This article was downloaded by: [University of Toronto Libraries]

On: 07 January 2015, At: 12:45

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK

Royal United Services Institution. Journal

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/rusi19>

Complexity in Army Accounts

Captain G. W. Redway ^a

^a Northamptonshire Regiment, (Reserve of Officers), Acting Station Paymaster

Published online: 11 Sep 2009.

To cite this article: Captain G. W. Redway (1902) Complexity in Army Accounts, Royal United Services Institution. Journal, 46:296, 1259-1277, DOI: [10.1080/03071840209417465](https://doi.org/10.1080/03071840209417465)

To link to this article: <http://dx.doi.org/10.1080/03071840209417465>

PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms & Conditions of access and use can be found at <http://www.tandfonline.com/page/terms-and-conditions>

THE JOURNAL

ROYAL UNITED SERVICE INSTITUTION.

VOL. XLVI.

OCTOBER, 1902.

No. 296.

[*Authors alone are responsible for the contents of their respective Papers.*]

COMPLEXITY IN ARMY ACCOUNTS.

By Captain G. W. REDWAY, Northamptonshire Regiment (Reserve of Officers), Acting Station Paymaster.

Friday, 16th May, 1902.

Sir RALPH H. KNOX, K.C.B., late Permanent Under-Secretary of State for War, in the Chair.

I DO not propose on the present occasion to deal with any accounts but those which are more or less familiar to the regimental officer—I mean the soldier's account with his captain, and the captain's account with the War Office and the station-paymaster. These accounts are exhibited on a special army form known as the Company Pay List. With reference to this class of accounts a good deal of criticism has found its way into print during the past year or two, and the public appears to be in a somewhat perturbed state of mind about our pay system generally. That something is wrong there is abundant evidence to show, but our reformers are by no means agreed either as to the nature of the defect, its cause, or its cure. At the present moment, undoubtedly, a considerable amount of fog surrounds the whole subject, which I trust our discussion this afternoon may tend to dispel.

Complaints and suggestions on the subject of pay accounts must, however, be received with extreme caution, when it appears that the malcontents have made no serious attempt to understand our pay system, to ascertain the *raison d'être* of the pay lists, and to grasp the principle involved in making regimental officers discharge their own pay duties, while "paymasters" act as their local auditors.

Even accomplished soldiers exhibit in their writings and speeches an inability to distinguish between *accounts* and the *audit* of accounts, and very often confuse complexity in *accounts* with complexity in *regulations*.

The majority appear to be unaware that out of every hundred pay lists hardly a dozen are actually examined at the War Office, more than 88 per cent. of the soldiers' ledger accounts being finally adjusted under the supervision of local paymasters.

Our pay system, like the Standing Army itself, has grown out of very small beginnings. I need not go back to that early period when pay and plunder were interchangeable terms—to the reign of Richard I., when "a war with France was esteemed as almost the only method by which an English gentleman could become rich." Nor will I dwell on that later period when colonels of regiments acted as Government contractors, received the pay and allowances for their regiments, and made their own terms as to recruiting through their captains. Even so late as the middle of the eighteenth century an elegant simplicity in financial arrangements made it possible for the first Lord Holland, on retiring from office as Paymaster-General, to take with him nearly £500,000, and although thirteen years later his representatives paid back into the Exchequer £250,000, the balance was still owing when the Commissioners of Public Accounts reported on the matter in 1781. "If they do these things in the green tree, what shall be done in the dry?" If the Chancellor of the Exchequer could be kept out of £500,000 for thirteen years, how fared the rank and file of the Army? This question has been answered in "The Army Book" which records that "Fraud on the Government was then as much a characteristic of our Army institutions as harsh treatment of the soldier." Before the dawn of the nineteenth century, however, the foundation of our present pay system had been well and truly laid, for Mr. Burke's Act had made the Secretary at War a minister directly responsible to Parliament; and the building of barracks in 1792 was the outward and visible sign that a Standing Army had taken root among our other institutions, and that a basis had been found for a permanent system of administration. Regimental accounts were, nevertheless, still in a very primitive stage of development, and the company pay list took the form of a mere acquittance roll prepared upon a sheet of foolscap. The fact is significant, because an extremely simple account implies an extremely simple contract, and such was the Crown's contract with the soldier about a century ago.

You enlisted a man, very often in a state of liquor—or you impressed him under the Act passed in 1779—and practically enslaved him for life. You gave him 6d. a day, which you frankly called subsistence money, and expected him to "find" himself in every respect, arms and equipment only excepted. If he grumbled you called it insubordination and put him in the Black Hole; if he deserted you flogged him and branded him with the letter D.

The extra 2d. a day, which you had granted as "pay," was handed at the end of the year in a lump sum to the colonel, who clothed the regiment, and gained at least £500 a year out of the transaction. If the soldier was exceptionally meritorious, you made him a corporal and gave him 8d. a day for subsistence, and if he could write a good hand and understood accounts you promoted him sergeant and increased his subsistence money to 1s. a day. Certainly, the sergeant's full pay was 1s. 6d., but as the colonel's off-reckonings for a sergeant's clothing came to 6d. a day, of course the veteran's cash receipts did not exceed the sum now handed daily to a recruit. No further promotion, no extra emoluments were then possible for the non-commissioned officer, who had to support himself and his family on a shilling a day and whatever he could extort from the privates. His military career would in the most favourable circumstances be closed by his discharge at forty as "worn out."

This state of affairs, distressing as it appears to the modern philanthropist, had one feature which must commend it to those who bewail complexity in Army accounts to-day. The very simple contract I have outlined of course resulted in a very simple account; and if simplicity in Army accounts is the *summum bonum*, we have only to revert to the barbarous customs of the eighteenth century in order to attain it. Complexity in pay accounts, on the other hand, is the direct outcome of those beneficent changes in the conditions of Army life, for which the Victorian era is remarkable, and which promise to continue in the reign of Edward VII. Every successful attempt to better the soldier's lot, to increase his comforts, to reward skill at arms, to encourage good behaviour, to substitute fines for flogging, to promote thrift, to protect him from oppression, and make soldiering to N.C.O.'s at least a real profession, eventuated in Regulations by which the soldier's original contract was modified to his advantage, and a century of such humane legislation has resulted in a body of regulations which are certainly very complicated, but which—as the Accountant-General pointed out to the War Office Committee—cannot be touched without disturbing vested interests in which the public is as much concerned as the soldier.

Those who are familiar with attestations will be aware that army form B 265 constitutes only one part of an elaborate contract, the other part of which is expressed in the Pay Warrant and Army Regulations in force on the day of enlistment. The soldier is told when he enlists that these regulations can never be altered to his disadvantage, and therefore he knows the worst that can befall him as regards pay and privileges, but he is cheered by the prospect that any morning he may wake up and find that a grateful country has increased his military income by 25 per cent., or even 50 per cent. This would be brought about by a new regulation; the new regulation would, of course, alter the original contract; and

such alterations in the contract give rise to what is called complexity in army accounts. On the very day that I write these words a special army order has granted an extra £3 a year to every soldier now serving who fulfils certain conditions, and an undertaking has been given that those men who continue serving till April, 1904, will then hear of something further to their advantage. Of such sources of complication in pay accounts we in this Institution can only say, May they flourish! It would probably take me all the afternoon to recite the precise terms of the actual contract now existing between the State and its soldiers. Every probable contingency is provided for by an elaborate code governing the pay, extra duty pay, corps pay, working pay and good conduct pay of the soldier, and the various allowances granted him for rations, groceries, travelling, lodgings, fuel and light, besides the special gratuities for long service and war service—every issue of which varies with his rank and status through nearly a dozen grades from “boy” to “warrant officer.”

Few of us who pay taxes can regret the existence of some 500,000 of such contracts to-day. But, as tax-payers, we require some assurance from time to time that these contracts are being regularly carried out in their integrity, and that the sums separately voted by Parliament for a hundred and fifty different purposes are being strictly applied to those purposes and to no others. We, therefore, appoint officers who are supposed to be educationally qualified to administer the Army, we give them the rank and pay of captain or major, we authorise them to obtain funds, and we expect them to faithfully discharge the Crown's obligations, in respect of every soldier in their respective commands. The soldier's ledger account, as certified by his captain, becomes legal evidence to all whom it may concern, that the contract between the Crown and the soldier is being regularly carried out, month by month; and if there be any more important military duties than these—duties under arms, of course, excepted—I confess I do not know them; for upon the intelligent discharge by officers of their administrative duties depends the well-being of the rank and file and the ultimate popularity of the Service.

It is, therefore, much to be regretted that so large a number of officers tacitly agree to shirk these duties, and leave them as far as possible in the hands of their subordinates. The fact is notorious. The leading Service journal has declared that “nothing is so confusing or annoying to the ordinary regimental officer as the duties connected with the payment of a company. He has had no preparation for such functions, and hates them. Consequently he too often leaves the matter in the hands of his colour-sergeant, who sometimes, either from stupidity, carelessness, or dishonesty, involves the officer in a loss.” The attitude of other officers towards their pay duties may be gathered from such a statement as the following, which was made to me a short time

ago:—"Nobody understands these pay lists, and if we were meant to understand them we should have been put through a course of instruction in account-keeping, the same as in tactics and musketry."

On the other hand, the authorities take it for granted that an officer's standard of general education should suffice to enable him to learn at least as much about accounts as his pay-sergeant, and the War Office has of late years provided him with an account form so constructed that, with ordinary care and intelligence, the accountant can hardly go wrong. And yet it has been stated quite recently by the editor of a Service journal—not the one I quoted before—that "during the past two years a number of company officers at home stations have had to make up deficiencies of their company accounts, which in some cases ran into three figures."

It really seems as though a deadlock were about to be created in regard to this matter of the company pay list; and the apparent misunderstanding between the War Office and the regimental officer has no doubt been fostered by the publication of a certain paragraph in the Report of Mr. Clinton Dawkins' Committee on War Office Organisation—I mean paragraph 52, relating to the company pay list, which I will quote to you verbatim:—

"The accounts of the company officers, who act as sub-accountants, are comprised in the company pay lists. The Committee are decidedly of opinion that *these pay lists are unnecessarily complicated*, and they were informed that *these complications, while unduly occupying the time of officers, also cause much misunderstanding and dissatisfaction among the men*. To take a conspicuous instance, the messing allowance should be treated as pay. Various small deductions or stoppages, *e.g.*, for hair-cutting, libraries, etc., are a further source of complication, and should cease to be a direct charge against the soldier; while it is also desirable to simplify the various rates of duty pay. Again, too, *the present system of accounting for clothing and money compensation in lieu of issues in kind is extremely obscure and highly complicated*. It is strongly recommended that these questions should be at once taken up with a view to rendering the pay lists simple and intelligible. These reforms will materially reduce the clerical work of company officers." Here is an attack on a system and an army form, of which the Committee could have learned very little from the witnesses called by them; for the evidence of practical men, such as regimental officers, company accountants, and station paymasters, was—to use a well-worn phrase—"conspicuous by its absence." What was "extremely obscure and highly complicated" to the Committee is quite possibly "extremely *obvious* and highly *methodical*" to an infantry colour-sergeant or a battery accountant, who uses Army Form N 1505 every day of his life. Then the Committee appear to have taken quite seriously somebody's statement to the effect that "these

complications, while unduly occupying the time of officers, also cause much misunderstanding and dissatisfaction among the men." I cannot help wondering where these officers are to be found who spend an "undue" amount of time upon their pay lists—all evidence on this point goes in quite the opposite direction—nor have I ever heard of "misunderstanding and dissatisfaction" among the men of the six or seven different companies of Line and Militia infantry which I have had the honour to command from time to time in four different corps.

The situation, I believe, is simply this: An officer who possesses the average amount of experience and intelligence, and who devotes a reasonable amount of time to his administrative duties, has no trouble of any sort with his pay lists, or his men; and the officer who complains about obscurity and complexity in the pay list must be one who purposely abstains from making himself too familiar with the army form in question. That a company pay list can ever approximate to the wages roll of civil life is, of course, impossible under existing conditions of enlistment; and the nature of the services rendered under the British soldier's contract with the State forbids comparison with so-called "business" procedure. It is equally chimerical, in my opinion, to talk—as many do—of relieving the regimental officer of his pay duties because he systematically neglects them: by a parity of reasoning you should relieve him of field duties when he displays an ignorance of tactics. But you require the regimental officer as an administrator quite as much as a fighter; and he should study administrative duties just as he studies field engineering and musketry, more especially that branch of administration which requires him to present a series of accurate "pay" accounts. The pay list must of course be controlled by the regimental officer, so long as the emoluments of soldiers depend on daily occurrences of which nobody but the regimental officer has cognisance; even if the soldier received his cash payments from the hands of the local postmaster—as pensioners do—it is the regimental officer who must decide what sum he should receive on presenting himself. The regimental officer alone knows whether A is entitled to messing allowances, B to good conduct pay, whether C has been fined, or D forfeited pay for absence, whether E can claim a species of board wages by reason of furlough, or F is entitled to money in lieu of boots or tunic.

The experiment has already been tried of issuing the balance of deferred pay to soldiers on discharge through the station paymaster instead of the captain. Is the procedure simplified? On the contrary. The station paymaster is obliged to call upon the regimental officer to state in writing every circumstance throughout the whole of the man's military career which may possibly affect his daily 2d. of deferred pay. Now, speaking as a regimental officer, I regard it as a positive loss

of time and waste of labour to give all this information in writing to a distant paymaster rather than "do the sum" myself and pay the money, for in no case can the regimental officer rid himself of responsibility. If he err in his statements, and a discharged soldier is in consequence overpaid, his sin will find him out as soon as the A.F. O 1616 reaches the War Office, and a disallowance will be the result. Why then split up an issue of deferred pay into two portions, of which the captain pays one and a paymaster the other? The experiment of issuing deferred pay through paymasters shows, I think, how impractical is the suggestion that *all* emoluments should be issued by paymasters. The fact is that "command" and payment cannot be divorced in the Army, and it is difficult to understand how anyone not entirely ignorant of the situation can believe that a soldier can be settled with independently of the officer who keeps his documents and knows every incident of his daily life as a soldier. That officer is the regimental officer.

We begin now to arrive at the conclusion that the remedy for what is called complexity in army accounts will not be found in measures by which regimental officers abandon their pay duties, nor by tampering with army forms, nor by altering a system which has stood the strain of a long campaign of unprecedented difficulty. What Mr. Clinton Dawkins' Committee said of Army administration in general, applies with special force to pay duties, "into any system of administration, however theoretically perfect, the personal element must largely enter"; and I believe that the solution of whatever difficulties exist in connection with the company pay list will be discovered, if at all, in measures by which a keener appreciation of the importance of that special branch of their administrative duties, on the part of regimental officers, will become apparent. How can this desirable change be brought about? Obviously, by careful instruction in the first place. At the present moment young officers are required to pass an examination in interior economy, which embraces the "system of keeping books, accounts, and returns of a squadron, battery, or company"; but as long as this subject is grouped with many other subjects under the head of "Regimental Duties," and as long as the examination is conducted by officers, who, having themselves no special knowledge of account-keeping, are unable to apply any crucial tests of efficiency, the officers now learning their trade in the Army will, of course, continue to avoid acquiring any real knowledge of pay duties.

Oddly enough, their subordinates are in a very different position. The coveted rank of colour-sergeant is attainable only by the N.C.O.s who display, among other military qualities, some proficiency in army accounts, and the N.C.O.'s zeal is further stimulated by the knowledge that, as company accountant, he will earn extra-duty pay at the rate of 1s. 6d. a day. These are powerful incentives to study, and the result is

that the colour-sergeant becomes possessed of information on this important subject which is not shared by his captain; and, as Knowledge is Power, the regimental officer too often becomes a mere tool in the hands of his company accountant. Upon the whole, I am bound to say, the pay sergeant uses his power with discretion; but it is, nevertheless, an inversion of the order of things contemplated by regulations and common sense, that the regimental officer should be at the mercy of his subordinate in regard to his pay duties. That such is too often the case will, I think, be denied by nobody. Evidence on this point was given by one of the Accountant-General's assistants, Mr. G. P. Wight, who says: "The company officer loses or muddles away the cash. When I say company officer, I should add that very often he does not pay any attention to the matter; he is supposed to pay his men, but he does nothing of the sort." That statement is perfectly accurate if applied to 90 per cent. of regimental officers, and the exceptions that prove the rule by their shining example exhibit these *lâchetés* in their true light.¹

An excuse very often urged by regimental officers is "want of time," but we all know that the busiest man in a company is the colour-sergeant; and if the colour-sergeant can find time, in the intervals of drill and orderly duty, to educate himself as an accountant, it ought to be comparatively easy for the regimental officer to do so, especially if he serve in an infantry corps. In this connection it is perhaps worth noting that in regard to administrative work—and pay duties in particular—the battery has somehow reached a far higher plane than the company, though the care of horses and guns as well as men would justify the Royal Artillery officer, if anyone, in complaining of overwork. It is the infantry unit, however, which pretends that its officers are, in some mysterious way, either intellectually unfitted to discharge the administrative duties connected with a company pay list, or so overwhelmed with other military duties that they are precluded from studies which are successfully pursued by their own sergeants. Their apologists often urge that, since regimental officers are never *instructed* in pay duties, they ought not to be expected to discharge them properly, and that Royal Artillery officers and others who believe in self-education are performing works of supererogation. That is at least an intelligible argument, though not one which a keen and capable officer would care to use; and the military authorities might well consider whether substantial help in this direction could not in the future be given

¹ The Commander-in-Chief is again complaining of the number of letters addressed to the War Office by soldiers having grievances, which in many cases is attributed to the carelessness of officers in not enquiring into complaints on the spot. Most of the letters concern pay due to the men, either as gratuities or allowances.

to all officers on joining. So far as I know, the only official sources of information at present available to the officer who wishes to understand his company accounts are the station paymasters, and a pamphlet entitled "Instructions relating to the Pay Duties of Officers, etc." Now, it is true that the station paymaster is required to be ready at all times to furnish advice and information on financial matters to other officers of the Army; but it is not "advice" but systematic instruction that is needed. The pamphlet referred to is full of most useful memoranda for a competent company accountant, but it certainly will not assist the beginner to distinguish Dr. from Cr.; and it is a grounding in first principles—not empirical cramming—that is required by young officers.

What an extremely important bearing this matter of accounts must have on the future of the Army will be obvious if you consider what effect would be produced upon the War Office by evidence of ability as accountants and administrators on the part of regimental officers generally. This, and this alone, will enable the War Office to do the one thing needful by way of simplifying our present procedure, viz., to dispense with a large number of documents called Vouchers to Accounts, which are, in fact, mere checks on administrative officers. When a regimental officer issues the messing allowance to a soldier and charges it in the proper place in a pay list, the auditor should only need to check the account by means of a ready reckoner; but at present, as we all know, the charge will not pass without two certificates—one signed by a colonel and a medical officer, to the effect that the soldier is really and truly of a certain age, and the other signed by the colonel, certifying as to the period under training. The same sort of process is gone through when a claim for good conduct pay is put forward; and when a claim for lodging allowance is made, a colonel's certificate must be countersigned by an Army Service Corps officer. Now, why cannot the War Office take the captain's word that the conditions are fulfilled in each case? Clearly because it does not trust him as an administrative officer. And there is every excuse for this want of confidence, so long as officers are found who assert that they have "no time" for these administrative duties, or complain that the company pay list is a document that "nobody" understands.

I can but lightly touch on what is undoubtedly the great blot on our pay system, viz., the apparent necessity for proofs of payments, certificates, written statements, vouchers, etc.—all most admirably designed for a single purpose, viz., to keep regimental officers straight. To what dimensions this distrust of officers has grown may be seen by examining the clothing vouchers. The voucher for free issues of clothing in the mounted service embodies no less than eight certificates. The master tailor, the master shoemaker, the marker, the O.C. battery, the quarter-

master, and the commanding officer must all sign somewhere on the paper to satisfy the War Office auditor that there is "no deception." Such artificial support is, of course, a serious reflection upon regimental officers. It implies inefficiency or carelessness, and is naturally resented by those officers who do understand and who religiously perform their pay duties. But what would you have? Who could advise the War Office to remove the checks it has imposed on maladministration as long as regimental officers as a body parade their contempt for "office" work? But so soon as they profess and exhibit an interest in duties which have so important a bearing on the State finances, and indirectly upon the discipline and efficiency of the Army, we cannot doubt that these checks and leading strings will be abolished; for the cost of printing the army forms called vouchers, the cost of labour in filling them up, of postage in forwarding them, and of clerical labour in examining them must be prodigious.

A considerable sum might be saved by the abolition of these vouchers, and if the sum thus saved were distributed as extra duty pay among the officers instrumental in saving it, a most valuable object-lesson would be presented to the Army. It is the hope of reward that sweetens labour, and we might expect such practical recognition of "profit-sharing" principles to vitalise all duties connected with the company pay list. It was once the custom for a captain to receive a contingent allowance—about £40 a year—and this he was expected to hand over to the subaltern who relieved him of his pay duties. No doubt junior officers in those days took special pains to qualify for this paid appointment, but when the allowance was withdrawn, and the duties increased, the interest of subalterns in pay duties disappeared; and what they did not themselves learn as subalterns they could not teach or demand in later life from those who served under them. The stage has now been reached when it is considered "good form" to profess entire ignorance of pay duties, and the office work connected therewith; the habit is confirmed among the older officers, who give the cue to every subaltern on joining.

This is no light matter. In every subaltern we see a potential general, and, with decentralisation in view, it would hardly be possible to pay too high a price to ensure that the regimental officer should need less supervision in the future than in the past; that he shall be as self-reliant in peace as in war, and as perfect in administrative duties as in duties under arms. The Army has demanded decentralisation, and it is now within measurable distance; it is obvious that decentralisation must include a large grant of what is called financial control. Does the Army quite realise what this involves? Real decentralisation will throw upon regimental officers the class of duties for which they say they have had no

preparation, and the kind of responsibility which they say they detest; it will demand from them, moreover, the exercise of faculties which recitations from the Drill-books have failed to develop, and for which no amount of war service is a substitute. In these circumstances there are many beside myself who think that the outlook for decentralisation is most gloomy; its prospects seem to depend upon whether regimental officers now in the junior ranks can be induced to set their house in order without further loss of time; and in this connection I venture to suggest that they would find no better schooling for much of the work of a modern general than regular exercise with the "complications" of a Company Pay List.

My task for this afternoon is finished. Nobody can be more sensible than myself of the sketchy character of my performance, but a thirty-minute lecture is not the vehicle for a finished picture of our pay system and a detailed account of the measures necessary for its efficient administration. I can only trust that the rough outline I have given—in a paper intended to be suggestive rather than exhaustive—will provoke expert criticism, and so draw attention to a subject which I believe has never before been debated in this theatre.

Colonel P. H. SMITH (late Devonshire Regiment):—I have listened with a great deal of interest to Captain Relway's paper. While I agree with a great deal he has said, I also disagree with a large number of his assertions. The complexity which undoubtedly exists in Army accounts is not due to any connection with the combatant branch of the Army. It is due simply and solely to the non-combatant branch, who insist on having these returns and useless and unnecessary vouchers. That I believe to be the cause of the whole of the trouble. Vouchers and returns which are alike useless and unnecessary are demanded, and on that I am prepared to join issue with anyone. The author states—I dare say it is his experience, although it is not mine—that many company officers shirk their duties connected with the accounts. That is not my experience. I joined the Service many years ago. I was for 14 years a subaltern, and for 12 years I was in command of a company, and during the whole time I was in command of that company I was able to make out my pay lists. I could have done it without a colour-sergeant, and I very often did, and I believe my experience is that of nine officers out of ten in the Army. The tenth man, I must acknowledge, neither knows nor cares much about it, and he has to put his hand in his pocket and pay for his experience. The lecturer goes on to state that the attitude of officers towards the pay duties may be gathered from a statement made to him with regard to these pay lists. The pay lists are simplicity itself. Anybody can understand them who is capable of that small amount of arithmetical knowledge which passes him into the Army. I will not say he will not have the pay list returned to him. He will have it returned to him—not once, but 50 times. That pay list will become the bane of his existence for six months. He will have it sent back to him, as I have had them sent back to me, marked "insufficiently vouched for." That was the only assistance I ever got from the paymaster. When the officer has argued the point with the paymaster for six or nine months the same vouchers which were insufficient in January are passed in September. That is my experience, and it is the experience of a great many other officers. "Insufficiently vouched for"—I know the words, I have seen them very often. "The pay list must

always be controlled by the regimental officer, because the emoluments of soldiers are affected daily by occurrences of which nobody but the regimental officer has cognisance." I, as the commanding officer of a regiment, have had half my officers, and very often two-thirds of them, away from the regiment for months at a time. No sooner did a youngster pass in one subject than he went off to some other class; no sooner did he come back from that class than he went to another class—say musketry. No sooner did he come back from musketry than he went off to signalling. So it went on year after year until you did not see your officers for six months in the year, and in those six months you had probably to put them in command of three or four different companies, the other officers being away. The only other man who knew the accounts of the company was the man who was permanently with it—the colour and pay sergeant, and no two men can do one man's work without muddling it. If the officer during the short time he was there went through the pay lists he would be equally ignorant and would have to refer the matter to the colour-sergeant who was there and who knew everything about the men. The colour-sergeant was prepared to answer these objections, which came back at the interval of months—I may say at the interval of years sometimes. He was the only man who knew anything about them. The captain was away. The captain was doing the assistant adjutant-general's work; he was doing the deputy quarter-master-general's work; he was, it may be, signaller; he was doing anything, in fact, but work in the company. As long as that system lasts—and I believe it always will last—the only man you can really look to for information on the company's accounts is the colour-sergeant. The officer may know the accounts, and he generally does, but the man who works them out must be the man who is there, who is ready to answer all objections. Without going further into the items, I only wish to point out two or three items in which the paymasters generally are willing to assist you. They are always willing, but very often not able. Many years ago I was adjutant to a wing in India. When we got to the station we were told that we should always have trouble with our pay lists. We did. We were also told what to do, and we did it; that is to say, the system which was carried on during the time we were there was the regular standing thing. Owing to the peculiarities of barrack construction we had to employ a considerable number of coolies in addition to those vouched for. For this additional establishment we had to send in vouchers, and they were sent. I was at that station for over two years, and every time we sent up that pay list it came back again with the same old words, the dear old joke, "insufficiently vouched for." That was about 26 years ago. If I were sent back to the same station I believe I should find the same old game being played now. I am perfectly certain of it. It went on, to my own knowledge, for six years, and there has been no change in the department since, or in the work of it either. How will you train officers in the keeping of regimental accounts? You really have not time; you have not time fairly to teach them their drill. By the time they know all the little odds and ends which are now insisted on by different people they are grown up and away. They are qualified for assistant adjutant-generals, and leave before they know anything about regimental affairs at all. The regimental officer is not with his regiment, and as fast as he can he gets away from it, because, owing to the wonderful system in the Army, if you can get your name down for the staff and get a staff billet, you get a cocked hat, and you teach other people, while you are entirely ignorant of the duties which you have to teach them. I should like to read you the following quotation from the *Army and Navy Gazette* of 10th May. It refers to pay lists. This is the statement of a lieutenant-general on the War Office pay list:—"Form 1.—A more complicated piece of arithmetic it has never been my lot to see," &c. That is written by a lieutenant-general who ought to know something

about Army accounts. That is the way we are at present simplifying Army accounts. Now I am afraid I shall say something which will be displeasing to the Chairman. It is not the interest of the civil branch of the Army to simplify accounts, because if we had simplified accounts we could reduce that branch of the Service considerably. At present, if you have the useless accounts that we now use you require a large number of men to look through them, but if the accounts were simplified and the vouchers dispensed with to a certain extent you could probably do away with a third of that department, which, I acknowledge, would be a great thing to do; but it is not the wish or aim of the department to do it, and until it is the aim of the department to simplify accounts it is perfectly useless for any combatant officer to attempt to do so. That is my experience, and it differs considerably from the lecturer's, I am sorry to say.

Major E. C. HAWKSHAW (late R.A.) :—I have listened with a great deal of interest to this lecture on Army accounts, because it is a matter to which I have paid a good deal of attention. Having commanded batteries for a good many years, I took a great interest in the subject—not that I ever received any *special instruction* with regard to these things, but because I happened to be under the soundest commanding officer I ever had (the late Colonel Warter, R.H.A.), when I was in a battery of horse artillery. He one day said to me: "We have an excellent battery staff. Therefore go in and learn every detail you can with regard to the accounts, for some day you may perhaps have a bad battery to pull together." And I did. I went into the whole thing, and I got it all at my fingers' ends. My experience with regard to batteries corresponds very much with the last speaker's remarks. Practically there is one responsible officer in the battery. I once was promoted into one that had been in Ceylon for nine years. Before I joined it to take command it had been under the command, of a gentleman who preferred—to put it in plain language—whisky or gin, whichever it was, to accounts. The consequence was that, to my certain knowledge, nothing had been accurate in the way of accounts for nine years. They had never been properly checked, and yet not a single one had come back for correction. The books were in simply a chaotic state. I found that the sergeant-major used to go round and tell a man that his subscription to something was a rupee (*sic*), and the man simply said, "All right, sergeant-major." Then the sergeant-major would go round a little later and get some more out of the men for something else. Eventually the sergeant-major was tried by court-martial and smashed for cheating. That was the sort of thing that had gone on! I will give you another instance of it. A bombardier went to a gunner at the end of a month and told him to sign his accounts. Signing in the presence of an officer was a thing that had never been known! The gunner looked through the accounts, and said that they were not right; so the bombardier replied: "You do as I order, or I will put you in the guard-room." The man said: "Very well, I *will* sign them"; and he took up the book and wrote on it "incorrect," and he was perfectly right, for it happened just before I arrived, and I personally investigated the case on hearing of the whole thing. He was made a prisoner and was eventually brought up before the lieutenant-colonel, who had given him a stiff regimental entry for what he had done! Nobody would believe these things unless they knew them for certain. I had a cut in, and eventually, I am happy to say, pulled them straight. As regards only one man knowing anything about the accounts, that is a thing I should like to say a word about. As time went on, I found myself in command of a dépôt at Colchester, where there were a large number of men. It was perfectly hopeless to run a battery with a quartermaster-sergeant alone, so I split up the battery, placing each section under a bombardier, with the quartermaster-sergeant over the whole remunerating the bombardiers for their work. It answered admirably.

Decentralisation is what is required, and if a man had his pay lists in good order I told him he would be promoted. With regard to officers bothering about this question, that fact has come very considerably before the public during the last two or three years. The discipline of officers was not stiff enough, in fact there has been little or none. If an officer says he will not bother about his accounts, why should not you say to him, "Until you have your accounts in proper order you will not be promoted"? You do it to the non-commissioned officers; why not do it to the commissioned officers? It is absolutely and totally subversive of all discipline to have the accounts wrong, and you must have things right if you want to have contentment in a corps. As for the signing of the accounts, in every battery that I have been in every man signed in the presence of an officer at the month's end, and if a man said that his accounts were wrong, I had him up and asked him where they were wrong, and put everything right. If you inquire into the matter, you will find there will be no more bother. With regard to these vouchers, that rather hinges on what I said before: that if they would only let a commanding officer be a commanding officer, things would work smoothly. It is so wrong to put a man in command of a regiment and then say: "I do not believe a word you say. You must bring some other proof." His power is then gone. Let him run his own show. Let his accounts be inspected; and if he is wrong, walk into him and say: "You cannot keep your command in proper order, and until you do so you will not be promoted." That is a simple and soldierlike way to meet the whole question, and it will cause content throughout the Army. But where we have been bothered so much is, that there is no inducement to keep things right. If you *did* keep your command right throughout, that did not mean that you got on in the least. The commanding officer ought to be selected for his capacity as a leader of men, given a free hand and backed up, unless there is something very wrong. There will then be more contentment in the Army, and you will be able to get rid of the difficulties which at present exist. Nobody, except those who have been in the Army of late years, knows what the conditions of service have been in reality. It has been too ludicrous! In the future, if we wish to be efficient, I venture to advocate the most rigid discipline through the commissioned ranks, as well as the lower ones, and the severest penalties for any abuse of position by unconfirmed and inaccurate confidential reports on subordinates by commanding officers or general officers. This, combined with promoting those who prove themselves good soldiers in peace or war, and not the latter alone, will give England a contented and reliable Army.

Colonel J. G. UPPLEBY (late R.A.):—I will endeavour to make my few remarks on this most interesting paper as brief as possible. The first point I should like to speak about is where the author says: "We give them the rank and pay of captain or major, we authorise them to obtain funds," etc. As the first speaker says, that is generally what they do not do. A young subaltern of 18 months' service is called in to command a battery or company. He does not get extra pay, but has all the responsibility, and a very small contingency allowance to see him through the risks. In my own case I was told by the colonel that I ought not to expect any leave, because I had been enjoying the emoluments of the command of a battery for nine months. Those emoluments amounted to about 2s. 6d. I think it is a little hard on a young subaltern who has all these responsibilities that he should have no extra pay and no allowance to pay him for the extra work and cover the risks, because there are risks. The next point I wish to speak about is where Captain Redway says: "An officer who possesses the average amount of experience and intelligence, and who devotes a reasonable amount of time to his administrative duties, has

no trouble of any sort with his pay lists." I think that is hardly fair, and in that connection I will tell you my own experience. I was in command of the dépôt company of the Southern Division R.A., consisting of some forty-two batteries. Those of the batteries serving abroad sent all their men home to this dépôt to be passed into the Army Reserve. I was responsible for passing them into the Army Reserve, for paying them their deferred pay, and for sending them to the most distant parts of Scotland and Ireland by the shortest and cheapest route. I had no assistance to find out what was the shortest and cheapest route. Generally the steamer is cheaper than the railway. Supposing that I sent them on by steamer and they arrived at a place on Saturday night and there was no steamer to take them on. I then become liable for detention allowance. That was charged to me perhaps two months after the men had been sent into civil life. Prompt audit is what we want while there is time to recover these sums. When I tell you that my pay-list was close on £1,000 for one month, and that I received no contingent allowance to cover risks, I think you will see that it is not quite so small a matter as the lecturer said. I think nothing has caused so much bad blood as the sort of statement made by Mr. G. P. Wight, one of the Accountant-General's assistants. He says: "The company officer loses or muddles away the cash. When I say company officer, I should add that very often he does not pay any attention to the matter; he is supposed to pay his men, but he does nothing of the sort." I do not know Mr. Wight. He may have a great knowledge of regimental officers or he may not, but I think that sort of statement breeds a terrible amount of blood; the regimental officer does not like it. Unless Mr. Wight possessed exceptional means of knowing the habits of regimental officers it is not a statement which, in my opinion, he ought to have made, because it is a statement which does not smooth matters between the civil branch and the military. Then, again, I agree with the first speaker in his opinions—and I make the remark with all due deference, because we have the late Permanent Under-Secretary of State for War present, that certainly the combatant branch of the Army as a whole doubts very much whether the War Office has any real desire to simplify these accounts. They make work. The Army does not believe there has been any real honest desire to remove all that work. There must be a great many clerks, and they know the establishment will be very largely reduced if all that work disappears. That is only human nature. I certainly thoroughly agree with the first speaker in that particular. I must say I rather deprecate the whole tone of the lecture in throwing blame on the regimental officer. I think that sort of thing breeds ill-feeling. It does not tend to smooth the working between the department and the regimental officer, and I think a great deal of it, with all due deference, is not true.

Colonel C. M. WATSON, C.M.G., R.E., *p.s.c.*, D.-I.-G. of Fortifications:—I have had some experience of the military service outside the War Office, and I have also been employed in the War Office, and can regard the question, to a certain extent, from both sides. My feeling is that the War Office do not quite understand that officers in the Army are trying to do their best. If the War Office could only realise that when an officer signs a certificate he means that that certificate is true, the difficulty might be solved. The War Office require a number of certificates and a number of vouchers, and then they want somebody else to certify that the certificates are right. The great majority of officers want to keep their accounts properly, and if some do not do it at present it is because they feel they are not trusted and that the real responsibility does not rest on their shoulders. I have studied the German system a good deal, and the reason that it succeeds is because each individual is made responsible,

The captain or the squadron-major is made responsible for his unit, and if he fails in his accounts, or in his drill, or in his discipline, the colonel comes down upon him, but the squadron-leader has nothing to say to the German War Office. He is only responsible to his colonel. In the same way the colonel is responsible, both with regard to the discipline and accounts, to his brigadier, and so on. There is individual responsibility. But in the English service the same individual responsibility does not exist. All our accounts would be simplified, vouchers could be diminished, and the whole system could be reduced to a much simpler plan if only the War Office—and it is the business of the War Office—would spread through the Army the principle of individual responsibility, and that each officer has to look to his immediate superior only.

Colonel P. H. SMITH (late Devonshire Regiment) :—May I add a few remarks to what I have already said? A considerable time ago I commanded a wing in India, and one day I was rather shocked at receiving an application for a refund of something like 6,000 rupees, which was addressed to me as major commanding, for the disappearance of some European tents. They ought to have been returned at Agra four years before. I never was at Agra. The regiment certainly marched through Agra four years before, and after four years that was the first intimation to the regiment that anything was owing for European tents. In the whole wing there was not one officer, only one non-commissioned officer, and not more than six men, who had been at Agra. How can you carry on any system of accounts where you are liable to a charge like that? I do not know what became of it. Whether it was remitted to the regiment and eventually had to be paid by the commanding officer, I do not know. But that is the system of accounts which is such a bane to the Army. If any officer is liable to have a charge sprung on him after four or five years, things will never go right. Six thousand rupees is a very considerable sum of money, and yet under our present system any officer may be liable to a charge like that. There is no system of check or audit. It is the want of system which is our curse.

Captain G. W. REDWAY, in reply, said :—I intended my paper to be rather suggestive than exhaustive, and it appears to me now that such a very large number of questions arise out of it that it is really hopeless to attempt to deal with them all in detail in the time at our disposal this afternoon. What I said about regimental officers were really quotations from those Service journals which are supposed to represent the opinion of the Army. I did not quote nearly as much as I might have done. For instance, here is another article of the 3rd May from the *Broad Arrow*, and it runs exactly on the same lines as the other letter that was quoted. I did not quote the letter of the lieut.-general mentioned, although I saw it. In fact one can see every week or every fortnight many communications all pitched in the same key. I was very careful not to put in my paper anything that was not borne out by substantial evidence. My own opinions are seldom expressed, and in regard to them we may, perhaps, agree to differ. Then a speaker pointed out, most justly, that it is not very often that the captain or the major—men of experience—run the company, but a youngster. I know that is a fact—a regrettable fact. If a commanding officer chooses to appoint a youngster with a few months' service to command a company, that is not the fault of the War Office. Opinions may differ as to what a commanding officer might do under the circumstances. One can imagine a commanding officer writing to his general :—"I have no one to command the company except a very young inexperienced officer, and I decline to put him in charge." Then the authorities would know just where they stood. There was some trace of the old antagonism between the civilian branch of the War Office and the Army in the remarks of previous speakers.

Of course it is obvious, as I pointed out in my paper, that the accountant and auditor must always be somewhat at loggerheads. It is useless to disguise their respective relations. One is a check on the other, undoubtedly. Take up any newspaper you like and look at the balance sheet of a public company. It is vouched for by certain officials who had been sent into the company's offices to see that payments had been made in accordance with the Articles of Association, and that the concern was being carried on properly. As we know, when companies come to grief, the first question is, Who are the auditors? You cannot get rid of the fact that you must have public auditors for Army accounts, and that there will always be some slight difference of opinion between the auditor and the accountant officer. The only thing I want to make clear is that the stronger the accountant element the weaker the auditor's may be, and *vice versa*. If you have a notoriously weak staff to keep the accounts, you must have a very strong staff of auditors. My point is that, if the regimental officers were to the extent, we will say, of 90 per cent. of the type of officer who has spoken here to-day, men who were thoroughly familiar with their accounts, who had studied them and mastered them and run their own show, the civilian auditor might be to a large extent dispensed with, for no complexity in Army accounts would exist. But I am very much afraid that the reverse is the case: it is the 90 per cent. who are of the other sort. While upon that subject I should like to say I am very far from denying that there are among the remaining 10 per cent. some really wonderful regimental officers in the Army. One of these officers happened to write me a letter the other day, which I thought I would read here, because it shows that you do get a certain percentage of extremely able officers. I may say that he is an artillery officer and commands a *dépôt* battery, I should think about 500 strong. As a battery commander he does a good deal of administrative work that would fall upon the commanding officer and the adjutant of an infantry corps, and yet this O.C. *dépôt* R.F.A. gets through all of it without a hitch. He says:—"I hate accounts of all sorts, but as I have to do them and be responsible for them, I made the effort to master the system; and I now think they are simple enough in principle, although the five books I send you every month are certainly voluminous. If every officer were compelled as part of his examination for lieutenant before receiving a rise in pay to open a pay list dealing with, say, six names of individuals who represent the various possibilities of what is paid and deducted from a soldier, and complete the various forms, even to a balance-sheet, I believe we should have less of the difficulties which to a great extent are imaginary. After all, what is required of the officer is to be master of the principle, to know what is right, and to be able to trace what is wrong; the clerking labours for him are not excessive. Surely we have in the Service no officer who could not grasp the essentials, and, if required, do a whole pay list, if that officer gave the subject one clear week's study. I agree entirely that the company officer must be the payer of his men, and the paymaster the auditor. I should be sorry to face the daily return of casualties I should have to supply you with if I handed the paying out over to you." I think that is a most valuable letter, as coming from a regimental officer who is to-day practically engaged in the most onerous pay duties connected with demobilisation. I was very glad to see that he does not wish to hand over the pay, including, as it would, a large part of the administration of his battery to another branch of the Service. We have his word for it, that an officer may, by giving the subject one week's study, master the principles of the pay list, and it is the principle that the officer requires to know—not the detail. People forget that when you say that an officer should understand his pay list, you do not mean that he should sit down for days and write every word in it. He should be able to look at certain

columus and be able to put his fingers at once on what is wrong. If he knows that, he understands the situation, and he need not labour at clerical work. One question asked was, "How would you train young officers?" I suppose the only way to train them would be to put them through a practical course. That may be done locally by arrangement with the station paymaster or otherwise. That, of course, is a matter for authority. But I do not think there ought to be any difficulty in teaching young officers the principles of debit and credit and showing them how to put their fingers on the weak spots in the accounts. As to "amalgamation of accounts," that opens up a very large question. I think the speaker suggested what is called the consolidation of various emoluments. That, again, introduces points of principle which must be dealt with by a higher authority. You will find that Parliament votes so much for skill at arms. Well, that has to be accounted for. Therefore, you must have a separate entry for a dozen or a score of shooting rewards somewhere, at some time. There will always be those things. It would be extremely difficult, I should say, to consolidate pay to any extent without uprooting the principle which has been laid down, that the money shall be separately voted, item by item. I think that is all I can usefully say in reply to those who have kindly criticised my paper.

The CHAIRMAN (Sir Ralph H. Knox, K.C.B.):—I am sure we thank Captain Redway for affording us this opportunity for a discussion on this very interesting subject. It is a subject which I am not prepared to enlarge upon. I am afraid I might talk all day upon these various points. The fact is, as regards these portions of the accounts, they are in a sense intricate. But that does not arise from the intricacy of the accounts themselves, which, as Captain Redway has explained, can be mastered in a very short time. The complication arises from the system under which our Army is raised, a voluntary system, in which we have to offer inducements of all kinds to every man who thinks of joining the Service in order to induce him to enter and to stay in the Army. The result is that many items, constantly increasing in number, go to make up the pay of the Army, each one of which is given upon certain conditions. If we could come to a conclusion to get rid of all these conditions and take the power to compel every soldier to do just as we like and give him a lump sum, which was much the original system explained by Captain Redway as existing more than a century ago, the accounts would again be very simple; but unfortunately the tendency of the present day is to start new hares, new ideas, something new must be done. We must have not only the pay for the soldier, but we must have extra pay, additional pay, pay for length of service, pay according to age, and pay on re-enlistment. All these things must be given to the soldier under certain conditions. The charges for these can only be made in the accounts on the condition that every one of those stipulations is complied with; it is absolutely necessary therefore to have elaboration of accounts and of vouchers. I can assure those here that those gentlemen at the War Office who are engaged upon the examination of these accounts are the least of all consulted as to the invention of these various ideas; they come from above; they come from the man in the street; they come to satisfy public opinion in very many cases; but the desire of the War Office officials is to make these matters as simple as possible. They are always trying to secure a simple system, because they would get through their work much more quickly and easily. The War Office is not like a trades-union, the officials do not want to get more men there to do the work. They like to get through the work with as small a staff as possible. They are in favour of reducing the labour of examination and of the audit, the necessity for which is not created by

them, but is imposed by the law of Parliament, and is annually reviewed in detail by a Committee of the House of Commons. The conditions upon which every charge is made in those accounts have to be tested and verified. That is their duty. They are there to perform that duty. Officers of the Army say, "Oh, trust us!" But in matters of this kind the principle throughout the whole world is that no man is to be trusted. Every one must be held responsible for accounting for the money entrusted to him. He is not held responsible, his accountability does not exist unless he renders an account of what he has done, and shows as far as accounts and vouchers can show that he has complied with the instructions given to him. That is the principle upon which every account is examined, and upon which everybody is entrusted with money. I can quite understand that those who are not accustomed to dealing with books and accounts have been very restive in having to work out or check those elaborate charges that have been made, but, as I have said, the complications arise from the system which has been gradually developed; and I am afraid from what is being done now it is being made more intricate and more difficult. Within the last session I think four or five new rates of pay and new conditions of service have been introduced. Everyone of those involves new points that have to be watched by the officers who deal with them in the first instance. Then as a matter of audit it is necessary to see by test that generally those conditions have been complied with. One gentleman has described the small objections that are raised and disallowances made; but steps have in recent years been taken to get rid of most of those small disallowances, and to place in the hands of the commanding officer a general power to settle all objections that may be raised affecting small sums of money in the strict examination of the accounts. It is not long since I was in the War Office, and I am sure the whole tendency of administration was in the direction of getting rid of those very rigid practices of former days. One thing that annoys officers more than anything else has been referred to by Colonel Smith, viz., objections raised a long time after the events have occurred. The case he quoted, however, occurred in India. That is a system which is simply abominable. All I can say is, that of recent years the endeavour of the War Office has been to establish and bring about as rapid an audit as possibly can be secured. There is an arrangement under which the paymaster now examines on the spot the company pay list before it is rendered to the War Office. When the account is rendered to the War Office, that portion which it is necessary to examine to secure the test of the accounts is audited within a month from the date at which the accounts come in. I believe, as Captain Radway has stated, that there never will be a very kindly feeling between an accountant and an auditor. It is the business of the auditor to pick holes in what has been done by the accountant; but that very operation, that very system, saves the man from himself, just as the fact of every check, although it may be irritating at the time, is intended to keep the man up to the mark, to secure that he does not get into a slack condition, but that he is smart and regular. If this is attained, a man is always safe, he is always easy in his mind, and he is presented with no temptations to go wrong. An audit of that kind, if satisfactorily carried out, is, I believe, the salvation of all those people who are subject to it. I am sorry there has been any apparent feeling shown by some who have spoken. I can assure those gentlemen that they are quite in error in thinking there is any feeling but the best on the part of the examiners at the War Office towards those with whom they have to deal. Instead of their being interested in doing anything which is disagreeable to officers, the contrary is the case, and whenever apparently hard measures have to be adopted I can assure them it is done with the greatest reluctance.