

## REPORT OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF BOMBAY, 1931

### CHAPTER I.

This Committee, which was appointed in accordance with the announcement of the Honourable the Finance Member in the Legislative Council made on 2nd March 1931, submitted its *ad interim* report to Government on the 22nd July. The object of this report was to suggest as early as possible means of retrenchment which could be realised in the present year in order to meet the deficit estimated at about Rs. 60 lakhs in the current budget. The task then remained of proposing permanent retrenchments which would render possible the balancing of future budgets. We understand that the deficit which would recur if the present proportion of expenditure to revenue were not adjusted is in excess of Rs. 1 crore, and this is the figure which we have had before our minds in the course of our deliberations.

2. After issue of our interim report we drew up and issued questionnaires to non-officials including retired Government servants, Members of the Legislative Council and Assembly, to the departments generally and individually to each department. We have examined the Chief Secretary, the Secretaries to Government, General Department and Public Works Department, the Chief Conservator of Forests, the Director of Agriculture, the Director of Information, the Director of Industries, the Director of Public Health, the Oriental Translator and the Works Manager, Dapuri. The Surgeon General has also attended some of our meetings. We have heard the evidence of members of the Bombay Medical Union.

Our questionnaires were issued on 29th July. We met on August 24th to consider the replies but as many of them had not been received we adjourned on 28th until 14th September when we met again and adjourned on 21st. We reassembled after the Council Session on the 14th October and sat until the 5th November. We met again in Bombay from the 14th to the 25th of November.

3. We received a letter dated 18th September from the Secretary to Government, Finance Department, informing us that in order to be useful in framing the preliminary budget for 1932-33 our proposals should be before Government by 20th October. We did not find it possible to comply within that period, but in a subsequent letter dated 7th October the termination of the Committee's appointment was fixed for 21st November and we are submitting the present report by that date; but we wish to point out that there are many important subjects with which we have not had time to deal or which we have discussed but regarding which we have not yet had time to formulate our recommendations. This report therefore is to this extent incomplete. Our task may be regarded from two aspects: firstly the reorganization

of the various activities of Government so as to enable them to function on the reduced scale necessitated by the fall in the general revenues, the period of which we are unable to foresee ; and secondly the immediate balancing of the budget. It is the former task which, in the time at our disposal, we have been unable to complete. And in any case it must be clear that such reorganizations could not in many cases be brought into effect so as to affect appreciably the budget of the next year. Many of our recommendations must therefore be regarded as temporary adjustments required for the purpose of balancing the budget. There is a difference of opinion as to the extent to which lump cuts in the various grants are practicable ; and the majority of the Committee will accordingly elaborate their views in a separate chapter.

## CHAPTER II.

### GENERAL RECOMMENDATIONS.

#### REDUCTION OF WORK.

4. We consider that in order to reduce establishment the first requisite is to reduce the quantity of work. We have been impressed by the unanimity with which departments have complained of the burden of routine work, which, by taking up an undue proportion of their time, interferes with the activities of officers in more useful directions. To the extent to which this excessive routine is unnecessary or could be carried out by less highly paid officers, it must be regarded as definitely uneconomical. And unless its volume is constantly checked it results in the undue swelling of establishments.

We have been supplied with lists of *returns* submitted by various officers. The number received in the Secretariat belonging to the various departments is as follows :—

				Returns and Reports.
Home Department	..	..	..	158
Revenue Department	..	..	..	70
Finance Department	..	..	..	37
General Department	..	..	..	83
Educational Department	..	..	..	19
Political Department	..	..	..	15
Public Works Department	..	..	..	95
Legal Department	..	..	..	7

There are also numerous other returns supplied within the departments themselves which do not go to Government.

These returns are submitted at intervals ranging from 1 day to 1 year and it is possible that some saving may be effected by lengthening these intervals, e.g. by submitting certain returns now sent monthly at an interval of 3 months. Some reports seem to be duplicated, e.g. in the Legal Department it is not clear why both a monthly and a quarterly return of expenditure by District Government Pleaders is necessary. Other reports do not appear necessary at all.

5. It is clearly not possible for the Committee to decide on the necessity of these various reports and we suggest that Departments should again examine the necessity for all the present reports and direct Heads of Departments to make a similar examination of all reports required by them, particularly of those which various officers have reported to be superfluous. We understand that a step in this direction has already been taken by reducing by 10 per cent. the second part of the General Administration Report as an experiment.

6. In this connection we have considered in its general aspect the possibility of reducing work by *delegation of powers*. We have not had time to go into the complicated question of the reorganization of the Secretariat, and we understand that proposals for relieving the Secretariat by delegating numerous powers of Government to the Commissioners were found in many cases to require legislation, but we consider these proposals to be in the right direction and would suggest that they should be carried out where feasible. It appears to us likely that in numerous other departments delegation of authority in matters great or small could be carried out with considerable advantage in the reduction of correspondence and without risk to the essential interests of the administration. We believe that the policy of centralization is expensive and we prefer, at any rate in the small matters of day to day routine, that the local head of an office should in the interests of economy be trusted to exercise the necessary supervision where it is required.

7. The question of risk arises more definitely in the relationship of the Audit and Accounts Department to the local offices. Those of us who are members of the Public Accounts Committee are aware of the complaints which are continually being made by district officers of the burden of work thrown upon them by the administration of the present system of audit and accounts. There seems reason to believe that a great deal of the correspondence referred to could be reduced by a less meticulous interpretation of their duty by the Audit Department. We note that the Auditor General has, in connection with a Central Retrenchment Committee, agreed to relax the strictness of departmental audit, and in view of the present necessity of reducing district establishments we recommend that Government should take up with the Audit Department the question of reducing the volume of the correspondence and possibly of simplifying the accounts and returns.

#### PAY.

8. Proposals for a temporary cut in pay were made in our *ad interim* Report. We now desire to add the further recommendation that all increments of pay should be postponed by one year. We think that this can be carried out without undue hardship, and will give a further valuable relief to the emergency budget. But we couple the recommendation with the condition that it is found possible to introduce the rule simultaneously in all services and posts.

9. We also attached to our former report proposals for the future scales of pay for the Provincial services. In doing so we agreed with

the proposal which, we are informed, has been accepted by all Provincial Governments that those services should be divided into an upper and lower division to be known as Class I and Class II, Class I being intended to take the place of the All-India Services as in course of time they are transferred to the control of the Local Governments. We understand that the proposed scales have been adopted by Government and a complete list of them is now attached in Statements A and B to this report. It will of course be some time before the effect of these reduced scales which will affect new entrants only will be apparent in the budget.

The number and complexity of the different scales of pay in the subordinate services has made it impracticable for us to deal with them in general. We have been informed that Government are taking them up individually and meantime have accepted our proposal that all scales shall be reduced by 2 annas in the rupee pending the introduction of revised scales. Typical clerical scales for the mofussil and for Bombay City, which we have approved, are given in Statement C. As regards the starting pay of graduates we think the following scale to be suitable :—

		Bombay.	Mofussil.
		Rs.	Rs.
Pass Graduates	..	65	50
Honours Graduates	..	80	70

10. We make the following special recommendations by majority :—

*The Cabinet.*—The pay of Ministers should be fixed at Rs. 3,000. A majority of the non-official members would couple this with a recommendation that the pay of Executive Councillors should also be reduced.

*Note.*—Khan Bahadur Allahbakhsh holds the view that as the Legislative Council recently discussed and negatived a reduction in the pay of Ministers, the Committee as being a Committee of the Legislative Council has a mandate not to make this proposal and should not have raised the question.

*The Legislative Council.*—That the pay of the President should be Rs. 2,500, and that the post of Deputy President should be made honorary.

*Note.*—Rao Bahadur Patil dissents from the latter proposal.

*The High Court.*—That the pay of the Judges should be Rs. 3,000, and that of the Chief Justice Rs. 3,500.

*Judicial Commissioners.*—That the pay of the Judicial Commissioners should be 2,625 and that of the Additional Judicial Commissioners Rs. 2,250.

*Pay of Secretaries.*—We have not had time to deal with Secretariat establishments in detail. The pay of Secretaries to Government should be reduced in a similar proportion.

#### OVERSEAS PAY AND PASSAGE CONCESSIONS.

11. The official members of the Committee being debarred from associating themselves with recommendations affecting the All-India Services, the views recorded in these matters are those of the non-official members only. By a majority they have come to the conclusion that as a temporary measure pending restoration of the financial position the

concession of the additional overseas pay and the passages granted by the Lee Commission should be withdrawn. In regard to new entrants they are of opinion that the O. S. P. should be reduced in the same proportion approximately as the new scales bear to the old scales, that is to say, by one-third, and that it should be calculated in sterling only.

#### TRAVELLING ALLOWANCE.

The orders already issued have resulted in a reduction of Permanent Travelling Allowance by 25 per cent. : of mileage by road to 1st Class Officers of 25 per cent., of daily allowances of 20 per cent. in the case of high officials, down to 10 per cent. in the case of 2nd grade officers : and of rail mileage of about 9 per cent. We recommend that the rail mileage should be further reduced to  $1\frac{1}{2}$  fares for journeys on tour. We are of opinion that the allowances permissible to third class officers are in certain circumstances, in view of the cheap methods of travel now available, inclined to be over-generous, and we recommend that the rules be reconsidered. We have already suggested to Government that in some departments it should be possible to reduce touring as a temporary measure ; and in some instances the speeding up of travel has probably made it unnecessary for District Officers to spend such long periods away from headquarters.

13. We note that under Bombay Civil Services Rule 377 some Provincial Service Officers, e.g. Assistant Judges, are treated as 1st class officers for purposes of Travelling Allowance irrespective of pay, whereas other Provincial Service Officers are only so treated if their pay is Rs. 750 or over. We consider that this differentiation should be abolished and pay should be the criterion for all these officers, and that Rs. 750 should be the standard for officers now in service and Rs. 600 for new entrants who will be on reduced rates of pay.

14. *Compensatory Allowances.*—We have already dealt with in our former report, in which we recommended a cut of 10 per cent. in all allowances exceeding Rs. 10 that have been revised since 1919.

It has been brought to our notice that house rent allowances are in some instances attached to posts which involve permanent residence in Bombay. We are of opinion that as a general rule the pay of such posts should be consolidated and include all elements of compensation for the increased cost of living in the City.

15. *Special Pay.*—We have been supplied with a list of special pay attached to certain posts. This is granted in addition to ordinary scale pay under the C.S.R. for additional responsibility, specific additions to the work of a post and for working in certain bad climates. We are aware of the arguments which are held to justify the grant of these allowances, and agree that in certain circumstances the system is an economical method of giving pay for special posts, but we are inclined to hold that the giving of additional pay for additional work has sometimes been overdone and ignores the fact that the whole time of a Government Servant is at the disposal of Government. Every department is involved in this problem, and it has not been possible for us to go into

the items in detail. We recommend that the Finance Department should institute a fresh enquiry into the justification of every allowance.

We are informed that the amount of the special pay has in some departments been recently considered and in a number of instances reduced. Apart from this, we desire that the theory should be reconsidered, and we think that it will be found possible to reduce the number of the allowances. All special pay is subject to the cut in salaries. We hold that Government has already accepted our suggestions that acting allowances should not be given for short periods of officiation, and for temporary additional duties, and that temporary vacancies should remain unfilled when this is administratively possible.

We approve of the suggestion that the Sind allowance should be given only during the hot weather.

#### MINOR RECOMMENDATIONS.

16. We recommend that the grant of Camel allowance in Sind in addition to daily allowance should be discontinued. This has already been done in the Revenue Department by some Collectors and we think the discontinuance should be universal.

We recommend that the limits for travelling allowance *plus* conveyance allowance allowed to Public Works Department Overseers in Sind should be reduced. The limits set by the Chief Engineer in Sind are already lower than the maxima allowed by Government, and we think there should be a further reduction.

#### LEAVE RULES.

17. Closely connected with the revised scales of pay, are the terms of leave. We make no comment on the Special Leave Rules, which affect chiefly the All-India Services. The rules for Indians serving in India appear in some respects to be unnecessarily generous and we think they could be modified without any hardship. Few officers avail themselves of the full amount of leave allowable. We understand that the Local Governments are awaiting a revised draft of Rules from the Auditor General which will embody certain suggestions to this effect which we made to Government early in the course of our discussions and we therefore are unable to say anything further at present in regard to details. We will only draw attention to the fact that under the present rules leave pay is fixed at the average pay of the 12 months of duty before the leave was taken. An officer holding temporarily a post on higher pay than his substantive post has therefore a strong inducement to take leave immediately after this acting period if otherwise he would revert to the lower pay of his substantive post. This is likely to cause leave to be taken unnecessarily and at an excessive cost to Government. We think that the rules should be so modified as not to give short periods of acting service an undue effect in raising the level of leave pay. This particular recommendation applies also to the Special Leave Rules.

## CHAPTER III.

## INDIVIDUAL DEPARTMENTS.

## LAND REVENUE AND GENERAL ADMINISTRATION.

18. *Commissioners.*—We have discussed the question of the abolition of Divisional Commissioners and, as an alternative, the reduction of their number. The arguments for and against the retention of these officers have been discussed at length in the Legislative Council on several occasions, and it is unnecessary for us to repeat them. We are unanimously of opinion that the three Commissioners should be retained.

19. *Prant Officers.*—We are informed that there are not more than 2 in any district with the addition of a Personal Assistant in some of the bigger districts. We think that this does not leave any room for reduction.

A majority of us consider that all *Personal Assistants to Collectors* should be abolished.

20. There is at every district headquarters a *Huzur Deputy Collector* who does revenue and treasury and, in all except very large towns like Ahmedabad, magisterial work. We have examined this question and find with one dissentient that the scheme of introducing accountants in place of Huzur Deputy Collectors can only be carried out if appointments of magistrates are made to do the magisterial work and this would involve extra cost. There is, however, no objection to replacing the Huzur Deputy Collectors by senior Mamlatdars with first class magisterial powers. The net result of this will be to replace an officer on an average of Rs. 700 by one on Rs. 350 and will save Rs. 4,200 a year in each case.

Similarly we think that in Sind *Daftardars* who are of Deputy Collector's rank should be replaced by men of Mukhtiarakar's rank, as has already been done in some districts.

The result of these two proposals will be to reduce the number of posts of Deputy Collector's grade.

21. It has been suggested to us that Head Clerks who are now ranked with Chitnises in the Mamlatdars' grade should be reduced to their previous status.

22. We have considered the question of *amalgamation of Districts and Talukas* but have not had time to examine it in detail. A scheme has been worked out for dividing the Bombay Suburban Division between the Collectorates of Bombay and Thana, and the amalgamation of Broach with an adjoining district has been proposed. When the States in Panch Mahals are handed over to the Government of India there will clearly be no justification for a separate Panch Mahals District. The cost of administration of the Presidency gives rise to the prima facie conclusion that the number of Districts is excessive. We think that Government should investigate these and any other possible amalgamations with a view to reducing the total number of districts and talukas.

23. *Land Records Department.*—We think that in future Inamdars should pay for the survey and settlement of their villages. The cost is at present borne by Government but since this work is of great benefit to the Inamdar we see no reason why he should not pay for it.

We think that as a temporary measure one post of Superintendent of Land Records should be abolished and the Central and Southern Divisions combined into one charge. The Prant Officers will have to give assistance under the advice of the Superintendent, Land Records, as the work is beyond the powers of a single officer, but we think the experiment should be tried for the sake of economy.

We also recommend that the post of Superintendent, Land Records, Sind, should be amalgamated with that of Manager of Encumbered Estates, if this is possible. The pay of one of the officers will thereby be saved.

24. *Talatis.*—The suggestion has been made to us that a reversion should be made to the system of hereditary kulkarnis as a measure of economy. A majority of us is opposed to the suggestion. We consider however that the possibility of increasing the size of sazas and so reducing the number of talatis should be explored.

#### COST OF ESTABLISHMENTS.

25. We have referred elsewhere to the proportionate high cost of the general administration of the Presidency. The chief reason is undoubtedly the cost of establishments, and we recommend that a general reduction of 10 per cent. should be aimed at.

#### GOVERNMENT HOUSE.

26. The question has been raised of reducing the cost of Government House establishment such as the Bodyguard and Band. We understand that His Excellency has given this matter his personal attention and it is gratifying to be assured that a reduction of approximately 1½ lakhs is anticipated.

#### HEADQUARTERS OF GOVERNMENT AND THE MOVE TO MAHABLESHWAR.

27. The expenditure incurred on the moves of Government from one Headquarter to another has long been a subject of controversy and there is a variety of opinion within the Committee on the proper solution. The reported cost of the annual move to Mahableshwar (viz. roughly 25,000) does not include the cost of upkeep of Government House. A majority of us is in favour of a definite abandonment of Mahableshwar as a Headquarters. This would involve the disposal of Government House with an ultimate additional saving of about 35,000. A smaller majority of us is in favour of the maintenance of only one Headquarters, whether that be Bombay or Poona being left to the determination of Government. The Retrenchment Committee of 1923

were impressed with the advantages of Poona, and recommended the removal of the Headquarters to that place. But at that time there seemed a fair prospect of being able to dispose of the Bombay offices at a handsome profit and thereby pay for the cost of additional buildings at Poona. That prospect has disappeared.

The cost of the annual transfer to Poona has not been worked out, though *prima facie* it does not greatly exceed the cost of the move to Mahableshwar. But there are other considerations than retrenchment, and the majority of us is content to record the view that Government should remain in one headquarters throughout the year.

#### DIRECTOR OF INFORMATION AND ORIENTAL TRANSLATOR.

28. We have discussed at length the possibility of amalgamating these two posts. We have taken the evidence of the Director of Information and the Oriental Translator and of the Secretary, General Department. The Director of Information's main activities are those of Commissioner under the Workmen's Compensation Act and the collection of labour statistics. His duties as Director of Information and Compiler of the General Administration Report are of less importance. As the present incumbent is a barrister as well as a journalist he is able to combine the duties though they have no intrinsic connexion. The Commissioner of Workmen's Compensation hears cases from Bombay, Ahmedabad and Sholapur, and the G. I. P. and B. B. & C. I. Railways, as the great bulk of cases arise within those limits. Other cases which are very few, are heard by the Judge of the Court of Small Causes, Karachi, and by local judges. The Director of Information has stressed the importance of the bulk of cases being heard by one officer as the law is new, and case law is being built up and immediate attention and disposal are necessary so that cases can be disposed of at once or settled without coming to court.

The Oriental Translator is Secretary to the Board of Examiners for Departmental Examinations and has ceremonial duties at Government House as well as translating and editing certain publications for Government. We think that the staff of this office could be reduced by 15 or 20 per cent.

A majority of us wish to abolish the post of Director of Information and to transfer his work as Director to the Oriental Translator, and his duties under the Workmen's Compensation Act to the regular judicial officers of the areas concerned, and the statistical work of the Labour Office to the Collector of Bombay. No special allowances should be required for these duties and we think the special pay of Rs. 75 drawn by the Judge of the Small Cause Court, Karachi, for work under the Workmen's Compensation Act should be withdrawn.

#### EXCISE.

29. A majority of us have come to the conclusion that it is possible to abolish the post of Excise Commissioner and to hand over his duties to the Divisional Commissioners. Mr. Wiles supported by Mr. Humphrey

is opposed to this on the ground that excise is the most important of all the commercial enterprises of Government, and of vital interest to the Provincial Revenues. Recent administrative changes have tended more and more to centralise control, and the abolition of a central authority will inevitably react on the revenue.

We have considered the possibility of handing over the *Nasik Distillery* to private agency. We are told that after paying for rent, depreciation and all working charges there is a net profit of Rs. 11 lakhs. The majority of us think that Government should make inquiries to see if substantial firms would come forward to take up the contract and a larger profit could not be made by private agency.

As minority of us consider that experience shows that this would be a retrograde policy and prefers that Government should retain this monopoly in their own hands. There is moreover to-day a handsome profit. A considerable risk would be involved in entering into a contract for a period of years which involves the leasing of a very valuable property.

We have been advised by the Excise Commissioner that Government revenue could be substantially increased without increasing the quantity of liquor consumed if more shops were opened in areas where illicit distilling or smuggling from Native States is rife. A majority of us favour the introduction of this policy. Some of us prefer other means of suppressing the illicit traffic.

The Excise Commissioner has reported to us the following reductions in expenditure which he is putting into force under the orders of Government :—

	Rs.
(a) Abolition of 6 posts of Inspectors	
"        11    "    Assistant Inspectors	
"        22    "    Sub-Inspectors	
including pay, allowances and contingencies ..	78,997
(b) Reduction of constabulary staff and boat establishment by—	per annum.
5 petty officers	
61 Constables	
2 Tindals	
4 Lascars .. .. .	21,024
	<hr/>
	1,00,021
Less cost of converting 42 posts of constables into writer constables .. .. .	-2,520
	<hr/>
	97,501
(c) Withdrawal of excise staff from the Mahi Kantha States and abolition of 3 Sub-Inspectors .. .. .	16,800
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Total ..	1,14,301

This sum of Rs. 1,14,300 is net permanent saving per annum which is 6½ per cent. of the total establishment charges. During the current year there will be a saving of Rs. 53,690 already reported to this Committee, and a further Rs. 24,000 to be effected before the end of the year making a total of Rs. 77,690. We consider these proposals very satisfactory.

#### FOREST DEPARTMENT.

30. We have heard the evidence of the Chief Conservator and discussed with him various schemes for reorganization. He has given us the following figures:—

	Rs.
Annual surplus, average of 1919-24 . . . . .	26,13,000
„    1924-29 .. .. .	31,85,000
year 1929-30 .. .. .	36,63,000
„    1930-31 .. .. .	9,78,000
revised estimate, 1931-32 .. .. .	19,81,000

Retrenchment of establishment has been effected since 1920 of Rs. 4,67,000 per annum. In 1929 a further reduction of Rs. 2,500 was made. In the present year reductions in permanent and temporary staff amounting to Rs. 36,208 are being made. The Chief Conservator has also made proposals for reduction of permanent travelling allowance and bad climate and other allowances amounting to Rs. 30,000 per annum. Thus the permanent reduction in annual establishment charges below this year's budget figure is nearly Rs. 70,000. He is of opinion that the cuts in previous years and this year have brought down the establishment even below the minimum necessary for effective administration and that further cuts would react on revenue. In view of those figures we have been unable to arrive at any recommendation for further immediate retrenchment, but some of us are not satisfied that there is not scope for some amalgamation of divisions, and desire that Government shall investigate this possibility.

#### ADMINISTRATION OF JUSTICE.

31. We have been impressed with the general consensus of opinion outside the Judicial Department that the *vacations* at present enjoyed by judicial officers in addition to holidays are excessive. The High Court enjoys 10 weeks in the year, the Judicial Commissioner in Sind 4 weeks and other Courts 6 weeks. We are unanimous in suggesting that Government should discuss with the High Court forthwith the advisability of reducing very greatly the periods of vacation which in our opinion should not be more than half the present periods.

Shorter vacations and the cutting down of unnecessary routine which we have recommended above should enable this Department to share in the general reduction of staff which is being carried out.

In the *High Court* we propose a reduction of 10 per cent. in establishment.

Owing to the great decrease in work we recommend the abolition of one post of *Additional Judicial Commissioner* in Sind.

As to *District Courts* some of us are in favour of amalgamating Sholapur and Ahmednagar, an Assistant Judge being posted at Ahmednagar.

We agree to the following proposals for reduction in the number of Subordinate Judges' Courts which have been forwarded to us by the Home Department :—

- (1) Reduce one extra Sub-Judge at Umreth (Kaira).
- (2) Abolish the Second Sub-Judge at Dharwar.
- (3) Abolish the Vengurla Sub-Judge's Court.
- (4) Abolish one Sub-Judge in Nasik District.

We recommend that one of the three Courts at Kumta, Honawar and Sirsi should be abolished and that one other Court besides Vengurla should be abolished in Ratnagiri District, and that either Pen or Roha in Kolaba District should be abolished.

We agree with the District Judge's proposal to abolish Vadgaon in Poona District.

We agree also to the linking of Dhandhuka and Dholka and the sending of the Second Class Sub-Judge of Ahmedabad to Gogho twice a year.

It seems probable that there is scope for reduction in other districts also and we recommend that this investigation should be continued.

We disagree with the practice of using a Sub-Judge to clear off the arrears in other Courts, as encouraging slackness in the disposal of work. In every other department an officer is held responsible for clearing off his own arrears and we see no reason why the same principle should not be observed in the Judicial Department.

A majority of us think that Judges of Small Causes Courts and the Presidency Magistrates should sit for six days in the week and not only five.

Minor recommendations for retrenchment are included in the List on page 22.

#### POLICE.

32. Various proposals have been made to us for reduction of the superior establishments, including the abolition of the Inspector General of Police himself and in the alternative of the Deputy Inspectors General. There is one Deputy Inspector General in Sind, one in charge of the C. I. D. and two in charge of the Northern and Southern Ranges respectively in the Presidency proper. A majority of the Committee are in favour of abolishing the two last.

We have been struck by the high percentage of cost per head of population of Police in Sind as compared with the Presidency. We wish to draw the attention of Government to the fact that the cost is roughly

Rs. 2 per head in Sind as against Re. 1 in the Presidency. We are aware that the criminality is 3·39 per 1,000 as against 1·36 and that the area is 9·38 square miles per policeman as against 4·56 but we think the reasons for the high cost need to be investigated.

The functions of Police Inspectors and Deputy Superintendents have been explained to us. The majority of us think that the number of Inspectors should be reduced by 10 per cent.

We recommend that the post of District Superintendent of Police, Tatta District, be abolished and that the area be put under an Assistant Superintendent of Police and included in Karachi District.

#### PUBLIC HEALTH.

33. We have considered the proposal made to us that the post of *Superintending Engineer, Public Health*, should be abolished and have recorded his evidence and the views of the Secretaries to Government, Public Works Department and General Department. We are informed that although Government are unlikely to undertake any large works in this Department the demand from Local Boards and Municipalities for the Superintending Engineer's services has increased considerably in spite of the reduction in the contribution to centage charges now made by Government. The Superintending Engineer also has to scrutinise all plans for work for which a local body wishes to raise a public loan and he advises on the construction of schools and public buildings from the Public Health point of view. The majority of us agree that the post should be retained at present at any rate until the works now in progress have been completed. As regards cost the generally existing practice is that the whole of the cost of establishments in the case of drainage works and a part of them in the case of waterworks are refunded to local bodies by Government in the form of grants. A majority of us recommend that in future Government should withdraw from the giving of these grants, but this could not be done in any case where an undertaking has already been given by Government to remit these charges.

A minority of us wish, while retaining the Superintending Engineer as expert adviser, to abolish his specially trained staff by absorbing them in the Public Works Department in place of some of the temporary establishment at present employed there. They believe, though this is contrary to the opinion of the Superintending Engineer himself, that it is possible for these works to be carried out by the ordinary staff of the Public Works Department under the supervision and advice of the Superintending Engineer, Public Health, and that in the interests of economy, this should be enforced.

#### PUBLIC HEALTH DEPARTMENT.

34. We have discussed the possibility of amalgamating the Public Health with the Medical Department and so combining the resources of both, and also the possibility of retrenchment in the former. We have

read the reports of the Surgeon General and of the Director of Public Health and have heard the evidence of the latter and of the Secretary, General Department. The officers are against amalgamation on the ground that the activities of the two Departments are distinct and the Civil Surgeons do not usually have the special qualification required. We agree with them in not recommending amalgamation.

In the absence of District Health Officers we are in favour of retaining for the present the Assistant Directors of Public Health and this is a more economical system than the general appointment of District Health Officers, but we recommend the reduction of one territorial Assistant Director of Public Health. The post of Assistant Director of Public Health, Gujarat, is now vacant and may be abolished. This will save the pay of one Assistant Director of Public Health and at least two clerks making a total saving of about Rs. 7,200.

A majority of us also recommend that the reservation of one post for the I.M.S. should be cancelled.

#### MEDICAL DEPARTMENT.

35. We have recorded the evidence of members of Bombay Medical Union and have heard the views of the Surgeon General and have considered the possibility of improving the financial position of the hospitals in Bombay. In particular we have discussed the Union's proposal that persons who are able to pay should not be allowed to receive medical treatment free and so reduce the facilities available for the genuinely poor. While we agree by a majority with the Union's principle we do not think that the remedy of appointing almoners which they propose would achieve its end since they would be unable to investigate the condition of more than a fraction of those attending the hospitals.

A majority of us recommend as a temporary measure that every out-patient should pay a fee unless exempted by the medical officer. The fee should be very small, say one anna in Bombay and half an anna in the mofussil. It is also suggested that there should be 3 classes of in-patients, all paying a small fee unless specially exempted, with a more costly ward for those who asked for it and were willing to pay. It should be stipulated that the space for the poor be not reduced.

We find that the system of accounts used in the hospitals is unsatisfactory in that it does not make possible any comparison of the expenditure in different hospitals. We consider that some revision is necessary either in the direction of adopting a uniform system for all hospitals or in publishing a statement which will give the public the information which they require.

We are not in favour of the appointment of a Central Board with administrative powers to manage hospital funds, but one of our members proposes a central retrenchment committee for hospitals, while another would give more power to the existing separate boards.

It has been suggested that the appointment of Lay Secretary for the J. J. Hospital is unnecessary. We are informed that he has in 10 months

saved a sum equal to his own pay and Rs. 13,000 in addition, and that other hospitals are now to be brought under his supervision. At present he deals with Rs. 2.60 lakhs of stores and medicines and the addition of other hospitals will greatly enlarge the sphere of his activities. We think that the post should not be made permanent but continued for 5 years or for less if the new system could be introduced into all the hospitals in a shorter period. The position should then be reconsidered and the post abolished or the pay reduced to not more than Rs. 500.

We have also considered the new appointment of Venereologist. We understand that this officer was sent to England for training with a view to appointment in this post, and that it is particular importance in a seaport, in order to prevent the spread of this disease. The majority of us are in favour of its retention.

It appears that a certain number of incurable infirms who need attendance but no medical treatment are kept in the beds of certain hospitals at a cost of Rs. 4 a day when they could be kept in infirmaries at Re. 1 a day. If these figures are correct it would seem advantageous to move these persons into wards now standing vacant in the J. J. Hospital and open three-fourths of the beds so vacated to sick persons. This would keep the total cost within the previous figure. We recommend that this course should be followed if the donors of the wards which now stand vacant can be persuaded to allow their use as infirmaries as a temporary arrangement.

We note with approval the decision of Government not to transfer any more Military Assistant Surgeons to civil employment.

We recommend that all bacteriological laboratories be made self supporting by the levy of sufficient fees to cover their cost.

We recommend that in view of the saving to be effected in pay a large proportion of Indian nurses should in future be recruited. We are informed that qualified Indian nurses are now obtainable in greater numbers.

#### AGRICULTURAL DEPARTMENT.

36. We have examined the Director of Agriculture, in particular on the question of retaining the post of Agricultural Engineer and those of Price Inspectors, and on the necessity of the Kopargaon Farm. We agree with him as to the necessity of the Price Inspectors and we think that in view of the value of the Kopargaon Farm to sugarcane research, the provision which is only about Rs. 2,500 may continue. In regard to the post of Agricultural Engineer we are unanimous that the post should not be filled up, as a measure of retrenchment. Half of the Committee would prefer to abolish the post, the rest to keep it in abeyance.

We agree also that there is room for saving in the Agricultural College. Students from outside the Presidency are allowed to enter up to a maximum of 10 per cent. or 24 students. As each student costs Rs. 725 to Government whereas the fees are only Rs. 120 per head there would be a saving of Rs.  $605 \times 24 =$  Rs. 14,520 if full fees could be charged.

We recommend that fees should be raised for students coming from outside the Presidency, to at least double those charged to others.

We recommend the abolition of the post of Divisional Superintendent of Agriculture and of one of the 4 Divisional Posts of Mechanical Assistants under the Agricultural College which are now kept in abeyance.

We are in favour of continuing grants to Agricultural Associations except such as are found to be moribund.

#### CO-OPERATIVE DEPARTMENT.

37. We have considered the proposal made to us of amalgamating this Department with the Agricultural Department, but the majority of us are not in favour. We think that 2 Assistant Registrars could be abolished and accept the Department's suggestion to abolish the Industrial Organisers and 2 Assistant Weaving Inspectors.

We have read the remarks of the Registrar in the last Administration Report on the work of the Honorary Organisers and the majority of us are agreed that they should be abolished, thus saving Travelling Allowance of Rs. 64,000. Rao Bahadur Patil, however, wishes to retain 50 per cent. and appoint only competent men.

We recommend that the scale of Societies to auditors be increased as proposed by Government from 180 to 200 per pair of one senior and one junior auditor. This will result in a reduction of 6 auditors.

Recent administration reports of the Registrar have laid stress on the number of weak societies, and pointed out the very large proportion of unauthorised arrears. We wish to emphasize the need for a policy of consolidation rather than of expansion in this Department.

#### INDUSTRIES DEPARTMENT.

38. It has been made clear to us that the grants to this Department are so small that any further reduction would make it difficult to carry on work. The question then is whether it should be abolished or retained as it is. We have heard the Director of Industries and the Secretary, General Department. The majority of us are in favour of retaining the Department. Even with the attenuated grants at his disposal the Director has been able to give useful assistance to minor industries; and we are convinced that it is desirable to retain the nucleus of a Department in being.

#### PUBLIC WORKS DEPARTMENT.

39. We have given this subject much thought. It would seem logical that, as financial considerations have greatly reduced the number of new works which can be taken up, there should be a corresponding decrease in the establishment charges and in the total expenditure. We are aware that there have been heavy reductions in establishment amounting to over Rs. 8 lakhs in the last few years and that the staff now in existence is claimed by the Department to be the minimum

necessary to maintain the existing works. They state that there is a minimum beyond which it is not possible to go with safety and that the existing temporary staff is included in and not additional to the necessary minimum. We hold, however, that in view of the paramount necessity of reducing expenditure a further cut must be made.

It has not been possible for us to recommend in detail the manner in which further reduction in establishments can be enforced, but we are satisfied that this Department must still find a considerable share of the total sum required, and we propose to leave the Department to apportion the cut as they think best. We are not at one as to the extent to which a reduction of expenditure can be enforced, but we are agreed that it should not be less than 14 lakhs. The cut may be found not only by the discharge of establishments but by the reduction of grants for repairs both in the Irrigation and the Roads and Buildings branches of the Department. We are aware that a certain risk will be run in reducing the maintenance grants for canals, and that too long postponement of repairs of roads and buildings may involve heavier charges in future. We think the position demands that this risk be faced. The fact that in the current year a sum of 16 lakhs has been borrowed from the Petrol Fund for road maintenance, which must next year fall on the general revenues, makes the case for a reduction of the road grants the stronger. We are agreed that it is inadvisable to borrow further from the Petrol Fund for this purpose.

40. Our enquiries have also led us to the conclusion that the arrangement (peculiar to this Department) by which the technical heads of the Departments are also Secretaries to Government is unsatisfactory. The Member in charge has no adviser whose angle of view is not that of the technical expert. We recommend that the system which is in force in the other Departments should be adopted here. The Chief Engineers should cease to be Secretaries to Government and thus be free to tour and devote their time to departmental work and the purely Secretariat work divided up among the other departments of Government. The initiation of this change would probably demand an additional Secretary as a temporary measure; but we are convinced that the revised system would eventually permit of the reduction of the Superior staff, both in the Secretariat and in the District organisation. It will moreover more readily accommodate itself to the proposals which we are making for the future of the Roads and Buildings Branch.

Meanwhile we are of opinion that it should be possible to reduce one charge of Superintending Engineer.

We are of opinion in any case that there is no ground for continuing the allowance of Rs. 250 per mensem now paid to the Chief Engineers for acting as Secretaries to Government since it is obvious that their duties in the latter capacity preclude the full performance of some of their duties in the former capacity.

41. We have investigated the question of handing over *Roads and Buildings* from the Public Works Department to local bodies and have examined the report of the Braganza Committee which visited Madras where all such work is done by local bodies. We think that the ultimate goal

to be aimed at in order to prevent the present overlapping of authority is the abolition of the Roads and Buildings Branch of the Public Works Department and the transfer of the work now done by them to local authorities. We realise that this cannot be done immediately and that certain conditions are requisite before general transfer is possible. A first essential is a body of qualified engineers, who can work unhampered by the changes and difficulties of local politics. In Madras there is a Local Board service of engineers who are Government servants appointed and removable by Government though paid from Local Board funds. There may be difficulties in the beginning about the maintenance of tanks and important Government buildings and other works of major importance in areas where there is no Executive Engineer of the Irrigation Branch, and a central inspecting agency will probably always be required. But it would be premature for us now to go into further details. We are informed by the Chief Engineer that an experiment has been made in handing over roads in 3 districts and that in the opinion of the Department it was a failure in one and a partial failure in the other two, and was more expensive to Government. Some of us, however, think that the results of the experiment are not conclusive and wish for a further experiment to be made by grouping certain divisions and maintaining Public Works Department establishment in part of it only while handing over the rest of the area to local boards. If the experiment proves successful it would be extended over a larger area. It is realised that a considerable time may elapse before such a scheme could be extended to all Local Boards, but this is no argument against its gradual introduction.

42. We have considered at length and discussed with the Chief Engineer the possibility of abolishing *the Consulting Architect to Government* in view of the improbability of the construction of many large buildings in future. It has been explained to us that besides doing work for the Central Government the Consulting Architect has important duties, such as examining the plans for buildings to be erected on Government land leased to private persons as building sites. He also has professorial duties in the J. J. School of Art. It appears that when there are a sufficient number of large buildings to be constructed, it is economical to retain the services of the Consulting Architect. But under present circumstances 3 of our members think that the Consulting Architect and his department should be abolished. The Government of India would then arrange for the construction of its own buildings while the Government of Bombay, being unlikely to build any large ones, could dispense with architectural advice for the less important ones. While agreeing that it is desirable to retain the nucleus of the Department in being, one member wishes to abolish the Consulting Architect and the junior Assistant, retaining the senior Assistant Architect who has British qualifications in charge of the department. Two other members, agreeing with the Chief Engineer, think that the best course is to retain the Consulting Architect and so get the benefit of his experience and seniority, and to abolish the two posts of assistant.

The abolition of the Consulting Architect would save annually

Rs. 1,750
133
150

$2,033 \times 12 = \text{Rs. } 24,396,$

from which there would have to be deducted in the first year a lump sum for compensation.

The abolition of the two Assistants would save

Rs. 1,275
135
1,025
135

$2,570 \times 12 = 30,840,$

from which some deduction for compensation would probably have to be made in the first year.

The Department costs Rs. 91,000 in all and brings in fees of Rs. 8,000 making a net cost of Rs. 83,000. The total abolition of the Department would therefore save this sum less the cost of such establishment as it might be necessary to transfer to the Public Works Department. The total of Rs. 83,000 includes Rs. 12,000 for the Quantity Surveyors branch referred to in the next paragraph.

The Committee is of opinion that the *Quantity Surveyor's branch* of this Department should be abolished, thus saving Rs. 12,000. The Chief Engineer has agreed to this.

43. We have considered a proposal to abolish the *Irrigation Development and Research Circle*. Evidence has been given to us that this Department has been instrumental in saving large sums in construction both in Sind and the Presidency. Hydrodynamic experiments carried out by the Superintending Engineer in charge of this circle have led to the more economical designing of aqueducts and sluice gates and have gone a long way towards solving problems connected with the deposit of silt which occur on most canals but are of particular importance in Sind. In the Deccan successful methods have been evolved of dealing with the menace of water-logging and salt. Drainage schemes have been carried out and salt land has successfully been reclaimed and its fertility restored. Modules have been designed and are being introduced on a whole canal in this circle in order to regulate the supply of water and eliminate waste. These are calculated to extend the area of irrigation possible with the existing supply of water by 20 per cent. and to reduce the risk of water-logging. The selection of land suitable for intensive irrigation based on a study of the physical conditions of the soil and sub-soil is one of the highly specialized duties of this circle.

These examples are quoted to illustrate the reasons which have led a majority of us to the conclusion that it would not be either wise or economical to interrupt the scientific researches and the practical application of the experiments carried out by the Superintending Engineer.

Economies amounting to Rs. 20,000 have been effected during the current year.

44. A majority of us do not think that any economy would be effected by handing over the revenue work of the Irrigation Department to the Revenue Department which does the actual collection, since there is no overlapping of work under the present system.

45. It was suggested to us that as the accounts of the *Dapuri Workshop* showed a debit balance it might be economical to close them down. We have examined this question in some detail, and have come to the conclusion that the shops are of greater value to Government than the somewhat misleading semi-commercial accounts would lead one to believe. The presentation of the accounts in a form more consonant with the true state of affairs is under investigation. The workshops contain valuable machinery and support a large staff, an actual profit is earned if the outturn is over Rs. 2,80,000 and when that figure is passed the profit increases rapidly. As in all such concerns returns are largely dependent on the size of the outturn, and we consider that the economical course is to obtain as much work as possible both from Government and private sources, for the workshops. The Works Manager has submitted proposals for effecting this purpose and we recommend that this policy be adopted. We would add that we have been impressed by the educational value of the workshops. Nine years ago all skilled labour had to be imported. Now 63 per cent. of it has been trained in the works; and 38 apprentices are employed.

#### GRANTS TO LOCAL BODIES FOR PUBLIC WORKS.

46. The majority of the non-official members wish to put on record their opinion that no further reduction should be made in this grant.

#### STATIONERY AND PRINTING.

47. A semi-commercial concern (but belonging to the Revenue Department) is the Photo Zinco Press. It was suggested to us that the work could be more economically done by private agency. We are informed that some of the work is confidential, and much of it is of great importance to Government and great accuracy and reliability is essential, as for instance in the printing of village maps and of statistical reports. Expensive and up-to-date machinery is used and the same principles apply as to Dapuri. The greater the outturn the greater the profit. We would therefore make a similar recommendation that the Press should not be abolished but it should be given as much Government work as possible and arrangements made to attract more private work.

There is another press working in Poona, engaged almost entirely in the printing of forms, viz. the Yeravda Prison Press. This gives useful employment to prisoners, and we are informed cannot economically be dispensed with. But we can see little necessity for a special High Court Press in Bombay, with the Government Central Press available, and we recommend that its abolition be considered forthwith.

We have already recommended the curtailment of the number of reports and returns and we understand that the cost of printing is considerably increased by payment for overtime due to demands for the printing of certain reports at very short notice by a certain date. Reduction in the length of some of the reports should also be possible. Further economy should be feasible for the use of cheaper paper whenever permanence is not desired.

We estimate that if all these ways of effecting economy were fully explored it should be possible to make savings of Rs. 1 lakh under this head.

#### MISCELLANEOUS CHARITABLE GRANTS AND ALLOWANCES.

48. We do not think in view of the terms of the grant that the contribution to the Prince of Wales Museum can be reduced. We recommend the following cuts under the head " 47, Miscellaneous " :—

<i>Home Department—</i>	<i>Cut</i>	
Rs.	Rs.	
47,800 Children's Aid Society ..	7,800	
5,000 Bombay Vigilance Association..	1,000	
8,000 Society for the protection of children in Western India ..	1,000	
 <i>Political Department—</i>		
500 Seamen's Rest, Karachi ..	} 1,700	as the Government of India are now in charge of these interests.
1,200 Royal Bombay Seamen's Society.		
 <i>General Department—</i>		
1,920 Madhagat Annachattra ..	1,920	
2,500 Bombay Helpless Beggars Relief ..	250 (10 per cent.).	
	13,670	

Of this we understand that Rs. 2,100 cannot be cut this year as the grant has already been made.

		Rs.
<b>49. Summary of proposed savings, etc.</b>		
<i>Land Revenue and General Administration.</i>	10 per cent. on cost of establishment ..	11,99,200
	Abolition of Bombay Suburban Division ..	20,000
	Amalgamation of Wagra and Amod ..	4,800
	4 Personal Assistants to Collectors ..	19,200
	1 Superintendent of Land Records ..	4,800
	Amalgamation of Superintendent of Land Records, Sind, and Manager, Encumbered Estates.	4,800
	Government House .. ..	1,50,000
	Move to Mahableshtar .. ..	60,000
	Abolition of Director of Information and Commissioner under the Workmen's Compensation Act.	26,000
	Special Pay of Judge, Court of Small Causes, Karachi, under the above Act.	900
	20 per cent. reduction in Oriental Translator's Office.	13,400
<i>Excise</i>	.. Abolition of Excise Commissioner ..	39,000
	Savings by reorganization of the Department.	1,14,000
<i>Forests</i>	.. ..	70,000
<i>Administration of Justice.</i>	10 per cent. on High Court Establishment	1,09,300
	9 Sub-Judges .. ..	60,000
	1 Additional Judicial Commissioner in Sind	36,000
	Various Home Department establishment ..	28,500
<i>Police</i>	.. Abolition of 2 Deputy Inspectors General ..	52,000
	10 per cent. reduction in Police Inspectors District Superintendent of Police, Tatta ..	20,000
		4,000
<i>Education</i>	.. ..	
<i>Public Health</i>	.. One Assistant Director of Public Health ..	7,000
<i>Agriculture</i>	.. Fees in Agricultural College .. ..	2,900
<i>Co-operative Department.</i>	2 Assistant Registrars .. ..	12,000
	Travelling Allowance to Honorary Organisers.	64,000
	6 Auditors .. ..	14,400
<i>Public Works Department including Irrigation.</i>	A lump cut including—	
	one Superintending Engineer's Circle	40,000
	Consulting Architect	30,800 or 55,000
	Quantity Surveyor's branch	12,000.
		14,00,000
<i>Miscellaneous</i>	.. Charitable Grants .. ..	13,600
<i>Stationery and Printing.</i>	Various proposals .. ..	1,00,000
<b>Total ..</b>		<b>36,49,800</b>

*Allowances, Over Seas* Savings not ascertainable  
Pay, Passages.

The following savings are only gradually realisable :—

	Rs.
Huzur Deputy Collectors .. .. .	84,000
Daftardars .. .. .	13,000
Pay of Executive Councillors .. .. .	No figure stated.
Pay of Ministers .. .. .	36,000
Pay of the President of the Council .. .. .	6,000
Pay of the Deputy President .. .. .	750
Pay of High Court Judges .. .. .	1,20,000
Pay of Judicial Commissioner in Sind .. .. .	10,500
Pay of one Additional Judicial Commissioner .. .. .	9,000
	2,79,250

#### CHAPTER IV.

50. The following members, viz., Messrs. Chikodi, Kamat, Rahimtoola and Rao Bahadur Patil constituting a majority of the Committee think it desirable to place on record at somewhat greater length the effect upon our enquiry of the orders of Government referred to in paragraph 3 of the report. In following the procedure that we did we had in mind the task of reducing the permanent expenditure of Government to a degree which would enable this Presidency to carry on the administration on a reduced scale, within the reduced revenues which seem likely to come to us in future. The carrying out of this task made it necessary for us to consult non-official opinion to a greater extent than we have yet done : and though we have discussed at great length various activities of Government there are many matters connected therewith on which we should like to have been able to formulate more definite views. The letter of Government therefore which showed that the understanding of Government connected our labours more closely with the preparation of the next Budget than we had realised under our terms of reference took us rather by surprise. We feel ourselves, therefore, rather at a disadvantage in being called upon at this late stage to make proposals which may aid Government in balancing next year's budget. But we venture to put down in the following paragraphs the manner in which we think this can be done.

51. Although as shown above, we could not for want of time closely scrutinise expenditure in several important Departments, from the statistical information submitted by some Departments as well as from a comparative study of some other Provincial Budgets, it appears to us that there are grounds to believe that the administration of this Presidency is very expensive—perhaps far more so than the higher cost of living here may account for. We can at best make out a *prima facie* case in this regard and leave Government to find out if there is no real extravagance. For purposes of comparison we take the Punjab, which has nearly the same population as Bombay, and nearly the same number

of Districts. The comparative figures for some Departments on the basis of the 1931-32 Budget are :—

Bombay.		Punjab.	
Revenue 15·20 crores.		Revenue 11·84 crores.	
Expenditure on—		Bombay.	Punjab.
		Lakhs.	Lakhs.
1. Land Revenue	.. ..	73·37	40
2. General Administration	.. ..	227	115
3. Police	.. ..	189	175
4. Education	.. ..	201	175
5. Medical	.. ..	53	56
6. Public Health	.. ..	24	24
7. Agriculture	.. ..	30	54
8. Civil Works	.. ..	105	118

It is noticeable from the above that the Punjab which has 29 districts as against 28 in Bombay, can manage, e.g., its Law and Order at a much lower cost than Bombay. If Bombay has a sea-port, the Punjab has also a special factor in its contiguity to the Frontier. Then again the United Provinces which has a total revenue of about Rs. 16 crores but twice the population and much larger area to look after spends for the Police 175 lakhs. We need not elaborate the point further. In fact, the Simon Commission Report has brought out prominently the fact that Bombay is a Province *De Luxe*, and spends per head of the population Rs. 8 as against Rs. 4 per head in Madras, 2·5 per head in Bengal and 5·5 in the Punjab. It may be observed that Bombay stands highest not only in spending on Education but even under other heads such as Land Revenue and General Administration, so also Law and Order, as will be clear from the following figures for 1929-30 contained in the Simon Commission Report (Volume II, page 233) :—

	Bombay.	Madras.	Bengal.	Punjab.
	Rs.	Rs.	Rs.	Rs.
Land Revenue and General Administration expenditure per head.	1·528	0·657	0·398	0·758
Law and Order	1·446	0·790	0·784	1·101

This means Bombay spends for its General Administration Rs. 1/8 per head as against annas 12 for Punjab. Whether the disparity is due merely to factors like density of population or the higher cost of living and, if so, to what extent, was relevant for our inquiry, in order to see if extravagance or waste does not contribute to the higher cost.

52. In this connection, the figures supplied to the Committee of the cost of the Secretariat in 1920 and 1931 are of considerable interest. The pre-reform cost was Rs. 13,15,648. It is now Rs. 21,94,000. Of this increase Rs. 3·08 lakhs is due to the increased number of appointments of Executive Councillors and Ministers. This leaves Rs. 5·71 lakhs to be accounted for

The Committee could not go into this subject of Secretariat appointments and is unable to offer any conclusions as to the degree of retrenchment possible in the Secretariat. But we consider Government should take up the inquiry, and particularly obtain information in detail from the major Provinces showing the system in each Secretariat in order to find out whether expenditure in Bombay is excessive.

53. Another direction in which permanent economy can be attempted is a further curtailment of the activities of the Public Works and Irrigation Departments. We are inclined to think that in the activities of the Public Works Department the Bombay Engineer appears to attempt too high an aesthetic standard of architectural detail and design in his buildings. He has a western outlook with an eastern purse. In our view, a good deal of saving may be effected if a simplicity of style is forced on the Engineers by Government. The building activities of the Public Works Department during the last decade entail a provision, as far as we can work out, of an average of one crore per annum for the Roads and Communications Branch, and an average of Rs. 75 lakhs for the Irrigation Branch (charged to Revenue). Considerable saving can be effected by the lowering of standard in the Building branch. We are not satisfied whether in the Public Works Department costs for establishments are not high. We could not obtain evidence of non-official retired gentlemen about the organisation of this Department within the time when we had to close our inquiry. We are unable to accept the view that what the present Chief Engineer thinks to be the irreducible minimum is the real margin below which we cannot go. The economies suggested by Mr. P. G. Shah, Special Inquiry Officer, have not been fully carried out and further inquiry into this Department seems to be needed.

As regards Irrigation development, the subject of financial results in the Deccan Canals is already engaging the attention of Government. In this connection the incidence of working expenses to Revenue earned, particularly in the Deccan Canals, appears to be very high.

54. We have indicated how Bombay tops other provinces not only in spending on Education but on, say, General Administration and Law and Order. It is necessary to state our views on this question frankly. It must be remembered that in the current year a reduction of 5 lakhs had been made in this Department. Other Departments have had not to suffer such a big cut in the current year. We hold the view that this Department, aiming to spread literacy, is the very foundation on which the fruition of other beneficent activities depends. Expenditure for Public Health, for instance, or for agricultural propaganda at the rate of Rs. 25 lakhs and Rs. 30 lakhs respectively is year after year partly wasted as long as there is no literacy in the village to understand why malaria or cholera is caused or why a particular crop is profitable or unprofitable compared to cost of cultivation.

We notice in this connection that the Accountant-General in his Appropriation Accounts for 1929-30 has commented on a tendency of

the Department to over-estimate certain requirements. For instance, there were savings under " Inspection " under Education as follows :—

				Rs.
1926-27	..	..	..	2,31,837
1927-28	..	..	..	3,92,619
1928-29	..	..	..	4,58,711
1929-30	..	..	..	1,87,486

The real problem is to ascertain whether we are getting full value for every rupee spent. We have no objection if Government investigate any causes of waste, provided the inquiry is at the hands of disinterested experts in education, and provided further that any amount saved or released is properly spent on no other purpose than spread of education. This Department concerns every phase of the life and well being of the country. We are not in favour, therefore, of arresting the progress of education by a cut in this Department as it may mean a disastrous setback from which it may take years to recover. As regards higher education, we find other Provincial Governments are spending comparatively more than Bombay, in fact Bombay in this respect is, as the Director of Public Instruction pointed out, lagging behind other Presidencies. In the United Provinces, for instance, which has more universities than one, the provision for university education is between 16 to 18 lakhs as against 1,22,000 in Bombay. The grants to non-Government Arts Colleges is between 5 to 6 lakhs as against 1,87,000 in Bombay. We are not in favour, in view of far-reaching considerations of any reduction in higher education or secondary education either.

55. We have dealt with some of the Departments which we had not the opportunity of examining thoroughly from the aspect of looking for permanent retrenchments. We consider that a real and abiding solution of the present financial trouble lies not in seeking temporary *ad hoc* retrenchments, but in finding out the real waste, and curtail activities which the revenue of the Presidency does not permit. We are not convinced that all avenues for retrenchments of a permanent nature are exhausted. We are however asked to apply our minds more to the immediate problem of suggesting retrenchments to meet the next year's deficit, which is anticipated to be a crore of rupees. We recognise the imperative need of a balanced budget and to that end suggest the following emergency cuts, which if accepted would bring the total to Rs. 1,21,00,000 including the saving of Rs. 35 lakhs from the 10 per cent. cut in salaries. In proposing these reductions, we wish to make it plain that it is the unprecedented emergency which is our justification for the admittedly haphazard method we are driven to follow. We are aware there is a certain element of risk, of deterioration or lowering of efficiency in several Departments but we venture to think this risk the Presidency must be prepared to take for some time. We have discussed the proposed cuts in Committee and if there are differences of view, they are about the degree to which the officials think they can go with us in each cut, rather than in the method over temporary cuts. We now enumerate the reductions we suggest :—

*Emergency Retrenchments.*

[Savings from the 10 per cent. cut in salaries] ..	35 lakhs.
Stoppage of increments of pay as recommended in paragraph 8. Expected saving, roughly ..	8 "
1. <i>Public Works Department</i> —	
(a) Stopping provision for new works next year	5 "
(b) 50 per cent. cut in Discretionary grants with officers on current year's basis ..	3 "
(c) Repairs to Buildings, residential and non-residential, on the basis of current year's provision which is 18 lakhs .. ..	6 "
(d) Repairs to communications. This year's provision is 34 lakhs .. ..	5 "
(e) Irrigation Branch. 15 per cent. cut on the basis of this year's provision of Rs. 21 lakhs for works and Rs. 46 lakhs for working expenses .. ..	10 "
(f) Public Works Department establishment (Roads) .. ..	4 "
(g) Tools and plant cut on a basis of .8 per cent. which is the excess over the sanctioned rate for tools and plant at 1½ per cent. saving ..	1 "
3. <i>Government House</i> .. ..	1½ "
[This is on the basis of economies which, we understand, His Excellency himself has been very kindly considering.]	
4. <i>Contingencies</i> .. ..	3 "
[At 5 per cent. on a total expenditure of about a crore, essential items under this head such as diets to be excluded.]	
5. <i>Travelling Allowance</i> .. ..	5 "
[This has been recently (1930) cut down by orders of Government. We propose a further emergency cut, only essential touring and movements to be allowed.]	
6. <i>Police Department</i> .. ..	9 "
(i) This is on the basis of 5 per cent. cut on the basis of this year 188 lakhs ..	
(ii) <i>Emergency Police</i> —	
On the basis that current year's provision need not be retained .. ..	8 "
7. <i>Printing and Stationery</i> .. ..	1 "
8. <i>Forests in addition to the cut surrendered</i> ..	1 "
9. <i>Land Revenue and General Administration</i> at 5 per cent. cut—Total 190 lakhs ..	9½ "
10. <i>Bombay Development Department</i> ..	1 "
11. <i>Allowances other than Travelling Allowance</i> ..	5 "
Total ..	1,21 lakhs

## CONCLUSION.

56. The Committee has sat for 73 days and a Sub-Committee for preparing questionnaires also sat for four days. The attendance of members at the Committee was as follows :—

The Chairman	..	..	..	72 days.
Mr. Wiles	..	..	..	66 "
Mr. Humphrey	..	..	..	26 "
Khan Bahadur Allahbaksh	..	..	..	23 "
Mr. Hoosenally Rahimtoola	..	..	..	66 "
Rao Bahadur Patil	..	..	..	50 "
Mr. Chikodi	..	..	..	67 "
Mr. Kamat	..	..	..	71 "

Before closing the report the members of the Committee wish to place on record their appreciation of the ability and tact with which the Chairman has discharged his duties. They express their thanks for the valuable assistance they have received from the Secretaries, who were during the earlier discussions Mr. G. B. Phanse, Assistant Secretary, Finance Department, and thereafter Mr. C. H. Bristow, I.C.S.

(Signed) RUSTOM JEHANGIR VAKIL.

( " ) P. R. CHIKODI (subject to 1 minute of dissent).

( " ) J. HUMPHREY.

( " ) B. S. KAMAT.

( " ) D. R. PATIL (subject to 1 minute of dissent).

• ( " ) HOUSENALLY M. RAHIMTOOLA.

( " ) G. WILES.

Bombay, 25th November 1931.

Note.—As Khan Bahadur Allahbaksh was not present at the discussion of the report his signature could not be obtained before the report was printed.

The cost of the Committee is as follows :—

	Rs.	a.	p.
Travelling, daily and subsistence allowance of non-official members	8,755	9	0
Extra cost to Government of Special Officer's appointment and pay of Secretary	3,315	14	0
Establishment	1,680	8	0
Printing	236	11	0
Making a total cost to Government of Rs. 13,988-10-0. This has been reduced by Rs. 463-8-0 foregone by one of the members, so that the total net cost is	13,525	2	0

(*Note.*—Mr. Chikodi's minute of dissent will be printed separately.)

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**NOTE.**

Readers of the first three Chapters of the Report will be struck by the complete absence of any reference to the Education Budget. The reason for this is that in deference to the wishes of the majority, discussion of this subject was postponed until other Departments had been dealt with. In consequence of the decision of the majority as recorded in Chapter IV the question of the reduction of Education charges has therefore not come under discussion on its merits. We have been unable to associate ourselves with a number of the lump-cut recommendations contained in Chapter IV; and we find it necessary to record our view that in the present emergency the provincial contribution to Education must also share in the burden. This is not because we under-estimate in any degree the importance of Education in the administration, but because we feel that the Presidency finances cannot bear the cost of the present policy of providing, very largely at the expense of the general tax-payer, education for classes who can afford to pay for it. The complete exemption of the Educational Department can only be justified if the other activities of the State which directly benefit the people are not made to suffer. With the reduced revenues at our disposal this is quite impracticable.

R. VAKIL.  
J. HUMPHREY.  
G. WILES.

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I wish to expand the above note very briefly.

It appears to me that a Committee, appointed for the purpose of framing proposals on which extensive retrenchments in the expenditure of the Province may be effected, falls short of its duty if it deliberately leaves untouched a Department whose expenditure accounts for 12·86 per cent. of the total annual budget. The attitude of the majority of the Committee on this subject is sufficiently indicated by the fact that in the main body of the report the question of education receives no word of mention of any kind. Nor do I consider that this defect is remedied by the purely negative references to this matter in Chapter IV which proposes drastic cuts in every other department.

In my view it is impossible for the very high expenditure which Government at present bear on Education to escape the incidence of retrenchment, as to the vital need for which there is universal agreement. Indeed it is the view of some of us that Government have undertaken in this matter of education a burden which is too great for the Provincial finances to bear. While I am in full sympathy with the view that provision and extension of educational facilities are among the first needs of the Province, I maintain that this object must be pursued on

sound lines, and above all that the policy of Government must be such that it can be met by practical measures of finance, however far it may in consequence fall short of the ideal which all would like to achieve.

In my opinion there is urgent need for reform on the following lines :—

1. Revision of the Primary Education Act of 1923, with a view mainly to ensure—

(a) that a larger share of the cost shall be borne by Municipalities and by District Boards, and

(b) that the control by Government (who provide from general revenues the preponderating share of the cost of Education), of expenditure on Education by means of inspection of schools, shall not be relaxed.

2. Secondary Education and still more University Education should be made to a much greater extent self-supporting, and the Government grants should be made dependent on the levy of adequate fees on the pupils and students themselves.

In my view this would result in substantial saving to Government, and would at the same time go far to ensure that the money spent on education is properly spent, thereby improving the standard of both teachers and pupils. The Majority Chapter makes reference to this question of waste, but in the same passage it quotes savings effected on inspection, which it appears to me must be largely contributory to such waste.

J. HUMPHREY.

*Minute of dissent by Rao Bahadur D. R. Patil.*

I am sorry I cannot agree to all what my colleagues say. On some of the suggestions put forward by my colleagues I must record my dissent. I agree to their views subject to the following reservations:—

1. *Salary of Ministers.*—I cannot agree to any proposal for the reduction of the salary of Ministers unless a corresponding reduction is made in regard to the salary of the Executive Councillors. A reasonable reduction was already made when the original rate of Rs. 5,333-5-4 was brought down to Rs. 4,000. Any further reduction would be undesirable unless and until a uniform scale of pay is adopted for the two wings of Government Members.

2. *Deputy President.*—The salary paid is small and only for the period when the Council is in session. The economy proposed is too trivial having regard to the importance and dignity of the office.

3. *Police Inspectors.*—I do not want these Police Inspectors, who form a superfluous body of men in the Police Force. The Deputy Superintendents of Police can manage to run the district with the aid of Sub-Inspectors. The existence of Inspectors does not seem to add to the efficiency of the Force. They are a sort of parasites without sufficient responsibility.

4. *Honorary Organizers.*—Much of the success of the co-operative movement has been due to these Honorary Organizers. Their propaganda has been instrumental in promoting the movement in the Presidency. Their advice is sought by various Co-operative Societies in the mofussil. To abolish these posts altogether would not be advisable. I would urge the retention of at least 50 per cent. of these and suggest that duly competent men be appointed hereafter.

5. *Treasury Deputy Collectors.*—I agree with my colleagues that there is no need for the highly paid Deputy Collectors to be in charge of Treasuries. But I do not think it is necessary to have these replaced by Mamlatdars. The Treasury Work can be done by trained Accountants under the supervision of the Collector or any of his Assistants, while the magisterial work performed by the Treasury officers can be easily distributed among the local magistrates. I would urge for the simplification of the administration in every direction, and not for the complexity which adds so much to the cost.

25th November 1931.

D. R. PATIL.

*Note by Mr. Hoosena'ly M. Rahimtoola.*

The Committee in its *ad interim* Report had recommended a salary cut on a graduated scale. Government applied a flat rate of 10 per cent. It will be seen from the following table that the sacrifice by salary cut works out in actual practice at a graduated scale in the reverse order :—

Actual salary.	Net salary after deducting income and super-tax.	Net salary after deducting surtax on income- and super-tax without salary cut.	Net salary after deducting 10 per cent. cut and income- and super-tax.	Net sacrifice for salary cut.	Percentage of net sacrifice to salary.
Rs.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
80,000	66,302 1 4	62,877 9 8	59,968 12 0	2,908 13 8	3.62
64,000	53,635 6 8	51,044 4 4	48,568 12 0	2,475 8 4	3.86
48,000	41,750 0 0	39,132 13 0	36,956 4 0	2,176 9 0	4.54
36,000	31,406 12 0	30,258 7 0	28,406 4 0	1,852 3 0	5.15
24,000	21,625 0 0	21,031 4 0	19,562 8 0	1,468 12 0	6.12
12,000	11,250 0 0	11,062 8 0	10,125 0 0	937 8 0	7.82
6,000	5,718 12 0	5,648 7 0	5,146 14 0	501 9 0	8.36
2,400	2,325 0 0	2,306 4 0	2,092 8 0	203 12 0	8.49
1,200	1,200 0 0	1,175 0 0	1,080 0 0	95 0 0	7.92
720	720 0 0	720 0 0	648 0 0	72 0 0	10

*Minute of dissent by Mr. P. R. Chikodi.*

As regards permanent retrenchment the work of the Committee has been incomplete; and as regards temporary retrenchment for meeting the deficit of more than a crore in the next year's budget, the proposals of my colleagues do not go far. I firmly believe that there is room for considerable curtailment of expenditure and the average annual expenditure of the Bombay Government is capable of being reduced by about two crores without any loss of efficiency. I am sorry to note that some of the important recommendations of the last Retrenchment Committee were not accepted by the Government and the result has been that today there has been unnecessary swelling up of the expenditure side. Further, there must be a rule whereby the Government should be compelled to maintain a working balance of 10 per cent. of its normal expenditure without which no budget should be considered valid. Such a requirement would force the Government to keep the expenditure within its normal income and make impossible for it to present a deficit budget to the Legislative Council. The salary of a Minister or an Executive Councillor should be cut down to Rs. 3,000 per month and there should not be any differentiation of any kind between these two classes of officers. The salary of the ordinary Judges of High Court should be Rs. 2,500 and that of the Chief Justice Rs. 3,000. The old system of the Kulkarni doing the work of the Village Accountant is very cheap and efficient, and should be restored wherever Talatis have been appointed.

P. R. CHIKODI.

Belgaum, November 27, 1931.

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STATEMENT A

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STATEMENT A.

Showing the present and proposed time-scales of pay of Class I and Class II Services.

Service	Present		Proposed		Remarks
	Class I scale	Class II	Class I	Class II	
Agriculture Forest Veterinary	320—40—1,200	250—20—750	300—25—400—30	200—15—320—	
Public Works Department.			550 E.B.—35— 700—40—1,000	E.B. 20—600	
	<i>Junior</i>	<i>Senior</i>	<i>Junior</i>	<i>Senior</i>	
	1st. 320	..	300	..	
	2nd. 360	..	325	..	
	3rd. 400	..	350	..	
	4th. 400	140	350	375	
	5th. 440	480	375	400	
	6th. 480	520	400	430	
	7th. 520	560	425	460	
	8th. 520	600	450	490	
	9th. 560	640	480	520	
	10th. 600	680	510	550 E.B.	
	11th. 640	720	540	585	200—15—320—E. B. 20—
	12th. 680	760	570	620	600
	13th. 720	800	600	655	
	14th. 760	840	630	690	
	15th. 800	880	660	725	
	16th. ..	920	..	760	
	17th. ..	960	..	800	
	18th. ..	1,000	..	840	
	19th. ..	1,040	..	880	
	20th. ..	1,080	..	920	
	21st. ..	1,120	..	960	
	22nd. ..	1,160	..	1,000	
	23rd. ..	1,200	..	..	

Education (Men)	.. ..	320—40—1,200	250—20—650	300—25—400—30— 550—E.B. 35— 760—40—1,000.	200—15—320— E.B. 20—600.
.. (Women)	.. ..	320—25—770	200—10—340— 15—400 <i>Men.</i>	300—25—750	200—10—340—15—400 <i>Men—</i> No change.
Medical	.. ..	400—40—1,200	200— 40 3 50—450 <i>Women.</i>	350—25—400—30— 550—E.B. 35— 760—40—1,000.	<i>Women—</i> No change.
<i>Public Health.</i>					
(1) Assistant Directors of Public Health	.. ..	450—35—800—40—1,200		No change.	
(2) Officer in Charge, Public Health Laboratories	.. ..	450—25—700—40—1,100		Do.	
(3) Director, Vaccine Institute	.. ..	450—40—850—70—1,200		Do.	
(4) Director, Public Health	.. ..	1,700—50—1,950		Do.	
<i>Excise.</i>					
Superintendents	.. ..	....	300—40— 1,100	300—25—400—30— 550—E.B. 35— 760—40—1,000.	
<i>Registration.</i>					
Sub-Registrar, Bombay	.. ..	....	360—30—800		320—20—480
Joint Registrar, Bombay	.. ..	....	330—30—450		300—20—380
<i>Co-operative Societies.</i>					
Assistant Registrars	.. ..	....	250—20—750		200—15—320— E.B. 20—600.

## PRESENT AND PROPOSED SCALES OF PAY FOR DEPUTY COLLECTORS.

<i>Present</i>		<i>Proposed</i>
	Grade II (69).	
300		280
350		300
400		320
450		340
500		360
550		380
550		400
Efficiency Bar		420
	Efficiency bar	
600		440
600		460
650		485
		510
		535
		560
		585
		610
Grade I (15)	Grade I (18)	
750		640
800		680
850		720
Selection (3)		760
1,000		800
1,100		
1,200		

Existing scales of pay for Mamlatdars confirmed.

## PRESENT AND PROPOSED SCALES OF PAY FOR SUB-JUDGES.

*Present**Proposed*

## Class II

*Second class (136)—*

Rs. 300 for 2 years probation.

*Second grade—*Rs. 200—20—380 first two  
years on probation  
and 240 in the  
third year.

Rs. 350—50/2—550—E.B.—50/2—650.

*First grade—*

410—25—610

*First class (22)—*

Rs. 750

Rs. 800

Rs. 850

## Class I

Rs. 640—40—800

*Selection grade (4)—*

Rs. 1,000

Rs. 1,100

Rs. 1,200

## STATEMENT B.

*Showing the present and proposed pay for selection grades and administrative post above the time-scale of Class I, Class II Services employed in Transferred Departments.*

Service.	Present.		Proposed.		Remarks.
	Class I.	Class II.	Class I.	Class II.	
<i>Agriculture.</i>					
	<i>Selection grade.</i>		<i>Selection grade.</i>		
Post of Director of Agriculture .. ..	1,200—50—1,350 1,600—50—1,800	<i>Nil.</i>	<i>Nil.</i> 1,450—75—1,750	<i>Nil.</i>	
<i>Forest.</i>					
Conservator .. ..	1,450—75—1,750	<i>Nil.</i>	1,250—50—1,500		
Chief Conservator .. ..	2,000—100—2,200	<i>Nil.</i>	1,600—100—2,000		
<i>Engineering.</i>					
Superintending Engineers .. ..	1,450—75—1,750	<i>Nil.</i>	1,250—50—1,500		
Chief Engineers .. ..	2,000—100—2,100— 200—2,500	<i>Nil.</i>	1,600—100—2,000		
<i>Veterinary.</i>					
	<i>Selection grade.</i>		<i>Selection grade.</i>		
	1,200—50—1,350	<i>Nil.</i>	<i>Nil.</i>		
Education (Men) .. ..	<i>Lower selection grade.</i> 1,200—50—1,350	<i>Selection grade.</i> 650—30—800	<i>Selection grade.</i> 1,200—50—1,350 (Numbers to be settled later).	<i>Selection grade.</i> <i>Nil.</i>	

		<i>Higher selection grade.</i>			
Post of Director of Public Instruction	..	1,400—50—1,500 2,000—100—2,100— 200—2,500		<i>Director of Public Instruction.</i>	
				1,600—100—2,000	
Education (Women) ..	..	<i>Selection grade.</i>	<i>Selection grade.</i>	<i>Selection grade.</i>	
		800—25—1,000	400—25—500	800—25—1,000	400—25—500
		<i>Lower selection grade.</i>			
		1,200—50—1,350			
		<i>Higher selection grade.</i>			
		1,400—50—1,500			
Surgeon General ..	..	2,000—100—2,100— 200—2,500		<i>Head of Medical Department.</i>	
				1,600—100—2,000	
Civil Surgeons ..	..		500—50—900	300—25—400— 30—550 E. B. 35—760—40— 1,000	

## STATEMENT C.

The following table gives the scales of pay recently accepted by Government in the case of subordinate services :—

*Clerks in the Secretariat and clerks in the High Court.*

50—3—95—5—100—E.B.—5—160.

*Clerks outside the Secretariat in Bombay City and Suburban District.*

50—5/2—90—E.B.—5—140.

*Clerks in the mofussil : Revenue and Excise Establishments  
(Lower Grade.)*

30—5/2—60 ; and 65—5/2—80.

## AD INTERIM REPORT OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF BOMBAY, 1931

On Monday, March 2nd, 1931, the Honourable the Finance Member announced in the Legislative Council that he would advise Government to appoint a Retrenchment Committee consisting of two officials and five non-officials. A few days later, on March 6th, he made a further announcement regarding the personnel of this Committee, which was appointed by Government "to enquire into the possibility of reducing provincial expenditure". The personnel as finally approved by Government was as follows:—

### *Official Members*

The Honourable Sardar Sir Rustom Vakil, Kt., Minister for Local Self-Government.

Mr. G. Wiles, C.S.I., C.I.E., I.C.S., Secretary to the Government of Bombay, Finance Department.

### *Non-Official Members*

Mr. J. Humphrey, O.B.E.

Khan Bahadur Allahbakhsh Haji Mahomed Umar.

Mr. Hoosenally M. Rahimtoola.

Rao Bahadur D. R. Patil.

Mr. P. R. Chikodi.

Mr. B. S. Kamat.

Mr. G. B. Phanse, Assistant Secretary, Finance Department, was appointed to act as Secretary to the Committee; while, during the Poona sittings, the services of Mr. C. H. Bristow, I.C.S., Settlement Commissioner and Director of Land Records, were put at the disposal of the Committee, as a Special Officer.

2. During a very early stage of our discussions we decided that our work could best be dealt with by dividing it into two categories: (1) proposals for immediate retrenchment to deal with the deficit of 61 lakhs in the current year, and (2) proposals for permanent retrenchment. The present report deals only with the former aspect of the question and we submit it at the earliest possible date in order that Government may be in a position to issue orders as soon as possible and so effect as large a saving as the lapse of part of the current year will allow. The same consideration also weighed with us in forwarding to Government, before our investigations were complete, several suggestions regarding restriction of leave and transfers, curtailment of touring and a general tightening up of the leave rules of the Vacation Departments. The letters which we sent to Government embodying our recommendations in these matters will be found in Appendix A.

3. In order that all avenues of retrenchment should be explored, we invited suggestions from a number of non-official members of the Legislative Council. We wish to acknowledge with gratitude the assistance given us by those members who responded to our request. Some of the suggestions made by them will be found to be covered by our recommendations. Some others have been reserved for consideration as measures of permanent retrenchment.

4. We felt, when we began our investigations in Bombay, that our work would be facilitated by immediate consultation with the Heads of Departments. A circular was therefore issued by us to all Heads of Departments and officers asking for proposals for savings and suggesting a standard 6 per cent reduction of expenditure. As a result of this circular and the subsequent discussions which we had with some Heads of Departments, who at the invitation of the Committee appeared personally before us, the savings indicated in Appendix B have been found possible. In some cases promises of savings have been made but the exact amounts have not been stated and so could not be included.

5. It is necessary to deal in detail with some of the more important questions raised on various departmental budgets and with items that received special attention.

#### PUBLIC WORKS DEPARTMENT

6. We include in our recommendations a cut of Rs. 56,600 under Roads and Buildings. Further reports on the subject are still to be received. We are unable to suggest a curtailment of the grants for maintenance of communications in view of the application of Government to the Government of India to be permitted to divert the Provincial share of the petrol tax to expenditure on maintenance of roads, since we understand that the underlying condition of the application is that such relief was not to be used in reducing what would be considered the normal expenditure on roads during the current year. A proposal has however been put to us that the entire expenditure of Rs. 15 lakhs for the Tapti Valley Project should be charged to the Petrol Fund. This would save the whole of the interest on this sum (amounting to about Rs. 94,000), and we are strongly in favour of this being done.

7. As regards Irrigation the possibility of combining the Development and Research Circle with the Deccan Irrigation Circle was discussed by us. The Department regards the suggestion as impracticable; but they point out that the cost of experiments in the Development and Research Circle has been heavily reduced and staff has been amalgamated. It is further claimed that experiments in hydrodynamic work have saved Rs. 25 lakhs in the last eight years in the cost of irrigation works in Sind, and it is hoped to effect a cut of Rs. 20,000 this year in the departmental expenditure. As there is no possibility of effecting any further economy in the current year, we have deferred further investigation of this question to our later report.

8. In the Deccan, the Nira Valley Project is estimated to cost 132 lakhs. It has been reported to us by the Department that if alterations and improvements costing 32 lakhs were carried out on both canals, this would result in such saving of water that the Vir Reservoir Scheme, estimated to cost a crore of rupees, would be rendered unnecessary. Out of this sum of 32 lakhs, an expenditure of 25 lakhs has already been incurred. In view of this report, we are of opinion that the Vir Scheme should be abandoned. The resultant saving in interest charges in future years will be very considerable.

9. Out of the balance of 7 lakhs referred to above Rs. 4,39,000 is the cost of constructing branches 2 and 3 at the tail of the Nira Right Bank Canal in Malsiras and Pandharpur Talukas. Branch No. 1 already irrigates most of Malsiras Taluka and the main canal if joined to the Mhaswad Canal will greatly increase the supply of water and irrigate the south part of Pandharpur. A Conference of District and Irrigation Officers, to whom we referred this question, expressed the opinion that with the exception of this linking up with the Mhaswad Canal, the rest of the construction work on Branches 2 and 3 should be deferred. We accept this opinion, and recommend the saving in the present budget of Rs. 3,83,000 in the Head 55: which is equivalent to a saving in debt charges of about Rs. 25,000.

10. We discussed in some detail the question of the large temporary staff in the Public Works Department. It was pointed out to us that the existence of this temporary staff in the permanent Divisions was an anomaly, and the Retrenchment Officer, in 1926, was convinced that this staff should be made permanent. It seems probable that the making permanent of the bulk of this temporary staff will not effect any saving. But we propose to discuss the whole question of temporary establishments when further information has been obtained, not only with reference to one particular Department, but other Departments as well.

11. One of our colleagues raised the general question of handing over the management of certain roads to District Local Boards. We have however decided to postpone consideration of this item till we are shown that this is likely to result in economy.

12. In addition to the above savings we recommend the postponement of the following works:—

*Budget Head 41:—*

	Rs.
Presidency Excise Buildings	... 22,900
Hyderabad Jail	... 7,000
Surat Quarters for 12 Constables	... 6,600
Shikarpur Canals Quarters for Police	... 25,000
Superintending Engineer, C. C., Repairs to buildings...	92,800

Total ... 1,54,300

13. Under the loan heads 55, 59 and 60, we recommend postponement of expenditure totalling Rs. 6,24,000. Such postponement will effect a saving in loan charges of about Rs. 43,000.

14. It will be noticed from the above and from the summary of surrenders given by officers (Appendix B) that only the Superintending Engineer, Central Circle, has proposed to cut down substantially the repairs grants to buildings. We recommend that the total grants under this head, excepting the Electrical Division where a smaller cut is indicated, should be cut down by 15 per cent, and would leave to the Department the distribution of the reduced grant over the classes—residential and non-residential. The resulting savings are estimated to be Rs. 2,63,000. This includes the Rs. 93,000 already surrendered by the Superintending Engineer, C. C.

15. We have already made a recommendation to Government (*vide* Appendix A) that discretionary grants should be reduced and have suggested the possibility of a 50 per cent reduction. Some of the reductions under this head have already been included in the surrenders proposed by officers. The balance of savings is estimated at Rs. 1 lakh.

16. We have considered very carefully the question of the retention or abolition of the post of the Superintending Engineer, Public Health. We obtained evidence on this subject from the Secretary to Government, General Department, and from the Secretary, Public Works Department. It is reported that the officer concerned does at present not only highly specialized work of superintendence, but carries out also some works in an executive capacity. The Department has in progress some 17 major works on behalf of local authorities; and we are satisfied that since it is not possible at present to hand over the control of the works to the district staff or engineers, his appointment must be retained for the current year. We will however revert to this matter when dealing with measures of permanent retrenchment.

17. Similar evidence was also put before us regarding the office of the Consulting Architect. We consider that the employment of this officer is economical only as long as he is fully occupied. We realize however that no recommendations which we could make under this head at this stage would bring in any relief in the current year. We have therefore agreed to deal with this subject in our later reports.

#### EXCISE DEPARTMENT

18. We had an opportunity of examining in great detail the Commissioner of Excise and we agree that the cuts proposed by him totalling Rs. 53,690 should be accepted. The Commissioner thought that further savings in expenditure and a certain amount of betterment in revenue were possible in his department, but it is not possible to mention any definite amount in this connection.

#### FOREST DEPARTMENT

19. The Chief Conservator of Forests who gave evidence before us, pointed out that the Department had been very heavily cut down

and was at present undermanned. By cutting down departmental works and similar other items, he has agreed nevertheless to reduce expenditure by nearly Rs. 1,38,000. Further cutting down of works in this Department is likely to affect revenue detrimentally. Under these circumstances, we feel that there is little chance of any immediate savings in this department except perhaps in the item of passages, cost of which is put down at Rs. 23,000 in the current year. Further investigation into the working of the Department will be made.

### EXECUTIVE COUNCIL AND MINISTERS

20. There are at present 4 Members of the Executive Council and 3 Ministers, making a total of seven. A majority of the Committee are of opinion that the total should be reduced to four, and that there should be two Members and two Ministers. It is believed that such reduction would not only save money but would facilitate work, obviating as it would do references to so many different persons. There would also be a certain amount of saving in the menial and general clerical establishment. We recommend that this reduction should be brought about as soon as possible and that at any rate no vacancies should be filled up until the total number of appointments has been reduced as proposed. We think it necessary to record that the Chairman does not associate himself with this recommendation and did not take part in the discussion. Rao Bahadur Patil is strongly opposed to this proposal. He thinks that since the new reformed constitution will contain no Executive Councillors but only Ministers, we should not by a recommendation to reduce the number of Ministers, violate the spirit of the new constitution in advance.

### DISTRICT LOCAL BOARD GRANTS

21. When the management of District Local Boards was handed over to non-officials in 1921 Government decided to make an annual grant of Rs. 5,000 to each board to pay for the staff of account clerks and peons who had formerly been part of the Collector's establishment. Government continued the subsidy in 1923 when the new Local Boards Act was passed. As District Local Boards have now had ample time to get into working order under non-official management, a majority of us recommend that this grant may be reduced by 25 per cent. The total budget provision on this account during the current year is Rs. 1,35,000. The extent to which savings would be possible from this amount depends on a number of considerations, such as the period of notice and the date on which orders are passed. We think however that an estimate of Rs. 15,000 would be justifiable.

### HOME DEPARTMENT

22. It will be noticed from the summary of surrenders offered by officers that the Inspector-General of Police reports the possibility of reducing his grants for the current year by an amount of Rs. 1,62,000. We accept this figure for the time being. We had an opportunity of examining the Inspector-General with reference to further reductions

in his budget; but at the time of submitting this report we have not been able to obtain from Government the further information we require. Our investigations therefore do not permit of any definite recommendation at present. We will however revert to this Department in the course of our later report. In the meanwhile, we recommend the following changes in certain other matters within the purview of the Home Department.

23. After discussion with the Department we propose a reduction in the rates of bhatta to witnesses. The rates prevailing at present and the revised rates which we now recommend are shown in Schedule I attached to this report. We are of opinion that these revised rates should be brought into force at once. We further recommend a revision under the head "Travelling Allowances to witnesses" of the existing rates which are regulated by High Court Circular No. 18 (3) and are shown, along with our proposed changes, in Schedule I.

24. During our early sittings, we made several suggestions to departments of Government which seemed to call in our opinion for further investigation. In response to one such suggestion the Remembrancer of Legal Affairs reports that Government have decided to reduce by 10 per cent the daily fees payable to Public Prosecutors under Rule 45 of the Law Officers Rules. In this connection we had at one time considered the advisability of taking the High Court administration under our detailed examination. For the present, however, we are content to deal only with one aspect of the question: it has been shown to us that while the Original Side of the High Court brings in a certain amount of revenue, the Appellate Side is worked at a loss. We understand that this is due to the low stamp duty charged on appeals. It is also reported that no duty is levied on appeals from Aden. We recommend by a majority that Government should consider the revision of the Stamp Duty in both these instances.

### PESHWA'S DAFTAR

25. There remains, in the list of new items in the current year's budget, one item which a majority of us feel cannot be regarded as essential in our present financial condition—the selection and publication of documents from the Peshwa's Daftar. A majority of us recommend, Mr. Kamat dissenting, that Government should withdraw the grant on this account.

### EDUCATION

26. We have given careful consideration to the question of cutting the grants under this head. We propose to make further investigations before making our final recommendations. In the meanwhile, however, we offer the following suggestions for immediate action.

27. We approve of the proposal put to us that a saving of Rs. 50,000 is possible during the current year if scholarships which fall vacant are not filled up. Our approval is however subject to the proviso that the interests of the backward communities should not suffer by such a step.

28. One of our colleagues raised the question of stipends given by Government to teachers in the various training colleges. Our information is that this kind of training is in great demand, and that numbers of teachers are in a position to pay their way without the assistance of any extraneous body; this being so, there is no reason why Government should continue this subsidy. We therefore recommend that the grant for stipends should be reduced and estimate a probable saving of Rs. 2,500.

29. A reduction of 5 per cent has been made in the budget in the grants for primary education. A majority amongst us is of opinion that there is no valid reason why this reduction made in the grant for primary education, which in their opinion is of greater importance, should not be extended to secondary education and colleges. On the other hand, the minority feels that a reduction of these grants would have such a crippling effect on the secondary schools that they would not be able easily to recover. The annual saving from the recommendation would amount to nearly Rs. 2,08,000.

30. The budget provision for "Reforms" is Rs. 4 lakhs this year. We think it very unlikely that the whole of this amount will be spent in the current year and we propose that this estimate be reduced to 1 lakh.

## PUBLIC SERVICES

### NEW ENTRANTS

31. - During our earlier sittings in Bombay we examined the scales of pay proposed by the Finance Department for new entrants to the Provincial Services. These scales, together with the emendations made therein by us, are shown in Appendix D. With reference to the lower services, in order to avoid detailed revisions of a large number of scales, we have already recommended to Government that all new entrants to these services should be paid on the present scales of pay, subject to a deduction of 2 annas in the rupee.

### PRESENT INCUMBENTS

32. The question of effecting temporary reductions in the salaries of the present Government servants engaged our attention for a long time. The effect on the feeling of security of the Services cannot be ignored. But we believe that extraordinary action of this kind has now become absolutely essential to maintain financial equilibrium. The present general depression has in our opinion affected the earnings of all classes of society and we see no reason why Government servants should not share in the burden. We consider our recommendations further justified by the facts that there has been a great fall in commodity prices, and that the rise in salaries given to all Services alike after the war was granted in consequence of the general rise in the cost of living, and could equally well have been given in the form of a cost of living bonus. At the same time we recognize that all salaries from top to bottom must be dealt with simultaneously in the interests of equity and that statutory difficulties if any in the way of

doing this must be left to the authorities to deal with. This having been agreed to our difficulty lay in devising percentages of reduction which in our opinion would distribute the burden equitably.

33. We recognize the force of the twofold argument put before us that in the first instance the fall in prices has benefited mainly the lower salaried servants, and that in the second instance salaries of over Rs. 166 a month have already been subjected to progressively increasing reductions by the emergency income-tax proposals of the Government of India. Without ignoring these considerations the following four members, viz. Mr. Kamat, Mr. Chikodi, Rao Bahadur Patil and Mr. Rahimtoola, consider it undesirable to deprive the lowest ranks of the advantage given to them by the fall in commodity prices and propose to exempt all salaries below Rs. 40 in the mofussil and Rs. 60 in Bombay. Above this level they recommend the following cuts:—

*Monthly pay*

Up to Rs. 199	...	5 per cent
From Rs. 200 to 499	...	6 $\frac{1}{4}$ "
From Rs. 500 to 999	...	7 $\frac{1}{2}$ "
Rs. 1,000 and above	...	10 "

The estimated saving in a year is Rs. 25 $\frac{1}{2}$  lakhs.

The Chairman prefers the following scale:—

up to Rs. 40	...	3 $\frac{1}{8}$ per cent
above Rs. 40 up to Rs. 499	...	5 "
above Rs. 500 up to Rs. 1,499	...	6 $\frac{1}{4}$ "
Rs. 1,500 and above	...	7 $\frac{1}{2}$ "

Estimated saving \* Rs. 26 $\frac{1}{2}$  lakhs.

Mr. Wiles and Khan Bahadur Allahbaksh consider that in view of the great increase in the income-tax, which was admittedly put on as a means of reaching salaries which could not otherwise be reduced, the maximum cut should not exceed 6 $\frac{1}{4}$  per cent and their scale is therefore—

Up to Rs. 40	...	3 $\frac{1}{8}$ per cent
Above ,, 40 to Rs. 499	...	5 "
Above ,, 500	...	6 $\frac{1}{4}$ "

Estimated saving about \* Rs. 25 $\frac{1}{2}$  lakhs.

\* These two estimates have been worked out as approximately as possible, in view of the difficulty that we did not have readily available separate figures for salaries below Rs. 40 and of salaries between Rs. 1,000 and Rs. 1,500 and those over Rs. 1,500.

Mr. Humphrey disagrees with any cut in salaries which will result in Government breaking their pledges to the All-India and Provincial Services. Such action would, in his opinion, be disastrous not only morally but also from the point of view that it would create a precedent which may be brought forward as an argument successfully in the future. He would therefore prefer to restrict the cut to allowances. If, however, a cut can be made without breaking any pledge or contract he is in favour of the cut of—

Up to Rs. 40	...	Nil.
Rs. 41 to Rs. 499	...	5 per cent
Above Rs. 500	...	6 $\frac{1}{4}$ "

34. He further suggests that the Government of India should be asked to pay to the Provincial funds the additional Income and Super Tax which will be collected from Government services in this Presidency.

35. We are agreed that for the purposes of this cut "special pay" should be included in pay. We are further agreed that the cut should be a temporary one and should be made up to the end of the financial year 1932-33.

36. The total cost to Government of salaries worked out in 1928-29 was :—

		Rs.
Pay below Rs. 40 p. m.	...	150 lakhs.
" 40 to 59 p. m.	...	41 "
" 60 to 199 "	...	144 "
" 200 to 499 "	...	67 "
" 500 to 999 "	...	41 "
Above " 1,000 "	...	91 "
		Rs. 537 lakhs.

37. We recommend that if any cut in salaries is carried out, similar cuts should be enforced in the case of local bodies which receive grants-in-aid from Provincial revenues.

38. We wish it to be understood that the percentages we have proposed above are intended to give a general indication of our attitude. There might in practice be found instances where adjustment will have to be made in the interests of equity in the salaries on the marginal line. We prefer to leave it to Government to adjust these inequalities in the manner they deem fit.

39. We have investigated the question of allowances and find that all permanent travelling allowances above Rs. 75 per month and all other travelling allowances have been cut down last October. We are of opinion that this cut should now be extended. Permanent travelling allowances below Rs. 75 and above Rs. 10 should, in our opinion, be reduced by 10 per cent. Almost all other allowances we find to be in the nature of compensatory allowances. We recommend all allowances partaking of the nature of compensatory allowances should be subjected to a 10 per cent cut. We would however exempt from this cut such allowances as have already been cut to this extent. The reduction should be so effected that no allowance would fall below Rs. 10 per mensem. We would also leave entirely untouched those allowances which were in existence before 1919, and have not been increased since then. Two members of the Committee are in favour of a higher cut

40. Our recommendations detailed above are, as we have made clear, intended in the main to reduce the current year's deficit. We estimate that they will entail definite savings this year of Rs. 28,66,400. But apart from these definite items we have made several suggestions, the savings of which cannot be computed exactly. We should not,

therefore, be unwarranted in assuming that our proposals, apart from reduction in salaries, would save about 30 lakhs this year. The extent of savings under salaries depends on the date at which orders are passed on the subject.

POONA :  
22nd July 1931.

(Signed) RUSTOM JEHangIR VAKIL.  
 „ G. WILES.  
 „ B. S. KAMAT.  
 „ P. R. CHIKODI.  
 „ J. HUMPHREY.  
 „ \*HOOSENALLY M. RAHIMTOOLA.  
 „ ALLAHBAKSH.

*Note.*—At the time of going to Press Rao Bahadur D. R. Patil's signature had not been obtained.

\* Subject to a minute of dissent.

*Minute of Dissent by Hoosenally M. Rahimtoola*

I am not in favour of measures which would check the spread of education. I am not convinced that all other possible directions in which retrenchment could be effected have been fully explored. I do not agree with the recommendation in paragraph 37.

Bombay, 14th July 1931.

HOUSENALLY M. RAHIMTOOLA.

## To be attached to the Ad Interim Report of the Retrenchment Committee, 1931

*Note.*—The following minute of dissent should be read as a correction to paragraph 33 of the Report.

### *Minute of Dissent by Khan Bahadur Allahbaksh*

The main report does not accurately represent my views either on the principles to which I would subscribe or on the rate that I would apply in effecting reduction of salaries of Government servants.

I disapprove of the application of the principle that the larger the salary the higher should be the rate of reduction effected. That principle rests on the one which postulates that the burden should fall on such shoulders as can bear it. This is undoubtedly a very sound principle in taxation, but it would be iniquitous to regard the reduction of salaries of Government servants as a tax. The policy of paying various grades of salaries to various officers or various groups of officers is in recognition of the intrinsic worth of the higher paid man. Special qualifications, better capacity and ability earn him a higher salary, and to inflict upon him a higher percentage of reduction is nothing short of penalizing such special qualifications and such better capacity and ability. If the reduction of salary is an emergency measure, and it is only on that basis that it has my support, then the rate of reduction should be uniform throughout the entire rungs of the service.

My second objection is a corollary to my first. I object to any branch of the service however high paid or however low paid being exempted from the purview of this emergency measure. I therefore do not agree to exempt the lower paid staff of Government from the scheme of reduction of salaries. It is not as if the small salaried man is equivalent to an underpaid man and the big salaried man to an overpaid one. The principle is that the labourer is worthy of his hire and conversely that for the given salary you have got the corresponding calibre or grade of servant. If therefore there is to be a reduction of rate of salary in any one grade there is no reason whatsoever why any other grade should escape it. If the idea underlying the proposal to exempt the low paid man is that he is underpaid, I would be in favour of so revising his pay that he gets his due value.

I therefore stand by the general principle that reduction of salary is an emergency measure and as such should apply to all equally and at the same rate. Under the present circumstances I recommend a uniform cut of 5 per cent.

ALLAHBAKSH.

No. 2. With reference to paragraph 20 I consider that the Minister should not be reduced unless the members are also reduced.

ALLAHBAKSH.

## APPENDIX A

## I

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE :  
Bombay Castle, 16th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,  
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,  
Finance Department.

Sir,

I am directed by the Chairman and Members of the Retrenchment Committee to address you as under.

As a result of their discussions, the Committee have decided that the recommendations which they would make should be divided into two categories, viz. (1) Retrenchment of a temporary nature, intended to be effective for the current year and designed primarily to cover the deficit for this year; and (2) Retrenchment of a permanent nature affecting a longer period. The Committee desire that under the first category a reduction of provincial expenditure to the extent of 60 lakhs should be aimed at and that the attention of all Heads of Departments should be drawn to this fact. I am therefore to request that Government may be pleased to issue instructions to all Controlling Officers to exercise the greatest circumspection in incurring expenditure, pending suggestion for retrenchment.

I am to add that the Committee would be very grateful if they were kept informed of the action taken on this letter.

I have, etc.,  
(Sd.) G. B. PHANSE,  
Secretary to the Retrenchment Committee.

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II

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE:  
Bombay Castle, 27th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,  
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,  
Finance Department.

Sir,

The Retrenchment Committee examined at one of their sittings the list of new minor works costing more than Rs. 5,000 and proposed to be financed in the current year from the discretionary grants under the head "41, Civil Works—Provincial". On a perusal of the items put before them the Committee came to the conclusion that at least 50 per cent of the works under this head could probably be postponed without risk. I am therefore directed to request you to consider the possibility of ordering a reduction of budget grants at once under this head to the extent of 50 per cent. In respect of the balance I am directed to request that Government may consider the advisability of directing that the officers controlling these discretionary grants should be asked to submit a list of works which they consider to be of imperative necessity and that they should postpone all other works.

I have, etc.,

(Sd.) G. B. PHANSE,  
Secretary to the Retrenchment Committee.

## III

No. 1849-B/1

OFFICE OF THE RETRENCHMENT COMMITTEE:

Poona, 12th June 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,  
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,  
Finance Department.

Sir,

I am directed by the Chairman and members of the Retrenchment Committee to convey the following requests to Government:

The Committee have now been sitting for some time past and have found, during the course of their discussions, that there are a number of directions in which, pending more detailed inquiries, there seems to be scope for economy. They have therefore decided that these points should be brought before Government forthwith so that immediate action can be taken thereon. I am particularly to mention the following:—

(1) In the opinion of the Committee, considerable savings could be effected by restricting leave to only very urgent cases.

(2) Posts which fall vacant owing to leave or other reasons should, as far as this is possible, not be filled up.

(3) The Committee feel that there is room for the leave rules of the vacation departments to be tightened up, and that at any rate in the case of the Subordinate Courts, the vacations are too long.

(4) The Committee agree with the proposal put to them that all new entrants to the subordinate services should be given the existing scales of pay subject to a deduction of 2 annas in the rupee.

(5) Touring should be curtailed as far as possible. The Committee are aware that in many instances the travelling allowances given to touring officers are fixed; they feel nevertheless that economies could be effected in this matter by curtailing touring and effecting savings on such items as cartage.

(6) Transfers of officers should be restricted.

(7) "Diet and Road Money to witnesses" is an item that admits of considerable reduction in the matter of maxima.

(8) The Committee feel that officers on the verge of retirement should not ordinarily be given extensions.

I am to request that Government may be moved to issue orders on the lines indicated above as early as possible.

I have, etc.,

(Sd.) G. B. PHANSE,

Secretary to the Retrenchment Committee.

## APPENDIX B

Estimated savings offered in replies to the Committee's letter

	Rs.
Finance Department	14,900
Political Department	4,800
Legal Department	400
General Department	3,500
Revenue Department (chavdis)	40,000
Separate Department	5,000
Inspector-General of Prisons	1,12,000
Inspector-General of Police	1,66,000
Military Secretary to His Excellency the Governor	16,000
Director of Agriculture	51,300
Director, J. J. School of Art	1,300
Principal, Veterinary College	3,800
Resident, Aden	4,800
Consulting Architect	300
Director of Industries { Technical Education	1,400
{ Industries	7,800
Police Surgeon, Bombay	3,900
Superintendent, C. V. D.	4,400
Director of Land Records	15,600
Superintendent of Land Records, Sind	6,800
Electrical Engineer	35,900
Salt and Excise, Sind	17,700
Chief Engineer, Lloyd Barrage	60,500
Director of Information	28,000
Superintending Engineer, Public Health, Dapuri	1,700
Superintending Engineer, N. C.	2,500
Commissioner of Police, Bombay	25,800
Commissioner in Sind (excess grants to D. L. Boards)	9,400
Factory and Boiler Department	24,700
Director of Information	3,900
Grant-in-aid to Poona City Municipality (S. E., Public Health).	52,800
Commissioner in Sind	7,000
Commissioner, C. D.	3,000
Deputy Commissioner, Upper Sind Frontier	8,000
Collector, Karachi	5,000
Do. Thar Parkar	4,000
Do. Nawabshah	3,000
Do. Hyderabad	6,700
Do. Larkana	13,500
Do. Sukkur	3,400
Do. Panch Mahals	5,400
Do. Ahmednagar (regrouping of Talukas)	45,000
Do. East Khandesh	12,300
Carried over	8,43,200

## APPENDIX B—(contd.)

		Rs.
	Brought forward ...	8,43,200
Collector, Nasik	...	23,000
Do. Sholapur	...	2,400
Do. Poona	...	29,800
Do. Satara	...	17,900
Do. West Khandesh	...	2,100
Do. Ratnagiri	...	7,800
Do. Bijapur	...	10,900
Do. Belgaum	...	8,000
Do. Kanara	...	1,300
Do. Dharwar	...	15,000
Do. Bombay	3,500	} ...
	10,400	
Court of Small Causes, Karachi	...	2,600
Chief Judge, Small Cause Court, Bombay	...	4,500
District Judge, Nadiad	...	1,800
Do. Surat	...	2,800
Do. Sukkur	...	2,100
Do. Hyderabad	...	400
Do. Ahmednagar	...	9,800
Do. Bijapur	...	1,000
Do. Ratnagiri	...	600
Do. Dharwar	...	11,000
Additional Joint Sub-Judge, West Khandesh	...	1,300
	Total ...	10,12,700

## APPENDIX C

## Total Savings

	Rs.
Shown in Appendix B	... 10,12,700
Public Works Department—	
Irrigation	... 3,36,400
Roads and Buildings	... 2,54,000
Civil Works etc. (para. 9)	... 1,54,300
Excise Department	... 53,700
Forest Department	... 1,36,300
Grants to District Local Boards	... 15,000
Home Department—	
Travelling allowance and Bhatta to witnesses	... 35,000
Remembrancer of Legal Affairs—fees to Public Prosecutors.	12,400
Peshwa's Daftar	... 5,000
Curator, Satara Museum	... 1,700
Education—	
Scholarships	... 50,000
*Ismailia College	... 19,000
Stipends to teachers	... 2,500
5 per cent cut in Grants—University and Secondary	... 2,07,800
Reforms	... 3,00,000
Discretionary grants	... 1,00,000
Repairs to Buildings grants	... 1,70,000
	28,65,800

\* This provision has been made in the current year's budget. But there is prospect that the expenditure may be met from the endowment fund itself. This amount is therefore expected to be saved.

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APPENDIX D

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*Statement "A" showing the Present and Proposed Time-Scales of Pay of Class I and Class II Services employed in Transferred Departments*

SERVICE.	PRESENT SCALE.			PROPOSED SCALE.		Remarks.
	Class I.		Class II.	Class I.	Class II.	
Agriculture * Forest * Veterinary * } ...	320-40-1,200		250-20-750	300-25-400-30- 550-35-760-40-1,000	200-15-320-20-600	
Public Works Department* ...	1st year ...	Junior 320	Senior ...	Junior 300	Senior ...	
	2nd .. ...	360	...	325	...	
	3rd .. ...	400	...	450	...	
	4th .. ...	400	440	350	375	
	5th .. ...	440	480	375	400	
	6th .. ...	480	520	400	430	
	7th .. ...	520	560	425	460	
	8th .. ...	520	600	450	490	
	9th .. ...	560	640	480	520	
	10th .. ...	600	680	510	550	
	11th .. ...	640	720	540	585	200-15-320-20-600
	12th .. ...	680	760	570	620	
	13th .. ...	720	800	600	655	
	14th .. ...	760	840	630	690	
	15th .. ...	800	880	660	725	
	16th .. ...	...	920	...	760	
	17th .. ...	...	960	...	800	
	18th .. ...	...	1,000	...	840	
	19th .. ...	...	1,040	...	880	
	20th .. ...	...	1,080	...	920	
	21st .. ...	...	1,120	...	960	
	22nd .. ...	...	1,160	...	1,000	
	23rd .. ...	...	1,200	...	...	

Education (men) *	... 320-40-1,200	250-20-650	300-25-400-30-550-35-700-40-1,000	200-15-320-20-600
Education (women) *	... 320-25-770	200-10-340-15-400	300-25-700	200-10-340-15-400
		<i>Men</i>		<i>Men</i>
Medical *	... 400-40-1,200	200-40/3-400-50-450	350-30-500-40-1,100	200-20/2-320-20-440
		<i>Women</i>		<i>Women</i>
		250-40/3-450-50-500		200-20/2-300-25/2-375-25-450
<i>Co-operative Societies.</i>				
Assistant Registrars †	... 250-20-750			200-15-320-20-600

\* Scales proposed by Finance Department under these heads were approved by the Committee (*vide* Minutes of Wednesday, April 15, 1931).

† Maximum of 600 proposed by Finance Department was generally approved.

*Statement "B" showing the Present and Proposed Pay for Selection Grades and Administrative Posts above the Time-scales of Class I and Class II services employed in Transferred Departments*

SERVICE.	PRESENT SCALE.		PROPOSED SCALE.		Remarks.
	Class I.	Class II.	Class I.	Class II.	
Agriculture ...	<i>Selection Grade</i> 1,200-50-1,850	Nil.	<i>Selection Grade</i> 1,000-40 (or 50)-1,200		
Post of Director of Agriculture.*	1,600-50-1,800		Same as at present approved.		
<i>Forest—</i> Conservator† ...	1,450-75-1,750	Nil.	Do.		
Chief Conservator‡ ...	2,000-100-2,200	Nil.	Do.		
<i>Engineering—</i> Superintending Engi- neers.†	1,450-75-1,750	Nil.	Do.		
Chief Engineers‡ ...	2,000-100-2,100-200- 2,500	Nil.	Do.		
<i>Veterinary</i> ...	<i>Selection Grade</i> 1,200-50-1,850	Nil.	<i>Selection Grade</i> 1,000-40 (or 50)-1,200		
<i>Education (Men)</i> ...	<i>Lower Selection Grade</i> 1,200-50-1,850	<i>Selection Grade</i> 650-30-800	Same as present.	<i>Selection Grade</i> 600 25-700	
	<i>Higher Selection Grade</i> 1,400-50-1,500				
<i>Education (Women)</i> ...	<i>Selection Grade</i> 800-25-1,000	<i>Selection Grade</i> 400-25-500	650-25-850	400-25-500	

Medical	... <i>Lower Selection Grade</i> 1,200-50-1,350  <i>Higher Selection Grade</i> 1,400-50-1,500		<i>Same as at present.</i>	
Surgeon-General‡	... 2,000—100—2,100—200— 2,500		Do.	
Civil Surgeons	...	500-50-900  <i>Selection Grade</i> 1,000		450-30-510-40-750  <i>Selection Grade</i> 850 or 500-40-860 without selection grade.

\* Committee approved of a scale of 1,450-50-1,750.

† For these officers, a scale of 1,250-50-1,500 was approved by the Committee.

‡ For these officers and the Director of Public Instruction, the Committee approved of a scale of 1,600-100-2,000.

The Committee agreed that both Deputy Collectors and Sub-Judges should rise to a maximum of Rs. 800, and that the lower scales should be revised on the lines of other services.

With reference to the I.C.S., the Committee were of opinion that the Senior Scale for Collectors should go to about Rs. 1,500. Commissioners should get Rs. 2,000-2,500.