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The Salaries of Public Officials in India.

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"I think, if I may sum up my views about the present and future of the civil service, I could do so by comparing them to a very famous order—the order of St. Francis—which as you know was bound by a triple vow. I will make one change only and say I believe that the civil servant when he enters the service will in the future, as now take upon himself the triple vow of poverty, annonymity and obedience.

I should like to say as to poverty, that I mean poverty, not destitution. There is a technical distinction between the terms. I do not mean that the civil servant should not have enough to live on, but I do mean that he should not try to compete with the business world in profits and income. I think the civil servant will look upon his salary as maintenance adequate to the needs of himself and to bring up his family, if he has one, according to the highest standard of education in the country, and that is not always the standard of the business world and profit-making world."

Sir William Beveridge on the "Civil Servant of the Future" in "Development of the Civil Service" Ed. Lord Haldane.

PREFACE.

The Donoughmore Special Commission on the Ceylon Constitution (1928) record in their report the following significant observations with regard to the salaries position in that island.

“No one who examines the detailed financial statements of the Ceylon Government can fail to be impressed by the high proportion of expenditure which is devoted to the payment of personal emoluments of public officers. Our enquiries revealed that the cost of the personnel in Ceylon Services had of late years risen to such a degree as to constitute a serious embarrassment. We have already observed that Ceylon has now reached a critical state in its history, and is faced with vast social and economic problems which call for prompt and energetic handling. It is of the utmost importance therefore that no obstacle should be placed in the way of the Government in devoting to the solution of these problems the maximum of the funds it can make available. Yet we found that owing to the high cost of personal emoluments the Government was reluctant to propose additions of staff, however, urgently needed for the development of their policy, and that improvements and extensions of important public services which were characterised as urgently required were liable to be curtailed and even deferred.

This unhealthy situation is primarily due to the absence of any distinction between the salaries payable to Europeans and those payable to the Ceylonese. There was doubtless much to be said against any such distinction in the past, when the great majority of superior posts in the public services were held by Europeans..... But the pendulum is now swinging in the opposite direction and we must look forward to a time, in the not distant future, when the Ceylonese will be found organising, directing and staffing their own public services with the assistance of a comparatively small number of European officers...It would be contrary to the public interest and might indeed be fatal to the attainment of this ideal, if the Ceylonese public servants were to continue during this process of development to be paid at rates which are not only wholly disproportionate to local requirements but which constitute a severe strain on their country's resources and give a false emphasis to the national budget.”

All this may equally truly have been said of India. Indeed, in so far as India is a country poorer, on the whole, than Ceylon, its

social and economic problems more complex and the Indian Civil Service scales of pay higher than those of the Ceylon Civil Service the whole of the passage quoted may be said to apply to India with even greater force than to Ceylon. Again the "swing in the pendulum" referred to above has already gone far with us and we may expect in the near future a cessation of European recruitment. It is thus essential, and also fortunately possible, for us to envisage a system of manning and remunerating the public services of India with an eye exclusively to the internal conditions of the country. This involves an entire reassessment of the salaries of public officers in India and in the following pages an attempt is made to determine the basis of such reassessment. I have deliberately not concerned myself with the past and its controversies, except in so far as a historical review helps to a clearer understanding of the present position.

The future of India is intimately bound up with the extension on a very large scale of national social services in every direction and a radical salary reform is a condition precedent to such an extension. It is, however, not only on fiscal grounds that a salary reform may be pressed for. I believe that it will have highly beneficial and far reaching effects on many aspects of our national life. It will remove very largely the existing false emphasis on government employment, it will help to correct the many wrong notions regarding standards of living current among our educated classes, it may induce in the mind of the official class a saner outlook towards the people at large, it will narrow considerably the gulf between the educated middle classes who are the natural leaders of our society and the large mass of agriculturists and labourers and last but not least, it will considerably reduce the volume of middle class unemployment.

This problem of salary reform has not always been given the attention it deserves in recent times in India. The circumstances under which the Lee commission was appointed made it impossible to expect from that body an examination of this question from the point of view of the Indian tax-payer. But even the treatment accorded to it in the report of the Indian Statutory Commission is in sharp contrast with the prominence given to it in the Donoughmore Commission's report. In the report proper of the Simon Commission no reference is made to this question, not even in the chapter dealing with the "Future of the Services." The only discussion of

it is to be found in Mr. (now Sir Walter) Layton's report in a short paragraph written in connection with central expenditure. Mr. Layton admits that the cost of administration in India is very high owing to the standard of salaries in the upper grades, but goes on to assert dogmatically, "So long as British personnel is still required these standards must continue." How inadequate was Mr. Layton's appreciation of the total effect of the high standard of salaries on Indian finances is shown by the nature of the remedy he suggests. He writes, "the only way to meet the difficulty is to lower standard salaries throughout the service, but to increase the overseas allowance to British mem ers." Indeed, Mr. Layton does not seem to have thought the problem important enough to merit much attention. For, though in the paragraph indicated he briefly dismisses the question by saying that it, "however, affects the provincial budgets much more than the central budget," we vainly look for a consideration of the problem in the section devoted to provincial budgets.

Though Royal Commissions have ignored the problem, public opinion has been much exercised about it. All champions of economy have advocated reductions in salaries. But even the numerous Retrenchment Committees have not considered this question with the care it deserves. Perhaps it is but natural that this should be so. The Retrenchment Committees by their very nature are concerned rather with immediate economies than far-reaching reforms. And usually their suggestions take the form of some slight modifications of existing scales based on vague and indistinct notions. It is necessary that the problem of salary reform be probed more deeply than has usually been done. This short study of it is published in the hope that it may contribute somewhat towards clarifying current notions and help to indicate a proper approach to the subject.

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