Public Works (1899) Department.

G.O., No. 1930 W

DATED 25th July 1899.

[Despatch Abstract.]

Public Works in charge of Civil officers

Proc: Pub: Dept, directing that the Govt of India be addressed regarding the transfer, from the Civil to the Public Works Dept, of the control of, and the audit and record of expenditure on ——, Comm[d] to the Chief Engineer for Irrigation and the Examiner of P.W. Accts.

B.

[P. W. 2 / 2,000—22-3-99.]

Indexed. 27/7

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

O.W. Current No: 5371

Government {1899} of Madras.

FINANCIAL.

No 727 W dy 17.3.98
50 C dy 5.1.98 (SC)
1482 W dy 18.6.95
1005 W dy 30.4.95 (SC)
3185 W dy 12.12.94
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w/r 727 W 98

Recd. 4-7- } 1899.
Regd. 4-7-

Enclosures 1 (copy)

Spare copies 10

G.O., No. 729, 28th June 1899.

B/ No. 1750 dy 25

JUNE.

Communicated to the Chief Engineer for Irrigation and the Examiner of P. W. Accounts.

14.7.99

Misc

To the C. E. for Irrigation and Examiner P. W. Accts

Public Works in charge of Civil Officers.

Directing that the Government of India be addressed regarding the transfer from the Civil to the Public Works Department of the control of, and the audit and record of expenditure on, —.

Revenue Work Dept

20/7/99

O LS 280 12/7

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.]

Read—again the following papers :—

G.O., No. 2483 W., dated 2nd October 1879.

Abstract.—Passing orders on the reorganization of the Public Works Department.

* * * * *

10. From and after the 31st December next, the execution of ordinary repairs to civil buildings and the construction of petty or temporary buildings of all classes limited to Rs. 1,000 in each case, in all districts, will be entrusted to the departments concerned, the balance of the budget grants for the year being placed at the disposal of the local heads of departments, and in future years these petty construction and repair works will be provided for in the civil budgets, and not in those of the Public Works Department.

11. Improvements, new works, and special repairs will, as a rule, be carried out by the Public Works Department.

* * * * *

G.O., No. 1823, Financial, dated 21st September 1880.

Abstract.—Communicating revised rules of the Government of India on the control, audit, &c., of Public Works expenditure.

* * * * *

(1) All expenditure for public works—whether Imperial, Provincial, or Local—incurred by officers not belonging to the Public Works Department against the grant for Public Works "in charge of Public Works officers" will be audited by, and brought on to the books of, the Examiner. Such officers will be termed civil officers for the purposes of this Code.

(2) The rules in this section are not applicable to charges for petty construction and repair, which are adjusted by the Civil Accountants-General against the budget grants of the departments concerned; nor are they applicable to public works ferry and road receipts and charges collected and paid out of Local funds by civil officers quite apart from the Public Works Department; nor to owner's rates or to cemetery receipts and charges collected and paid by civil officers.

* * * * *

Charges and receipts of these classes are recorded in the Civil Accounts under the head "*Public Works in charge of Civil Officers*" and are brought direct under the Public Works portion of the Finance and Revenue Accounts by the Accountant-General, Public Works Department, from accounts rendered to him by the Civil Accountants-General.

3. Civil officers must obtain funds for the purpose stated in paragraph 1, either by letters of credit issued by the Civil Accountant-General, on the application of the Examiner of Public Works Accounts of the province or through an Executive Engineer named by the Local Government or Administration * * * * and from no other source whatever. Officers in charge of Civil Treasuries are strictly prohibited from issuing any money for such disbursements, except against letters of credit issued in favour of the civil officers or the Executive Engineer named by the Local Government or Administration. The Executive Engineer's written authority will always be required before any cheque can be drawn against his letters of credit.

4. In enforcement of this rule, the Civil Accountant-General will take measures to stop and to recover any payments which may have been irregularly made from the general funds in the Treasury on works which are chargeable to the departmental part of the Public Works grant.

Read—again the following G.O., No. 1012, Financial, dated 4th December 1897.

From J. B. BRUNYATE, Esq., Officiating Under Secretary to the Government of India, Finance and Commerce Department (Accounts and Finance—Audit, Collection, &c.), to the Chief Secretary to the Government of Madras, dated Simla, 24th September 1897, No. 4280-A.

I am directed to refer you to the Resolution of the Government of India, in the Public Works Department, No. 15, dated 24th August 1880, laying down rules for the accounting of Public Works receipts and outlay by Civil officers.

2. Under these rules all outlay upon Public Works in charge of Civil officers, with the exception of—

(*a*) charges for petty construction and repairs adjusted by Civil Accountants-General against the budget grants of the departments concerned;

(*b*) certain miscellaneous expenditure which now includes charges for ferries and roadside arboriculture, grants to municipalities, and the establishment and contingencies of staging bungalows and encamping grounds; and

(*c*) cemetery charges paid by Civil officers

should be audited by, and brought to account on the books of, the Examiner of Public Works Accounts concerned, and the works should be carried out by the Civil officers as Public Works disbursers and reckoned as Public Works in charge of Public Works officers.

3. It has now been brought to the notice of the Government of India that in many provinces Provincial Public Works expenditure of considerable amounts, incurred by Civil officers, is audited and brought to account by Civil Accountants-General as "Public Works in charge of Civil officers." As this course is not authorised by the orders quoted above, and as it is desirable that expenditure on Public Works of any importance should be subjected to the stricter and technical audit of the Public Works Examiners, I am directed to request that, unless His Excellency the Governor in Council has any objections to urge, orders may be issued which will ensure that all expenditure on Public Works by Civil officers, except on the simpler class of works mentioned in paragraph 2 of this letter, shall be audited by the Account officers of the Public Works Department and adjusted in the Public Works Accounts.

4. I am to add that, for the purpose of determining what charges for petty construction and repairs executed by Civil officers can be adjusted as contingent expenditure of the department concerned, a money limit of Rs. 1,000 (one thousand) has been fixed by the Government of India, and that any work, the expenditure on which exceeds this limit, should not be considered as coming within the category of "petty construction and repairs."

5. I am to say that this circular does not refer to and is not intended to affect any systematic scheme for the management and audit of Public Works chargeable to Local funds, which may have been laid down by any Local Government.

Copy forwarded to the Public Works Department, to the Comptroller and Auditor General, and to all Accountants-General and Comptrollers (except the Comptroller, Post Office).

From F. C. HARRISON, Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 17th November 1897, No. 3589.

In reply to your memorandum, No. 2203, dated the 28th October 1897, requesting me to report how far the Resolution of the Government of India, No. 4280-A., Financial, dated 24th September 1897, affects the classification of the accounts and existing orders, I have the honour to state as follows.

2. The points to be considered have reference to the following classes of expenditure:—

(1) Petty construction and repairs executed under orders of the heads of offices concerned;

(2) Agency works in the tracts of Ganjám, Vizagapatam and Gódávari; and

(3) Minor irrigation works executed by Revenue officers.

3. As regards the first-class, the Government of India order does not require any alteration in the existing orders on the subject which fix Rs. 1,000 as the maximum limit for a single work—G.O., No. 370, Financial, dated 7th May 1895. In connection with the class of expenditure, the only question to be considered is as regards works in the Salt and Forest Departments. Under article 98 (*u*) of the Civil Account Code, these two departments form an exception to the general rule, fixing the limit Rs. 1,000 for each single work executed by Civil officers; the existing orders empower the Board to sanction works costing more than Rs. 250 and not more than Rs. 5,000 and all repairs costing more than Rs. 500 in the Salt Department (G.Os., No. 1142, Revenue, dated 5th August 1881, and No. 172, Financial, dated 27th February 1894), while in the case of the Forest Department the Conservators, the Board of Revenue and Government can sanction works exceeding Rs. 1,000 as laid down in section 148 of the Forest Code. It is doubtful whether these two departments should still form an exception to the general rule, and this point should be cleared up by a reference to the Government of India.

4. The second class of works are connected mainly with the construction and repair of roads and some cases of buildings in the Agency tracts. Such expenditure is debited to 45. Civil Works in charge of Civil officers. Under present orders Government Agents are empowered to sanction new roads up to a limit of Rs. 3,000 and repairs to communications without limit—G.O., No. 1040, Financial, dated 29th November 1894. As regards buildings, their power of sanction is subject to the general limit of Rs. 1,000 for each work. This class does not appear to fall under any of the exceptions in the present Government of India order, and apparently has to be wholly transferred to the Public Works Department. The Government of India order does not, however, object to the execution of these works by Civil officers, provided they act as Public Works disbursers; so that the only change necessary would be the transfer of the control, audit and record of the expenditure from the Civil to the Public Works Department.

5. Expenditure on works of the third class is debited to 43. Minor Works and Navigation and is connected with repairs of masonry and earth-work, the reconstruction of injured works and the construction of new irrigation sluices, &c. The expenditure on each work does not appear to have been considerable, but the works do not seem to fall under the exceptions in the Government of India order, and the present system which appears to have been in force since 1880, and under which the works are executed by Civil officers and the expenditure booked in the Civil department, is apparently opposed to the present orders of the Government of India. In this case also there appears to be no objection to the Civil officers acting as Public Works disbursers. They would then obtain the requisite funds from Public Works Department and account to that department for the expenditure. If, however, this class of expenditure is regarded as falling under exception (*a*) in the Government of India Resolution—works charged to the budget grants of the departments concerned—the outlay on each work will have to be restricted to Rs. 1,000.

6. I take this opportunity of mentioning that large amounts are sometimes spent in the Police Department on the construction of police huts and stations and under the sanction of District Magistrates on the construction and repair of cattle-pounds. It is desirable in both these cases that Government consult the departments concerned to determine in what cases such large expenditure would be more advantageously accounted for to the Public Works Department instead of to the Civil Department.

7. The Government of India Resolution received with your memorandum is returned as desired.

Order—No. 1012, Financial, dated 4th December 1897.

Communicated to the Judicial Department for remarks as regards Agency works and works in charge of the Police Department, and to the Revenue Department as regards minor irrigation works, the construction and repair of cattle-pounds and

works in charge of the Salt and Forest Departments. The Public Works Department will be requested to state its opinion on the proposed transfer of the control, audit and record of expenditure from the Civil to the Public Works Department.

(True Extract.)

(Signed) A. T. ARUNDEL,
Chief Secretary.

To the Judicial Department.
" Revenue Department.
" Public Works Department.
" Accountant-General.

Order—Mis. No. 6455, Revenue, dated 17th December 1897.

Referred to the Board of Revenue for early remarks.

(True Extract.)

(Signed) N. E. MARJORIBANKS,
Ag. Under Secy. to Government.

To the Board of Revenue (Land Revenue).
" " (Revenue Settlement, Land Records and Agriculture).
" " (Separate Revenue).

Read—also the following replies:—

FROM THE REVENUE DEPARTMENT.

Proceedings of the Board of Revenue (Land Revenue).

Resolution—Mis. No. 58, dated 10th January 1898.

The Government Order read above will be communicated to the Forest Section for the necessary action.

2. As regards cattle-pounds, the only Land Revenue subject referred to in the Government Order other than Forests, the Board's power of sanction is, as observed by the Accountant-General, already limited to Rs. 1,000 for each work, and the present resolution of the Government of India does not require any alteration of this rule. Works connected with cattle-pounds seldom cost so much as Rs. 1,000 in any individual case.

(True Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department.
" Forest Section.

Endt. Mis. No. 292, Revenue.

Transferred to the Financial Department.

Fort St. George,
18*th January* 1898.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

Proceedings of the Board of Revenue (Land Revenue), Forest Section.

Resolution—Forest Mis. No. 89, dated 17th February 1898.

As directed in G.O., Mis. No. 6455, Revenue, dated 17th December 1897, the Board resolves to report on the proposal to transfer to the Public Works Department the control, audit and record of expenditure incurred on all forest public works executed by the Agency of Forest officers with the exception of works of a petty nature.

2. The Conservators, who have been consulted on the subject, are unanimous in deprecating the adoption of the proposed measure. Under the present practice, the cost of public works executed by Forest officers is provided for in the budget estimates of the department and met from the budget grant under 11. Forest—A-VII "Communications and Buildings". This course is authorized by the Government of India Resolution (Finance and Commerce Department), No. 1040, dated 17th May 1884, which is apparently not affected by the instructions now issued by that Government. The object of the order now under consideration appears to be merely to enforce the strict observance of the rules issued in the Public Works Department resolution of 1880 quoted therein and not to override any existing orders.

Recorded in G.O., No. 1634, Financial, dated 19th July 1884.

3. The audit of expenditure on forest public works varies, at present, according to the source from which it is met, and when funds for these works are provided for in the Forest budget, the Board considers that the control, audit and record of the charges incurred should be departmental as in the case of expenditure on other works, such as demarcation, &c., incurred by the department. If any other system is prescribed, the Board fears that there will be unnecessary duplication of work, and much confusion in the accounts.

4. Secondly, the Board believes that, even if this difficulty were surmounted, no advantage would be gained by transferring the control over the expenditure on forest works executed through Forest officers to the Public Works Department. Forest buildings and communications are mostly constructed in remote localities and are intended to serve the special needs of the department, such as roads to facilitate the extraction of forest produce or inspection bungalows to accommodate Forest officers when halting for work in the forest. In the Board's opinion these works must be left to the department itself to provide funds for and to construct in accordance with the varying needs and exigencies of the Forest administration. Rough work is often all that is required and this can be done at a smaller cost than work executed by the Public Works Department. The effect of transferring to the Public Works Department the duty of providing funds for such works and the necessary control over them would thus inevitably tend to delay their execution and to cause inconvenience and in some cases loss of revenue besides making the works themselves more expensive.

5. For these reasons, the Board is strongly of opinion that no change should be made in the present system of auditing and controlling the expenditure on forest public works executed by departmental officers. Where the execution of forest public works specially requires professional skill, or where, owing to their location at headquarters or for other reasons, it is deemed advantageous to entrust them to the Public Works Department, the assistance of that department is always sought for. But in these cases, the funds necessary for carrying on the works are provided for in the Public Works Department estimates with reference to paragraph 2 of the Government of India Resolution of 1884, quoted in paragraph 2 *supra* and the works themselves are executed under the supervision of the Public Works Department officers.

(True Copy and Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department.

Endt., Mis. No. 1087, Revenue.

Transferred to the Financial Department with an expression of concurrence in the Board's remarks.

Fort St. George,
4th March 1[illegible]

(Signed) N. E. MARJORIBANKS,
Ag. Under Secy. to Govt.

Proceedings of the Board of Revenue (Separate Revenue).

Resolution—Mis. No. 774, dated 28th February 1898.

In the Government Order read above, the Government requests the remarks of the Board in the Separate Revenue branch on certain suggestions of the Government of India which involve in its case a proposal to curtail its powers in the matter of sanctioning estimates and to assimilate them to those of other heads of Civil departments.

2. The question of the powers to be exercised by the Commissioner of Salt Revenue in this matter was raised in 1883, and after a full description of the system in operation had been given by the then Commissioner Mr. Bliss, it was decided that no modification was called for—*vide* G.O., No. 2850, Revenue, dated 7th July 1884. Ten years later the Board's powers were actually curtailed as now proposed, but on a representation being made by the Board of the disadvantages that would result its powers were again restored—*vide* G.O., No. 172, Financial, dated 27th February 1894. For the reasons fully set forth in the two proceedings disposed of in the Government Orders above quoted, the Board now strongly deprecates any change in the direction indicated.

3. The works executed under the control of this department of the Board at a cost of more than Rs. 1,000 apiece are few in number, being only 2·22 per cent. of the total number of works of all description executed, and costing only 31·20 per cent. of the total expenditure. They are, moreover, simple in their nature, and many of them involve nothing but the carrying out of a standard plan prescribed in accordance with professional opinion. The officers who execute them are trained under the orders of Government sufficiently to ensure capable execution. The estimates are prepared, the Board believes, in considerably more detail than is the practice in the Department of Public Works, and are subjected to strict scrutiny and, in point of rates, the Board believes that it can in most instances show a considerable reduction on those employed in that department without sacrifice of efficiency. Whenever any point of engineering difficulty arises, the Board asks for and invariably obtains the professional opinion of the officers of that department. The accounting of the works is done in the Board's office under a system which has worked well hitherto and is thoroughly understood by those who have to work it.

4. In these circumstances, the Board is of opinion that there are no such advantages to be gained by adopting the proposal of the Government of India as would compensate for the delays that would be involved and the additional work that would be thrown upon a number of officers by subjecting the works done by the Salt, Abkári and Customs Department (which is in this respect semi-professional one) to the same scrutiny and control as works undertaken by other departments whose officers have, as a rule, no professional knowledge or experience and whose works are few and unimportant in comparison.

(True Extract.)

(Signed) A. KRISTNASAMY IYENGAR,
Ag. Assistant Secretary.

To the Secretary to Government, Revenue Department.

Endt., Mis. No. 1267, Revenue.

Transferred to the Financial Department with an expression of concurrence in the remarks of the Board of Revenue.

Fort. St. George,
12*th March* 1898.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

To the Financial Department,
with copy of Hon'ble Member's note.

Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture).

Resolution—No. 72, dated 10th February 1898.

Under the decision arrived at in G.O., No. 284 I., dated 5th May 1880, the repair and maintenance of Minor Irrigation Works was transferred to the Revenue Department, and Collectors were required to arrange for the supervision of these works, the funds required for this purpose being placed at their disposal by Government in the Public Works Department.

2. Applications from Collectors for allotments of funds were submitted to Government for sanction through the Board, and the requirements of each district were dealt with separately. This state of things continued till 1883, when the Board suggested in paragraph 3 of its Proceedings, No. 1677, dated 11th June 1883, that it would tend to facilitate the allotment of funds to the several districts and consequently to expedite the execution of works, if at the commencement of the official year, the total grant under Minor Irrigation Works were placed at the disposal of Government in the Revenue Department and the Board authorized to make the distribution subject to the approval of Government in that department. This suggestion was approved by Government which laid down in its order, No. 900 Rev., dated 23rd July 1883, that, on receipt of the preliminary issue of the Irrigation Budget which included also provision for Minor Irrigation Works, the Board of Revenue should distribute the allotment.

3. Under this system, the Board allotted funds to the several districts, and the audit of the expenditure incurred by Collectors was conducted by the Accountant-General, the total expenditure for the year being finally adjusted by the Examiner of Public Works Accounts.

4. This final adjustment by the Examiner of Public Works Accounts continued till 1893, when the Accountant-General, on the suggestion of the Deputy Auditor-General, asked the Board if it had any objection to the final adjustment being made in the Civil books instead of passing it on to the Public Works Department. The Board, in consultation with the Chief Engineer for Irrigation, informed the Accountant-General, in B. P., Mis. No. 3574, dated 19th June 1893, that it was immaterial so far as the Board was concerned whether the expenditure on Minor Irrigation Works was finally adjusted in the books of the Accountant-General or of the Examiner of the Public Works Accounts; and on the suggestion of that officer the whole correspondence was submitted to Government for orders with B.P., No. 276, dated 7th July 1893, with the recommendation that the receipts and charges on account of Minor Irrigation Works in charge of the Revenue Department be brought on the civil estimates and accounts in future. The Board's proposal was approved by Government in the Financial Department—G.O., No. 835, Financial, dated 28th August 1893. Since then, the budget provision on account of Minor Irrigation Works in charge of the Revenue Department is being included in the Civil Budget Estimates under No. 43. Irrigation —Minor Works and Navigation—*vide* paragraph 14 of the Chief Engineer's note in G.O., No. 99 I., dated 3rd February 1894.

5. It is not quite clear whether this system requires modification with reference to the Government of India Resolution embodied in the Government Order read at the head of these Proceedings. The Accountant-General inclines to the view that Minor Irrigation Works do not fall under the exceptions in paragraph 2 of the resolution of the Government of India; and states that, if the expenditure on these works is regarded as falling under exception (*a*) in the resolution, the outlay on each work will have to be restricted to Rs. 1,000. By "Petty construction and repairs" mentioned in the exception, the Government of India may refer only to construction and repairs of buildings in regard to which a money limit of Rs. 1,000 has been fixed; but if Minor Irrigation Works are also included in the expression, the Board would suggest that the limit of Rs. 1,000 should not be enforced in respect of these works. It is true as observed by the Accountant-General that in the majority of cases the expenditure on Minor Irrigation Works is not considerable, but there have been cases in which a larger outlay than Rs. 1,000 has been incurred, and it seems unadvisable in such cases to restrict the expenditure to Rs. 1,000. The limit which now governs the expenditure

is that the outlay should not exceed one-fifth of the aggregate revenue during the preceding five years and the Board considers that an absolute limit will be unsuitable to the case. If, however, it is considered that Minor Irrigation Works are not excepted by the Government of India, the Board begs to state that it sees no objection to the outlay on these works being audited by, and brought to account on the books of, the Examiner of Public Works Accounts, the works being carried out by Revenue officers as Public Works disbursers and reckoned as Public Works in charge of Public Works officers. This is practically a reversion to the system which obtained before 1893.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Secretary to Government, Revenue Department.

Endt. No. 1743.

Transferred to the Financial Department with an expression of concurrence in the Board's remarks in paragraph 5.

(Signed) N. E. MARJORIBANKS,
22*nd April* 1898. *Ag. Under Secy. to Govt.*

FROM THE PUBLIC WORKS DEPARTMENT.

Office-note from the Examiner, Public Works Accounts, No. 241-A/A, dated 22nd February 1898.

[Your office-note No. 50-C., dated 5th January 1898].

There appears to be no objection *per se* to the transfer of the control, audit and record of expenditure of the works concerned, as proposed by the Government of India, from the Civil to the Public Works Department, but before this actually takes place, several subsidiary questions would have to be considered and determined, and these can be gone into after the replies from the other departments consulted are received, and if it is then decided that the transfer in question shall take place.

Order—No. 727 W., dated 17th March 1898.

Communicated to the Financial Department, with reference to G.O., No. 1012, Financial, dated 4th December 1897, and, with the remark, that there is no objection to the proposed transfer from the Civil to the Public Works Department of the control of, and the audit and record of expenditure on, public works in charge of Civil officers.

2. The subsidiary questions referred to by the Examiner can be considered after it is decided that the transfer shall take place.

(True Extract.)

(Signed) C. H. B. BURLTON,
Under Secretary.

To the Financial Department.
„ Examiner, Public Works Accounts.

Read—also the following replies :—

FROM THE JUDICIAL DEPARTMENT.

From the Inspector-General of Police, Madras, to the Chief Secretary to Government, dated 5th February 1898, No. 447.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, regarding the question of the audit and classification of expenditure on public works in charge of Civil officers, I have the honour to say that, under the proposals of the Government of India, buildings the cost of which is not above Rs. 1,000 each may be done departmentally and charged in departmental accounts, as has been the practice hitherto in this department. The Accountant-General suggests that, as the annual expenditure is large, it may, perhaps, be well that this expenditure should be accounted for to the Public Works Department Examiner of Accounts. I would submit, however, that the expenditure is large, because of the number of huts constructed being large. About Rs. 30,000 a year is the expenditure on construction of huts, but the buildings being all simple, buildings without any costly materials nor involving the use of skilled labour, no advantage will be gained by the vouchers and estimates being submitted to and audited by the Examiner of Public Works Accounts.

From the Agent to the Governor in Ganjám, to the Chief Secretary to Government, dated 1st February 1898, Dis. No. 54-A.G.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, forwarding Proceedings of the Financial Department, No. 1012, dated 4th December 1897, in regard to the control, audit and record of expenditure on Agency works from the Civil to the Public Works Department, I have the honour to state that, in my opinion, any such transfer is most undesirable and will be extremely prejudicial to the proper and economical execution of Agency works.

2. The execution of public works by Public Works Department Agency has, wherever I have seen it, been notoriously slow and expensive—a condition of things largely due to the peculiarities of the labour market in the hill tracts, and the unsuitability of the form of vouchers and account prescribed in the Public Works Code.

3. Public works in charge of the Public Works Department are, as a rule, executed on piece work and contract system, but no contractors can be induced to take up the work of scattered repairs in the remote parts of the Agency except at an enormous percentage of profit, nor is it possible to enforce the payment by contractors of their proper wages to the labourers employed.

The works of repairs are for the most part such as do not admit of detailed measurement which is essential to the system of Public Works Accounts.

4. In regard to the execution of works, I understand that it is the intention of the order referred to above that the control, record and audit of all expenditure in the Agency tracts should be transferred to the Public Works Department; and while on the one hand emphatically protesting against the Public Works Department gaining any further footing in the Agency tracts than that which they already have, I must also point out that the unsuitability of Public Works forms and vouchers renders it impossible for work of the nature of Agency works to be carried out by Agency officers under the control of the Public Works Department.

5. Revenue officers in the hill tracts have far more influence than Public Works officers can ever have. The Divisional officers are moreover constantly on tour and ready to investigate any complaints of non-payment. This cannot be expected of a Public Works officer who may visit the hill tracts once a year for a short period.

6. I offer no objection to the audit of expenditure on Agency works taking place in the office of the Examiner of Public Works Accounts, provided that it is clearly

specified that the submission of accounts in Public Works forms will not be insisted on. I may note that a large proportion of the vouchers will be in Uriya, and I doubt it the Examiner of Public Works Accounts will be able to check them aright.

7. The control and record of Agency expenditure must, if good work is to be done, vest in the Agent to the Governor and his Sub-divisional officers as herebefore. My experience of the manner in which Agency works are executed, the peculiarities of the labour market and the unsuitability of such works and labour to Public Works Department conditions is not inconsiderable, and I believe that my opinion will be supported by every officer who has been in charge of districts containing Agency tracts for many years past.

8. Under the circumstances I would request that the Government of India be again addressed on the subject, and that the existing system of control be allowed to continue.

From the Agent to the Governor, Vizagapatam District, to the Chief Secretary to Government, dated 2nd February 1898, No. 52.

Referring to G.O., R. No. 18, Judicial, dated 6th January 1898, I have the honour to state that, as a rule, ordinary Agency works, both new and repairs, are executed without estimates. The sanctioned allotments for each division are placed at the disposal of the respective Divisional officers at the commencement of the official year, and the works are then executed either through contractors or by departmental agency. The expenditure is adjusted by the Divisional officers by means of detailed bills supported by vouchers from payees.

2. I gather that the object of the proposal to transfer to the Public Works Department the audit and control of expenditure on Agency works is to ensure a more accurate and professional audit, but it strikes me that professional audit will not fit in with unprofessional methods of execution. The Examiner will probably require estimates, deviation statements and other documents unknown in the Agency and there will be continual trouble. If the Public Works Department is to control the expenditure, I think it will have also to conduct it, and this I do not recommend, as I do not think that its methods are suited to the country, while those now in vogue are so, and on the whole have hitherto produced a fair return for the money expended.

From the Government Agent, Gódávari District, to the Chief Secretary to Government, dated 9th March 1898, Dis. No. 49-Agency.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, I have the honour to submit that there is no objection to the proposal of the Government of India regarding the audit and classification of public works in charge of Civil officers if the Tahsildars and Deputy Tahsildars in the Agency tracts are made Public Works disbursers. If, however, the Special Assistant Agent is made a Public Works disbursers, there will be a considerable addition to the work in his office which is undesirable.

Order—Mis. No. 520, Judicial, dated 25th March 1898.

The Financial Department will be informed that the replies received from the Inspector-General of Police and the Agents to the Governor in Ganjám and Vizagapatam are all unfavourable to the proposed change. The Inspector-General of Police points out that although he spends about Rs. 30,000 a year on the construction of huts, the number of huts constructed is large, and the buildings are simple and require no skilled labour.

2. The Ganjám Agent considers that the control and record of Agency expenditure must vest in the Agent and his Sub-divisional officers if good work is to be done. He considers that the manner in which Agency works are executed and the peculiarities

of the labour market render Public Works Department methods unsuitable. He has no objection to the audit of expenditure on Agency works by Public Works Department Examiner of Accounts, but objects to the submission of accounts in Public Works Department forms.

3. The Vizagapatam Agent considers that if the Public Works Department is to control expenditure, it should also conduct it. This he does not recommend as he believes that Public Works Department methods are unsuited to Agency tracts, while those in vogue produce a fair return on the outlay.

4. The Gódávari Agent does not object to the change if the Tahsildars and Deputy Tahsildars in the Agency tracts are made Public Works Department disbursers, but considers it inadvisable to add to the work of the Special Assistant Agent by making him a Public Works Department disburser.

5. Under the circumstances the proposed change is not desirable as far as the expenditure under the Judicial Department is concerned.

(True Extract.)

(Signed) A. T. ARUNDEL,
Chief Secretary.

To the Financial Department

Official Memorandum, No. 2086, dated 29th September 1898.

With reference to his letter

No. 54 A.G., of 1st Feb. 1898,	the Agent to the Govnr. in Ganjám
No. 52, of 2nd February 1898,	the Agent to the Govnr. in Vizgptm.
No. 49, of 9th March 1898,	the Government Agent, Gódávari
No. 447, of 5th February 1898,	the Inspector-General of Police

is requested to submit to Government, at an early date, a memorandum explaining fully the system of control and audit of expenditure on $\frac{\text{Agency}}{\text{Police}}$ works now in force. Copies of any forms in use should be submitted. The information is required in order that Government may decide whether any more systematic system of control and audit is required, and, if so, whether it should be entrusted to the Public Works Department.

(Signed) G. STOKES,
Chief Secretary.

From H. A. STUART, Esq., I.C.S., Acting Inspector-General of Police, to the Chief Secretary to Government, dated Madras, 22nd October 1898, No. 3999.

I have the honour to submit a note explaining fully the system of control and audit of expenditure on police works now in force, as desired in your memorandum No. 2086, Judicial, dated 29th September 1898. Copies of the forms in use are herewith submitted.

From W. O. HORNE, Esq., Agent to the Governor, Vizagapatam, to the Chief Secretary to Government, dated 17th November 1898, Dis. No. 650-Agency.

Referring to memorandum No. 2086, dated 29th September last, I have the honour to submit herewith a memorandum explaining fully the system of control and audit of expenditure on Agency works now in force, together with copies of the forms in use.

2. From an experience of Agency works which extends over a considerable period both in this district and in Ganjám, I am very strongly of opinion that the Public Works Department is not at all a desirable or efficient agent for their execution, and that under the present, admittedly loose, system, considerably better value for the money expended and considerably greater efficiency is attained, than

will be attained if the works are handed over to the Public Works Department. This opinion is confirmed by some small experience of the Public Works Department work in the Agency, and I am prepared to support it by facts and instances.

3. As to control and audit, I have no objection to its transfer to the Public Works Department, but to do this, it will be necessary to modify the methods of that department to suit our circumstances and methods, which may not be possible.

Read—also the following papers:—

From H. D. TAYLOR, Esq., I.C.S., Acting Agent to the Governor in Ganjám, to the Chief Secretary to Government, dated Chatrapur, 21st December 1898, Dis. No. 381-R—Agency.

With reference to your memorandum No. 2086, dated 29th September 1898, I have the honour to forward herewith a memorandum explaining fully the system of control and audit of expenditure on Agency works of this district now in force, together with copies of forms in use.

Enclosure.

* * * * *

9. The system in force works very well, and an introduction of Public Works Department rules would, it is presumed, lead to no good, and in some cases it would be quite impossible to apply them; the adoption of Public Works Department rules and forms would probably lead to great expenditure and to more time being devoted to accounts than to personal supervision of the outturn and value of works. Government gets an excellent outturn for its money on the present system, and I consider that the substitution of the Public Works Department system of forms and accounts for petty works of this nature—scattered as they are over a large and hilly tract, where trained gumastahs and overseers cannot be obtained—would be not only uneconomical and prejudicial to good work, but would practically render the execution of works in many places impossible.

From V. A. BRODIE, Esq., Government Agent, Gódávari District, to the Chief Secretary to Government, dated Cocanada, 6th January 1899, Dis. No. 4-Agency.

As directed in memorandum No. 2086, dated 29th September 1898, I have the honour to submit copy of memorandum explaining fully the system of control and audit of expenditure on Agency works now in force, together with copies of forms in use sent by my Agency Deputy Collector.

Order—No. 729, Financial, dated 28th June 1899.

The Government of India will be addressed.

[Here enter letter No. 730, Financial, dated 28th June 1899.]

(True Extract.)

for *Chief Secretary.*

To the Judicial Department,
" Revenue Department,
" Public Works Department,
" Accountant-General,
with copy of letter, No. 730 dated 28-6-99.

Ed. A. F. Eccleston.

Government (1899) of Madras.

FINANCIAL.

Recd.	1899.	*Enclosures*
Regd.		*Spare copies*

Letter, No. 730, 28th June 1899.

JUNE.

Oct. 1
5331/89

Public Works in charge of Civil Officers.

Stating, with remarks, that the proposal to transfer from the Civil to the Public Works Department of the control of, and the audit and record of, expenditure on, — is, in the opinion of the Governor in Council, undesirable.

FINANCIAL DEPARTMENT.

Letter—from

The CHIEF SECRETARY to the GOVERNMENT of FORT ST. GEORGE,

To

The SECRETARY to the GOVERNMENT of INDIA, Finance and Commerce Department.

Sir,

I am directed to reply to Mr. Brunyate's letter No. 4280-A., dated the 24th September 1897, regarding the accounting of Public Works receipts and outlay by Civil officers.

2. In that letter attention was drawn to Government of India Public Works Department resolution No. 15, dated the 24th August 1880, under which all outlay on public works in charge of Civil officers, with the exception of certain specified items, should be audited by, and brought to account on the books of, the Examiner of Public Works Accounts concerned; the works being carried out by the Civil officers as Public Works disbursers and reckoned as public works in charge of Public Works officers. It was intimated that it had been brought to notice that, in many provinces, Public Works expenditure of considerable amounts incurred by Civil officers is audited and brought to account by the Civil Accountant-General as "Public Works in charge of Civil Officers"; that this course is unauthorized; and that it is desirable that the expenditure on public works of any importance should be subjected to the stricter technical audit of the Public Works Examiners. The Government of India, therefore, requested that unless the Governor in Council had any objections to urge, orders might be issued to ensure that all expenditure upon public works by Civil officers, except on the simpler class of works mentioned in the resolution of 1880, should be audited by the Account officers of the Public Works Department and adjusted in the Public Works accounts. It was added that any work, the expenditure on which exceeded a money limit of Rs. 1,000, should not be considered as coming within the category of "petty construction and repairs" and should not therefore be adjusted against the department concerned. It was further pointed out that these instructions did not refer to any rules which might have been laid down for the audit of public works chargeable to Local Funds.

3. The remarks in the letter under reply apply in this Presidency to the following works which are carried out departmentally:—

Revenue Department.

(*a*) 5 & 7. Salt and Excise.
(*b*) 11. Forests.
(*c*) 20. Police—Cattle Pounds.
(*d*) 43. Minor Works and Navigation.

Judicial Department.

(*e*) Agency works in Ganjám, Vizagapatam and Gódávari debited in the accounts to 45. Civil Works.
(*f*) 20. Police—Police huts, station-houses and similar buildings.

4. Under article 98 (*u*) of the Civil Account Code, the Salt and Forest departments form an exception to the general rule fixing the limit of Rs. 1,000 for each

single work executed departmentally. The outlay on works executed departmentally is recorded in the accounts of the Civil Department—*vide* Public Works Department Code, Volume I, Chapter IX, paragraphs 73 and 74. It is doubtful, however, whether it is the intention of the Government of India that these two departments are to continue to be so treated.

5. *Salt and Excise.*—The rules for the classification and audit of civil expenditure on these works are contained in Chapter XXVIII of the Madras Salt Department Circular I of 1893 (*vide* Appendix A to this letter). The nature of the works executed by the Salt Department will appear from paragraph 354 of the circular and it will be seen from paragraph 367 that there is no limit (except the budget allotment) as to the cost of the works which can be executed without the expenditure passing through the Public Works accounts. The provision of funds and the rendering of accounts are dealt with in paragraphs 383 to 392 of the circular.

6. The question of the procedure in regard to the departmental construction and repair of Salt works was raised in Government of India Public Works Department No. 329-A.G., dated the 15th November 1883, and the system obtaining in this Presidency was explained in Colonel Shaw-Stewart's letter, No. 1557 W., dated 20th June 1884, and in the letter from the Commissioner of Salt Revenue, No. 464, dated 21st January 1884, contained in the proceedings of this Government, No. 1556 W., which accompanied that communication. It was then pointed out that the works connected with this department are generally of such a nature as not to require the employment of skilled labour; that the agency of the Public Works Department is always available for works of a higher class, and that the advice and assistance of this department are called in when necessary; that financial regularity is strictly observed in the execution of works by departmental agency, the powers of sanction vested in the different officers being clearly laid down; that the numerous and generally insignificant Salt buildings and works are situated in localities outside the general range of the limited and already more than fully employed Public Works staff; that the outlay in the Salt Department is by no means confined to buildings proper, but deals also with the excavation and clearance of channels, the construction and repair of branch roads and fences, the formation of earthen platforms, drying grounds, patrol paths, &c.; and that the Governor in Council saw no reason to disturb the procedure then in force which worked satisfactorily.

7. Ten years later, the Madras Government restricted the powers of sanction of the Commissioner of Salt Revenue in exactly the same manner as the principle laid down in the letter under reply, if strictly applied to this department, would restrict them. The Board of Revenue then represented that this curtailment of the powers of the Commissioner who had, since the re-organization of the Board in April 1887, exercised the powers of sanction hitherto exercised by it, would entail considerable delay in the execution of works, besides additional correspondence and increase of work in the Board's office, and would be detrimental to the public interests. Upon this, Government ruled that the Board of Revenue in the Separate Revenue Department should be exempted from the general order which laid down Rs. 1,000 as the maximum limit in the case of new works and repairs.

G.O., No. 1191, Financial, dated 27th November 1893.

G.O., No. 172, Financial, dated 27th February 1894.

8. I am to point out in this connection that the departmental works costing more than Rs. 1,000 apiece are only 2·22 per cent. of the total number of works of all description executed and represent only 31·20 per cent. of the total expenditure; that they are, moreover, simple, many of them involving nothing but the carrying out of a standard plan prescribed in accordance with professional opinion; that the officers who execute them are sufficiently well trained to ensure capable execution; that the estimates are prepared in as much detail as is the practice in the Public Works Department and are subjected to strict scrutiny; that in point of rates, these estimates can in most instances show a considerable reduction on those employed in the Public Works Department, without sacrifice of efficiency; that whenever any point of engineering difficulty arises, the professional opinion of Public Works Department

officers is obtained; and that the accounting of the works is carried out in the Board's office under a system which has worked well and is thoroughly understood by those who have to work it. For the foregoing reasons the Governor in Council is of opinion that the advantages to be gained by adopting the proposal of the Government of India are not such as would compensate for the delays that would be involved and for the additional work that would be thrown upon a number of officers, by subjecting the works carried out in the Salt, Abkári and Customs Department (which is, in this respect, a semi-professional department) to the same scrutiny and control as works undertaken by other departments, whose officers have, as a rule, no professional knowledge or experience and whose works are few and unimportant in comparison.

9. *Forest.*—The present practice under which the cost of public works executed by Forest officers is included in the budget estimates of the department is authorized by Government of India Finance and Commerce Department resolution, No. 1040, dated 17th May 1884. The nature of the works executed departmentally is set out in paragraphs 144 and 145 of the Madras Forest Code. There is no limit to the cost of such works (paragraph 148 *ibid*). The accounts rendered consist of a completion report submitted to the Collector, the Conservator or the Board, as the case may be (paragraph 155); a classified abstract submitted monthly to the Accountant-General with vouchers (paragraphs 200 and 201); and a statement of expenditure on sanctioned works submitted monthly to the Conservator (paragraph 202).

10. The *audit* of expenditure on Forest public works varies according to the source from which it is met; but when funds for these works are provided for in the Forest budget, the control, audit and record of the charges incurred should, it is considered, be departmental as in the case of expenditure on other departmental works, such as demarcation, &c. Any other system would result in unnecessary duplication of work and much confusion in the accounts. Forest buildings and communications are mostly constructed in remote localities and are intended to serve the special needs of the department. These works must be left to the department itself for construction and provision of funds according to the varying needs and exigencies of Forest administration. Rough work is often all that is required, and this can be done at a smaller cost than work executed by the Public Works Department. The effect of transferring to that department the duty of providing funds for such works and the necessary control over them must inevitably tend to delay their execution and to cause inconvenience and, in some cases, loss of revenue, besides making the works themselves more expensive. Where the execution of Forest public works specially requires professional skill or where, owing to their location at head-quarters or for other reasons it is deemed advantageous to entrust them to the Public Works Department, the assistance of that department is always sought. In these cases funds are provided in the Public Works Department estimates and the works themselves are executed under the supervision of the Public Works Department officers. The Governor in Council considers that the present system, which is supported by the authority of the Government of India, should continue, and that it would be detrimental to the public interests to introduce any change.

11. *Cattle Pounds.*—Expenditure on the construction and repair of pounds is sanctioned by the District Magistrate, whose powers of sanction are limited to Rs. 1,000. Works are generally carried out under the supervision of Revenue Inspectors, and the Tahsildar or Deputy Tahsildar, on completion of the work, certifies to it having been completed according to the estimate. The expenditure is audited in the District Treasury. The appendix to the proceedings of the Board of Revenue (Land Revenue), No. 484, dated 2nd September 1892, copy of which accompanies, contains the account and audit rules in use in this Presidency. Works connected with cattle pounds seldom cost so much as Rs. 1,000 in any individual case. These works are usually constructed on standard plans and, in the opinion of Government, it would hardly be worth while to transfer to the Public Works accounts the few cases in which this maximum may be slightly exceeded.

12. *Minor Irrigation Works.*—The repair and maintenance of these works were transferred to the Revenue Department in 1880, and Collectors were required to arrange for the supervision of the works, the required funds being placed at their disposal by the Public Works Department. Applications from Collectors for allotments

of funds were submitted to Government for sanction through the Board of Revenue and the requirements of each district were dealt with separately. This state of things continued till 1883, when the Board suggested that it would tend to facilitate the allotment of funds to the several districts, and consequently to expedite the execution of works, if at the commencement of the official year the total grant under Minor Irrigation Works were placed at the disposal of the Revenue Department and the Board was authorized to make the distribution subject to the approval of that department. This suggestion was approved by Government which directed that the Board of Revenue should distribute the allotment on receipt of the preliminary issue of the Irrigation budget which included provision for Minor Irrigation Works. Under this system, the Board allotted funds to the several districts, and the audit of the expenditure incurred by Collectors was conducted by the Accountant-General, the total expenditure for the year being finally adjusted by the Examiner of Public Works Accounts. This final adjustment by the Examiner continued till 1893, when the Accountant-General, on the suggestion of the Deputy Auditor-General, proposed, and Government agreed, that the receipts and charges on account of Minor Irrigation Works in charge of the Revenue Department should be brought on the Civil estimates and accounts. Since then, the budget provision on account of Minor Irrigation Works in charge of the Revenue Department has been included in the Civil Budget Estimates under No. 43. Irrigation—Minor Works and Navigation.

13. These works are generally carried out under the supervision of Tahsildars and the system of rendering accounts in regard to them is described in Part IV of the rules attached to the Standing Orders of the Board of Revenue, No. 187. The accounts are finally audited by the Accountant-General.

14. It is not quite clear whether this system requires modification with reference to the letter under reply. The Accountant-General inclines to the view that Minor Irrigation Works do not fall under the exceptions in paragraph 2 of that letter, and he states that if the expenditure on these works is regarded as falling under exception (*a*) in that paragraph—works charged to the budget grants of the departments concerned—the outlay on each work will have to be restricted to Rs. 1,000. The limit which now usually governs the expenditure is that the outlay should not exceed one-fifth of the aggregate revenue during the preceding five years, and an absolute limit would be unsuitable to the case. The system now in vogue as regards these works has worked for years smoothly and advantageously. It enables the ryot population to get the petty repairs in which they are interested executed expeditiously and prevents much discontent and grumbling on their part. The great mass of the works are below Rs. 1,000 and it would be extremely inconvenient to have two systems in connection with the minor irrigation grant. The works generally need no skilled supervision and there is nothing which mere audit, as apart from improved supervision, could rectify or improve.

15. *Agency Works.*—These works are connected mainly with the construction and repair of roads and, in some cases, of buildings in the Agency tracts of Ganjám, Vizagapatam and Gódávari, the expenditure being debited to 45. Civil Works—In charge of Civil Officers. Under existing orders, the Agents of these districts are empowered, subject to budget provision, to sanction new roads up to a limit of Rupees 3,000 and repairs to communications without limit; the power of sanction as regards buildings being subject to the general limit of Rs. 1,000 for each work. These works do not fall under any of the exceptions mentioned in paragraph 2 of the letter under reply and it would appear therefore that the Government of India considers that they should be either transferred wholly to the Public Works Department, or that, if executed by Civil officers, these officers should act as Public Works disbursers. The present system of audit and control as regards these works is described in the memoranda printed in Appendix B to this letter.

16. The execution of public works by the Public Works Department in the Agency tracts has been slow and expensive, this being largely due to the peculiarities of the labour market in the hill tracts and to the unsuitability of the forms of vouchers and account prescribed in the Public Works Code. Works in charge of the Public Works Department are, as a rule, executed on the piece-work and contract system; but no contractors can be induced to take up the work of scattered repairs in the remote parts of the Agency except at an enormous percentage of profit, nor is it

possible to enforce the payment by contractors of their proper wages to the labourers employed. The works of "repairs" are, moreover, for the most part such as do not admit of detailed measurement, which is essential to the system of Public Works Accounts. Revenue officers in the hill tracts have far more influence than Public Works officers as Divisional officers are constantly on tour. The application of the rules of the Public Works Code to these works which are scattered over extensive and hilly tracts where trained subordinates and overseers cannot be procured, would not produce any beneficial results, but on the contrary would probably lead to greater expenditure and to more time being devoted to accounts than to personal supervision of the outturn and value of works. The proposed transfer would not only be uneconomical and prejudicial to the works, but would practically render the execution of works in many places impossible.

17. *Police Huts and Station-houses.*—The present system of audit and control is described in Appendix C to this letter. A sum of about Rs. 30,000 is expended annually on the construction of huts, but the expenditure is large because of the number of huts constructed, the buildings being all simple structures without any costly materials and not involving the use of skilled labour. No advantage would be gained by the transfer of the audit of this expenditure to the Examiner of Public Works Accounts.

18. It will thus be seen the works executed departmentally in the foregoing cases are, with the exception of those executed by the Police Department, subject to fixed systems. As regards works executed departmentally in the Police Department, though there is no regular system of audit, the number of such works which would require to be transferred to the Public Works Department under the proposed change would be very small. Even in the case of the works for which there is a fixed system, there are, except in the Agency, very few works which would require to be classified and audited by the Public Works Department under the proposal of the Government of India, while as a result of the contemplated change the Examiner of Public Works Accounts would, even for the few non-Agency works, require an additional establishment to undertake the audit and additional and needless expense would thus be incurred. The works executed departmentally by Forest officers are in the same category as the Agency works and from their very nature and the inaccessibility of the regions in which they are carried out cannot be advantageously transferred to the Public Works Department. It is to be observed, moreover, that no general frauds or irregularities have hitherto been discovered, while the present check has been found efficient where a high standard of work is not required. Professional audit is likely to increase the rates, since the Public Works Department rates will have to be adopted instead of the Local Fund rates, under which the works are at present executed. Departmental officers are further well acquainted and used to the present system, while the difficulty of providing funds and the method of obtaining sanctions to estimates under the Public Works system would delay the execution of works considerably.

19. Finally, the proposal of the Government of India contemplates the introduction of two different systems of works under the same head—viz., works costing above Rs. 1,000 and those below that sum. Independently of the fact that such a distinction would cause inconvenience, there is no essential difference between the two classes of works and the necessity for different systems of audit has not been demonstrated.

20. For the foregoing reasons, the Governor in Council considers that the change advocated by the Government of India is undesirable.

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

G. STOKES,
Chief Secretary.

Ootacamund,
28*th June* 1899.

Exd. A. F. Ecclestone.

[Appendix.

APPENDIX A.

EXTRACTS FROM CHAPTER XXVIII OF SALT DEPARTMENT CIRCULAR ORDER No. 1 OF 1893.

* * * * *

354. *Classification of Works.*—All works that have to be executed in factories may be brought under two main heads, viz., (i) those executed at Government expense, and (ii) those executed at the expense of the licensees. In factories for the manufacture of salt for sale to Government, the works falling under head (ii) are comparatively few, they consisting merely of such works as are calculated * to maintain in good repair the salt works and the minor irrigation channels which supply brine thereto; but in factories for the manufacture of salt for general sale, it will be for the licensees * to construct and maintain, in good repair and to the satisfaction of the Commissioner, all roads, channels, reservoirs, embankments, drying grounds, platforms, † and other works *within the factory*, used or intended to be used for the manufacture and storage of salt, and also all works, *wherever situated*, for the protection of the factory from inundation or for the supply of brine.

* * * * *

367. *Power of sanctioning estimates.*—The power of sanctioning estimates is vested in different officers according to their amount and nature, as under:—

A.—With regard to works in the Madras Presidency—

I.‡ Deputy Commissioners—

(i) New works entered in the budget up to a limit of Rs. 250.
(ii) Repairs entered in the budget up to a limit of Rs. 500.

II. Board of Revenue—

(i) New works entered in the budget costing more than Rs. 250 and not more than Rs. 5,000.
(ii) All repairs entered in the budget and costing more than Rs. 500.
(iii) Allotments from savings for unforeseen works up to Rs. 5,000 in each case.

III. Government—

All works, whether entered in the budget or not, the cost of which exceeds Rs. 5,000, provided that the total budget allotment for works is not exceeded.

B.—With regard to works in Orissa—

I. The Commissioner—

(i) New works and repairs entered in the budget up to a limit of Rs. 2,000.
(ii) Allotment for unseen works from savings in the budget up to a limit of Rs. 500 in each case and an aggregate of Rs. 10,000 in the year.
(iii) Re-allotments for incomplete works from savings in the budget as required.

II. Government, Lower Provinces, Bengal—

All works, whether entered in the budget or not, not coming under the above heads, provided that the total budget allotments are not exceeded.

* * * * * *

383. *How to draw funds for carrying out works, &c.*—Instructions as to how funds required for carrying out works should be drawn, how they should be treated in the cash accounts submitted to the Board's office, and what vouchers should be produced in support of the drawals are given in Chapter XXII, paragraphs 209—214. They should

* In cases of dispute as to the liability of licensees in respect of any work the matter should be referred to the Assistant Commissioner of the Sub-Division, whose decision would be final.

† The duties of coolies entertained for the upkeep of platforms (in excise factories) will include (1) keeping the drains between the heaps, and all the water shoots on the slopes clear and in good repair, (2) weeding and repairing the platform generally, including such portions of the slopes and surroundings as are not actually occupied by the fences, (3) conveying the machine to and from the places of storage and sales, and on the completion of each day's work replacing the machines provided for the purpose, and (4) cleaning the machines with materials supplied by Government. (*Vide* Board's Proceedings, 21st February 1889, No. 639, Mis.).

‡ Estimates for excise works and permanent additions to, or alterations of, permanent buildings should, always, irrespective of the value of the estimates, be sent up for the sanction of the Board before any steps are taken to carry them out.

also be accounted for by monthly contingent bills in Form S.W. 10 (Excise), and in Form S.W. 10 (Government), (copies of which, with sample entries, are given in the Appendix) to be submitted by Assistant Commissioners direct to the Board's office, with vouchers and completion bills on the 3rd of the month following that to which they relate.

384. *Instructions regarding the filling up, &c., of Forms S.W.* 10.—The following detailed instructions are laid down for the preparation of this return:—

(1) In Form S.W. 10 (Government) works should be shown separately under "works for revenue and general purposes" and "works for the manufacture and storage of salt." In Form S.W. 10 (Excise), they should be shown separately under "works for general purposes" and "works for the manufacture and storage of salt," but the gross total at the foot should include in both, the totals of both classes of works.

(2) All works sanctioned up to the month to which the return relates and on which any expenditure in the previous months of the current official year, or in the month, has been incurred should be exhibited in the return.

(3) Works in progress or completed in the month to which the return relates should be shown separately, as well as those completed in previous months for which completion bills are due, each in a distinct line, while works completed and for which completion bills were sent before the month, should be lumped together at the top of the statement thus:—

Nos. 84 of 1888-89, 15 and 16 of 1889-90, and 6, 9 and 18 of 1890-91, &c.

(4) *Column* 1.—In order that there may be no mistake in the system of accounting for expenditure, care must be taken that the numbers in this column are the same as the numbers assigned to the estimates *by Sub-Divisions.*

(5) In the case of *re-allotted works*, the original number should be maintained as under:—

No. of 1879-80.
No. of 1878-79.
No. of 1877-78.

(6) In the case of works lumped together in the statements, the total expenditure should, of course, be shown only in the lump.

(7) *Column* 2.—(*a*) The amount sanctioned for the works should be shown separately against each work (i) in progress during the month, or (ii) completed during the month, or (iii) completed before the month, but, for which completion bills have not been submitted.

(*b*) In the case of incomplete works, for which re-allotments have been sanctioned during the current year, only the amount re-allotted for the current year should be shown and not the whole amount sanctioned for the work.

(8) *Columns* 3, 4 *and* 5.—The entry under the head "expenditure on all works in the lump," should include all moneys drawn for the execution of works and actually paid away up to and in the month. Care must always be taken, as already laid down in Chapter XXII, paragraph 209, that only as much money is drawn as is, from time to time, required, and which the Inspector may have good reason to believe that he is certain to be able to spend before the end of the month, so that no sums would be outstanding unadjusted on account of expenditure on works, longer than the month in which they are drawn. It should be noted that the figures in column 4 should always agree with those in the Cash Accounts XXIII-A and XXIII-B, on account of works (the amount in column 4 of the bill will be the difference between the sums drawn from the Treasury as exhibited in XXIII-B, and the cash recoveries and refunds, if any, exhibited in XXIII-A).

(9) *Columns* 6, 7 *and* 8.—These should generally agree with the actual expenditure up to and in the month on account of each work shown in columns 3, 4 and 5, as every item of expenditure will be supported by a voucher.

(10) When cash recoveries on account of bad work done, materials supplied, and the like are ordered, which will be very seldom, they should be shown in columns 9—11 as *minus* entries in the bill for the month in which the refund of the amount

recovered is made into the Treasury, for, the amount in column 8, which has already been accounted for will, in consequence of the recovery, fall short by the amount ordered to be recovered.

(11) *Column* 13.—Here will be shown the difference, if any, between columns 5 and 12.

(12) *Reverse of Form S.W.* 10.—Here should be shown particulars of the amounts accounted for by vouchers on account of each distinct work, they being exhibited under the different headings according to their amount. The grand total of the amount of vouchers in column 5 of Form S.W. 10 (Government) and in column 7 of Form S.W. 10 (Excise) should tally with the figures in column 7 of the obverse of the statement.

385. *Information for the preparation of Forms S.W.* 10 *by whom to be furnished.*—Inspectors will be held responsible for furnishing accurate information for the preparation of the above returns, to the Assistant Commissioners. They should see that it agrees not only with the Cash Accounts XXIII-A and XXIII-B as explained above, but also with the figures of the Contingent Statement No. III under "Works."

386. *How minor repairs, &c., should be accounted for.*—It may here be observed that petty repairs executed to the gates of fish-curing yards and for platforms, oiling, painting and executing other minor repairs to boats, putting up small *pandals* in front of offices, &c., during the hot weather and planting topes, avenues, &c, and the like, should not be met from the Permanent Advance Fund and shown under I (*b*) or II-1(*b*) Contingencies, but should be met from the budget provision for works after obtaining sanction in the usual course.

387. *Forms of vouchers for expenditure appertaining to works.*—The following instructions are laid down in respect of vouchers to be obtained and submitted or otherwise dealt with for expenditure incurred on works:—

(1) All receipts for money paid on works should be in one or other of the Forms S.W. 12 and S.W. 13 (which will be supplied in three sizes—whole sheet, half sheet printed both sides, and half sheet printed one side)—according as the work is done by daily labour or on contract.

(2) Form S.W. 13 will be used for purchase of materials, receipts for the value of which, including transporting charges, if any, should be taken from the contractor or other person supplying the materials, on payment of the amount due. These receipts should invariably contain the name and signature of the officer who takes charge of the materials.

(3) The deduction from part-payments made to contractors pending completion of the work and its inspection by the Assistant Commissioner, should, ordinarily, be at the rate of 15 per cent. on the whole value of work done up to date; the amount shown as paid to the contractor in Form S.W. 13 should, therefore, until the work is duly inspected, be the net balance, after deducting from the total value of work done up to date whether in the same year or previous year or years, the total amount of previous payments and the centage mentioned above.

(4) No payments are to be made to contractors, unless upon *measurement* of the whole work done up to date, by an officer of the department not below the rank of an Assistant Inspector. An abstract of such measurements in the form of the abstract accompanying detailed estimates, should appear in Form S.W. 13, in the column provided for the purpose. Under the head "Particulars" should appear such entries as—

"Foundations, *rough stone in chunam,*"
"Cross wall of main buildings, *burnt brick in mud,*"
"Gable ends, *brick in chunam,*"
"*Gravel* for the second mile of road,"
"*Broken stone* for the first mile of road,"

and the like; and under "denomination" such entries as "square," "square yard," "cubic yard," and the like. At the foot of the form under "measurements" should be entered the name of the officer who measured the work and the date of measurement.

(5) Vouchers on account of compensation paid to owners of lands taken up, for sites to build quarters on or for other purposes, should be obtained through the Land Revenue authorities making the payment and should accompany the statement in Form S.W. 14.

(6) It will, of course, be understood that, as in all other cases, vouchers for sums above Rs. 20, should have a 1-anna receipt stamp affixed to them.

388. *Vouchers not being in proper forms how to be treated.*—Vouchers not complying with any one of the above requisitions will be summarily rejected and returned for re-submission with the omissions made good.

389. *Vouchers how to be obtained and disposed of.*—All the abovenamed vouchers should, under all circumstances, be obtained simultaneously with payments, and should invariably be sent signed by the contractor, the officer in charge of the circle, and the Assistant Commissioner of the Sub-Division, bearing the "paid" enfacement with date of payment under the signature of the Treasury Officer making the payment, and all other headings being duly filled up, with the Form S.W. 10 for the month in which the expenditure was incurred. If, however, owing to some unforeseen events, disbursement not being made in the month in which the money is drawn from the treasury, any voucher is not obtained in time for submission with the Form S.W. 10, the amount of such voucher should not be shown in column 7 as accounted for, but should be shown in column 13, a note being made in the column of remarks, showing the amount drawn and the date on which it was drawn, and explaining the delay in disbursing it and obtaining the voucher. In all cases, where payment having actually taken place, the voucher is delayed for submission, the proper course will be to include the amount in column 7 of Form S.W. 10, a brief note similar to that mentioned above being given in the memorandum of vouchers on the reverse.

390. *General remarks regarding expenditure.*—Assistant Commissioners should particularly note that expenditure incurred on works is fully accounted for at the end of each month in submitting Form S.W. 10 and that in the statement for March column 13 should not, under any circumstances, show any amount remaining to be accounted for by vouchers. In closing the accounts of this month Treasury Officers should further take care to include the month's pay of such monthly servants, coolies, &c, as are paid out of allotment for works in the charges of the official year, by disbursing it on or before the evening of the 31st of the month, so that there will be no necessity for applying for sanction of re-allotment in the next year on their account.

In cases of emergency in which the Assistant Commissioner can justify his inability to pass the works that are completed before the close of the official year, it is not objectionable to pay the contractors with the *prior sanction* of the Deputy Commissioner or the Board, and subject to the condition that the work is subsequently passed by him the 15 per cent. deductions ordered in paragraph 387 (3). This course will avoid re-allotments and the crippling of the resources of the following year.

391. *Treatment of supervision charges provided for works executed by Government on behalf of Excise Licensees.*—The provision of 5 per cent. of the value of the estimates for supervision charges provided for in the case of works executed by Government on behalf of the licensees in excise factories may, if departmental officers of, or above the rank of, a Sub-Inspector are not available to supervise the work, be spent, with the sanction of the Deputy Commissioner to be previously obtained, on the employment of a *maistry* for this purpose; or if this is not necessary, and an officer of the department can, without inconvenience, be detailed to the duty, the amount should be debited to excise works and be credited to Government (miscellaneous receipts). The rest of the expenditure will, in the first instance, be advanced by Government, it also being debited to excise work as it is incurred. In cases where partly departmental and partly maistry supervision is employed, supervision charges for such portion of the work as has been departmentally supervised, should be proportionately debited to excise works and credited to Government as explained above, the remaining being disbursed to the *maistry* employed. In all these cases the sums so debited to excise works will be recovered from the excise licensees by means of excise cess.

392. *Adjustment of supervision charges in the departmental accounts how to be made.*—As soon as an excise work is completed and passed by the Assistant Commissioner, a work bill must be prepared for the balance to be paid to the contractor, exclusive of supervision charges, and the amount drawn on such bill should be paid to him. The total amount paid on the work, including any payments made thereon in the preceding year or years, should then be ascertained, and a sum equal to 5 per cent. of this total credited as a miscellaneous receipt by a debit per contra in the Day book of receipts. Care should be taken to make this adjustment after all payments in connection with the work have been made, and to see that the total payments *plus* the amount adjusted as supervision charges do not exceed the amount of the sanctioned estimate.

The amount of the supervision charges should be exhibited in column 6 of the reverse of Form S.W. 10 (Excise) for the month in which the adjustment is made.

The month in which the adjustments are made in the accounts should invariably be noted in the completion bill.

APPENDIX B.

MEMORANDA EXPLAINING THE SYSTEM OF CONTROL AND AUDIT OF EXPENDITURE ON AGENCY WORKS IN THE MADRAS PRESIDENCY.

GANJAM.

On receipt of sanctioned budgets by the Divisional officers, applications are made to the Treasury Deputy Collector to issue letters of credit in favour of Taluk officers for the amounts sanctioned for each taluk, giving intimation to the Taluk officers of the grants of the various works in their respective taluks.

2. Works are begun at the commencement of the working season, *i.e.*, the latter part of October. Such sums as are required by the Taluk officers for expenses on works during the month are drawn on abstract bills with classified abstract statement [in Form A] and intimation is given to the Divisional officer of the amounts so drawn to enable that officer to exercise a check over the expenditure. In the Divisional office a register [in Form B] is maintained to embody the information furnished by the Taluk officer. At the end of each month a detailed bill is submitted.

3. Works are executed by gang coolies and day labourers and also on contract. Some works are also carried out by patros or mutta heads with the aid of their own men and they are supervised by the Taluk officers and the amounts allotted for them are paid after they are satisfied with the work performed. This system works well and no other could be substituted except at a greatly enhanced cost both as regards labour and supervision.

4. With regard to the works executed by daily labour, gangs of coolies are employed under a maistry who is held responsible both for quality and quantity of work done ; payments are made by Taluk officers personally on muster rolls after being satisfied as to their genuineness.

5. The Divisional officer when on tour checks the works and notes the number of labourers actually on work on the day of inspection and compares it with the muster rolls to see that no fraud is practised by the maistries so engaged. The Taluk officer, who is constantly on tour, inspects the works and checks the muster rolls. The Divisional officer points out any bad work or work that needs specially doing to the Taluk officer and suggests ways as to how serious defects are to be remedied.

6. Should the Divisional officer find the allotments on some works greater than necessary, he suggests the surplus amounts being utilized on some other important work which he considers necessary and application is then made for transfer of the amount to the Agent. Such transfers are sometimes found necessary owing to monsoon damages.

7. With regard to the works given out on contract, an estimate [in Form C] is prepared before putting them in hand and submitted to the Agent for sanction. After it is sanctioned, the amount is drawn on an abstract bill and a portion of it is given out to the contractor as advance. While the work is in progress, the Taluk officer inspects it and pays further advance, if necessary. He submits a progress report to the Divisional officer [in Form D]. After the work is finished, he inspects it finally and pays off the balance submitting a detailed bill with completion report to the Agent's office through the Divisional officer.

In the Taluk office, a register [in Form E] is maintained for the amounts drawn on abstract bills.

8. On receipt of the abstract bill in the Treasury Deputy Collector's office with the classified abstract statement, the vouchers are checked in all their bearings including the question of budget allotments sanctioned for every work and then submitted to the Accountant-General. The detailed bills, which are submitted at the end of each month, are accompanied by sub-vouchers for amounts exceeding Rs. 10. They are also checked by the Treasury Deputy Collector and submitted to the Accountant-General with sub-vouchers for amounts exceeding Rs. 100 duly countersigned by the

Agent. Completion certificates are also received after the completion of each work and they are also scrutinised by the Treasury Deputy Collector and forwarded with the detailed bills.

VIZAGAPATAM.

In the Agency tracts of Vizagapatam, original and repair works, are, as a rule, carried out departmentally under the immediate supervision of the Taluk officers. Petty supervision, in the shape of gumastahs and maistries, is provided out of the allotment for the works concerned, and its cost never exceed 20 per cent. of the allotment. The works are constantly inspected by the Taluk officers, who direct their execution and are inspected at least once a year (oftener in the case of new or important works) by the Divisional officer. The Agent also inspects a considerable proportion of the works annually. It rests entirely with the Taluk and Divisional officers and the Agent to see that a reasonable return is obtained for the money expended. The Divisional officer, besides inspecting the works, checks the accounts maintained by the Taluk officers, who submit to him, as he does to the Agent, monthly progress reports. There are no detailed estimates and no measurements of quantities.

2. The sum allotted to each division is placed at the disposal of the Divisional officer at the beginning of each working year. He distributes it to the Taluk officers according to the sanctioned allotment for each work. The Taluk officers draw a sufficient sum for current expenditure on each work on abstract contingent bills and at the end of each month they submit to the Divisional officer detailed bills supported by nominal muster rolls and other vouchers, together with a statement showing the amounts drawn during the month and the balance pending adjustment. The Divisional officer thus sees that the Taluk officers do not draw unnecessarily large sums.

3. The detailed bills are checked in the Divisional office in detail and transmitted countersigned to the Treasury Deputy Collector, together with completion certificates on completion of the work.

4. In the Treasury Deputy Collector's office a register is maintained in the contingent register form in which is entered each work and its allotment, with the sums drawn against it. The detailed bills, as received, are checked in the usual manner and submitted to the Accountant-General.

5. In the Palkonda Agency and some parts of the Senior Assistant's division, where, owing to proximity to the plains, such system is possible, work is executed by contracts, and in these cases the payments made by the Taluk officers are supported by contract certificates and measurement sheets as vouchers.

GODAVARI.

About Rs. 18,000 are allotted every year from the Provincial funds for the execution of civil works in the Agency. In addition to this, Rs. 1,300 are also sanctioned from the Road fund, Bhadráchalam, to be spent only in Bhadráchalam taluk. Thus the total amount that is spent, or rather sanctioned, every year is Rs. 19,300. A programme (budget) of the works to be executed in the following year is submitted to Government through the Government Agent in September-October every year. Estimates for the works shown in the budget are generally prepared beforehand. After receipt of Government sanction on the budget sent, the subordinate Revenue officers are directed to submit estimates for the works sanctioned by Government and revise the estimates already submitted by them if any are found not to agree with the amounts finally sanctioned by Government.

Preparation of Estimates.—In the Bhadráchalam taluk and Polavaram division the estimates are drawn up by the Revenue Inspectors and checked by the Tahsildar and Deputy Tahsildar.

Chódavaramu and Yellavaram.—To supervise the civil works in these two divisions efficiently, a person who has had professional training in the Public Works Department was appointed Revenue Inspector, Yellavaram division. He is given charge of all the civil works in these two divisions. He draws up the necessary estimates and plans.

Check of Estimates.—The Tahsildars and the Deputy Tahsildars check the estimates prepared by the Revenue Inspectors with regard to the rates and calculations, and then submit them to the Agency Deputy Collector's office with their countersignatures. The estimates then undergo check in the Agency Deputy Collector's office. Here the check is mathematical, the local officers being responsible for the rates given and the requirements of the works. The estimates are afterwards submitted to the Government Agent for countersignature and return. When received back they are transmitted back to the Taluk officers with instructions to execute the works drawing the funds allotted for the works.

Execution of Works.—The execution of works may be classed under two heads—

I. Under daily labour. | II. Under the contract system.

Daily Labour.— In Bhadráchalam taluk and Polavaram division the works executed under daily labour are supervised by the Revenue Inspectors.

For Chódavaramu and Yellavaram divisions the Government has sanctioned three road maistries (temporary) on a pay of Rs. 20 each *per mensem*. Two of the maistries work in Chódavaramu division, as it is considered more unhealthy than Yellavaram; the other maistry works in Yellavaram division. These maistries supervise daily work. The work of these maistries is closely supervised by the Road Works Revenue Inspector, Yellavaram division, under whose immediate supervision they (road maistries) work. The work done by all the above is subject to the general supervision of the Taluk officers concerned.

Contract System.—In the Agency it is almost impossible to get labour, the hillmen refusing to attend to road works except when jungle clearing is made. Therefore contractors from the plains are allowed to take up works on the contract system. The contractors are given copies of the estimates. Agreements or contract bonds are taken from them. The work done by the labourers from the plains under these contractors is supervised by the Road Maistries, Revenue Inspectors, the Tahsildar and the Deputy Tahsildars and occasionally by the Divisional officer during his tours.

Payment.—The amounts allotted are drawn by the Taluk officers concerned as necessity arises on abstract contingent bill forms. Where works are executed on daily labour payments are made by the Revenue Inspectors and Road Maistries. When works are executed under the contract system the work executed is measured by the road maistries (in the Chódavaramu and Yellavaram divisions), checked by the Road Works Revenue Inspector and the Deputy Tahsildars, and payment is afterwards made by the Deputy Tahsildars to the contractors concerned for the work passed by them. In the other two divisions the work is checked by the Revenue Inspectors and Taluk officers, and payment is made afterwards for the work executed and passed.

Audit.—For the sums drawn by the Tahsildar and the Deputy Tahsildars on abstract bills, detailed bills are submitted. These consist of the following:—

For works on daily labour—	For works on the contract system—
1. Detailed bill.	1. Contractor's certificate.
2. Muster roll.	2. Measurement list.
3. Measurement list.	3. Detailed bill.

The above vouchers submitted by the Taluk officers undergo scrutiny in the Agency Deputy Collector's office. Here it is seen that the calculations are correct, that the grant is not exceeded, and that the bills contain all the required particulars. The bills, &c., are then forwarded to the Treasury officer, Cocanada, for adjustment with the countersignature of the Agency Deputy Collector.

Completion Reports.—When the execution of the works is completed in accordance with the estimate, the local officers submit completion reports after satisfying themselves that every thing has been in order. The Divisional officer checks some of the

works to satisfy himself that the completion reports are accurate. This final inspection is made by the Divisional officer either before or after despatching the completion reports. The Taluk officers are primarily responsible for seeing that the money allotted has been spent to the best advantage of Government.

Transfers of Allotments.—It is generally found that transfers of allotment from one work to another sanctioned in the budget, or to some other new work not entered in the budget, are necessary either owing to want of forethought on the part of the Tahsildar and Deputy Tahsildars in framing their original budgets, or owing to some unforeseen urgency. These transfers are, after good and sufficient reasons being shown by the local officers, supported by the Agency Deputy Collector and approved by the Government Agent.

Returns.—No separate returns are ordered by the higher authorities for civil works in the Agency. The forms and accounts in use for the execution of minor irrigation works in the Revenue Department are, as far as convenient, used for the civil works also.

General.—When culverts, &c., are built, professional opinion is much needed. It is now under the consideration of Government to extend the Local Boards Act to the Agency.

APPENDIX C.

MEMORANDA EXPLAINING THE SYSTEM OF CONTROL AND AUDIT OF EXPENDITURE ON POLICE WORKS IN THE MADRAS PRESIDENCY.

An annual statement is submitted by District Superintendents for the construction and repair of buildings by the Police department. From this statement the Inspector-General selects the most urgent works and proposes provision for them in the budget, submitting a list of such works with the budget.

2. After the provision in the budget is passed by Government, it is communicated to Superintendents. They then have estimates prepared for the sanctioned works and submit them to the Inspector-General. Detailed and abstract estimates are prepared in the forms laid down in the Police Order Book, Volume II, pages 201 to 217. Only third-class station houses are ordinarily built by the Police department, as only in their case is the cost less than Rs. 1,000—the limit of the Inspector-General's power of sanction. Forms Nos. 170 and 171, pages 201 to 206 of Volume II of the Police Order Book, relate to third-class station houses. As regards huts, all are built by the department, and the standard specification and forms of estimates for them appear on pages 207 to 217 of the Police Order Book, Volume II.

3. Superintendents are empowered to sanction estimates amounting to Rs. 100 and less. Almost all petty repairs are thus sanctioned by them. In the case of new buildings and repairs costing more than Rs. 100, estimates are forwarded to the Inspector-General. They are scrutinized in his office and are checked with reference to the rates given to see that the calculations and totals are correct. Any items charged for, which appear unnecessary, are, of course, disallowed. As regards the rates, they differ even with different localities in the same district. No standard rates are laid down, and this is a weak point in the system. Copies of the Public Works Department and District Board schedules of rates will be obtained and, in future, estimates will be checked with them. The maximum cost of a constable's hut is fixed at Rs. 200 and that of a head constable's hut at Rs. 375. This limit is sometimes exceeded, but, in such cases, special explanation for the excess charge is obtained, and the fact noted in the annual administration report.

4. Money is drawn from the treasury on ordinary contingent bill forms supported by the sanctioned estimates. The sums drawn each month are reported to the Inspector-General's office.

5. Payments to contractors are made at the district head-quarters or through Inspectors in whose division the work is done. Formal agreements (in Form No. 178 or 179, Volume II of the Police Order Book) are executed by contractors. Payments are made in instalments as work proceeds, and one-fifth of the amount of an estimate is retained until the work has been examined and passed. The contract system is generally adopted, the daily labour system being followed in cases of petty repairs under the supervision of Station-house officers or Inspectors.

6. A progress report is sent monthly by Superintendents to the Inspector-General in Form No. 180, Volume II of the Police Order Book.

7. On completion of works or during their progress, detailed bills in the ordinary contingent bill forms with payees' receipts are forwarded to the Inspector General's office, where they are scrutinized and checked with reference to the sanctioned amounts. They are then transmitted to the Accountant-General. Before submitting the prescribed completion certificates in the form given on page 248 of the Police Order Book, Volume I, Superintendents or Assistant Superintendents are required to examine personally all buildings the cost of which exceeds Rs. 300. In other cases Inspectors examine and report and, when possible, also Superintendents or Assistant Superintendents. Deputy Inspectors-General pay special attention to all buildings when they go on tour. In any case in which it appears that proper work has not been done, the opinion of a local Public Works Department officer is, when necessary, obtained, and the contractor or other officer responsible is dealt with according to the circumstances of each case. In all such cases, a detailed report is submitted to the Inspector-General and his orders obtained.

8. Orders Nos. 487 to 502 in the Police Order Book describe the procedure followed in regard to works carried out by the Police Department.

P. W. Department.

Government (1899) of Madras.

FINANCIAL.

Recd. } 1899. Enclosures
Regd. } Spare copies

G.O., No. 729, 28th June 1899.

JUNE. Communicated to the Chief Engineer for Irrigation and the Examiner of P. W. Accounts. (Sd) W. B. de W. 14. 7. 99

To The C. E. for Irrigation.
" Examr., P. W. Accts.

Public Works in charge of Civil Officers.

Directing that the Government of India be addressed regarding the transfer from the Civil to the Public Works Department of the control of, and the audit and record of expenditure on, —.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.]

Read—again the following papers :—

G.O., No. 2483 W., dated 2nd October 1879.

Abstract.—Passing orders on the reorganization of the Public Works Department.

* * * * *

10. From and after the 31st December next, the execution of ordinary repairs to civil buildings and the construction of petty or temporary buildings of all classes limited to Rs. 1,000 in each case, in all districts, will be entrusted to the departments concerned, the balance of the budget grants for the year being placed at the disposal of the local heads of departments, and in future years these petty construction and repair works will be provided for in the civil budgets, and not in those of the Public Works Department.

11. Improvements, new works, and special repairs will, as a rule, be carried out by the Public Works Department.

* * * * *

G.O., No. 1823, Financial, dated 21st September 1880.

Abstract.—Communicating revised rules of the Government of India on the control, audit, &c., of Public Works expenditure.

* * * * *

(1) All expenditure for public works—whether Imperial, Provincial, or Local—incurred by officers not belonging to the Public Works Department against the grant for Public Works "in charge of Public Works officers" will be audited by, and brought on to the books of, the Examiner. Such officers will be termed civil officers for the purposes of this Code.

(2) The rules in this section are not applicable to charges for petty construction and repair, which are adjusted by the Civil Accountants-General against the budget grants of the departments concerned; nor are they applicable to public works ferry and road receipts and charges collected and paid out of Local funds by civil officers quite apart from the Public Works Department; nor to owner's rates or to cemetery receipts and charges collected and paid by civil officers.

* * * * *

Charges and receipts of these classes are recorded in the Civil Accounts under the head "*Public Works in charge of Civil Officers*" and are brought direct under the Public Works portion of the Finance and Revenue Accounts by the Accountant-General, Public Works Department, from accounts rendered to him by the Civil Accountants-General.

3. Civil officers must obtain funds for the purpose stated in paragraph 1, either by letters of credit issued by the Civil Accountant-General, on the application of the Examiner of Public Works Accounts of the province or through an Executive Engineer named by the Local Government or Administration * * * * and from no other source whatever. Officers in charge of Civil Treasuries are strictly prohibited from issuing any money for such disbursements, except against letters of credit issued in favour of the civil officers or the Executive Engineer named by the Local Government or Administration. The Executive Engineer's written authority will always be required before any cheque can be drawn against his letters of credit.

4. In enforcement of this rule, the Civil Accountant-General will take measures to stop and to recover any payments which may have been irregularly made from the general funds in the Treasury on works which are chargeable to the departmental part of the Public Works grant.

Read—again the following G.O., No. 1012, Financial, dated 4th December 1897.

From J. B. BRUNYATE, Esq., Officiating Under Secretary to the Government of India, Finance and Commerce Department (Accounts and Finance—Audit, Collection, &c.), to the Chief Secretary to the Government of Madras, dated Simla, 24th September 1897, No. 4280-A.

I am directed to refer you to the Resolution of the Government of India, in the Public Works Department, No. 15, dated 24th August 1880, laying down rules for the accounting of Public Works receipts and outlay by Civil officers.

2. Under these rules all outlay upon Public Works in charge of Civil officers, with the exception of—

(*a*) charges for petty construction and repairs adjusted by Civil Accountants-General against the budget grants of the departments concerned;

(*b*) certain miscellaneous expenditure which now includes charges for ferries and roadside arboriculture, grants to municipalities, and the establishment and contingencies of staging bungalows and encamping grounds; and

(*c*) cemetery charges paid by Civil officers

should be audited by, and brought to account on the books of, the Examiner of Public Works Accounts concerned, and the works should be carried out by the Civil officers as Public Works disbursers and reckoned as Public Works in charge of Public Works officers.

3. It has now been brought to the notice of the Government of India that in many provinces Provincial Public Works expenditure of considerable amounts, incurred by Civil officers, is audited and brought to account by Civil Accountants-General as "Public Works in charge of Civil officers." As this course is not authorised by the orders quoted above, and as it is desirable that expenditure on Public Works of any importance should be subjected to the stricter and technical audit of the Public Works Examiners, I am directed to request that, unless His Excellency the Governor in Council has any objections to urge, orders may be issued which will ensure that all expenditure on Public Works by Civil officers, except on the simpler class of works mentioned in paragraph 2 of this letter, shall be audited by the Account officers of the Public Works Department and adjusted in the Public Works Accounts.

4. I am to add that, for the purpose of determining what charges for petty construction and repairs executed by Civil officers can be adjusted as contingent expenditure of the department concerned, a money limit of Rs. 1,000 (one thousand) has been fixed by the Government of India, and that any work, the expenditure on which exceeds this limit, should not be considered as coming within the category of "petty construction and repairs."

5. I am to say that this circular does not refer to and is not intended to affect any systematic scheme for the management and audit of Public Works chargeable to Local funds, which may have been laid down by any Local Government.

Copy forwarded to the Public Works Department, to the Comptroller and Auditor General, and to all Accountants-General and Comptrollers (except the Comptroller, Post Office).

From F. C. HARRISON, Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 17th November 1897, No. 3589.

In reply to your memorandum, No. 2203, dated the 28th October 1897, requesting me to report how far the Resolution of the Government of India, No. 4280-A., Financial, dated 24th September 1897, affects the classification of the accounts and existing orders, I have the honour to state as follows.

2. The points to be considered have reference to the following classes of expenditure:—

(1) Petty construction and repairs executed under orders of the heads of offices concerned;

(2) Agency works in the tracts of Ganjám, Vizagapatam and Gódávari; and

(3) Minor irrigation works executed by Revenue officers.

3. As regards the first-class, the Government of India order does not require any alteration in the existing orders on the subject which fix Rs. 1,000 as the maximum limit for a single work—G.O., No. 370, Financial, dated 7th May 1895. In connection with the class of expenditure, the only question to be considered is as regards works in the Salt and Forest Departments. Under article 98 (*u*) of the Civil Account Code, these two departments form an exception to the general rule, fixing the limit Rs. 1,000 for each single work executed by Civil officers; the existing orders empower the Board to sanction works costing more than Rs. 250 and not more than Rs. 5,000 and all repairs costing more than Rs. 500 in the Salt Department (G.Os., No. 1142, Revenue, dated 5th August 1881, and No. 172, Financial, dated 27th February 1894), while in the case of the Forest Department the Conservators, the Board of Revenue and Government can sanction works exceeding Rs. 1,000 as laid down in section 148 of the Forest Code. It is doubtful whether these two departments should still form an exception to the general rule, and this point should be cleared up by a reference to the Government of India.

4. The second class of works are connected mainly with the construction and repair of roads and some cases of buildings in the Agency tracts. Such expenditure is debited to 45. Civil Works in charge of Civil officers. Under present orders Government Agents are empowered to sanction new roads up to a limit of Rs. 3,000 and repairs to communications without limit—G.O., No. 1040, Financial, dated 29th November 1894. As regards buildings, their power of sanction is subject to the general limit of Rs. 1,000 for each work. This class does not appear to fall under any of the exceptions in the present Government of India order, and apparently has to be wholly transferred to the Public Works Department. The Government of India order does not, however, object to the execution of these works by Civil officers, provided they act as Public Works disbursers; so that the only change necessary would be the transfer of the control, audit and record of the expenditure from the Civil to the Public Works Department.

5. Expenditure on works of the third class is debited to 43. Minor Works and Navigation and is connected with repairs of masonry and earth-work, the reconstruction of injured works and the construction of new irrigation sluices, &c. The expenditure on each work does not appear to have been considerable, but the works do not seem to fall under the exceptions in the Government of India order, and the present system which appears to have been in force since 1880, and under which the works are executed by Civil officers and the expenditure booked in the Civil department, is apparently opposed to the present orders of the Government of India. In this case also there appears to be no objection to the Civil officers acting as Public Works disbursers. They would then obtain the requisite funds from Public Works Department and account to that department for the expenditure. If, however, this class of expenditure is regarded as falling under exception (*a*) in the Government of India Resolution—works charged to the budget grants of the departments concerned—the outlay on each work will have to be restricted to Rs. 1,000.

6. I take this opportunity of mentioning that large amounts are sometimes spent in the Police Department on the construction of police huts and stations and under the sanction of District Magistrates on the construction and repair of cattle-pounds. It is desirable in both these cases that Government consult the departments concerned to determine in what cases such large expenditure would be more advantageously accounted for to the Public Works Department instead of to the Civil Department.

7. The Government of India Resolution received with your memorandum is returned as desired.

Order—No. 1012, Financial, dated 4th December 1897.

Communicated to the Judicial Department for remarks as regards Agency works and works in charge of the Police Department, and to the Revenue Department as regards minor irrigation works, the construction and repair of cattle-pounds and

works in charge of the Salt and Forest Departments. The Public Works Department will be requested to state its opinion on the proposed transfer of the control, audit and record of expenditure from the Civil to the Public Works Department.

(True Extract.)

(Signed) A. T. ARUNDEL,
Chief Secretary.

To the Judicial Department.
" Revenue Department.
" Public Works Department.
" Accountant-General.

Order—Mis. No. 6455, Revenue, dated 17th December 1897.

Referred to the Board of Revenue for early remarks.

(True Extract.)

(Signed) N. E. MARJORIBANKS,
Ag. Under Secy. to Government.

To the Board of Revenue (Land Revenue).
" " (Revenue Settlement, Land Records and Agriculture).
" " (Separate Revenue).

Read—also the following replies:—

FROM THE REVENUE DEPARTMENT.

Proceedings of the Board of Revenue (Land Revenue).

Resolution—Mis. No. 58, dated 10th January 1898.

The Government Order read above will be communicated to the Forest Section for the necessary action.

2. As regards cattle-pounds, the only Land Revenue subject referred to in the Government Order other than Forests, the Board's power of sanction is, as observed by the Accountant-General, already limited to Rs. 1,000 for each work, and the present resolution of the Government of India does not require any alteration of this rule. Works connected with cattle-pounds seldom cost so much as Rs. 1,000 in any individual case.

(True Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department.
" Forest Section.

Endt. Mis. No. 292, Revenue.

Transferred to the Financial Department.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

Fort St. George,
18*th January* 1898.

Proceedings of the Board of Revenue (Land Revenue), Forest Section.

Resolution—Forest Mis. No. 89, dated 17th February 1898.

As directed in G.O., Mis. No. 6455, Revenue, dated 17th December 1897, the Board resolves to report on the proposal to transfer to the Public Works Department the control, audit and record of expenditure incurred on all forest public works executed by the Agency of Forest officers with the exception of works of a petty nature.

2. The Conservators, who have been consulted on the subject, are unanimous in deprecating the adoption of the proposed measure. Under the present practice, the cost of public works executed by Forest officers is provided for in the budget estimates of the department and met from the budget grant under 11. Forest—A-VII "Communications and Buildings". This course is authorized by the Government of India Resolution (Finance and Commerce Department), No. 1040, dated 17th May 1884, which is apparently not affected by the instructions now issued by that Government. The object of the order now under consideration appears to be merely to enforce the strict observance of the rules issued in the Public Works Department resolution of 1880 quoted therein and not to overrule any existing orders.

Recorded in G.O., No. 1634, Financial, dated 19th July 1884.

3. The audit of expenditure on forest public works varies, at present, according to the source from which it is met, and when funds for these works are provided for in the Forest budget, the Board considers that the control, audit and record of the charges incurred should be departmental as in the case of expenditure on other works, such as demarcation, &c., incurred by the department. If any other system is prescribed, the Board fears that there will be unnecessary duplication of work, and much confusion in the accounts.

4. Secondly, the Board believes that, even if this difficulty were surmounted, no advantage would be gained by transferring the control over the expenditure on forest works executed through Forest officers to the Public Works Department. Forest buildings and communications are mostly constructed in remote localities and are intended to serve the special needs of the department, such as roads to facilitate the extraction of forest produce or inspection bungalows to accommodate Forest officers when halting for work in the forest. In the Board's opinion these works must be left to the department itself to provide funds for and to construct in accordance with the varying needs and exigencies of the Forest administration. Rough work is often all that is required and this can be done at a smaller cost than work executed by the Public Works Department. The effect of transferring to the Public Works Department the duty of providing funds for such works and the necessary control over them would thus inevitably tend to delay their execution and to cause inconvenience and in some cases loss of revenue besides making the works themselves more expensive.

5. For these reasons, the Board is strongly of opinion that no change should be made in the present system of auditing and controlling the expenditure on forest public works executed by departmental officers. Where the execution of forest public works specially requires professional skill, or where, owing to their location at headquarters or for other reasons, it is deemed advantageous to entrust them to the Public Works Department, the assistance of that department is always sought for. But in these cases, the funds necessary for carrying on the works are provided for in the Public Works Department estimates with reference to paragraph 2 of the Government of India Resolution of 1884, quoted in paragraph 2 *supra* and the works themselves are executed under the supervision of the Public Works Department officers.

(True Copy and Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department.

Endt., Mis. No. 1087, Revenue.

Transferred to the Financial Department with an expression of concurrence in the Board's remarks.

Fort St. George,
4th March 1[illegible]

(Signed) N. E. MARJORIBANKS,
Ag. Under Secy. to Govt.

Proceedings of the Board of Revenue (Separate Revenue).

Resolution—Mis. No. 774, dated 28th February 1898.

In the Government Order read above, the Government requests the remarks of the Board in the Separate Revenue branch on certain suggestions of the Government of India which involve in its case a proposal to curtail its powers in the matter of sanctioning estimates and to assimilate them to those of other heads of Civil departments.

2. The question of the powers to be exercised by the Commissioner of Salt Revenue in this matter was raised in 1883, and after a full description of the system in operation had been given by the then Commissioner Mr. Bliss, it was decided that no modification was called for—*vide* G.O., No. 2850, Revenue, dated 7th July 1884. Ten years later the Board's powers were actually curtailed as now proposed, but on a representation being made by the Board of the disadvantages that would result its powers were again restored—*vide* G.O., No. 172, Financial, dated 27th February 1894. For the reasons fully set forth in the two proceedings disposed of in the Government Orders above quoted, the Board now strongly deprecates any change in the direction indicated.

3. The works executed under the control of this department of the Board at a cost of more than Rs. 1,000 apiece are few in number, being only 2·22 per cent. of the total number of works of all description executed, and costing only 31·20 per cent. of the total expenditure. They are, moreover, simple in their nature, and many of them involve nothing but the carrying out of a standard plan prescribed in accordance with professional opinion. The officers who execute them are trained under the orders of Government sufficiently to ensure capable execution. The estimates are prepared, the Board believes, in considerably more detail than is the practice in the Department of Public Works, and are subjected to strict scrutiny and, in point of rates, the Board believes that it can in most instances show a considerable reduction on those employed in that department without sacrifice of efficiency. Whenever any point of engineering difficulty arises, the Board asks for and invariably obtains the professional opinion of the officers of that department. The accounting of the works is done in the Board's office under a system which has worked well hitherto and is thoroughly understood by those who have to work it.

4. In these circumstances, the Board is of opinion that there are no such advantages to be gained by adopting the proposal of the Government of India as would compensate for the delays that would be involved and the additional work that would be thrown upon a number of officers by subjecting the works done by the Salt, Abkári and Customs Department (which is in this respect semi-professional one) to the same scrutiny and control as works undertaken by other departments whose officers have, as a rule, no professional knowledge or experience and whose works are few and unimportant in comparison.

(True Extract.)

(Signed) A. KRISTNASAMY IYENGAR,
Ag. Assistant Secretary.

To the Secretary to Government, Revenue Department.

Endt., Mis. No. 1267, Revenue.

Transferred to the Financial Department with an expression of concurrence in the remarks of the Board of Revenue.

Fort. St. George,
12*th March* 1898.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

To the Financial Department,
with copy of Hon'ble Member's note.

Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture).

Resolution—No. 72, dated 10th February 1898.

Under the decision arrived at in G.O., No. 284 I., dated 5th May 1880, the repair and maintenance of Minor Irrigation Works was transferred to the Revenue Department, and Collectors were required to arrange for the supervision of these works, the funds required for this purpose being placed at their disposal by Government in the Public Works Department.

2. Applications from Collectors for allotments of funds were submitted to Government for sanction through the Board, and the requirements of each district were dealt with separately. This state of things continued till 1883, when the Board suggested in paragraph 3 of its Proceedings, No. 1677, dated 11th June 1883, that it would tend to facilitate the allotment of funds to the several districts and consequently to expedite the execution of works, if at the commencement of the official year, the total grant under Minor Irrigation Works were placed at the disposal of Government in the Revenue Department and the Board authorized to make the distribution subject to the approval of Government in that department. This suggestion was approved by Government which laid down in its order, No. 900 Rev., dated 23rd July 1883, that, on receipt of the preliminary issue of the Irrigation Budget which included also provision for Minor Irrigation Works, the Board of Revenue should distribute the allotment.

3. Under this system, the Board allotted funds to the several districts, and the audit of the expenditure incurred by Collectors was conducted by the Accountant-General, the total expenditure for the year being finally adjusted by the Examiner of Public Works Accounts.

4. This final adjustment by the Examiner of Public Works Accounts continued till 1893, when the Accountant-General, on the suggestion of the Deputy Auditor-General, asked the Board if it had any objection to the final adjustment being made in the Civil books instead of passing it on to the Public Works Department. The Board, in consultation with the Chief Engineer for Irrigation, informed the Accountant-General, in B. P., Mis. No. 3574, dated 19th June 1893, that it was immaterial so far as the Board was concerned whether the expenditure on Minor Irrigation Works was finally adjusted in the books of the Accountant-General or of the Examiner of the Public Works Accounts; and on the suggestion of that officer the whole correspondence was submitted to Government for orders with B.P., No. 276, dated 7th July 1893, with the recommendation that the receipts and charges on account of Minor Irrigation Works in charge of the Revenue Department be brought on the civil estimates and accounts in future. The Board's proposal was approved by Government in the Financial Department—G.O., No. 835, Financial, dated 28th August 1893. Since then, the budget provision on account of Minor Irrigation Works in charge of the Revenue Department is being included in the Civil Budget Estimates under No. 43. Irrigation —Minor Works and Navigation—*vide* paragraph 14 of the Chief Engineer's note in G.O., No. 99 I., dated 3rd February 1894.

5. It is not quite clear whether this system requires modification with reference to the Government of India Resolution embodied in the Government Order read at the head of these Proceedings. The Accountant-General inclines to the view that Minor Irrigation Works do not fall under the exceptions in paragraph 2 of the resolution of the Government of India; and states that, if the expenditure on these works is regarded as falling under exception (*a*) in the resolution, the outlay on each work will have to be restricted to Rs. 1,000. By "Petty construction and repairs" mentioned in the exception, the Government of India may refer only to construction and repairs of buildings in regard to which a money limit of Rs. 1,000 has been fixed; but if Minor Irrigation Works are also included in the expression, the Board would suggest that the limit of Rs. 1,000 should not be enforced in respect of these works. It is true as observed by the Accountant-General that in the majority of cases the expenditure on Minor Irrigation Works is not considerable, but there have been cases in which a larger outlay than Rs. 1,000 has been incurred, and it seems unadvisable in such cases to restrict the expenditure to Rs. 1,000. The limit which now governs the expenditure

is that the outlay should not exceed one-fifth of the aggregate revenue during the preceding five years and the Board considers that an absolute limit will be unsuitable to the case. If, however, it is considered that Minor Irrigation Works are not excepted by the Government of India, the Board begs to state that it sees no objection to the outlay on these works being audited by, and brought to account on the books of, the Examiner of Public Works Accounts, the works being carried out by Revenue officers as Public Works disbursers and reckoned as Public Works in charge of Public Works officers. This is practically a reversion to the system which obtained before 1893.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Secretary to Government, Revenue Department.

Endt. No. 1743.

Transferred to the Financial Department with an expression of concurrence in the Board's remarks in paragraph 5.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secy. to Govt.

22*nd April* 1898.

FROM THE PUBLIC WORKS DEPARTMENT.

Office-note from the Examiner, Public Works Accounts, No. 241-A/A, dated 22nd February 1898.

[Your office-note No. 50-C., dated 5th January 1898].

There appears to be no objection *per se* to the transfer of the control, audit and record of expenditure of the works concerned, as proposed by the Government of India, from the Civil to the Public Works Department, but before this actually takes place, several subsidiary questions would have to be considered and determined, and these can be gone into after the replies from the other departments consulted are received, and if it is then decided that the transfer in question shall take place.

Order—No. 727 W., dated 17th March 1898.

Communicated to the Financial Department, with reference to G.O., No. 1012, Financial, dated 4th December 1897, and, with the remark, that there is no objection to the proposed transfer from the Civil to the Public Works Department of the control of, and the audit and record of expenditure on, public works in charge of Civil officers.

2. The subsidiary questions referred to by the Examiner can be considered after it is decided that the transfer shall take place.

(True Extract.)

(Signed) C. H. B. BURLTON,
Under Secretary.

To the Financial Department.
" Examiner, Public Works Accounts.

Read—also the following replies :—

FROM THE JUDICIAL DEPARTMENT.

From the Inspector-General of Police, Madras, to the Chief Secretary to Government, dated 5th February 1898, No. 447.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, regarding the question of the audit and classification of expenditure on public works in charge of Civil officers, I have the honour to say that, under the proposals of the Government of India, buildings the cost of which is not above Rs. 1,000 each may be done departmentally and charged in departmental accounts, as has been the practice hitherto in this department. The Accountant-General suggests that, as the annual expenditure is large, it may, perhaps, be well that this expenditure should be accounted for to the Public Works Department Examiner of Accounts. I would submit, however, that the expenditure is large, because of the number of huts constructed being large. About Rs. 30,000 a year is the expenditure on construction of huts, but the buildings being all simple, buildings without any costly materials nor involving the use of skilled labour, no advantage will be gained by the vouchers and estimates being submitted to and audited by the Examiner of Public Works Accounts.

From the Agent to the Governor in Ganjám, to the Chief Secretary to Government, dated 1st February 1898, Dis. No. 54-A.G.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, forwarding Proceedings of the Financial Department, No. 1012, dated 4th December 1897, in regard to the control, audit and record of expenditure on Agency works from the Civil to the Public Works Department, I have the honour to state that, in my opinion, any such transfer is most undesirable and will be extremely prejudicial to the proper and economical execution of Agency works.

2. The execution of public works by Public Works Department Agency has, wherever I have seen it, been notoriously slow and expensive—a condition of things largely due to the peculiarities of the labour market in the hill tracts, and the unsuitability of the form of vouchers and account prescribed in the Public Works Code.

3. Public works in charge of the Public Works Department are, as a rule, executed on piece work and contract system, but no contractors can be induced to take up the work of scattered repairs in the remote parts of the Agency except at an enormous percentage of profit, nor is it possible to enforce the payment by contractors of their proper wages to the labourers employed.

The works of repairs are for the most part such as do not admit of detailed measurement which is essential to the system of Public Works Accounts.

4. In regard to the execution of works, I understand that it is the intention of the order referred to above that the control, record and audit of all expenditure in the Agency tracts should be transferred to the Public Works Department; and while on the one hand emphatically protesting against the Public Works Department gaining any further footing in the Agency tracts than that which they already have, I must also point out that the unsuitability of Public Works forms and vouchers renders it impossible for work of the nature of Agency works to be carried out by Agency officers under the control of the Public Works Department.

5. Revenue officers in the hill tracts have far more influence than Public Works officers can ever have. The Divisional officers are moreover constantly on tour and ready to investigate any complaints of non-payment. This cannot be expected of a Public Works officer who may visit the hill tracts once a year for a short period.

6. I offer no objection to the audit of expenditure on Agency works taking place in the office of the Examiner of Public Works Accounts, provided that it is clearly

specified that the submission of accounts in Public Works forms will not be insisted on. I may note that a large proportion of the vouchers will be in Uriya, and I doubt it the Examiner of Public Works Accounts will be able to check them aright.

7. The control and record of Agency expenditure must, if good work is to be done, vest in the Agent to the Governor and his Sub-divisional officers as herebefore. My experience of the manner in which Agency works are executed, the peculiarities of the labour market and the unsuitability of such works and labour to Public Works Department conditions is not inconsiderable, and I believe that my opinion will be supported by every officer who has been in charge of districts containing Agency tracts for many years past.

8. Under the circumstances I would request that the Government of India be again addressed on the subject, and that the existing system of control be allowed to continue.

From the Agent to the Governor, Vizagapatam District, to the Chief Secretary to Government, dated 2nd February 1898, No. 52.

Referring to G.O., R. No. 18, Judicial, dated 6th January 1898, I have the honour to state that, as a rule, ordinary Agency works, both new and repairs, are executed without estimates. The sanctioned allotments for each division are placed at the disposal of the respective Divisional officers at the commencement of the official year, and the works are then executed either through contractors or by departmental agency. The expenditure is adjusted by the Divisional officers by means of detailed bills supported by vouchers from payees.

2. I gather that the object of the proposal to transfer to the Public Works Department the audit and control of expenditure on Agency works is to ensure a more accurate and professional audit, but it strikes me that professional audit will not fit in with unprofessional methods of execution. The Examiner will probably require estimates, deviation statements and other documents unknown in the Agency and there will be continual trouble. If the Public Works Department is to control the expenditure, I think it will have also to conduct it, and this I do not recommend, as I do not think that its methods are suited to the country, while those now in vogue are so, and on the whole have hitherto produced a fair return for the money expended.

From the Government Agent, Gódávari District, to the Chief Secretary to Government, dated 9th March 1898, Dis. No. 49-Agency.

With reference to G.O., R. No. 18, Judicial, dated 6th January 1898, I have the honour to submit that there is no objection to the proposal of the Government of India regarding the audit and classification of public works in charge of Civil officers if the Tahsildars and Deputy Tahsildars in the Agency tracts are made Public Works disbursers. If, however, the Special Assistant Agent is made a Public Works disburser there will be a considerable addition to the work in his office which is undesirable.

Order—Mis. No. 520, Judicial, dated 25th March 1898.

The Financial Department will be informed that the replies received from the Inspector-General of Police and the Agents to the Governor in Ganjám and Vizagapatam are all unfavourable to the proposed change. The Inspector-General of Police points out that although he spends about Rs. 30,000 a year on the construction of huts, the number of huts constructed is large, and the buildings are simple and require no skilled labour.

2. The Ganjám Agent considers that the control and record of Agency expenditure must vest in the Agent and his Sub-divisional officers if good work is to be done. He considers that the manner in which Agency works are executed and the peculiarities

of the labour market render Public Works Department methods unsuitable. He has no objection to the audit of expenditure on Agency works by Public Works Department Examiner of Accounts, but objects to the submission of accounts in Public Works Department forms.

3. The Vizagapatam Agent considers that if the Public Works Department is to control expenditure, it should also conduct it. This he does not recommend as he believes that Public Works Department methods are unsuited to Agency tracts, while those in vogue produce a fair return on the outlay.

4. The Gódávari Agent does not object to the change if the Tahsildars and Deputy Tahsildars in the Agency tracts are made Public Works Department disbursers, but considers it inadvisable to add to the work of the Special Assistant Agent by making him a Public Works Department disburser.

5. Under the circumstances the proposed change is not desirable as far as the expenditure under the Judicial Department is concerned.

(True Extract.)

(Signed) A. T. ARUNDEL,
Chief Secretary.

To the Financial Department

Official Memorandum, No. 2086, dated 29th September 1898.

With reference to his letter | No. 54 A.G., of 1st Feb. 1898, / No. 52, of 2nd February 1898, / No. 49, of 9th March 1898, / No. 447, of 5th February 1898, | the Agent to the Govnr. in Ganjám / the Agent to the Govnr. in Vizgptm. / the Government Agent, Gódávari / the Inspector-General of Police | is requested to submit to Government, at an early date, a memorandum explaining fully the system of control and audit of expenditure on Agency / Police works now in force. Copies of any forms in use should be submitted. The information is required in order that Government may decide whether any more systematic system of control and audit is required, and, if so, whether it should be entrusted to the Public Works Department.

(Signed) G. STOKES,
Chief Secretary.

From H. A. STUART, Esq., I.C.S., Acting Inspector-General of Police, to the Chief Secretary to Government, dated Madras, 22nd October 1898, No. 3999.

I have the honour to submit a note explaining fully the system of control and audit of expenditure on police works now in force, as desired in your memorandum No. 2086, Judicial, dated 29th September 1898. Copies of the forms in use are herewith submitted.

From W. O. HORNE, Esq., Agent to the Governor, Vizagapatam, to the Chief Secretary to Government, dated 17th November 1898, Dis. No. 650-Agency.

Referring to memorandum No. 2086, dated 29th September last, I have the honour to submit herewith a memorandum explaining fully the system of control and audit of expenditure on Agency works now in force, together with copies of the forms in use.

2. From an experience of Agency works which extends over a considerable period both in this district and in Ganjám, I am very strongly of opinion that the Public Works Department is not at all a desirable or efficient agent for their execution, and that under the present, admittedly loose, system, considerably better value for the money expended and considerably greater efficiency is attained, than

will be attained if the works are handed over to the Public Works Department. This opinion is confirmed by some small experience of the Public Works Department work in the Agency, and I am prepared to support it by facts and instances.

3. As to control and audit, I have no objection to its transfer to the Public Works Department, but to do this, it will be necessary to modify the methods of that department to suit our circumstances and methods, which may not be possible.

Read—also the following papers:—

From H. D. TAYLOR, Esq., I.C.S., Acting Agent to the Governor in Ganjám, to the Chief Secretary to Government, dated Chatrapur, 21st December 1898, Dis. No. 381-R—Agency.

With reference to your memorandum No. 2086, dated 29th September 1898, I have the honour to forward herewith a memorandum explaining fully the system of control and audit of expenditure on Agency works of this district now in force, together with copies of forms in use.

Enclosure.

* * * * *

9. The system in force works very well, and an introduction of Public Works Department rules would, it is presumed, lead to no good, and in some cases it would be quite impossible to apply them; the adoption of Public Works Department rules and forms would probably lead to great expenditure and to more time being devoted to accounts than to personal supervision of the outturn and value of works. Government gets an excellent outturn for its money on the present system, and I consider that the substitution of the Public Works Department system of forms and accounts for petty works of this nature—scattered as they are over a large and hilly tract, where trained gumastahs and overseers cannot be obtained—would be not only uneconomical and prejudicial to good work, but would practically render the execution of works in many places impossible.

From V. A. BRODIE, Esq., Government Agent, Gódávari District, to the Chief Secretary to Government, dated Cocanada, 6th January 1899, Dis. No. 4-Agency.

As directed in memorandum No. 2086, dated 29th September 1898, I have the honour to submit copy of memorandum explaining fully the system of control and audit of expenditure on Agency works now in force, together with copies of forms in use sent by my Agency Deputy Collector.

Order—No. 729, Financial, dated 28th June 1899.

The Government of India will be addressed.

[Here enter letter No. 730, Financial, dated 28th June 1899.]

(True Extract.)

G. STOKES,
Chief Secretary.

To the Judicial Department,
„ Revenue Department,
„ Public Works Department,
„ Accountant-General,
} with copy of letter, No. , dated

Exd. A. F. Eccleston.