon what I regard as the merest guesses.

4. As I have said in my previous note, I have not at present sufficient information to admit of my attempting a detailed estimate of the scale of establishment ultimately necessary ; and therefore I am not prepared to say that it will be impossible to reduce the cost of subordinate establishment to Rs.855 per division, or for that matter to any less amount; but on the other hand I am not at present prepared to undertake to make any reduction below the level already indicated, Rs.I,450 per division; but of course I would not undertake to do this if I did not confidently expect to be able to go beyond it.

C.

No. 303 W of 29-1-90
" 302 W - 29-1-90
- 5949 C - 20-12-89
- 2640 W - 21-9-89
- 3517 W - 10-12-89
" 3245 W - 16-11-87
" 805 W - 16-3-89
" 754 W - 13-3-89
" 289 W - 2-2-89
" 4022 W - 22-12-85
" 2882-3 W - 14-9-88
" 2247 W - 23-7-88
" 1335 W - 7-5-88
" 2610-14 W - 4-10-87
" 1147 W - 26-4-87
" 1146 W - 26-4-87
" 3446 W - 4-12-85
- 2964 W - 15-10-89
Encl in No 40 of 1876
- 676 - 12-3-1875
- 2472-3 W - 1-10-1879
- 35985 W - 11-9-1878
" 2900 W - 16-7-78
" 218 W - 28-1-80

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46 of 27-1-90

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Rec'd 11-2-90

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Proposals regarding
Staff of the Govt Office

Dw

The orders of the
Govt. on the report of
the Committee of 1875
cannot be found in
the records in the Govt.
Under these orders, the
G. of I. scale of pay
for accountants
was introduced here.
Now however,
subject to your
approval, insertion
in the draft, an
allusion to the
Committee's report.
The report
itself. Move
obtained from
the Govt of India
& put it into the
file:

Ch
10.2.90

Secy 4944/783

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Sir

I have the papers contain the Examiner's reply to Mr Macdonald's note on "Reduction of work & Staff" in the office of the Exam P.W. Accts. Madras.

The Exr replies in general terms to Mr Macdonald's note but is unable at present to submit a definite scale of establt for his office, account & clerical. He can do no more than indicate the future rates of pay which should be granted to the Accts establt both in the central office & in divisions.

The Exr proposes to abolish the present grading of accountants and to adopt a new classification as follows.

1st grade - Rs 200 - 300
2d grade - - 140 - 180
3d grade - - 70 - 110.

The first grade would consist of Section Superintendents the 2nd grade of Asst. Supts. of the divisional accountants would be drawn from the 3rd grade - The routine work would be carried on by low paid computers & clerks under the supervision of the Section Supts. & Asst Supts.

Beyond this, the C. is not able yet to submit any definite scale, but he recommends that also the division be divided into three classes with respect to work, to correspond with the three classes of 3rd grade accountants viz:

1st class division to have accountants on Rs 110 per annum
2nd class division -do- on 90 per an
3rd class division -do- on 70 per an

Also that 8 first-class divisions be each allowed an assistant accountant who would take the place of the clerks 4th class 3rd grade in the division office - The third class of accountants would be recruited from these assistant ac-

accountants - 54

The C. also strongly recommends that the Govt. of India be invited to reconsider their recent orders ruling that the Accountant shall be the manager of the divisional office, & that accountants shall not be transferred without the Concurrence of the Supt. Govt of the Circle

The C. states that he will probably be able to effect a reduction of 38 per cent in the cost of his subordinate establishment, but that until he receives & specialises the work of the office, he is unable to be more precise on this point than to say that the general lines of the scheme of reduction

with his covering
note, C submits two
papers -

(a) Categorical remarks
on the Inadequate work
on reduction proble
in the Govt Press

(b) memorandum of
proposals regarding di=
visional accountants.

The only definite
proposal made is
with respect to pro=
bond establt of
assistant accountants
& this is the only pro=
on which orders can
be passed.

If the proposals
be sanctioned, it
only remains for the
Govt to send on the
Govt's notes to the
Govt of India in
reply to their letter
No 2642 G dt 17-8-87
& at the same time to
address that Govt.
on the points raised

forwarded by C with respect
to the remarks which the
divisional officers &c -

Before sending on
the Govt proposals however
it would be desirable
that those proposals
involve the abolition
of the present status
& grading of the subordinate
accounts establt.

The Cost of Indian
have fixed a definite
grading & rates of pay
for each class as follows

1st Grade - Rs 350 - 500
2nd Grade - " 250 - 320
3rd Grade - " 160 - 240
4th Grade - " 90 - 150

and this scale prevails
all over India -

The 1st Grade assistants
occupies the same
rank & have the
all Grade have certain
privileges - the Govt
of Bombay have not
all women, divisional
Superintendents &c - all
this will be done
away with under

C

Cs proposals.

If similar reductions are not to be effected in Mad Presidencies, the question arises why Bengal should alone be in a unique position when other Provinces, similar duties elsewhere. The Madras article will be dealt with Discontent on the Treaty, superior position of accountants in Mad Presidencies, other last three have work constantly dealt for transfers. Indeed it is a question whether on parade many will be attracted to the Dept. as is now the case. It is contended that the work done is too much for clerks & not enough for gazetted officers. The argument for reducing the article Salaries is now far cheaper than it was. His argument is far reaching, and would for a great

4

way further than the Govt intended.

The fact remains however that the Govt is unable to submit a proper numerical Scale of asstts. & clerical establt for his office, & to carry out the changes & retrenchments gradually as vacancies occur, will take years - long before the scheme operates fully, fresh changes will occur, & circumstances will probably alter completely -

Even with regard to the proposals regarding divisional accountants, the Examiner suggests that they should be filled gradually -

If the Govt are disposed to accept the Exrs views with respect to breaking up & provincialising the Madras subordinate

acets. estabt., all that
Can be done now is to
send on the Essays with
the Certificates of Bidders, &
to say that a definite
definite Scale of estabt.
will be forwarded
when the Engr is in a
position to submit one

Cn
31.1.20

Note.

After the receipt of
"76 Pub. Works Reports"
in the Genl Records Office
they were compared
& inverted check that count delivery
here with the tables
from a note made
then, it appears that
the Co. asked for is one
of the papers not re-
ceived. Neither the
original nor any copy
of it is available for
exam. the Proceedings.
Nor further can con-
cerned have yet
been transmitted for
the Records Office use.

R. Rangathan
for Supdt (pol Records)
Ext
3.2.20
To Mr Supdt, Revd Statistics
& Welfare, Chepauk

Very urgent

Cash

For ~~C. No.~~

MEMORANDUM.

51

REQUESTED for reference the undermentioned papers:—

Original S.O. No. 878 dated
4th April 1876 and file—

+ P. W. D—

L. Evans
Supdt. P.W. Section

P. W. SECRETARIAT,

Chepâk, 8th Feby 1878

To

The Supdt. Secl. Record Deptt.

Fort

No. 251
21 JAN 1890

No. 358. C.

58

Government of Madras.

PUBLIC WORKS DEPARTMENT.

Madras, 20 Jany 1890.

OFFICE NOTE.

From W

To C

Your office note No 183 dt 15-1-90.

Please return the original papers which accompanied this office No 4370 C dt 30-9-89.

Ulett
20.1.90

Dr

394
27.1.90

To W.

Herewith the original papers received with your No.4370 C.dated 30th. September 1889.

2. Please furnish me with a copy of Mr.Macdonald's printed note No.8 dated 17th.July 1889 and the connected appendixes.

C.

Genl Section.

PUBLIC WORKS DEPARTMENT.

4080 59

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following

From the Govt of India P.W. — A.G. No 2642 G.S. 17 Sept 1889
From the Examiner P.W. Accts — " No. 193 S. 15 Jany 1890
— do — do — " No. 385 S. 24 Jany 1890
— do — do — " No. 394 S. 27 Jany 1890.

To the Examiner P.W. Accts

Ordered that the Govt of India be addressed.

A.G. No 151 wS.

To The Secy to the Govt of India P.W. Dept

Sir,

I am directed to acknowledge the receipt of your endorsement A.G. No 2642 G.S. 17th September 1889 forwarding for opinion a note by Mr. R.J. Macdonald, Dy Accountant General, on reduction of work and staff in the office of the Examiner P.W. Accounts, Madras.

2. In reply I am directed to forward the accompanying copy of the Proceedings

of

of this Government No 488 of 14th February 1890, embodying the opinion and remarks of the Examiner P.W. Accounts on the various suggestions made by Mr Macdonald.

3. In his note No 183 of 15th January 1890, the Examiner submits his views with respect to possible future reductions in the staff of his office, and with it he forwards two papers,-

(a) Categorical remarks on Mr Macdonald's note on reduction of work in the office of the Examiner P.W. Accounts, and

Memorandum of proposals regarding divisional accountants.

4. It will be seen that Major Christie is unable at present to draw up any definite scale of establishment for his office, but that he proposes to make reductions as they become feasible in consequence of reduction and systematization of work, and I am to say that in the opinion of this Govt. it would be inadvisable to lay down any fixed scale until the details of

of the work that may be done in the Central Account office have been settled, and that, obviously, this settlement must follow the reorganization of the System of accounts now in progress.

5. With reference to the conclusions arrived at in para 25 of Ellaya Christie's office note No. 183 of 15th January 1890, I am to state that this Govt entirely shares the opinions expressed in proposals (a) & and (c), but as regards the proposed revision of the scale of pay of accountants, and the introduction of Divisional Accountants, this Govt is strongly of opinion that the time has not yet arrived for the consideration of the latter proposal, while in the case of the former, there is no evidence to prove that the circumstances of Madras are such as to justify a hope that work can be efficiently carried out in the Accounts branch of the P.W. Department by lower

...ncy than in other parts of India; but on the contrary, the reasons which led to the reorganization of the Madras system of accounts in 1876 still hold good, and the experience of former years shows that there are no reasonable grounds for assuming that efficient accountants can be obtained in this Presidency on lower salaries than elsewhere in India.

6. The present proposals of the Examiner as regards the future rates of pay to be granted to accountants practically involve a return to the state of affairs which existed before 1876. The Committee appointed by this Govt. in 1875, of which Colonel Conway Gordon was a member, described the P.W. Accountants of the day as a body of ill paid and inefficient men, and to enable this Govt. to introduce the system of accounts prescribed by the Govt. of India Code, and to attract to the department

60A

+ Letter from the Govt. of Madras No. 2900 W.D. 16.7.78.

Make copy etc.

department such men as were required to carry out that system, it was found necessary to adopt in this Presidency the scales of pay and allowances laid down in the Govt. of India Code for P.W. Accountants. Later on in July 1878, it was considered desirable, as a means of further improving the status and prospects of the subordinate accounts establishment, + to suggest to the Govt. of India, the desirableness of entering on the printed P.W. establishment list of the Govt. of India the names of all the Accountants employed in this Presidency. That proposal, which was sanctioned in your office letter No. 196 C.S. dt. 3rd August 1878, was based on a note by Col. Conway Gordon dt. 30th April 1878, a copy of which is attached for perusal. All these advantages will be lost if the status and pay of the men be altered to the scale now proposed by

seems no reason why Madras Accountants should be placed in a worse position than men of the same class performing exactly the same duties in other parts of India. Such ~~unnecessary~~ distinction would engender discontent, and lead the best men of the Madras establishment to seek constantly for transfer to other Presidencies.

7. His Govt. is fully aware of the necessity for ~~keeping~~ economy, and especially economy in the Examiner's office; and provided it is allowed a free hand in the matters referred to in clauses (a) (b) and (c) of the Examiner's note, any general revision of the numerical strength and composition of the account establishment that will lead to economy will be gladly accepted; and in this connection I am to invite the attention of the Govt. of India to the arguments and facts adduced by Major Christie which show that the relative economy of the Madras Accounts establishment, as compared with the cost of similar establishments in other provinces is even greater than supposed by Mr. Macdonald.

8. In conclusion, I am to express an earnest hope that the Govt. of India will not disturb the control which the Govt. of Madras now possesses over the details of the system of accounts in this Presidency, and that the opinions expressed by H. E. the Governor in Council in this office letter No. 303 W dt 29th January 1890 may be fully accepted.

I have &c.

10.2.90

11.2.90

Govt. of Madras

PUBLIC WORKS