

Public Works (1898) Department.

G.O., No. 354 W

DATED 11 February 1898

[Despatch Abstract.]

Famine Commission: Pro: Revenue Dept., Con: to the officers and nonofficial gentlemen, selected to give evidence, addenda and corrigenda to the list of questions issued by the ~~2~~, recorded.

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or current rates of food-grains declared from time to time? How far were these current rates strictly followed by the local retail traders?

283 A. What was the difference in prices prevailing in the distressed area under your observation, and in prices in neighbouring districts where the crops had not failed to such extent as to make relief necessary? Did the difference appear natural and reasonable in degree?

284. What material fluctuations of prices of grain occurred in the 12 months after 1st November 1896 in the distressed area under your observation? To what did they seem due, and was the trade sensitive? That is, did grain flow in quickly and freely in response to each rise of price from accessible markets where prices were lower? If not, state what in your opinion were the reasons or obstacles which impeded the activity of trade?

303. What action, if any, was taken by officers of Government in the affected area under your observation to encourage importation of food-grains, or otherwise stimulate the activity of private trade? What was the result for good or bad of such action?

303A. What action was taken, if any, in any locality under your observation to supplement or stimulate activity of local grain-dealers in importing food-grain? What was the result?

304. Suppose that instead of relying entirely upon the action of private trade and the Indian market, the Government had resolved to import grain from abroad to a notified amount and for a strictly limited purpose, that is for use at a large number of its poor-houses, kitchens, and relief works: suppose also that Government so imported either directly or through contractors, and adopted all possible precautions against obstructing the movements of private trade: what effect in your opinion would such action have had (1) on the cost of relief to the State; (2) on the prices of food-grains in the bazars or open markets; (3) on the activity of private trade?

305. In the districts under your observation had you ever good reason to believe in the existence of local rings of grain-dealers formed to keep up prices of food-grains above the rates naturally resulting from the law of supply and demand? If so, how far did such rings succeed in their purpose, and for how long?

If you think such rings can be successfully formed at the present day in India, can you suggest any legitimate method of breaking them, which would in your opinion have the desired effect, and be on the whole distinctly advantageous?

Principles for regulating Expenditure upon Public Works in time of Famine.

In districts where no distress exists, it is the general rule that expenditure upon public works, even within the limits of budget provision, should be contracted with a view to setting funds and establishments at liberty for employment when they are more needed. To this rule, however, exceptions may be made:

- (1) where the works could not be contracted without risk of creating distress by reducing the local employment of labour;
- (2) where the contraction of the works would result in returning to districts where distress exists or is threatened, the labourers employed on them.

2. Where distress exists, it will be necessary to provide additional employment upon works. All such additional expenditure must be subjected to the relief conditions described below.

3. The essence of relief conditions is, that the remuneration for work done must be so fixed as not to attract labour for which there is existing employment elsewhere. This condition must invariably be enforced. The method of enforcing it will vary with the degree of distress which prevails.

4. Where acute distress or famine prevails, so that the general population is affected, and it is necessary to provide employment not only for able-bodied labourers, but also for a large proportion of inefficient labour, task-work must be rigorously enforced, nobody being allowed either to do more than the fixed task or to earn more than the fixed maximum wage. The former condition is necessary in order to economise the supply of useful work upon which labour can be employed: the second, in order to limit expenditure, since, when the dependants of a skilled labourer are paid separately, it is not necessary for purposes of relief to pay him more than a subsistence wage.

5. But when distress, though present, is not so acute as to drive on to the works a large proportion of inefficient labour or of persons unaccustomed to work, payment by results is more economical than task-work; for so long as an able-bodied labourer can earn enough, under the conditions laid down in paragraph 3, to enable those of his family who do not work to live at home, he will support himself and them more cheaply than Government can do.

6. Payment by results may take the form, either of an expansion of ordinary works under the usual system of petty-contracts, or of the intermediate or gang-piece-work system of the North-Western Provinces. The former is sufficient when distress is slight; but as the scarcity becomes more acute and threatens to deepen into famine, the latter should be substituted, since it secures proper remuneration to the individual workman, which, under the urgency of distress, the former fails to do.

7. If the rates offered are regulated by the principle laid down in paragraph 3, gang-piece-work will effectively gauge the intensity of distress, since it will afford to inefficient labour only a bare subsistence.

8. As soon, therefore, as the demand by inefficient labour for employment on these terms begins to be appreciable, additional test-works on the task-work system may usefully be opened; though at a sufficient distance from the piece-work works to ensure that if the man works at piece-work and his women and children at task-work, they shall at least be compelled to live apart. These will provide for the women and children during the intermediate stage, while distress is becoming acute. As soon, however, as the demand by inefficient labour for employment upon either system becomes considerable, acute distress is present, and payment by results must then be discontinued and task-work substituted for it.

9. It is conceivable that in any district there may be cases in which the rapid and efficient prosecution of a particular public work is of such importance as to justify a relaxation of the above conditions. Such instances will be rare, the works will be of magnitude, and each case will be decided upon its individual merits.

10. It is for Local Governments to judge of the local conditions in each case, and to justify to themselves or to the Government of India, as the case may be, the action to be taken under the principles thus laid down.

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Revenue Department

Proceedings of the Madras Government

Read the following letter from H. J. Enck
Esq. I.C.S., Secretary to the Indian Famine Commission
dated Bankipur the 29th January 1898, No. 162:-

In continuation of my letter No. 90 of the
January 1898, I am directed to forward 50 copies of the
Addenda & corrigenda to the questions issued by the Fa-
mine Commission.

Order thereon, No. 599 Dns, dated the 7th February 1898.

Communicated to the Officers and gentlemen
Selected as witnesses in continuation of Government
Order, 47, dated the 28th January 1898.
(True Extract)

W. Marjoribanks

Asst. Secy. to Government

- To
- Board of Rev. (Rev. Settlement, &c)
 - Public Works Dept.
 - Witnesses Selected

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