Public Works (1893) Department.

RAILWAY BRANCH.

G.O., No. 941. 942. Ry

DATED 1st July

[Despatch Abstract.]

Revenue stores.— Ordered that the reports from the Agents Madras and South Indian Railways on the system of charging for the carriage of.— be forwarded to the Government of India.—

Indexed.

[P. W. Ry.
I. 760—26-9-99.]

BACK PAPERS.

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

FURTHER PAPERS.

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

No. 0277 R. T.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

RAILWAY TRAFFIC.

Calcutta, the 7th March 1890.

System of charging for the carriage of revenue stores on State Railways.

Read—

Para. 20, clause (14) of a note by R. G. Macdonald, Esq., Deputy Accountant General, Public Works Department, on the reduction of work in the office of the Examiner of Accounts, North Western Railway, submitted with letter No. 466½, dated the 15th May 1889, from the Accountant General, Public Works Department.

20, *clause (14)*.—Abandon the system of charging for revenue stores and substitute a ton-mileage check. This would save Rs. 3,420 per annum. The work costs now Rs. 385 per mensem; all that is of any use could be done for Rs. 100. The payments now are—

Rs.	
40	for Invoice checkers.
20	„ Abstract „
175	„ Clerks preparing bills.
150	„ „ taking out classification from invoices for Abstract I., and compiling the allocation from the bills for same abstract.
385	

OBSERVATIONS.—It was originally the practice on Indian railways to charge for the haulage of revenue stores, the amount so charged being credited *per contra* to *Earnings*. But on a revision of the form of Revenue Account this practice was abandoned, and for some years prior to 1880 the carriage of revenue stores was not charged for.

2. In January 1880, the Railway Conference recommended the revival of the old custom of making each department pay for the carriage of its stores. The Secretary of State was accordingly addressed, and the decision to make the charge on all railways was published in Circular No. XXIX Railway, dated the 11th September 1880. This system has been in force since the 1st January 1881. The principal object in view in following this system was to check unnecessary movements of stores for the various departments, and it was considered that the practice of making each department bear all charges on this account would result in economy by restricting such transfers as much as impossible.

3. The proposal now made is to abolish the system of charging for the carriage of revenue stores, and to substitute a ton-mileage or any other simple check. This proposal, if carried out, would, it is stated, result in a considerable saving being effected. It will be seen that the work costs now Rs. 4,620 per annum in the North Western Railway Audit Office, and no doubt the cost in the similar offices of other lines is considerable.

4. Against the existing practice, it has been advanced that it distinctly vitiates the accounts by exaggerating both the revenue and expenditure, that it tends to discredit railway management in India to include charges which are

P.W. Coll 2965 Encs

REGISTER No. 223 FILE No.

not recognized as railway expenditure in other countries, and that it is questionable whether the system has at all answered the chief object for which it was introduced, *i. e.*, of reducing the movements of stores.

5. It has been ascertained that the practice obtaining on the principal railways in England is to make no charge for the carriage of revenue stores. The adoption therefore of the present proposal would, in this respect, place the accounts of the railways both in England and in India on the same basis.

6. Before issuing any orders on the proposal, the Government of India desires to have the opinions of the various railway administrations on this subject, and, in the event of the abolition of the present system being advocated, an estimate of the probable saving that would likely accrue therefrom. The Government of India desires further to learn whether any check by ton-mileage is likely to be of real utility and worth paying for.

ORDER.—Ordered, that the foregoing be communicated to Local Governments and Administrations and to the Officers noted in the margin, with the request that the opinions of the Agents and Managers of the different railways under their control may be elicited and submitted for the information of the Government of India, together with an expression of opinion by the Local Government or Administration.

The Governments of Madras, Bombay and Bengal.
The Chief Commissioners, Central Provinces and Burma.
The Resident at Hyderabad.
The Director General of Railways.
The Consulting Engineers to the Government of India for Railways, Calcutta, Lucknow and Central Division.

Major, R.E.,
Under Secretary.

REGISTER No. 203 FILE No.

To
The Joint: Secretary to the Government of Madras,
(Railway Branch.) Public Works Department.

28/3/90

No. 1694-C dated 28 March 90

Recd 27 Mar

28/3/90

Referred to the
Consulting Engineer for Railways
for Compliance.

28/3/90

Sidney Smith
Major R.E.
Under Secy: to Govt: of India
Ry: Branch.

Government of India Central Printing Office.—No. 137 P. W. D.—12-3-90.—700.

To
The Consg: Engr: for Rys:
with 15 spare copies.

Hm. 26-3-90 R 28-3-90

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189 0

P. W. DEPARTMENT.

Current No. 2965

From
The Govt: of India

ENCLOS.—

No. 0277 R.I
Dated 7-3-90
Received 22-3-90

SUBJECT.

System of charging for the carriage of revenue stores on State Railways

---

DISPOSAL.

No. 1694 C dated 28 March 90

Referred to the Consg: Engr: for Rys: for compliance.

Sd/ D.S

D.R

To
The Consg: Engr: for Rys:
with 15 spare copies.

28/3

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The Resident at Hyderabad.
The Director General of Railways.
The Consulting Engineers to the Government of India for Railways, Calcutta, Lucknow and Central Division.

H. M. Reid Major, R.E.,
Under Secretary.

REGISTER No. 223 FILE No.

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To
The Consg: Engr: for Ry:
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D.R
D 28/3

No 789

South Indian Railway,

AGENT'S OFFICE,

TRICHINOPOLY, 3rd June 1890

From

The AGENT,
SOUTH INDIAN RAILWAY,

To

The CONSULTING ENGINEER FOR RAILWAYS,
MADRAS.

Sir,

Your letter No 380 of the 2nd April last. It is the opinion (in which I concur) of the officers of this Company that the System of charging for the conveyance of Revenue Stores serves no useful purpose, and it does not to any appreciable extent restrict the movement of Stores.

The abolition of the System referred to will not effect any saving in Expenditure on this Company's line.

The substitution of a ton mileage check is not considered to be necessary.

I am
Sir
Your most obdt Servant

Walter F. Hoopes
for Agent.

2.a

REGISTER
No. 738
FILE
19

Pw Secl
5726/90.

(No. 6925
636

5,000—14-11-85.

No. MADRAS RAILWAY.

AGENT AND MANAGER'S OFFICE,

MADRAS, 12th June 1890

From

The Agent and Manager.
M.R.

To

The *Consulting Engineer for Railways.*

SIR,

Your No. 300 dated 2d april 1890

Charge for conveyance of Revenue Stores.

In reply to your enquiry as to the utility of the system at present in force for charging executive departments with the cost of carriage of Revenue Stores, I have the honour to inform you that in my opinion the check on the movement of stores by executive officers

From

THE AGENT,
South Indian Railway,
Trichinopoly.

To

THE CONSULTING ENGINEER FOR
RAILWAYS,
Madras.

Dated 3rd June 1890
Received 5.6.90
Roll No. 759
ENCLOSURE.

Papers

officers has not been realized to the extent anticipated when the system was introduced.

When the charge was first levied the subject was brought prominently to the notice of executive officers and no doubt good resulted but the actual check consisting practically of a lump sum charge apportioned monthly to each department by the audit office, was only of a very general character. Probably the suggested ton mileage check would answer the purpose as well, provided it were produced and furnished in a sufficiently emphatic manner for the information of the executive officers concerned.

No doubt as pointed out in the following remarks by the Chief Auditor

MADRAS RAILWAY.

From

To The Agent and Manager.

The Consulting Engineer
for Railways.

Dated

Rcvd.

No.

188

auditor it is possible under the pre-
-sent system to trace every consignment
but in reality the lump sum charge
is the only check used and this would
be as useful in the form of actual
ton miles, as of an imaginary charge
in rupees.

The Engineers Department
is most concerned in the question
because from the nature of its work
executive officers are obliged to be
continually moving large quantities
of material about the line. As to the
value of the present check on such
movements of material the Chief
Engineer writes:-

"× × × I have to state
that so far as this Department
is concerned no pecuniary
saving in the Establishment
will be effected by the change

although

MADRAS RAILWAY.

From The Agent and Manager.

To The Consulting Engineer for Railways.

Dated 188

Rcvd. No.

although the clerical labor now devoted to this work will probably be lightened. The duties undertaken in this office in connection with this Revenue charge are merely to allocate the Revenue statements received from the audit office, to the several Divisions against which they are chargeable and to return them directly.

There exists however no necessity to use these returns as a check on the movement of Stores on the Line, inasmuch as the Resident Engineers have no power to move stores beyond the limits of their respective Divisions and have no authority to consign them from one portion of the line to the other, without reference to the

MADRAS RAILWAY.

From The Agent and Manager.

To The Consulting Engineer for Railways.

No. *Dated* 188

Recd.

this office.

"All materials they require have to be indented for and all such indents are scrutinized and passed by this office and directions given for their compliance either at Madras or from the nearest stations at which the material asked for is available.

"With reference to the Ton mileage check I presume that this statement would be prepared by the Chief Auditor as the information on which its compilation is based is not available in this office, and its preparation would therefore not affect this office staff one way or the other.

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer
for Railways.

Dated

Read

188

No.

"In conclusion I would certainly advocate the abolition of the charge for carriage of Revenue Stores - The system undoubtedly furnishes an excellent check on the movement of all stores and materials over the line, but the figures resulting from the check, beyond the means they afford of allotting to each Division its due proportion of the charge, appear to be of no material value in regulating the actual expenditure under the head of maintenance."

The money saving which might be effected in clerical labour by the abolition of the present system is estimated by the acting Chief Auditor at Rs 23/ per

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer
for Railways.

Dated

Recd.

No. 188

per month, and by substitution of the ton mileage check for the present system Rs 11/2 per month.

The Chief Auditor writes:-

"I beg to state that it is somewhat difficult to give an accurate estimate of the amount of saving that would accrue to this department by the abolition of the present system of charging for the carriage of Revenue Stores, as no special staff is employed on this work, which is distributed throughout the several branches in the ordinary course of audit.

Roughly speaking it may be estimated that a saving of about Rs. 23 per month might be made by the total abolition of the system, but if the proposed ton-

mileage

MADRAS RAILWAY.

From The Agent and Manager.

To The Consulting Engineer for Railways.

Dated 188

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No.

mileage check be introduced in lieu, the saving would be reduced to about one half the above amount.

"There does not seem tobe a prospect of much utility in merely recording the ton-mileage of Revenue Stores against depart-ments, as it will afford no information as to what stores have been sent about the line from point to point and Heads of Depart-ments will lose the check they have upon their subordinates under the present system, which brings to their notice every con-signment, showing what the article is and the stations between which it travels."

The introduction into the accounts of fictitious receipts and expenditure is objectionable

and

MADRAS RAILWAY.

From The Agent and Manager.

To The Consulting Engineer for Railways.

Dated 188

Read.

No.

and in my opinion the present system of charging for conveyance of Revenue stores is not necessary for the maintenance of an effective check on undue movement of materials about the line.

It is of importance for the sake of comparison that the practice should be uniform on all railways.

I have the honour to be
Sir
Your most obedt Servt.

Agt Agent & Manager

REGISTER
No. 8334
FILE
No.

MADRAS RAILWAY.

From The Agent and Manager.

To The Consulting Engineer for Railways.

Dated 12th June 1890

Rcvd. 13th do do

No. 6925/636.

Subject Purchase of Land

Pw Enc 2
5726/90

FORM No. 1.

PUBLIC WORKS DEPARTMENT.

OFFICE OF CONSULTING ENGINEER FOR RAILWAYS,

Madras, 16th June 1890.

Letter from the Agent and Manager Madras Railway No. 6925/636 dated 12th June 1890.
Letter from the Agent, South Indian Railway No. 789 dated 3rd June 1890.

No. 426.

SUBMITTED _____ to _____ Government for transmission to the Government of India, with reference to its letter No. 0277 R. T. dated 7th March 1890, referred in Public Works Department, No. 1694 C dated 28th March 1890 (herewith returned).

A. G. Shelley
Captain, R.E.

for Off.g: Cons.g: Engr: for Rys:

To D.R.

Sir

Please see the latter portion of the order on India's No: 0277 R.T. of 7th March 1890 which reads as follows:-

"together with an expression of opinion by the local Govt. or administration".

I think, therefore, that some opinion must be expressed by E R in the Endorsement & the papers should be submitted to India with a covering letter giving the opinion of this Govt. on the subject.

I return the papers to you should you wish to do so.

[illegible] 1916

Some previous circulars are wanting.

GOVERNMENT OF MADRAS.

P. W. Dept., Railway Branch,

Dated ~~Ootacamund~~, Madras 25th June 1890

Letter from the Govt. of India No. 0277 R.T. dated 7th March 1890

No.

MEMORANDUM.

With reference to the last portion of the order asking for an expression of opinion from this Government, I am ~~of opinion~~ in favour of the abolition of the charges for the carriage of Revenue stores, and I do not see that any benefit will be obtained by the introduction of a ton mileage check.

Richmond Smith
Major R.
Under Secy. to Govt. P.W.D.
Rly Branch

Form No. 3.

B No 941 R Dy 1st July/90

Memo No 946 Dy 11.7.90

H/ 30/6/90

Ordered that the Government of India be addressed.-

H/C- No 942 R Dy 1st July/90.

From

THE CONSULTING ENGINEER

FOR RAILWAYS,

MADRAS,

No. 426

Dated 16th
Received 18. } June 1890

No. OF ENCLOSURES. 3

Subject.

Reports from the agents of the Madras and South Indian Railways on the System of Charging for the Carriage of Revenue Stores

B

No 941-42 R Dy 1st July/90.

2/7/6. R 3.7.90

Mem 27/6. R 30.6.90

PWC No. 5726

B

No. 942 R.

Government of Madras.

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

The Secy: to the Govt: of India

P. W. Department

Simla

1st July 1890.

SIR,

In forwarding a copy of the Proceedings of this Government No 941 R dated 1st July 1890, I am directed to state that H. E. the Governor in Council is in favour of the abolition of the charges for the carriage of Revenue Stores and does not see that any benefit will be obtained by the introduction of a ton-mileage

H/C 30/6/90

check

check.-

Insp despts to India
1/7/90.

Answd
27. 6 90

W for R

B

No 942 R of 1st July 90.