M.R.O. 1—32,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2073 Press Mis.

3798 Dated 29.12.1870

Not to be folded or roughly handled

No. 379. Read the following Proceedings of the Board of Revenue, dated 13th September 1870, No. 5,706 :—

Read the following replies of Collectors to Board's Proceedings, dated 20th April 1870, No. 2,565, requesting them to report whether there is any objection to debiting to Local Funds the amount of expense incurred by Civil Officers on Famine Relief works.

From the Acting Collector of Ganjam,	dated	12th May	1870,	No.	580.
,, Officiating ,, Vizagapatam,	,,	,, ,,	,,	,,	335.
,, ,, Godavery,	,,	17th June	,,	,,	173.
,, Acting Sub-Collector in charge of Kistna.	,,	11th May	,,	,,	1,720.
	,,	20th ,,	,,	,,	1,099.
,, Officiating Collector of Nellore,	,,	7th ,,	,,	,,	82.
,, Collector Cuddapah,	,,	4th ,,	,,	,,	129.
,, Acting ,, Bellary,	,,	2nd June	,,	,,	189.
,, ,, Kurnool,	,,	11th ,,	,,	,,	218.
,, Acting ,, Madras,	,,	3rd ,,	,,	,,	236.
,, ,, ,, North Arcot,	,,	23rd May	,,	,,	123.
,, ,, South Arcot,	,,	12th ,,	,,	,,	148.
,, ,, Tanjore,	,,	3rd June	,,	,,	120.
,, Acting ,, Trichinopoly,	,,	14th May	,,	,,	146.
,, Officiating ,, Madura,	,,	4th ,,	,,	,,	184.
,, Acting ,, Tinnevelly,	,,	19th ,,	,,	,,	120.
,, Acting Sub-Collector in charge of Coimbatore.	,,	13th June	,,	,,	82.
,, Commissioner of the Neilgherries,	,,	29th July	,,	,,	133.
,, Collector of Salem,	,,	12th May	,,	,,	628.
,, Officiating ,, South Canara,	,,	9th ,,	,,	,,	163.
,, ,, ,, Malabar,	,,				

These reports will be submitted to Government, with reference to Government Order, 18th March 1870, No. 98.

2. The Government of India have asked whether there is any objection to debiting Rupees 4,05,236 out of Rupees 12,96,133, spent in this Presidency on Famine Relief works, to Local Funds.

3. The Collector of Bellary is the only Collector who is in favour of the debit, and he merely expresses an opinion that a portion of the amount expended on Famine Relief works might be debited to Local Funds.

4. The Road Fund is the only Local Fund which could be saddled with the payment of any part of this amount, except a small sum spent in municipalities which will be referred to below.

5. Section 19, Madras Act III. of 1866, is as follows :—"The proceeds of the District Road Cess shall be exclusively applied to the repair, maintenance, and construction of roads and communications in the district in which the cess is levied, under such rules as the Governor in Council may from time to time prescribe.

6. One of the rules so prescribed is that certain roads shall be considered imperial and all others local, and that the Road Fund shall be expended only on local roads.

7. Hence, it is clear that it would be illegal to make a general debit to the Road Fund of the Presidency. If any part of the expenditure on Famine Relief works is paid out of Local Funds, it must be contributed by the districts in which famine expenditure was incurred upon local roads, and in the case of each district the contribution must not exceed the amount so contributed.

8. The following is a list of such districts :—

Districts.	Money expended on local roads.	Estimated Income of the year 1870-71.	Amount required for maintenance of existing works.
	Rs.	Rs.	Rs.
Ganjam	6,782	80,340	22,570
Cuddapah	38,008	95,600	52,930
Bellary	2,37,655	1,29,600	72,600
Kurnool	16,685	93,100	24,220
Chingleput	87,349	69,600	28,900
North Arcot	1,13,187	1,42,000	65,920
South Arcot	10,239	1,10,000	60,370
Madura	2,852	1,45,050	16,420
Coimbatore	27,966	1,10,400	56,890
Salem	13,074	1,18,100	89,400
Total ...	5,51,736	10,93,790	5,26,220

9. If the proposed debit is distributed amongst these districts in proportion to the outlay, each of them will have to pay a little less than three-fifths of that outlay. This would be simply ruinous in Bellary, Cuddapah, Chingleput, North Arcot, and Coimbatore, and it would be a serious blow to the other districts.

10. In Kurnool, the Road Cess Act was not in force when the outlay was incurred, and it is therefore doubtful if the Road Fund can legally be charged with any portion of it.

11. In Madura, at the very time when Rs. 42,218 were spent out of Imperial Funds on Famine works (Rupees 2,852 of which was on local roads) Rupees 1,15,396 was expended out of the Road Fund on an imperial road, and the Government of India have refused to allow any part of it to be refunded.

Vide Government Order, Revenue Department, dated 16th November 1869, No. 2,973.

12. In Madras the Fund is at the present moment insolvent, and will only just meet its liabilities within the year.

13. It must be observed that the districts did not get a fair amount of road-work done for the sum expended. The Relief Funds were not administered on the same principles as the Road Fund. Their object was to employ the poor, and wherever distress appeared, a work was set on foot, and as many men as possible were employed, with the view of giving subsistence, rather than of getting work done.

14. Roads are amongst the best means of preventing and alleviating famine, and the effect of charging the Road Funds with the large sum proposed by the Government of India would necessarily be to retard work on roads.

15. The outlay and loss consequent on the famines of late years were amongst the reasons given for the deficit, which seemed imminent last year, and which was remedied by stopping expenditure on Public Works and by increased taxation. It is only fair that the Famine expenditure should be met out of the funds so provided.

16. If the exigencies of the State are such that the expenditure cannot be paid out of current revenue, the Board think it should be provided for from Loan Funds. It is eminently reproductive in character, for by arresting famine, the lives of the people and their cattle are preserved, and they are enabled to contribute to the revenue of future years.

17. The people of the Presidency fulfilled their local responsibilities with regard to the famine by liberal subscriptions, and the Road Funds were expended with the view of affording work and subsistence to the distressed, whenever and wherever the circumstances of the districts and the provisions of the law allowed.

18. Under these circumstances, the Board hope that the proposal to charge the Road Funds with any portion of the famine expenditure will not be persisted in.

19. There was a small expenditure in three Municipalities.

20. In Trichinopoly, the amount was Rupees 875. In Malabar, it was Rupees 6,900, spent partly in Calicut and partly in Cochin, of which Rupees 2,250 have been already repaid, and Rupees 750 more will be repaid eventually.

No. 380. ORDER THEREON, 19th December 1870, No. 2,073.

Local Funds, No. 6.
Account.

ORDERED that the above Proceedings of the Board of Revenue be forwarded to the Public Works Department, with reference to the Proceedings in that department, dated 8th March 1870, No. 728.

2. The Government concur in opinion with the Board that the proposed debit of Rupees 4,05,236 to Local Funds out of the entire expenditure in this Presidency on Famine Relief Works from 1866-67 to 1868-69 can neither legally nor equitably be made.

3. The only Local Fund in this Presidency, which is of any considerable amount, is the District Road Fund, raised under Madras Act III. of 1866, which requires that the proceeds of the District Road Cess shall be exclusively applied to road-works in the district or part of the district in which the cess is levied; and according to prescribed rules, one of which rules classifies roads as imperial or local, and thereby bars any general debit to Local Funds of expenditure on roads other than "local," while the Act itself precludes any charge on the fund in one district on account of work done in another. The funds in several districts are barely sufficient to meet current demands upon them, and, as the Government of India are aware, there is every probability of charges, which have hitherto been treated as imperial, being thrown upon them to an increasing extent. To attempt

to distribute the "famine" expenditure proportionately over the Road Funds of the districts in which the expenditure occurred, would, in many cases, have the effect of draining away the whole fund, and that, necessarily, in the very districts which were most impoverished by the famine. It needs to be borne in mind, that as the cess is calculated at a per-centage of the land-revenue, the fund was itself materially diminished by the reduced area under occupancy in the famine years. The nature of the work performed, which was in many instances on irrigation works, would, however, in many instances, preclude the proposed charge on the *Road* Fund, were it otherwise admissible.

4. So far as the District Road Funds could be legitimately applied, they were employed to the utmost in the calamitous seasons in question, in giving employment to the starving population; and the further charge, which it is now proposed to shift upon them, was certainly incurred on what should properly be deemed State objects; namely, to save life, to prevent crime, and to maintain the poorest order of cultivators in such condition that they might subsequently resume their cultivation, and so be able to pay the State demand on the land.

5. It must also be remembered that in cases in which the Famine Relief Funds were actually expended on local works within the scope of the Act, the amount of work performed by an emaciated population was no real equivalent for the wages they received; but the District Funds could only be justly charged with payments for service fully and efficiently rendered. It may, indeed, be contended that the work, portion of local Funds on the same class of works was, in a great measure, of an eleemosynary character, and that the Local Funds have already materially contributed to the relief of a suffering population—a duty more properly incumbent on the State.

6. On the principle which the Government believe guided the decision of the Government of India, in regard to the expenditure for similar purposes in Orissa and the North-West* Provinces, it is the opinion of this Government that the charge now under reference should be borne by the general revenues.

* In Resolution of the Government of India in the Financial Department, No. 1,478, dated 22nd June 1870.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
,, the Public Works Department.
,, the Accountant General.

Enl. E. P. Bartleton.

Rev.e Department

Memo: for orders
on D.o 2905

In the Govt. of India's letter dated 8th February 1870 No. 63, P.W.D. this Govt. was informed that the Accountant Genl. P.W.Dept had been allowed in closing the accounts of 1868/69 to debit Rs. 405,236 temporarily to Local Funds, this amount being a portion of the expenditure on Famine Relief Works.

2. Adverting to the fact that in addition to this

I would recommend in the strongest terms against the forced transfer of the famine Expenditure from the State to the Local Funds.

The pt. of this are few & they not arise that we have no part in the Local Fund in the Presidency & public & the whole of the to any part of Coast utility. Our Local Funds are also taxed

This sum no less than Rs. 8,90,897 had been debited to Imperial funds on account of Famine Relief Works in the Madras Presidency during the years 1866/67, 1867/68 & 1868/69, and that most of these were unremunerative or protective roads, the Govt. of India desired to know whether there was any objection to this temporary debit being made pending permanent

3. The Board of Revenue now point out that there is the greatest possible objection to the adoption

under specific heads for specific purposes. They are also entirely unaware that in the Ditrict Trust, the monies of the Local Road Funds were ever extended, to the full extent practicable consistently with the Land and the steady alleviation of the periodical distress. The Extension was in general unnecessary, in a District - chiefly to save life - and to prevent crime - purely Protective object. It has even been

work of some kind.
an immediately demanded as the
- sistence to money alone
and, of course, the
quantity of work
done for the money
and the ~~stability~~
present necessity
for it were the only
considerations to the
selection of the
proper time for
opening the work
& fixing the wages
& thereby the means
of procuring food.
On such obvious &
many principles
it would be with
a little less than one half
of the whole expenditure of
the three years, which was
Rs. 12,96,133.

Copd. see post 6

adoption of this course.
They explain that under
the law the Road Funds of
each District can only be de-
-bited with expenditure on
Local Roads in that District,
that in fact the Districts did
not get a fair amount of
work done for the money
expended, and gave other
reasons adverse to the proposal.

4. So far as the under-
-signed can gather from
the Board's Proceedings
the total expenditure of
Famine Funds during the
three years upon Local
Roads has been only
Rs. 5,51,736 and of this,
the

the Government of India propose now to debit the Road Fund with about four-fifths. It is submitted that all that can be at any rate done is to debit these funds with so much of the outlay of 1868/69 as was incurred on Local Funds Works. The accounts of 1866/67 & 1867/68 have been closed, and it would be most unfair now to debit this closed expenditure to these funds.

5 It is further submitted that to debit them even with the smaller amount is inexpedient on the grounds taken by the Board, but also

administer the Road Fund.

The proposal as now made, if carried out, would result in the withdrawal of the Funds [illegible] Rs. 509,223 [illegible] from the Road

@ This would probably be less than 2½ lacs, but the Bd. have been asked to report it.

Funds of the Dis. [illegible] which contributed [illegible] chiefly by [illegible] in the shape of [illegible] as far as the Local [illegible] Expenditure in [illegible] Grass Tax [illegible] borne by the LCs. I believe the

expenses of the Civil Famine have been defrayed by the State. Our [illegible] Civility would have been [illegible] the [illegible] Famine [illegible] to for the which [illegible] I believe it is [illegible] [illegible] to [illegible]

Rs.

I agree with Mr Fuller in thinking it objectionable that Famine should be charged to Local Funds with

× See Madras G.O. 1st Aug. 1870 No. 1138.

the expenditure incurred for the protection of Famine. The proper cause

also chiefly because it would be a breach of faith with the people from whom the Road Fund is levied. The law states it to be raised for construction and maintenance of roads, and not for support of famished ryots. It was stated during the famine of 1866 that one rupee spent on ordinary labour gave a better return than four rupees on famine labour, clearly, therefore, three-fourths of the outlay was pure charity. The late order of the Govt. of India

India debiting such outlay in A.N.B. to Civil Budget (Miscellaneous) on Treasury ground is correct, and it is submitted may be quoted in reply. This Govt's reply to the reference.

in my opinion is that provincial contributions of India cannot be applied to any but Imperial purposes. Provincial contributions are raised by taxation imposed by the Provincial Legislatures and the Imperial Government has no power to control the Provincial Legislatures in the imposition of taxation for any purpose. Provincial contributions can be devoted to Provincial purposes only.

By P.

Mr. L. P. Harrison
case is referred to
Military Secretariat.

By P.

I agree with Mr Sim and Mr Archibald. The funds appropriated for the relief of distress were intended to cover the extra charges of humanity of the State interest of the State for the relief of distress for the prevention of crime and for the maintenance of the honorable order of collectors in such cases that they might subsequently enforce their authority over defaulting ryots. The local funds can only be employed for the purposes contemplated by law only. The limits prescribed by law. They could therefore be employed for the repair sanctioned of local roads but not the local roads proper

Famine Relief
Works to be debited
to Local Funds

Rev. Dept.

2073

Pros. of the Madras Govt.

Under date the 19th December 1870

Read the following

Pro. of the Board of Revenue

Submg. replies of Collector to Bds. Pro. inquiring whether there is any objection to debiting to Local Funds a portion of expenditure incurred by Civil Officers on Famine Relief Works from 1866/67 & 1868/69.

M.E. 13. Septr. 1870 No. 5706

Ordered that the above Proceedings of the Board of Revenue be forwarded to the Public Works department with reference to the Proceedings in that department dated 8th March 1870 No. 728.

2. The Govt. concur

in

in opinion with the Board
that the proposed debit of
Rs 905,230 to Local funds
out of the entire expenditure
in this Presidency on Famine
Relief works from 1866/67 to
1868/69 can neither legally
nor justly be made.

3. The only Local Fund
in this Presidency which is
of any considerable amount
is the District Road Fund,
raised under Madras Act III
of 1866, which requires that
the proceeds of the District
Road Cess shall be exclusively
applied to road works

in the district or part of
the district in which the
cess is levied, and according
to prescribed rules, one of
which rules classifies roads
as Imperial or Local and
thereby bars any general
debit to Local funds of
expenditure on roads other
than "local", while the
Act itself precludes any
charge on the fund in one
district on account of work
done in another. The
funds are
barely sufficient to meet
current demands upon
them

* I would say "in several districts" as some districts have cess levied & yet have no Local Fund. The Act also states that the cess is to be levied in the Local Fund, but the Fund was itself originally limited to the sum realized under the cess

the nature of the work
performed, which was as
many instances on inspection
would, precluded the
proposed charge, were it
otherwise admissible.

4. So far as the
Central Road funds could
be legitimately applied
they were employed to the
utmost on the substantial
persons in question on
giving employment to
the starving population,
and the further charge
which it is now proposed
to thrust upon them, was

certainly

ordinarily incurred on what should properly be deemed that object viz to prevent loss to peasant proprietors, and to maintain the usual order of cultivators in such condition that they might subsequently [illegible] out of their own resources and be able to pay the full demand on the land

5. Lastly it must also be remembered that the Relief Establishment [illegible] of a few days work for a few days wages, on account

in each case which the Famine Relief funds are actually expended on local works, must be in strict accordance with the Code of the Department and carried out by an executive Establishment on as real a scale for the wages they

Secondly the Distribution of Famine funds ordinarily to be paid charged with payments for work service fully sufficiently ordered. It may also be contended that the extraordinary expenditure of Local funds on the same class of works can in fact be regarded as chargeable to the ordinary Local funds for the year. Whether the Famine Relief funds are actually contributed to the relief of a sufferer - a sufferer properly so called - must be left to the judgment of the Collector

N.

account of the expenditure that was actually made from these Local Road funds on works carried on emergency to provide relief, so that they must be held to have already contributed very materially in comparison with their means to what are really due money grant aid to the suffering population.

6. On the principle which the Govt believe guided the decision of the Govt of India in regard to the expenditure

for

for remedy for the
Orphan and the others
Persons, where the offence
of the Gent that the
charge now under reference
should be borne by the
general revenue.

In Resolution
in Favour of Indict in
Favour of Lieut Hyde
Parker 2d for
Gallantry
1804.