

Government of Madras.

HOME DEPARTMENT

(EDUCATION)

G.O. No. 1182, 13th November 1916

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PRINTED

INDEXED

Building grants

Authorising the Director of Public Instruction to incur an expenditure up to a limit of Rs. 83,000, over and above the sanctioned budget allotment towards — to non-European schools, and stating that orders will issue in Financial as regards the additional allotment of funds.

Government of Madras.

HOME DEPARTMENT

(EDUCATION)

G.O. No. 1182, 13th November 1916

ORIGINAL.

Building grants

Authorising the Director of Public Instruction to incur an expenditure up to a limit of Rs. 83,000, over and above the sanctioned budget allotment towards — to non-European schools, and stating that orders will issue in Financial as regards the additional allotment of funds.

Order—No. 1182, Home (Education), dated the 13th November 1916.

The Government are pleased as a special case to authorise the Director of Public Instruction to incur during the current year an expenditure up to a limit of Rs. 83,000 over and above the sanctioned budget allotment for "Building grants—non-European schools." The Director is requested to see that the grants are given only in cases in which the amounts can actually be disbursed in consonance with the provisions of the Grant-in-Aid Code.

2. Orders will issue in the Financial Department sanctioning an additional allotment of Rs. 83,000 to meet the above expenditure.

(True Extract)

P. RAJAGOPALA ACHARIYAR,
Secretary to Government.

GOVERNMENT OF MADRAS

HOME DEPARTMENT

(Education)

READ—the following paper :—

Letter—from the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public Instruction.

To—the Secretary to Government, Home (Education) Department.

Dated—Madras, the 2nd November 1916.

No.—Cur. 8982.

The allotment under "Building grants" to non-European schools in the current year's revised budget estimate is Rs. 1,75,918. Out of this amount, a sum of Rs. 1,57,207 has up till now been paid. There is thus a balance of only Rs. 18,711 available for payment during the remaining portion of the current year. The present liability under "Building grants", i.e., grants promised for building schemes and which have yet to be paid amounts to Rs. 2,32,750. Of these schemes, some have been completed and are awaiting payment of grants due to them and some others will probably be completed within the current year. The building grants sanctioned in the case of such schemes amount to Rs. 95,717 and it is hoped that this amount can be paid during the current year. To meet this expenditure, there is only a provision of Rs. 18,711 available out of the current year's allotment. An additional allotment of Rs. 77,006 is therefore required for payment during the current year.

2. In the case of the marginally-noted three schools, the Government have

1. C. S. M. Girls' school, Tanna street, Purasawalkam.

2. Chintadripet secondary school.

3. Madras Progressive Union secondary school.

sanctioned the acquisition of lands and buildings—vide G.Os. No. 259, Educational, dated 10th March 1916, No. 459, Educational, dated 27th April 1916, and No. 771, Educational, dated 13th July 1916. But no grants have been

promised. If grants are to be given, they can be paid during the current year. The amounts that might be paid to these three institutions come to about Rs. 5,830.

3. A total sum of Rs. 82,886 or Rs. 83,000 in round figures is therefore a maximum estimate of the amount that can be paid during the current year and I have the honour to request that you will be good enough to provide an additional allotment equal to this amount under "Building grants" to non-European schools in the current year's budget.

4. Apart from the question of giving a grant to St. George's Homes, no additional allotment is required for European schools this year.

To the Director of Public Instruction.
" Accountant-General.
" Financial Department (with notes).

HOME (EDUCATION) DEPARTMENT.

NOTES CONNECTED WITH G.O. No. 1182, HOME (EDUCATION),
DATED THE 13TH NOVEMBER 1916.

[SUBJECT.—*Building grants.*]

Demi-official—from the Hon'ble Mr. J. H. STONE, M.A., F.R.E.S., C.I.E., Director of Public Instruction.

To—the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Educational Department.

Date—Ootacamund, the 25th June 1916.

No.—68.

Sir Harold Stuart suggested to me in conversation that Government might reconsider their orders about building grants, allowing such to be promised under the ordinary rules and earmarking a certain part of their balances, which I gather will be released after the war, for redeeming such promises.

This, if done, would of course enable me to tell such schools as have been refused grants for the present that we were prepared to consider their applications again.

I find that, if this were done, and taking into consideration cases in which managers have been allowed to build without prejudice to the question of grant, we should have liabilities to the following amounts :—

(1) *Non-European schools.*

	Building grants.	Hostel grants.
	RS.	RS.
Existing liabilities	2,78,665	1,75,416
Grants refused	3,27,754	(None refused).
Grants not promised but permission to build given	30,942	
Total	6,37,361	1,75,416

(2) *European schools.*

Grants promised	1,17,672
Grants refused	76,000
Total	1,93,672

The budget allotments for 1916-17 are, non-European schools building grants Rs. 1,88,000, hostel grants Rs. 96,000, European schools building grants Rs. 68,000. Subtracting these sums from the total liabilities Rs. 10,06,449 we get Rs. 6,54,449.

In addition to this we had proposals for the utilisation of the 45 lakhs Imperial non-recurring grant for European school buildings. If, therefore, we are allowed to promise grants on account of these also, we should have at the end of the year a total possible liability of Rs. 11,04,449 provided that no new building schemes were taken on hand. Assuming that 11 lakhs could be earmarked out of Government's balances at the end of the war for paying deferred building grants, and that entirely new schemes were sanctioned in any year only up to a limit of the budget allotment for that year, the financial position would be sound.

There is such a very general need for better accommodation in schools and managers so constantly express their willingness to wait indefinitely for the payment of grants for building that I think a reconsideration of the matter is very desirable.

P.S.—Since the above was typed the St. George's Homes, Kodaikanal, have asked for grant on altogether Rs. 2,43,000. Half this is Rs. 1,21,500 and in the above estimate Rs. 64,000 has been included on account of these homes, leaving Rs. 57,500. If therefore Rs. 13,00,000 be substituted for Rs. 12,00,000 provision would be made for grant to these homes even if Government were to decide to give a two-third instead of a half grant.

EDUCATIONAL DEPARTMENT.

The Director of Public Instruction in his letter of 18th January 1915 (on page 1 of G.O. No. 165, Educational, dated the 15th February 1915) pointed out that the liability of the department under building grants amounted to nearly 6 lakhs up to that date, that most of the proposals would mature in the course of the next four years and that, as the allotment ordinarily provided for the purpose in the civil budget estimate would be insufficient to pay off the grants already

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promised without keeping the managers waiting for money, it was undesirable to go on increasing the liability. Consequently the Government directed that sanction to building grants in certain

cases should be deferred—vide G.O. No. 165, Educational, dated the 15th February 1915.

Owing to the financial stringency consequent on the war and in view of the policy of retrenchment enunciated in Memorandum No. 7437-1, Financial, dated the 26th October 1915, it has recently

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been the policy of the Government *not* to sanction or promise any grants for new buildings (except grants for hostels which were treated as urgent) unless the work is such that it cannot be postponed

without grave inconvenience. The authorities of schools were, however, permitted to proceed with their work if they so desired, on the distinct understanding that the permission carried with it no promise of a grant—cf. G.Os. No. 259, Educational, dated the 10th March 1916, No. 290, Educational, dated the 18th March 1916, and No. 592, Educational, dated the 29th May 1916.

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The Director of Public Instruction estimates that the total possible liability on account of deferred building grants will amount to 13 lakhs at the end

of the current year. It will of course be convenient if, as stated by the Director of Public Instruction,

(1) the whole of this amount (13 lakhs) can be met by earmarking a portion of the general balance that may be at the disposal of this Government at the end of the year, and

(2) if new schemes are in future sanctioned in a year only up to the limit of the budget allotment for that year.

The latter course can be strictly followed by this department and the Director

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of Public Instruction. As regards the former it is rather too early to say anything definite in the matter. The

question is, however, one for consideration in the Financial Department to whom the file may, it is submitted, be forwarded u.o. for remarks.

S.V.—7-7-16.

T.K.—7-7-16.

P. RAJAGOPALA ACHARIYAR—10-7-16.

FINANCIAL DEPARTMENT.

The Director of Public Instruction proposes to promise building grants in all cases in which, owing to the present financial stringency, he has either refused grants or permitted the construction of school buildings without the promise of a grant. In order to give effect to it, he makes the following suggestions:—

(1) that all grants which are not paid immediately on account of their non-urgent character should be paid at the end of the war;

(2) that grants in respect of new buildings should be promised in future years up to the limit of the budget provision in those years; and

(3) that, to meet the deferred liabilities, a sum of 13 lakhs should be earmarked from provincial balances.

2. The Director's suggestion is practically that the Government should, as soon as the war is over, provide a sum of about 13 lakhs from their balances in order to meet the payment of these deferred grants. It is submitted that the proposal is open to objection on the following grounds:—

(a) Though this Government may earmark the sum of 13 lakhs from provincial balances for the purpose, they cannot *spend* the amount from the balances without the express permission of the Government of India (vide article 1361, Civil Account Code, Volume II). It is doubtful whether the Government of India will be in a position to give this permission as soon as the war is over. The Finance Member in his budget speech pointed out that the termination of the war will leave the Government of India with heavy financial demands.

(b) Even if the Government of India should permit an appreciable amount being spent from the provincial balances as soon as the war is over, it seems doubtful whether a sum of 13 lakhs can be given in a single year for the purpose of paying building grants for secondary schools and colleges. Several other services are being starved owing to the present financial stringency, e.g., we have been able to give only small grants to local bodies for minor sanitation, major water-supply and drainage schemes, while the provision made for medical buildings, elementary school buildings and roads and bridges is either very small or nil. It may also be mentioned that several Government buildings (e.g., police quarters) which are urgent, are being postponed for want of funds. The claims of all these services will, it is submitted, have to be considered when money is drawn from balances, and there seems to be no justification for providing the large sum of 13 lakhs in a single year for building grants to secondary schools and colleges, in preference to other schemes.

(c) The expenditure on building grants is by no means starved even at present, as will be seen from the following figures:—

	Building grants.		Hostels (attached to aided schools).	Total.
	Non-European schools.	European schools.		
	LAKHS.	LAKHS.	LAKHS.	LAKHS.
1908-09	23	07	..	30
1909-10	61	07	..	68
1910-11	38	19	..	57
1911-12	62	20	..	91
1912-13	127	08	60	225
1913-14	145	48	272	465
1914-15	207	143	202	552
1915-16 (Revised Estimate)	188	68	40	296
1916-17 (Budget)	188	68	96	352

Naturally. The Educational "boom" accounts for it.

L.D.—19-7-16.

*As against an average of 5.18 lakhs in the period 1913-15.

L.D.—19-7-16.

The allotments sanctioned for the purpose in recent years are, it will be seen, very largely in excess of those sanctioned prior to 1912-13, and the budget estimate for the current year contains a large allotment of 3.52* lakhs in spite of the very great economy that is being enforced in other departments in view of the present financial stringency.

If, in spite of this large provision, the Government are unable to meet the demands for school buildings, it is respectfully submitted that some of the demands should wait till money can be found for them in the ordinary course. The Government cannot, it is submitted, undertake to provide school buildings for aided secondary schools and colleges at a much faster rate than their finances permit.

3. The existing liability of Government in regard to building and hostel grants seems also to be somewhat exaggerated. The Director of Public Instruction's figure of 13 lakhs is arrived at as follows:—

(1)	Liabilities	Budget provision in 1916-17.	Net liability to be met in future years [columns (2) and (3)].
(1)	(2)	(3)	(4)
(1) Building grants—non-European schools ..	LAKHS. 6.37	LAKHS. 1.88	LAKHS. 4.49
(2) Do. —European schools ..	1.24	.68	2.24
(3) Hostels ..	+ .98	.96	.79
(4) Balance of non-recurring imperial grant (for European schools.)	1.76	..	4.50
	4.50	..	4.50
Total ..	..	..	12.02

The Director of Public Instruction has rounded this to 13 lakhs. The liability of 2.24 lakhs for European schools can well be met from the Imperial grant of 4.50 lakhs and it does not seem therefore necessary to make separate provision for the 2.24 lakhs. The liability will then be

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(4.49 + .79 + 4.50) or 9.78 or about 10 lakhs, of which 4.50 lakhs represents the balance of Imperial grants, and it should be possible for the Director of Public Instruction to meet it from the grants annually placed at his disposal and any supplementary grants that may be sanctioned from Provincial balances and by the Government of India when the finances have improved.

4. In view of the circumstances stated in the preceding paragraphs it does not appear that the Director of Public Instruction's suggestions should be accepted.

V.V.—17-7-16.

T.A.S.—18-7-16.

I venture, with very great respect to submit, that Financial cannot but oppose this scheme. What we are really asked to do is two things. The first is to commit ourselves to an expenditure of about 13 lakhs of rupees to be met from balances at the end of the war; the second to sanction grants subject to budget provision in future years, that is, I take it from the year 1917-18. There is no objection to the second suggestion taken by itself, but then what will happen in cases where the budget provision in any year is not sufficient for all the buildings that may be constructed? We then come back to the position of making commitments, and our ultimate liability will be very much greater than what has now been forecasted by Mr. Stone.

As regards the first suggestion I beg to point out that we can make no such commitment without the consent of the Government of India. The balances are not at our unlimited disposal, and any promise to make definite payment from our balances after the war will, I think, require the consent of the Government of India. Moreover it is difficult to say for how long after the war the present policy of retrenchment and economy will have to be continued, and it seems inadvisable therefore to bind Government to any definite policy in the matter of future expenditure on building grants. The only course

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appears to be to continue the policy we are now adopting, and to limit the grant to budget provision, it being left to the Director of Public Instruction to give the grants to old or new buildings erected with his consent. When the financial stringency has been removed we shall probably have a large number of buildings for which grants have not been paid, but this

cannot be helped and we shall then have to consider the question of making larger budget provision. For the present, however, I think Financial might advise that the scheme outlined by the Director of Public Instruction should be negatived.

If I may be permitted to say so, I cannot help feeling that Mr. Stone has misunderstood Honourable Member (Financial).

L. E. KERSHAW—18-7-16.

We cannot possibly give any guarantee such as that sought.

Will Educational kindly circulate to Honourable Member (Financial).

L. DAVIDSON—19-7-16.

EDUCATIONAL DEPARTMENT.

For orders as to circulation to His Excellency the Governor and the Hon'ble Sir Harold Stuart, K.C.S.I., K.C.V.O.

E.A.V.—20-7-16.

C.R.—21-7-16.

For the reasons given by Financial (the Assistant Secretary's note and the Chief Secretary's note) I think that the proposal made by Mr. Stone should be negatived. At present the grant is limited every year to the provision in the budget and the Director of Public Instruction has the discretion to give out of it for buildings erected with his consent. After the financial stringency is removed, the question of a larger budget provision may be considered and it may be possible in the course of two or three years to work off the cases of the large number of buildings which have been constructed with our permission but for which we have neither paid nor promised any grant.

P. RAJAGOPALA ACHARIYAR—23-7-16.

I should like to have Sir Harold Stuart's observations.

P. ENTLAND J.—24-7-16.

Our system of educational finance is deplorably bad. In our Grant-in-Aid Code we offer certain financial assistance with the object of encouraging private enterprise in the field of education, but we then introduce a large element of uncertainty by a proviso that the giving of grants will depend upon the funds available. I admit that we are partly forced into this illogical position by the fact that we have practically no powers of taxation and cannot, therefore, adjust our income to our expenditure. I am of opinion, however, that within the limits allowed us we could do more than we have done to keep the promises made in the Grant-in-Aid Code, and I should like to see it recognized that those promises have as strong a claim upon our funds as the obligation to pay salaries and pensions. It must be remembered that no grant is sanctioned by the Director unless he considers that the giving of it will result in the public benefit. Formerly the ordinary educational grants-in-aid, i.e., salary grants and capitation grants, were often reduced by a percentage in order to keep the total within the budget provision. We have stopped that undesirable practice now, but we still fail to fulfil the promises of the Grant-in-Aid Code in respect of educational buildings. I admit that the war has produced an exceptional position, but it is our duty to reduce as far as possible the hindrances to educational progress created by that position and in doing so we shall have the hearty support of public opinion. While we are paring down grants, our financial position is steadily improving and our opening balance this year was, I think, 115 lakhs against an estimate of 102.20 lakhs. It seems to me, therefore, that we should be quite safe in giving an undertaking that, as soon as we are free to draw on our balances again, we will give a substantial sum to meet grants which would have been sanctioned if the financial conditions had been normal. So far as European schools are concerned, we have 4.50 lakhs definitely earmarked for expenditure on that particular object and we

should be quite safe in allowing the Director to accept liabilities up to that amount.

	LAKHS.
1913-14	4.85
1914-15	5.52
	10.37
1915-16	2.96
1916-17	3.52
	6.48
	3.89

or 4 lakhs in round figures.

For non-European schools, I think we might safely permit a similar acceptance of liabilities up to a total of, say, 4 lakhs, which is approximately the difference between the amounts actually provided in the last two years and the sums which would have been provided if conditions had been normal.

2. The Financial Department notes give too much weight to the fact that we require the sanction of the Government of India before drawing on our balances.

That is perfectly true as a formal statement, but we know that, as soon as normal financial conditions are restored, we shall be allowed to draw pretty freely upon the large balance that stands to our credit. It seems to me to be somewhat pedantic purism to refuse to accept any future liability because we have to go through the formality of obtaining the sanction of the Government of India to our budget proposals.

3. We are now nearly at the end of July and I believe that we have a fairly substantial balance upon which we could draw for fresh provision of funds during the current year. In these circumstances, I am disposed to increase the provision for grants-in-aid of education buildings. I believe we could safely give another lakh and a half, and perhaps more. We should to that extent reduce the amount of our future obligations.

H. A. S[UART]—25-7-16.

To follow up the suggestion of Sir Harold Stuart's concluding paragraph above, which will, I feel sure, command the general assent of Government, I would suggest that it might now be examined in Financial with reference to our existing credit balance; and also the further question as to whether and what additional liabilities might be accepted; the file being re-submitted later through Sir Harold Stuart.

P[ENTLAND]—27-7-16.

P. RAJAGOPALA ACHARIYAR—28-7-16.

FINANCIAL DEPARTMENT.

The Honourable Member (Financial) has been pleased to characterise my criticism

Not so. I was criticizing an established practice. Mr. Kershaw was quite right to bring it to notice and even to lay emphasis on it.

H. A. S[UART].

view of the case in the form in which it was presented. The Honourable Member has remarked that, as soon as normal conditions are restored, we shall be allowed to draw freely upon the large balance that stands to our credit. This will probably be the case, but I beg, with very great respect, to doubt whether acting on this presumption Financial could agree to a public commitment being made that after the war the Government would find a definite sum for a definite purpose from balances. Any proposal to draw on our balances requires the sanction of the Government of India.

Quite so, and we need not be timid about small future commitments.

H. A. S[UART].

Code, Volume I, lays down that when Local Governments propose to provide in their estimates for any considerable expenditure out of accumulated balances the proposals must be forwarded to the Government of India in advance of the estimates for separate consideration. In the present case we were not concerned with any particular budget but were asked to agree to commit Government to find 13 lakhs from

of this case as "pedantic purism". I must bow to the Honourable Member's opinion, but I feel that in justice to myself it is necessary to explain why it was not possible for Financial to take any other

possible for Financial to take any other

When the amount is small this sanction is usually obtained when the budget estimates are sent up for approval, but note 2 to article 154 of the Civil Account

balances after the war. In my humble opinion Financial could not give that guarantee unhesitatingly, and it was necessary to point out that such a proposal required the sanction of the Government of India, as once the promise was made to find the money we would be bound by that promise. The Honourable Member has, however, overruled Financial on this point, so I have nothing more to say on the subject.

2. In paragraph 1 of his note, the Honourable Member has remarked that we could do more in the direction of keeping the promises made in the Grant-in-Aid Code so far as building grants are concerned.

I was referring to grants in general: we have not by any means met our obligations in full.

H. A. S[UART].

In this connection I submit a rather illuminating statement giving details of expenditure on building grants from the year 1908-09 to 1916-17.

STATEMENT showing the expenditure on building grants and hostels from 1908-09.

Year.	Building grants—non-European schools.			Building grants—European schools.			Hostels (d).		
	Figure proposed by the Director of Public Instruction.	Allotment made in the budget.	Actuals.	Figure proposed by the Director of Public Instruction.	Allotment made in the budget.	Actuals.	Figure proposed by the Director of Public Instruction.	Allotment made in the budget.	Actuals.
	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.
1908-09	.40	.40	.23	.20	.20	.07	..	..	..
1909-10	.60	.60	.61	.20	.20	.07	..	..	..
1910-11	.60	.60	.38	.20	.20	.19	..	..	..
1911-12	.72	.72	.62	.20	.20	.29	..	..	..
1912-13	.72	.72	1.27 (a)	.45	.45	.38	..	..	.60
1913-14	.73	.73	1.65 (a)	.45	.45	.48	..	3.21	2.72
1914-15	.73	.73	2.07 (a)	.45	.45	1.43	3.21	2.96	2.02
1915-16	1.00	1.00	1.58 (b)	4.95	.45	.68 (b)	1.96	1.46	.40
1916-17	2.50	1.88 (c)	..	.68	.68	..	1.33	.96	..

(a) The Director of Public Instruction himself reappropriated the amounts from the provision made for grants for furniture, apparatus, etc. In 1914-15, an additional allotment of .30 lakh was sanctioned in G.O. R. No. 17, Financial, dated 14th January 1915, and the balance was met by the Director of Public Instruction as above.

(b) Additional allotments were sanctioned by Government in the course of the year—paragraph 2 of the Honourable Member's note, dated 13th December 1915, on page 4 of notes to G.O. No. 1-2, Financial, dated 1st January 1916, and G.O. R. No. 418, Financial, dated 22nd December 1915.

(c) The amount originally allotted, viz., 1.38 lakhs, was subsequently raised by .50 lakh—pages 4-5 of notes to G.O. No. 1-2, Financial, dated 1st January 1916.

(d) Hostel grants are being met wholly from Imperial grants—96 lakh recurring, 4.50 lakhs non-recurring and 4.00 non-recurring included in the non-recurring grant of 49 lakhs. The budget provision for the current year represents the recurring grant of .96 lakh.

An analysis of this statement gives the following results:—

Non-European schools.—In the years 1908-09 to 1911-12 we gave the Director of Public Instruction the full amounts he asked for in the budget, but except in the year 1909-10 he was unable to utilise the whole amount. In the succeeding four years, 1912-13 to 1915-16, we again gave the Director of Public Instruction all that he asked for and in addition sanctioned additional allotments. The total expenditure budgeted for during these four years was Rs. 3.18 lakhs but the actual expenditure was 6.87 lakhs.

In the year 1916-17 we were unable to give the Director of Public Instruction all that he asked for.

European schools.—In the years 1908-09 to 1912-13 we gave the Director of Public Instruction what he wanted but except for one year he was unable to spend the amounts allotted. In the three following years budget provision was exceeded and in 1916-17 the Director of Public Instruction has received what he asked for.

Hostels.—During the three years 1913-14 to 1915-16, the Director of Public Instruction was unable to spend the whole of the budget provision, but in 1916-17 he has been given less than he wanted.

It seems to be only in the present year that building grants have been to a certain extent curtailed. Honourable Member has directed that the Director of Public Instruction may be permitted to accept liabilities up to 8-50 lakhs, to be met when financial restrictions are removed. I might however point out that, unless the restrictions are removed in the near future, our obligations might be increased by the time the war is over unless the budget provision hereafter made is large.

3. In paragraph 3 of his note Honourable Member desires that another lakh and a half should be given this year for buildings. This must come either out of balances or from the reserve. The preliminary accounts for 1915-16 show an improvement of 12-82 lakhs, and our opening balance this year will therefore be 115-02 as against 102-20 originally anticipated. If the intention is that the sum of 1-50 lakhs should come out of this net betterment the sanction of the Government of India will have to be obtained. As regards the reserve our free balance at present is 3-76 lakhs, and if the additional allotment is to come from reserve it is for consideration whether it should be paid immediately or a little later on in the year when surrenders might be expected. Honourable Member will no doubt pass orders on the question as to whether the allotment of 1-50 must be given from balances or from reserve.

L. E. KERSHAW—4-8-16.

The issue whether the additional 1-50 should come from reserve or balance requires immediate decision and the file should be submitted to Honourable Member at once as he may wish to mention this point and the question of future commitments to Sir W. S. Meyer, who arrives in Ootacamund today. If the latter does not definitely bar allotment from balance, it would be safer not to trench on our reserve of 3-76.

L. DAVIDSON—6-8-16.

We can spare 1-50 from reserve but it will probably not be wanted in full at present. The Director of Public Instruction can be consulted about that.

2. Mr. Kershaw has misunderstood my criticisms as I have explained in my marginal note.

H. A. S[UTART]—7-8-16.

Will Financial please note a definite liability of 1-50 against reserve, and then pass the case on to Home Department.

L. E. K.—8-8-16.

HOME (EDUCATION) DEPARTMENT.

Draft demi-official to the Director of Public Instruction submitted.

S.N.P.—14-8-16.

T.K.—14-8-16.

C. RAMANUJA ACHARIYAR—16-8-16.

Draft demi-official to Mr. Stone for approval.

P. RAJAGOPALA ACHARIYAR—20-8-16.

P[ENTLAND]—21-8-16.

A. G. C[ARDEW]—22-8-16.

H. A. S[UTART]—23-8-16.

P. S. S[IVASWAMI AYYAR]—23-8-16.

Issue.

P.R.—28-8-16.

Demi-official—from the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Home (Education) Department.

To—the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public Instruction.

Dated—the 28th August 1916.

No.—2199-3 Edl.

With reference to your demi-official letter No. 68/16, dated the 25th June 1916,

* Four lakhs in respect of non-European schools, and 4-50 on account of European schools the latter being the unspent balance of the Imperial non-recurring grant for European education.

Towards the above liability the Government hope to allot 1-50 lakhs in the current year in addition to the budget provision for building grants. I am to enquire whether you would require this amount of Rs. 1-50 lakhs in full at once.

Demi-official—from the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public Instruction, to the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Home (Education) Department.

Dated—Nungambakam, the 21st September 1916.

No.—177.

With reference to your demi-official letter No. 2199-3, dated 28th August 1916, enquiring whether any additional amount is required for expenditure under building grants this year, I find that an extra sum of Rs. 33,000 could be utilized this year for payment of building grants to non-European schools under private management.

2. As regards schools under public management, I may state that those mentioned in the enclosed list have applied for aid towards the cost of improving their accommodation; but the authorities concerned have been advised to renew their applications after the termination of the war. If Government are willing to advance money to the local bodies for those schemes and if they are willing to sanction a grant equal to the full cost as asked for in all cases excepting Nos. 4, 8, 9 and 10, another sum of Rs. 1,32,655 will be required during the current year. Detailed plans and estimates would of course have first to be prepared and approved. I may add that there are other schools under public management in which improvements in accommodation are desirable, e.g., Russelkonde and Chinnole.

3. As regards European schools, no additional amount will be required during the current year unless Government sanction an additional building grant to St. George's Hostel, Kodakamal, referred to in this office letter R.O. No. 822/15, dated 25th July 1916, and agree to prepay 40 to the school as requested by the management. I would suggest that the Imperial A 45 on account of European schools may be spread over three years from 1917-18, '60 being allotted next year.

ENCLOSURE.

List of schools under public management for which aid is required for improvement of accommodation.

No.	Name of schools.	Amount required.
		RS.
1.	Municipal High school, Walajapet	45,000
2.	Do. Anakapalle	10,000
3.	Board Secondary school, Harpanahalle	12,000
4.	Do. Pattukkottai	12,555
5.	Do. Lalgudi	25,000
6.	Do. Aska	7,700
7.	Do. Kottayi	3,000
8.	Do. Kollur	3,100
9.	Do. Kavali	10,000
10.	Do. Chowgat	4,300
	Tta	1,32,655

Please see Financial Honourable Member's order on page 8 ante stating that 1-50 lakhs could be spared for building grants and that the Director of Public Instruction should be asked about the amount required at present.

2. In his demi-official on page 9 ante the Director of Public Instruction states—

(i) that an extra sum of Rs. 33,000 could be utilized this year for payment of building grants to non-European schools under *private management*;

(ii) that another sum of Rs. 1,32,655 will be required during the current year for payment of grants to local bodies if the Government are willing to advance the amount; and

(iii) that as regards European schools, no additional amount would be required during the current year unless the Government agree to pay Rs. 40,000 to St. George's Homes, Kodaikanal, as suggested by the management.

3. (i) As regards Rs. 33,000 required for non-European schools, it may be observed that the Director of Public Instruction has not furnished any details as to how the above amount was arrived at. There are two cases lying over relating to building grants to the Onslow Secondary school at Chatrapur and the School for the blind at Palamcottah. These cases have been seen u.o. by the Director of Public Instruction and it is not known whether he has made provision for grants to these institutions in his present letter. In the files on the subject it is proposed to request the Director of Public Instruction to state whether in the amount above referred to he has made any provision for these cases. The amount required by the Director may be allotted this year.

(ii) As regards building grants to schools under *local bodies*, the Director of Public Instruction states that he has advised the authorities to renew their applications for grant after the war. Detailed plans and estimates have yet to be prepared and approved and this will naturally take time. It is, therefore, doubtful whether the local bodies will spend the money during the current year and it does not seem necessary at present to *advance* the amount to them. For orders whether in the above circumstances any grant should be made to these institutions at present.

(iii) As regards the question of an additional grant to the St. George's Homes, Kodaikanal, it may be noted that it has been separately proposed to pay Rs. 30,000 from the reserve of 1-50 lakhs and to ask the Director of Public Instruction to meet Rs. 10,000 from his budget allotment.

4. With reference to the concluding portion of the Director's letter (portion marked A on page 9 ante) it is submitted that the suggestion may be noted for consideration in connection with the budget. An extract of this has been separately taken for consideration.

5. The file has to go to Financial for issue of orders.

S.N.P.—1-10-16.

T.K.—2-10-16.

Subject to any further alterations that may be necessary with reference to the u.o. references to be made to the Director of Public Instruction in connection with building grants for the Onslow school, Chatrapur, and for the School for the blind at Palamcottah, Financial may be informed that Rs. (33,000 + 30,000) 63,000 will be immediately needed out of the 1-50 which it has been decided to allot for building grants from the reserve in the current year.

P.R.—5-10-16.

As regards the subsidies to local bodies, the question has not been considered in connection with this file till now. The sum of Rs. 1-33 lakhs referred to by the Director of Public Instruction, therefore, indicates a *further* liability to be added to the 13 lakhs originally mentioned by him. There seems to be no doubt that this liability should also be counted upon. The Director of Public Instruction's estimate

is only very rough and apparently proceeds in the direction of finding objects for the utilization of the full allotment of 1-50 lakhs. He may be asked, if Financial agree, whether subsidies in the case of any of those mentioned by him are urgently needed for *utilization* in the current year on the works.

Yes.

P.R.—5-10-16.

C. RAMANUJA ACHARIYAR—5-10-16.

P. RAJAGOPALA ACHARIYAR—5-10-16.

FINANCIAL DEPARTMENT.

I think we run the risk of some confusion arising in this case unless we lay down some guiding principles to be followed by the Director of Public Instruction. The case started with a demi-official from Mr. Stone in which he purported to show that in the case of *private managed* schools the Government liability on building grants would amount to 13 lakhs if we took into consideration those cases in which managers were permitted to build without prejudice to the question of grants, but who were not given any grants owing to the present financial stringency. Government after full consideration of the case have agreed to the Director of Public Instruction accepting commitments up to 8-50 lakhs, and have also agreed to an immediate allotment of 1-50 lakhs during the current year. On the Director of Public Instruction being addressed as to the distribution of this 1-50 lakhs we are told that all that he can spend is Rs. 40,000 for the St. George's Homes, and another Rs. 33,000 for some non-European schools under private management, details not given. Incidentally we have a demand of 1-32 lakhs sprung on us for schools under public management. Now as the Registrar in the Home Department very correctly points out, schools under public management are for the first time mentioned by the Director of Public Instruction in connection with these building grants. They were not taken into consideration when he sent in his estimate of 13 lakhs, nor were they considered by Government when they agreed to the commitment of 8-50 lakhs and the payment of 1-50 lakhs during the current year. It is clear therefore from the Director of Public Instruction's last demi-official letter that so far as private schools go, the demands do not come to anywhere near the 1-50 lakhs which it was thought would be required in the current year. The question now is whether the 8-50 lakhs, up to which the Director of Public Instruction has been authorized to make commitments, should include schools under public management, and whether the allotment of 1-50 lakhs available for distribution this year may be similarly utilized for grants to schools under public management. I do not wish to appear obstructive in this case, but I feel it is my duty, noting in Financial, to point out that if schools under public management are brought within the purview of this case we shall perform sooner or later have to increase our commitment of 8-50 lakhs. I would point out in the first place that the Hon'ble Sir Harold Stuart arrived at this figure by the following process of calculation. He took first the sum of 4-50 lakhs definitely earmarked for expenditure on European schools. It must be noted that there are no European schools under public management so that none of this amount is available for such schools. Sir Harold Stuart took next the sum of 4 lakhs representing the difference between the amounts actually provided in the last two years, and the sum which would have been provided if conditions had been normal. This calculation again was based entirely on grants to schools under private management. Sir Harold Stuart also remarked that we could do more in the direction of keeping the promises made in the Grant-in-Aid Code. Here too it should be noted that the Grant-in-Aid Code does not apply to grants to local bodies. The introduction of schools under public management at this stage of the proceedings is therefore an innovation. The sum of 8-50 lakhs referred to schools under private management only, and I submit that Financial should deprecate the introduction of schools under public management into the scheme. If we agreed to this we would be told that the sum of 8-50 lakhs was not nearly sufficient to cover both classes of schools. We might have somebody

pointing out to us that whereas in 1913-14 we gave local bodies 15.32 for the construction of schools (due to the policy of reducing what were called our inflated balances), in 1914-15 we allotted only 4.73 and in 1915-16 the small sum of .05. We might then be asked to make commitments representing the difference between 15.32 and 4.88. It must be remembered that grants to local bodies are made only when we can really find the money, and the Grant-in-Aid Code cannot be quoted in their support. I think, therefore, the advice which Financial should give is clearly that the Director of Public Instruction should not be permitted to bring schools under local bodies into this scheme. He should be told that it is limited to schools under private management and that Government cannot extend the precedent thus created to schools under public management.

2. As regards the allotment of 1.50 lakhs to be given this year in partial liquidation of our commitment of 8.50 lakhs this too must be limited to private schools, and the proper course appears to be for Government now to require the Director of Public Instruction to make formal proposals for the distribution of this amount, bearing in mind that the grants are to be made in consonance with the letter of the Grant-in-Aid Code, and only if they can actually be spent. There should, I submit, be no question of making advances. We are hard up for money ourselves and cannot afford to make advances to schools in anticipation of expenditure in some future year. It might be a good thing for the schools to get such advances and to enjoy the interest from them, but from the point of view of Government it is not business.

L. E. KERSHAW—7-10-16.

L. DAVIDSON—9-10-16.

HOME (EDUCATION) DEPARTMENT.

Please see end of paragraph 1 and paragraph 2 of the Assistant Secretary's note. The Financial Department observe that the allotment of 1.50 lakhs out of the commitment of 8.50 lakhs must be limited to *private* managed schools and that the Director of Public Instruction may be asked to make formal proposals for the distribution of this amount, bearing in mind that the grants are to be made in consonance with the letter of the Grant-in-Aid Code and only if they can actually be spent.

2. A draft demi-official to the Director of Public Instruction is placed below for approval.

S.N.P.—13-10-16.

T.K.—16-10-16.

C. RAMANUJA ACHARIYAR—13-10-16.

P. RAJAGOPALA ACHARIYAR—19-10-16.

Demi-official—from the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Home (Education) Department.

To—the Hon'ble Mr. J. H. STONE, M.A., F.R.E.S., C.I.E., Director of Public Instruction.

Dated—the 19th October 1916.

No.—2199-5.

With reference to your demi-official No. 177, dated the 21st September 1916, regarding an additional allotment for building grants, I am to say that schools under public management should not be brought into the scheme referred to in my demi-official No. 2199-3, Education, dated the 28th August 1916. I am to ask you to make formal proposals for the distribution of the amount of 1.50 lakhs to private managed schools, deducting from this amount the Rs. 30,000 which has been earmarked for the St. George's Homes, Kodikānal. The grants proposed should of course be in consonance with the Grant-in-Aid Code and the proposals should relate only to cases in which the amounts could be actually spent in the current year. There should be no question of making advances.

From the Director of Public Instruction, O. No. 8982, dated the 22nd November 1916.

Please see Financial Department's note on pages 11-12 ante. The Director of Public Instruction has now submitted formal proposals as to the amount that can actually be spent during the current year.

2. The proposals of the Director of Public Instruction may be accepted in this department and the case sent to the Financial Department with a request that they may sanction an additional allotment of Rs. 83,000, now requested by the Director of Public Instruction in addition to the Rs. 30,000 already allotted by Financial (in G.O. R. No. 232, Financial, dated 24th October 1916) for the St. George's Homes.

S.N.P.—4-11-16.

T.K.—4-11-16.

C. RAMANUJA ACHARIYAR—6-11-16.

P. RAJAGOPALA ACHARIYAR—7-11-16.

FINANCIAL DEPARTMENT.

Submitted that the Home (Education) Department may be requested to issue an order in the first instance authorizing the Director of Public Instruction to incur an expenditure up to a limit of Rs. 83,000 in the current year over and above the sanctioned grant for "Building grants—Non-European schools", asking the Director of Public Instruction to incur expenditure only in cases in which the amounts can actually be disbursed in the current year in consonance with the Grant-in-Aid Code, and stating that orders will issue in Financial sanctioning an additional allotment of Rs. 83,000.

L.E.K.—9-11-16.

I presume we can still manage to find .83.

L.D.—10-11-16.

Yes.

L.E.K.—10-11-16.

The necessary action in regard to the allotment of funds from the reserve with Financial will be taken on receipt in Financial of the Educational Department's proceedings on this case.

V.G.K.—9-11-16.

L. E. KERSHAW—9-11-16.

L. DAVIDSON—10-11-16.

HOME (EDUCATION) DEPARTMENT.

A draft order is submitted for approval.

S.N.P.—11-11-16.

T.K.—11-11-16.

C.R.—12-11-16.

P.R.—13-11-16.

[G.O. No. 1182, Home (Education), dated the 13th November 1916.]

Building Grants.

HOME (ED) DEPARTMENT

Authorising the Dir. of Pub. Motn. to incur an expenditure up to a limit of Rs 83,000, over and above the sanctioned budget grant, towards ^{to non-}European schools, and stating that orders will issue in financial regards the ~~proposed~~ additional allotment of funds.

READ AGAIN G.O. No., dated 191 ..

" " " " " 191 ..

READ ALSO:-

C. No. 3987, From the Dir. of Pub. Motn., C. No. 8982, dated the 2nd Nov. 1916.

" " " " " 191 ..

" " " " " 191 ..

ORDER.

No. 1182, dated the 13th Nov. 1916.

Pres.
mis.

The Government are pleased as a special case ~~that~~ to authorise the Dir. of Pub. Motn. to incur during the current year an expenditure up to a limit of Rs 83,000 over and above the sanctioned budget ^{allotment} ~~grant~~ for "Building grants - Non-European Schools". The Director is requested to see that the grants are given only ^{in cases} ~~in cases~~ in which the amounts can actually be disbursed ~~for the current year~~ ^(provision of the) in consonance with the grant-in-aid Code.

Proof
21/11

GOVERNMENT PRESS
20 NOV 1916
MADRAS
Muller

GOVERNMENT OF MADRAS
HOME DEPARTMENT
(Education)

READ—the following paper :—

Letter—from the Hon'ble Mr. J. H. STONE, M.A., F.R.S., C.I.E., Director of Public Instruction.

To—the Secretary to Government, Home (Education) Department.

Dated—Madras, the 2nd November 1916.

No.—Cur. 8982.

The allotment under "Building grants" to non-European schools in the current year's revised budget estimate is Rs. 1,75,918. Out of this amount, a sum of Rs. 1,57,207 has up till now been paid. There is thus a balance of only Rs. 18,711 available for payment during the remaining portion of the current year. The present liability under "Building grants" i.e., grants promised for building schemes and which have yet to be paid amounts to Rs. 2,32,750. Of these schemes, some have been completed and are awaiting payment of grants due to them and some others will probably be completed within the current year. The building grants sanctioned in the case of such schemes amount to Rs. 95,717 and it is hoped that this amount can be paid during the current year. To meet this expenditure, there is only a provision of Rs. 18,711 available out of the current year's allotment. An additional allotment of Rs. 77,000 is therefore required for payment during the current year.

2. In the case of the marginally-noted three schools, the Government have

- 1. C. S. M. Girls' school, Tanna street, sanctioned the acquisition of lands and buildings—vide G.Os. No. 259, Educational, dated 10th March 1916, No. 459, Educational, dated 27th April 1916, and No. 771, Educational, dated 13th July 1916. But no grants have been promised. If grants are to be given, they can be paid during the current year. The amounts that might be paid to these three institutions come to about Rs. 5,340.
- 2. Chintadripet secondary school.
- 3. Madras Progressive Union secondary school.

3. A total sum of Rs. 82,886 or Rs. 83,000 in round figures is therefore a maximum estimate of the amount that can be paid during the current year and I have the honour to request that you will be good enough to provide an additional allotment equal to this amount under "Building grants" to non-European schools in the current year's budget.

4. Apart from the question of giving a grant to St. George's Homes, no additional allotment is required for European schools this year.

2. Orders will issue in the Financial department sanctioning an additional allotment of Rs. 83,000 to meet the above expenditure

CR
12.11.16

SM
11.11.16
Muller

10/13/16

To
The Dir of Pub Instn.
The Accountant General
The Financial department
(with notes in print)

49
27
17
1

Order—No. 1182, Home (Education), dated the 13th November 1916.

The Government are pleased as a special case to authorise the Director of Public Instruction to incur during the current year an expenditure up to a limit of Rs. 83,000 over and above the sanctioned budget allotment for "Building grants—non-European schools." The Director is requested to see that the grants are given only in cases in which the amounts can actually be disbursed in consonance with the provisions of the Grant-in-Aid Code.

2. Orders will issue in the Financial Department sanctioning an additional allotment of Rs. 83,000 to meet the above expenditure.

(True Extract)

P. RAJAGOPALA ACHARIYAR,

Secretary to Government.

To the Director of Public Instruction.

„ Accountant-General.

„ Financial Department (with notes).

(EDUCATION)

G.O. No. 1182, 13th November 1916

Building grants

Authorising the Director of Public Instruction to incur an expenditure up to a limit of Rs. 83,000, over and above the sanctioned budget ~~grants~~, towards — to non-European schools, and stating that orders will issue in Financial as regards the additional allotment of funds.

allotment

S. D. Sanyal



For Approval
Lt. Es. Miley

HOME (EDUCATION) DEPARTMENT.
NOTES CONNECTED WITH G.O. No. 1182, HOME (EDUCATION),
DATED THE 13TH NOVEMBER 1916.

[SUBJECT.—Building grants.]

Demi-official—from the Hon'ble Mr. J. H. STONE, M.A., F.R.E.S., C.I.E., Director
of Public Instruction.

To—the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARYAR AVARGAL, C.I.E.,
Secretary to Government, Educational Department.

4/ Date—Ootacamund, the 25th June 1916.
No.—68.

Sir Harold Stuart suggested to me in conversation that Government might reconsider their orders about building grants, allowing such to be promised under the ordinary rules and earmarking a certain part of their balances, which I gather will be released after the war, for redeeming such promises.

This, if done, would of course enable me to tell such schools as have been refused grants for the present that we were prepared to consider their applications again.

I find that, if this were done, and taking into consideration cases in which managers have been allowed to build without prejudice to the question of grant, we should have liabilities to the following amounts:—

(1) Non-European schools.				Building grants.	Hostel grants.
				RS.	RS.
Existing liabilities	...	...	...	2,78,665	1,75,416
Grants refused	...	...	...	3,27,754	(None refused).
Grants not promised but permission to build given	...	...	...	30,942	
Total				6,37,361	1,75,416
					X
(2) European schools.					
Grants promised	...	...	...	...	1,17,672
Grants refused	...	...	...	...	76,000
Total				...	1,93,672

The budget allotments for 1916-17 are, non-European schools building grants Rs. 1,18,000, hostel grants Rs. 96,000, European schools building grants Rs. 68,000. Subtracting these sums from the total liabilities Rs. 10,06,449 we get Rs. 6,54,449.

In addition to this we had proposals for the utilisation of the 4.5 lakhs Imperial non-recurring grant for European school buildings. If, therefore, we are allowed to promise grants on account of these also, we should have at the end of the year a total possible liability of Rs. 11,04,449 provided that no new building schemes were taken on hand. Assuming that 11 lakhs could be earmarked out of Government's balances at the end of the war for paying deferred building grants, and that entirely new schemes were sanctioned in any year only up to a limit of the budget allotment for that year, the financial position would be sound.

2 NOTES TO G.O. No. 1182, HOME (EDUCATION), 18TH NOVEMBER 1916

There is such a very general need for better accommodation in schools and managers so constantly express their willingness to wait indefinitely for the payment of grants for building that I think a reconsideration of the matter is very desirable.

P.S.—Since the above was typed the St. George's Homes, Kodaikanal, have asked for grant on altogether Rs. 2,48,000. Half this is Rs. 1,21,500 and in the above estimate Rs. 64,000 has been included on account of these homes, leaving Rs. 57,500. If therefore Rs. 13,00,000 be substituted for Rs. 12,00,000 provision would be made for grant to these homes even if Government were to decide to give a two-third instead of a half grant.

EDUCATIONAL DEPARTMENT.

The Director of Public Instruction in his letter of 18th January 1915 (on page 1 of G.O. No. 165, Educational, dated the 15th February 1915) pointed out that the liability of the department under building grants amounted to nearly 6 lakhs up to that date, that most of the proposals would mature in the course of the next four years and that, as the allotment ordinarily provided for the purpose in the civil budget estimate would be insufficient to pay off the grants already

P.R.—10-7-16.

promised without keeping the managers waiting for money, it was undesirable to go on increasing the liability. Consequently the Government directed that sanction to building grants in certain

cases should be deferred—vide G.O. No. 165, Educational, dated the 15th February 1915.

Owing to the financial stringency consequent on the war and in view of the policy of retrenchment enunciated in Memorandum No. 7437-1, Financial, dated

P.R.—10-7-16.

the 26th October 1915, it has recently been the policy of the Government *not* to sanction or promise any grants for *new* buildings (except grants for hostels which were treated as urgent) unless the work is such that it cannot be postponed

without grave inconvenience. The authorities of schools were, however, permitted to proceed with their work if they so desired, on the distinct understanding that the permission carried with it no promise of a grant—c.f. G.Os. No. 259, Educational, dated the 10th March 1914, No. 290, Educational, dated the 18th March 1916, and No. 592, Educational, dated the 29th May 1916.

P.R.—10-7-16.

The Director of Public Instruction estimates that the total possible liability on account of deferred building grants will amount to 13 lakhs at the end

of the current year. It will of course be convenient if, as stated by the Director of Public Instruction,

(1) the whole of this amount (13 lakhs) can be met by earmarking a portion of the general balance that may be at the disposal of this Government at the end of the war, and

(2) if new schemes are in future sanctioned in a year only up to the limit of the budget allotment for that year.

The latter course can be strictly followed by this department and the Director

P.R.—10-7-16.

of Public Instruction. As regards the former it is rather too early to say anything definite in the matter. The

question is, however, one for consideration in the Financial Department to whom the file may, it is submitted, be forwarded u.o. for remarks.

S.V.—7-7-16.

T.K.—7-7-16.

P. RAJAGOPALA ACHARIYAR—10-7-16.

FINANCIAL DEPARTMENT.

The Director of Public Instruction proposes to promise building grants in all cases in which, owing to the present financial stringency, he has either refused grants or permitted the construction of school buildings without the promise of a grant. In order to give effect to it, he makes the following suggestions:—

(1) that all grants which are not paid immediately on account of their non-urgent character should be paid at the end of the war;

(2) that grants in respect of new buildings should be promised in future years up to the limit of the budget provision in those years; and

(3) that, to meet the deferred liabilities, a sum of 13 lakhs should be earmarked from provincial balances.

2. The Director's suggestion is practically that the Government should, as soon as the war is over, provide a sum of about 13 lakhs from their balances in order to meet the payment of these deferred grants. It is submitted that the proposal is open to objection on the following grounds:—

(a) Though this Government may earmark the sum of 13 lakhs from provincial balances for the purpose, they cannot spend the amount from the balances without the express permission of the Government of India (vide article 1361 Civil Account Code, Volume II). It is doubtful whether the Government of India will be in a position to give this permission as soon as the war is over. The Finance Member in his budget speech pointed out that the termination of the war will leave the Government of India with heavy financial demands.

(b) Even if the Government of India should permit an appreciable amount being spent from the provincial balances as soon as the war is over, it seems doubtful whether a sum of 13 lakhs can be given in a single year for the purpose of paying building grants for secondary schools and colleges. Several other services are being starved owing to the present financial stringency, e.g., we have been able to give only small grants to local bodies for minor sanitation, major water-supply and drainage schemes, while the provision made for medical buildings, elementary school buildings and roads and bridges is either very small or nil. It may also be mentioned that several Government buildings (e.g., police quarters) which are urgent, are being postponed for want of funds. The claims of all these services will, it is submitted, have to be considered when money is drawn from balances, and there seems to be no justification for providing the large sum of 13 lakhs in a single year for building grants to secondary schools and colleges, in preference to other schemes.

(c) The expenditure on building grants is by no means starved even at present, as will be seen from the following figures:—

	Building grants.		Hostels (attached to aided schools).	Total.
	Non-European schools.	European schools.		
	LAKHS.	LAKHS.	LAKHS.	LAKHS.
1908-09				
1909-10				
1910-11				
1911-12				
1912-13				
1913-14				
1914-15				
1915-16 (Revenue Estimate)				
1916-17 (Budget)				

Naturally. The Educational "boom" accounts for it.

L.D.—19-7-16.

As against an average of 5.18 lakhs in the period 1914-16.

L.D.—19-7-16.

3 The allotments sanctioned for the purpose in recent years are, it will be seen, very largely in excess of those sanctioned prior to 1912-13, and the budget estimate for the current year contains a large allotment of 3.52* lakhs in spite of the very great economy that is being enforced in other departments in view of the present financial stringency. If, in spite of this large provision, the Government are unable to meet the demands for school buildings, it is respectfully submitted that some of the demands should wait till money can be found for them in the ordinary course. The Government cannot, it is submitted, undertake to provide school buildings for aided secondary schools and colleges at a much faster rate than their finances permit.

3. The existing liability of Government in regard to building and hostel grants seems also to be somewhat exaggerated. The Director of Public Instruction's figure of 13 lakhs is arrived at as follows:—

	Liabilities.	Budget provision in 1916-17.	Net liability to be met in future years (columns 2 and 3)
	LAKHS.	LAKHS.	LAKHS.
(1) Building grants—non-European schools ..	6.37	1.88	4.49
(2) Do. — European schools ..	1.34	.68	2.24
(3) Hostels	1.75	.79	4.50
(4) Balance of non-recurring Imperial grant (for European schools.)	4.50	..	..
Total ..	..	..	12.02

The Director of Public Instruction has rounded this to 13 lakhs. The liability of 2.24 lakhs for European schools can well be met from the Imperial grant of 4.50 lakhs and it does not seem therefore necessary to make separate provision for the

L.D.—19-7-16.

2.24 lakhs. The liability will then be (4.49 + .79 + 4.50) or 9.78 or about 10 lakhs, of which 4.50 lakhs represents the balance of Imperial grants, and it should be possible for the Director of Public Instruction to meet it from the grants annually placed at his disposal and any supplementary grants that may be sanctioned from Provincial balances and by the Government of India when the finances have improved.

4. In view of the circumstances stated in the preceding paragraphs it does not appear that the Director of Public Instruction's suggestions should be accepted.

V.V.—17-7-16.

T.A.S.—18-7-16.

I venture, with very great respect to submit, that Financial cannot but oppose this scheme. What we are really asked to do is two things. The first is to commit ourselves to an expenditure of about 13 lakhs of rupees to be met from balances at the end of the war; the second to sanction grants subject to budget provision in future years, that is, I take it from the year 1917-18. There is no objection to the second suggestion taken by itself, but then what will happen in cases where the budget provision in any year is not sufficient for all the buildings that may be constructed? We then come back to the position of making commitments, and our ultimate liability will be very much greater than what has now been forecasted by Mr. Stone.

As regards the first suggestion I beg to point out that we can make no such commitment without the consent of the Government of India. The balances are not

at our unlimited disposal, and any promise to make definite payment from our balances after the war will, I think, require the consent of the Government of India. Moreover it is difficult to say for how long after the war the present policy of retrenchment and economy will have to be continued, and it seems inadvisable therefore to bind Government to any definite policy in the matter of future expenditure on building grants. The only course

L.D.—19-7-16.

appears to be to continue the policy we are now adopting, and to limit the grant to budget provision, it being left to the Director of Public Instruction to give the grants to old or new buildings erected with his consent. When the financial stringency has been removed we shall probably have a large number of buildings for which grants have not been paid, but this cannot be helped and we shall then have to consider the question of making larger budget provision. For the present, however, I think Financial might advise that the scheme outlined by the Director of Public Instruction should be negated.

L.D.—19-7-16.

If I may be permitted to say so, I cannot help feeling that Mr. Stone has misunderstood Honourable Member (Financial).

L. E. KERSHAW—18-7-16.

We cannot possibly give any guarantee such as that sought.

Will Educational kindly circulate to Honourable Member (Financial).

L. DAVIDSON—19-7-16.

EDUCATIONAL DEPARTMENT.

For orders as to circulation to His Excellency the Governor and the Hon'ble Sir Harold Stuart, K.C.S.I., K.C.V.O.

E.A.V.—20-7-16.

C.R.—21-7-16.

For the reasons given by Financial (the Assistant Secretary's note and the Chief Secretary's note) I think that the proposal made by Mr. Stone should be negated. At present the grant is limited every year to the provision in the budget and the Director of Public Instruction has the discretion to give out of it for buildings erected with his consent. After the financial stringency is removed, the question of a larger budget provision may be considered and it may be possible in the course of two or three years to work off the cases of the large number of buildings which have been constructed with our permission but for which we have neither paid nor promised any grant.

P. RAJAGOPALA ACHARIAR—23-7-16.

I should like to have Sir Harold Stuart's observations.

P/ENTLAND—24-7-16.

Our system of educational finance is deplorably bad. In our Grant-in-Aid Code we offer certain financial assistance with the object of encouraging private enterprise in the field of education, but we then introduce a large element of uncertainty by a proviso that the giving of grants will depend upon the funds available. I admit that we are partly forced into this illogical position by the fact that we have practically no powers of taxation and cannot, therefore, adjust our income to our expenditure. I am of opinion, however, that within the limits allowed us we could do more than we have done to keep the promises made in the Grant-in-Aid Code, and I should like to see it recognized that those promises have a strong claim upon our funds as the obligation to pay salaries and pensions. It must be remembered that no grant is sanctioned by the Director unless he considers that the giving of it will result in the public benefit. Formerly the ordinary educational grants-in-aid, i.e., salary grants and capitation grants, were often reduced by a percentage in order to keep the total within the budget provision. We have stopped that undesirable practice now, but we still fail to fulfil the promises of the Grant-in-Aid Code in respect of educational

buildings. I admit that the war has produced an exceptional position, but it is our duty to reduce as far as possible the hindrances to educational progress created by that position and in doing so we shall have the hearty support of public opinion. While we are paring down grants, our financial position is steadily improving and our opening balance this year was, I think, 115 lakhs against an estimate of 102.20 lakhs. It seems to me, therefore, that we should be quite safe in giving an undertaking that, as soon as we are free to draw on our balances again, we will give a substantial sum to meet grants which would have been sanctioned if the financial conditions had been normal. So far as European schools are concerned, we have 4.50 lakhs definitely earmarked for expenditure on that particular object and we should be quite safe in allowing the Director to accept liabilities up to that amount.

	LAKHS.
1913-14	4.85
1914-15	5.52
1915-16	10.37
1916-17	2.96
	3.82
	6.48
	3.89

or 4 lakhs in round figures.

For non-European schools, I think we might safely permit a similar acceptance of liabilities up to a total of, say, 4 lakhs, which is approximately the difference between the amounts actually provided in the last two years and the sums which would have been provided if conditions had been normal.

2. The Financial Department notes give too much weight to the fact that we require the sanction of the Government of India before drawing on our balances.

That is perfectly true as a formal statement, but we know that, as soon as normal financial conditions are restored, we shall be allowed to draw pretty freely upon the large balance that stands to our credit. It seems to me to be somewhat pedantic purism to refuse to accept any future liability because we have to go through the formality of obtaining the sanction of the Government of India to our budget proposals.

3. We are now nearly at the end of July and I believe that we have a fairly substantial balance upon which we could draw for fresh provision of funds during the current year. In these circumstances, I am disposed to increase the provision for grants-in-aid of education buildings. I believe we could safely give another lakh and a half, and perhaps more. We should to that extent reduce the amount of our future obligations.

H. A. S[TUART]—25-7-16.

To follow up the suggestion of Sir Harold Stuart's concluding paragraph above, which will, I feel sure, command the general assent of Government, I would suggest that it might now be examined in Financial with reference to our existing credit balance; and also the further question as to whether and what additional liabilities might be accepted; the file being re-submitted later through Sir Harold Stuart.

P[ENTLAND]—27-7-16.

P. RAJAGOPALA ACHARIYAR—28-7-16.

FINANCIAL DEPARTMENT.

The Honourable Member (Financial) has been pleased to characterise my criticism of this case as "pedantic purism". I must bow to the Honourable Member's opinion, but I feel that in justice to myself it is necessary to explain why it was not possible for Financial to take any other view of the case in the form in which it was presented. The Honourable Member has

Not so. I was criticizing an established practice. Mr. Kershaw was quite right to bring it to notice and even to lay emphasis on it.

H. A. S[TUART].

remarked that, as soon as normal conditions are restored, we shall be allowed to draw freely upon the large balance that stands to our credit. This will probably be the case, but I beg, with very great respect, to doubt whether acting on this presumption Financial could agree to a public commitment being made that after the war the Government would find a definite sum for a definite purpose from balances. Any proposal to draw on our balances requires the sanction of the Government of India.

Quite so, and we need not be timid about small future commitments.

H. A. S[TUART].

When the amount is small this sanction is usually obtained when the budget estimates are sent up for approval, but note 2 to article 154 of the Civil Account

Code, Volume I, lays down that when Local Governments propose to provide in their estimates for any considerable expenditure out of accumulated balances the proposals must be forwarded to the Government of India in advance of the estimates for separate consideration. In the present case we were not concerned with any particular budget but were asked to agree to commit Government to find 13 lakhs from balances after the war. In my humble opinion Financial could not give that guarantee unhesitatingly, and it was necessary to point out that such a proposal required the sanction of the Government of India, as once the promise was made to find the money we would be bound by that promise. The Honourable Member has, however, overruled Financial on this point, so I have nothing more to say on this subject.

2. In paragraph 1 of his note, the Honourable Member has remarked that we could do more in the direction of keeping the promises made in the Grant-in-Aid Code

I was referring to grants in general: we have not by any means met our obligations in full.

H. A. S[TUART].

so far as building grants are concerned. In this connection I submit a rather illuminating statement giving details of expenditure on building grants from the year 1908-09 to 1916-17.

STATEMENT showing the expenditure on building grants and hostels from 1908-09.

Year.	Building grants—non-European schools.			Building grants—European schools.			Hostels (d).		
	Figure proposed by the Director of Public Instruction.	Amount made in the budget.	Actuals.	Figure proposed by the Director of Public Instruction.	Amount made in the budget.	Actuals.	Figure proposed by the Director of Public Instruction.	Amount made in the budget.	Actuals.
	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.
1908-09	40	40	23	20	20	27	..	..	..
1909-10	60	60	61	20	20	27	..	..	..
1910-11	60	60	38	20	20	19	..	..	..
1911-12	72	72	62	20	20	20	..	..	..
1912-13	73	73	127 (a)	45	45	38	..	..	60
1913-14	73	73	165 (a)	45	45	48	..	321	272
1914-15	73	73	207 (a)	45	45	143	321	296	202
1915-16	100	100	138 (b)	45	45	68 (b)	146	146	40
1916-17	250	188 (c)	..	68	68	..	133	96	..

(a) The Director of Public Instruction himself reappropriated the amounts from the provision made for grants for furniture, apparatus, etc. In 1914-15, an additional allotment of 50 lakh was sanctioned in G.O. B. No. 17, Financial, dated 14th January 1915, and the balance was met by the Director of Public Instruction as above.

(b) Additional allotments were sanctioned by Government in the course of the year—paragraph 2 of the Honourable Member's note, dated 13th December 1915, on page 4 of notes to G.O. No. 1-2, Financial, dated 1st January 1916, and G.O. B. No. 418, Financial, dated 22nd December 1915.

(c) The amount originally allotted, viz., 138 lakhs, was subsequently raised by 50 lakh—pages 4-5 of notes to G.O. No. 1-2, Financial, dated 1st January 1916.

(d) Hostel grants are being met wholly from Imperial grants—96 lakh recurring, 450 lakhs non-recurring and 400 non-recurring included in the non-recurring grant of 49 lakhs. The budget provision for the current year represents the recurring grant of 96 lakh.

An analysis of this statement gives the following results:—

Non-European schools.—In the years 1908-09 to 1911-12 we gave the Director of Public Instruction the full amounts he asked for in the budget, but except in the year 1909-10 he was unable to utilise the whole amount. In the succeeding four years, 1912-13 to 1915-16, we again gave the Director of Public Instruction all that he asked for and in addition sanctioned additional allotments. The total expenditure budgeted for during these four years was Rs. 3.1½ lakhs but the actual expenditure was 6.87 lakhs.

In the year 1916-17 we were unable to give the Director of Public Instruction all that he asked for.

European schools.—In the years 1908-09 to 1912-13 we gave the Director of Public Instruction what he wanted but except for one year he was unable to spend the amounts allotted. In the three following years budget provision was exceeded and in 1916-17 the Director of Public Instruction has received what he asked for.

Hostels.—During the three years 1913-14 to 1915-16, the Director of Public Instruction was unable to spend the whole of the budget provision, but in 1916-17, he has been given less than he wanted.

It seems to be only in the present year that building grants have been to a certain extent curtailed. Honourable Member has directed that the Director of Public Instruction may be permitted to accept liabilities up to 8.50 lakhs, to be met when financial restrictions are removed. I might however point out that, unless the restrictions are removed in the near future, our obligations might be increased by the time the war is over unless the budget provision hereafter made is large.

3. In paragraph 3 of his note Honourable Member desires that another lakh and a half should be given this year for buildings. This must come either out of balances or from the reserve. The preliminary accounts for 1915-16 show an improvement of 12.82 lakhs, and our opening balance this year will therefore be 115.02 as against 102.20 originally anticipated. If the intention is that the sum of 1.50 lakhs should come out of this net betterment the sanction of the Government of India will have to be obtained. As regards the reserve our free balance at present is 3.76 lakhs, and if the additional allotment is to come from reserve it is for consideration whether it should be paid immediately or a little later on in the year when surrenders might be expected. Honourable Member will no doubt pass orders on the question as to whether the allotment of 1.50 must be given from balances or from reserve.

L. E. KERSHAW—4-8-16.

The issue whether the additional 1.50 should come from reserve or balance requires immediate decision and the file should be submitted to Honourable Member at once as he may wish to mention this point and the question of future commitments to Sir W. S. Meyer, who arrives in Ootacamund today. If the latter does not definitely bar allotment from balance, it would be safer not to trench on our reserve of 3/16.

L. DAVIDSON—6-8-16.

We can spare 1.50 from reserve but it will probably not be wanted in full at present. The Director of Public Instruction can be consulted about that.

2. Mr. Kershaw has misunderstood my criticisms as I have explained in my marginal note.

H. A. S[UART]—7-8-16.

Will Financial please note a definite liability of 1.50 against reserve, and then pass the case on to Home Department.

L.E.K.—8-8-16.

HOME (EDUCATION) DEPARTMENT.

Draft demi-official to the Director of Public Instruction submitted.

S.N.P.—14-8-16.

T.K.—14-8-16.

C. RAMANUJA ACHARIYAR—16-8-16.

Draft demi-official to Mr. Stone for approval.

P. RAJAGOPALA ACHARIYAR—20-8-16.

P[ENTLAND]—21-8-16.

A. G. C[ARDEW]—22-8-16.

H. A. S[UART]—23-8-16.

P. S. S[IVASWAMI AYYAR]—23-8-16.

Issue.

P.R.—28-8-16.

X Demi-official—from the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Home (Education) Department.

To—the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public Instruction.

Dated—the 28th August 1916.

No.—2199-3 Edl.

68/16

With reference to your demi-official letter, No. ~~68/16~~, dated the 25th June 1916, requesting a reconsideration of the orders about building grants, I am to state that the Government agree to your accepting liabilities up to a total of 8-50 * lakhs, to be paid when normal conditions are restored.

Towards the above liability the Government hope to allot 1-50 lakhs in the current year in addition to the budget provision for building grants. I am to enquire whether you would require this amount of Rs. 1-50 lakhs in full at once.

Demi-official—from the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public Instruction.

To—the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR Avargal, C.I.E., Secretary to Government, Home (Education), Department.

Dated—Nungambakam, the 21st September 1916.

No.—177.

With reference to your demi official letter No. 2199-3, dated 28th August 1916, enquiring whether any additional amount is required for expenditure under building grants this year, I find that an extra sum of Rs. 33,000 could be utilized this year for payment of building grants to non-European schools under private management.

2. As regards schools under public management, I may state that those mentioned in the enclosed list have applied for aid towards the cost of improving their accommodation; but the authorities concerned have been advised to renew their applications after the termination of the war. If Government are willing to advance money to the local bodies for those schemes and if they are willing to sanction a grant equal to the full cost as asked for in all cases excepting Nos. 4, 8, 9 and 10, another sum of Rs. 1,32,655 will be required during the current year. Detailed plans and estimates would of course have first to be prepared and approved. I may add that there are other schools under public management in which improvements in accommodation are desirable, e.g., Russelkonda and Chicaole.

3. As regards European schools, no additional amount will be required during the current year unless Government sanction an additional building grant to St. George's Homes, Kodaikanal, referred to in this office letter R.O. No. 822/16, dated 25th July 1916, and agree to prepay 40 to the school as requested by the management, I would suggest that the Imperial 45 on account of European schools may be spread over three years from 1917-18, 60 being allotted next year.

ENCLOSURE.

List of schools under public management for which aid is required for improvement of accommodation.

No.	Name of schools.	Amount required.
		RS.
1.	Municipal High school, Walajapet	45,000
2.	Do. Anakkapalle	10,000
3.	Board Secondary school, Harpanahalli	12,000
4.	Do. Pattukkottai	12,555
5.	Do. Lalgudi	25,000
6.	Do. Aska	7,700
7.	Do. Kottayi	3,000
8.	Do. Kollur	3,100
9.	Do. Kavali	10,000
10.	Do. Chowgat	4,800
Total		1,32,655

HOME (EDUCATION) DEPARTMENT.

Please see Financial Honourable Member's order on page 4 ante stating that 1-50 lakhs could be spared for building grants and that the Director of Public Instruction should be asked about the amount required at present.

2. In his demi-official on page 4 ante the Director of Public Instruction states—
(i) that an extra sum of Rs. 33,000 could be utilized this year for payment of building grants to non-European schools under private management;

(ii) that another sum of Rs. 1,32,655 will be required during the current year for payment of grants to local bodies if the Government are willing to advance the amount; and

(iii) that as regards European schools, no additional amount would be required during the current year unless the Government agree to pay Rs. 40,000 to St. George's Homes, Kodaikanal, as suggested by the management.

3. (i) As regards Rs. 33,000 required for non-European schools, it may be observed that the Director of Public Instruction has not furnished any details as to how the above amount was arrived at. There are two cases lying over relating to building grants to the Onslow Secondary school at Chatrapur and the School for the blind at Palamcottah. These cases have been seen u.o. by the Director of Public Instruction and it is not known whether he has made provision for grants to these institutions in his present letter. In the files on the subject (linked herewith) it is proposed to request the Director of Public Instruction to state whether in the amount above referred to he has made any provision for these cases. The amount required by the Director may be allotted this year.

(ii) As regards building grants to schools under local bodies, the Director of Public Instruction states that he has advised the authorities to renew their applications for grant after the war. Detailed plans and estimates have yet to be prepared and approved and this will naturally take time. It is, therefore, doubtful whether the local bodies will spend the money during the current year and it does not seem necessary at present to advance the amount to them. For orders whether in the above circumstances any grant should be made to these institutions at present.

(iii) As regards the question of an additional grant to the St. George's Homes, Kodaikanal, it may be noted that it has been separately proposed to pay Rs. 30,000 from the reserve of 1-50 lakhs and to ask the Director of Public Instruction to meet Rs. 10,000 from this budget allotment.

4. With reference to the concluding portion of the Director's letter (portion marked A on page 9 ante) it is submitted that the suggestion may be noted for consideration in connection with the budget. An extract of this has been separately taken for consideration.

5. The file has to go to Financial for issue of orders.

S.N.P.—1-10-16.

T.K.—2-10-16.

Subject to any further alterations that may be necessary with reference to the u.o. references to be made to the Director of Public Instruction in connection with building grants for the Onslow school, Chatrapur, and for the School for the blind at

P.R.—5-10-16.

Palamcottah, Financial may be informed that Rs. (33,000 + 30,000) 63,000 will be immediately needed out of the 1-50 which it has been decided to allot for building grants from the reserve in the current year.

As regards the subsidies to local bodies, the question has not been considered in connection with this file till now. The sum of Rs. 1-33 lakhs referred to by the Director of Public Instruction, therefore, indicates a further liability to be added to the 13 lakhs originally mentioned by him. There seems to be no doubt that this liability should also be counted upon. The Director of Public Instruction's estimate is only very rough and apparently proceeds in the direction of finding objects for the

Yes.

P.R.—5-10-16.

utilization of the full allotment of 1-50 lakhs. He may be asked, if Financial agree, whether subsidies in the case of any of those mentioned by him are urgently needed for utilization in the current year on the works.

C. RAMANJIA ACHARIYAR—5-10-16.

P. RAJAGOPALA ACHARIYAR—5-10-16.

FINANCIAL DEPARTMENT.

I think we run the risk of some confusion arising in this case unless we lay down some guiding principles to be followed by the Director of Public Instruction. The case started with a demi-official from Mr. Stone in which he purported to show that in the case of *private managed* schools the Government liability on building grants would amount to 13 lakhs if we took into consideration those cases in which managers were permitted to build without prejudice to the question of grants, but who were not given any grants owing to the present financial stringency. Government after full consideration of the case have agreed to the Director of Public Instruction accepting commitments up to 8-50 lakhs, and have also agreed to an immediate allotment of 1-50 lakhs during the current year. On the Director of Public Instruction being addressed as to the distribution of this 1-50 lakhs we are told that all that he can spend is Rs. 4,000 for the St. George's Homes, and another Rs. 33,000 for some non-European schools under private management, details not given. Incidentally we have a demand of 1-32 lakhs sprung on us for schools under public management. Now as the Registrar in the Home Department very correctly points out, schools under public management are for the first time mentioned by the Director of Public Instruction in connection with these building grants. They were not taken into consideration when he sent in his estimate of 13 lakhs, nor were they considered by Government when they agreed to the commitment of 8-50 lakhs and the payment of 1-50 lakhs during the current year. It is clear therefore from the Director of Public Instruction's last demi-official letter that so far as private schools go, the demands do not come to anywhere near the 1-50 lakhs which it was thought would be required in the current year. The question now is whether the 8-50 lakhs, up to which the Director of Public Instruction has been authorized to make commitments, should include schools under public management, and whether the allotment of 1-50 lakhs available for distribution this year may be similarly utilized for grants

to schools under public management. I do not wish to appear obstructive in this case, but I feel it is my duty, noting in Financial, to point out that if schools under public management are brought within the purview of this case we shall perforce sooner or later have to increase our commitment of 8-50 lakhs. I would point out in the first place that the Hon'ble Sir Harold Stuart arrived at this figure by the following process of calculation. He took first the sum of 4-50 lakhs definitely earmarked for expenditure on European schools. It must be noted that there are no European schools under public management so that none of this amount is available for such schools. Sir Harold Stuart took next the sum of 4 lakhs representing the difference between the amounts actually provided in the last two years, and the sum which would have been provided if conditions had been normal. This calculation again was based entirely on grants to schools under private management. Sir Harold Stuart also remarked that we could do more in the direction of keeping the promises made in the grant-in-aid code. Here too it should be noted that the grant-in-aid code does not apply to grants to local bodies. The introduction of schools under public management at this stage of the proceedings is therefore an innovation. The sum of 8-50 lakhs referred to schools under private management only, and I submit that Financial should deprecate the introduction of schools under public management into the scheme. If we agreed to this we would be told that the sum of 8-50 lakhs was not nearly sufficient to cover both classes of schools. We might have somebody pointing out to us that whereas in 1913-14 we gave local bodies 15-32 for the construction of schools (due to the policy of reducing what were called our inflated balances), in 1914-15 we allotted only 4-73 and in 1915-16 the small sum of -05. We might then be asked to make commitments representing the difference between 15-32 and 4-88. It must be remembered that grants to local bodies are made only when we can really find the money, and the grant-in-aid code cannot be quoted in their support. I think, therefore, the advice which Financial should give is clearly that the Director of Public Instruction should not be permitted to bring schools under local bodies into this scheme. He should be told that it is limited to schools under private management and that Government cannot extend the precedent thus created to schools under public management.

2. As regards the allotment of 1-50 lakhs to be given this year in partial liquidation of our commitment of 8-50 lakhs this too must be limited to private schools, and the proper course appears to be for Government now to require the Director of Public Instruction to make formal proposals for the distribution of this amount, bearing in mind that the grants are to be made in consonance with the letter of the grant-in-aid code, and only if they can actually be spent. There should, I submit, be no question of making advances. We are hard up for money ourselves and cannot afford to make advances to schools in anticipation of expenditure in some future year. It might be a good thing for the schools to get such advances and to enjoy the interest from them, but from the point of view of Government it is not business.

L. E. KERSHAW—7-10-16.

L. DAVIDSON—9-10-16.

HOME (EDUCATION) DEPARTMENT.

Please see end of paragraph 1 and paragraph 2 of the Assistant Secretary's note. The Financial Department observe that the allotment of 1-50 lakhs out of the commitment of 8-50 lakhs must be limited to *private* managed schools and that the Director of Public Instruction may be asked to make formal proposals for the distribution of this amount, bearing in mind that the grants are to be made in consonance with the letter of the grant-in-aid code and only if they can actually be spent.

2. A draft demi-official to the Director of Public Instruction is placed below for approval.

S.N.P.—13-10-16.

T.K.—16-10-16.

C. RAMANUJA ACHARIYAR—18-10-16.

P. RAJAGOPALA ACHARIYAR—19-10-16.

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NOTES to G.O. No. 1182, HOME (EDUCATION), 13TH NOVEMBER 1916 13

Demi-official—from the Hon'ble Diwan Bahadur P. RAJAGOPALA ACHARIYAR
Avargal, C.I.E., Secretary to Government, Home (Education)
Department.

To—the Hon'ble Mr. J. H. STONE, M.A., F.R.H.S., C.I.E., Director of Public
Instruction.

Dated—the 19th October 1916.

No.—2199-5.

With reference to your demi-official No. 177, dated the 21st September 1916, regarding an additional allotment for building grants, I am to say that schools under public management should not be brought into the scheme referred to in my demi-official No. 2199-3, Education, dated the 28th August 1916. I am to ask you to make formal proposals for the distribution of the amount of 1.50 lakhs to private managed schools, deducting from this amount the Rs. 30,000 which has been earmarked for the St. George's Homes, Kodakanal. The grants proposed should of course be in consonance with the grant-in-aid code and the proposals should relate only to cases in which the amounts could be actually spent in the current year. There should be no question of making advances. (cap)

From the Director of Public Instruction, C. No. 8982, dated the
22nd November 1916. 12

Please see Financial Department's note on page 30 ante. The Director of Public Instruction has now submitted formal proposals as to the amount that can actually be spent during the current year.

2. The proposals of the Director of Public Instruction may be accepted in this department and the case sent to the Financial Department ~~via~~ with a request that they may sanction an additional allotment of Rs. 83,000, now requested by the Director of Public Instruction in addition to the Rs. 30,000 already allotted by Financial (in G.O. No. 232, dated 24th October 1916) for the St George's Homes. 9

R/ S.N.P.—4-11-16.

T.K.—4-11-16.

(Financial)

C. RAMANUJA ACHARIYAR—6-11-16.

P. RAJAGOPALA ACHARIYAR—7-11-16.

FINANCIAL DEPARTMENT.

Submitted that the Home (Education) Department may be requested to issue an order in the first instance authorizing the Director of Public Instruction to incur an expenditure up to a limit of Rs. 83,000 in the current year over and above the sanctioned grant for "Building grants—Non-European schools", asking the Director

L.E.K.—9-11-16.

of Public Instruction to incur expenditure only in cases in which the amounts can actually be disbursed in the current year in consonance with the grant-in-aid code (please see portions A and B on pages 1 and 2 of current file), and stating that orders will issue in Financial sanctioning an additional allotment of Rs. 83,000. (cap)

3/ I presume we can still manage to find Rs.

L.D.—10-11-16.

Yes.

L.E.K.—10-11-16.

The necessary action in regard to the allotment of funds from the reserve with Financial will be taken on receipt in Financial of the Educational Department's proceedings on this case.

V.G.K.—9-11-16.

L. E. KIRSHAW—9-11-16.

L. DAVIDSON—10-11-16.

HOME (EDUCATION) DEPARTMENT.

A draft order is submitted for approval.

+ S.N.P.—11-11-16.

T.K.—11-11-16.

C.R.—12-11-16.

P.R.—13-11-16.

[G.O. No. 1182, Home (Education), dated 13th November 1916.] the

ORDINARY.

PRESS SLIP.

PREFERENCE.

URGENT (a).

Sectt. II—38—3-14.

Current No., dated.....191

G.O. No. 1182, dated 11.12.11, 1916.

Number of MS. pages sent { Correspondence.....4
(b) Notes.....45

Brief subject.....

(c) Number of copies required when struck off (not including copies for exchanges and editors' table which are retained in the Press).	(b) E. & L. copies to supply requisitions for purchase by the public.	Complete correspondence and orders.	Notes.
FOR RECORD.*			
Madras Records	4	20	23
Ooty Records		9	9
For filing with original			
Total		29	27

For Issue.†

Signature copies.....

	Letter only	Complete G.O.	(b) Special issue copies of G.O.		Notes.
			No.	Papers.	
India Office.....					
Govt. of India.....Dept.....					
Revenue Department.....					
Public Works Department.....					
Local and Municipal Department.....					
Educational Department.....					
Public Dept.....					
Judicial Dept.....					
Political.....					
Financial Dept.....					
Marine Dept.....					
Ecclesiastical Dept.....					
Total					

Spare copies.

The.....					
The.....					
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The.....					
Total					

* Copies distributed on ‡(Press Clerk).

† Copies distributed on ‡(Press Despatcher).

‡ To be initialled and dated.

INSTRUCTIONS FOR THE SECRETARIAT.

(a) If a paper is marked to be printed urgently, the Superintendent of the section concerned should sign the Press slip. The Superintendent should exercise a careful discretion in the matter.

(b) Each letter, memorandum, or order, or set of orders, in the file of correspondence should be headed in succession with the Roman numeral I, II, III, etc., the number being written in red ink or blue chalk above the item. The particular papers to be printed in the special issue-copies should be indicated by the Roman numeral (I, II, etc.) by which that item has been headed in the correspondence file. All matter, including marginal remarks or references, to be printed should be written in ink and matter which should not be printed should be encircled. Initials and signatures that are not quite legible should be re-written distinctly.

(b) For rules regarding printing of notes, see rule 815 of the office Manual.

(c) The number of copies and the details of distribution should be filled in by the Superintendent or Referencer concerned.

(d) In the absence of special instructions to the Press to keep matter standing for a specified period, ordinary papers of 8 pages and under will be kept standing for one week, and larger papers for two weeks only. The type of notes and of all confidential papers is distributed immediately after striking.

(e) This slip, properly and completely filled in, should accompany every paper sent to Press; it will be returned by the Press when proofs are furnished; it should be sent to the Press when a call is made for revised proofs or when a corrected proof is sent for striking. When finally returned by Press it should be filed with the original order or letter.

INSTRUCTIONS FOR THE PRESS.

(a) If, in the opinion of the Superintendent of the Press, a paper has been marked urgent unnecessarily, he should send the Press slip to the Registrar with a remark to that effect.

(b) Unless a note to the contrary is made against the matter, pencil entries should not be printed. The Superintendent of the Press may bring to the notice of the Registrar any instance of incomplete or careless editing.

(c) Signature copies of letters to the Secretary of State or to the Government of India should be printed on hand-made paper.

(d) This slip should be returned by the Press to the Secretariat when proofs are furnished; it will be sent back to the Press when proofs are returned corrected and should be finally returned to the Secretariat when struck-off copies are supplied.

(e) The names of the Secretary and Members should be printed in full when they occur on the right hand side, only the first time when they appear on the left side, the initials alone being printed later.

TO PRESS, MADRAS OOTY.

A	B	C
Please send proof in duplicate. The papers have been carefully edited.	Proof returned corrected. Please strike off and send number of copies as indicated.	As the matter is clear manuscript and has been carefully edited, (b) proof need not be sent. Please print and supply number of copies as indicated.
Type may be released after usual interval at once.	Type may be released after usual interval at once.	Type may be released after usual interval.
Referencer. Clerk.	Referencer. Clerk.	Referencer. Clerk.
Supdt.	Supdt.	Supdt.

15.7.16

15.2.16

SPECIAL INSTRUCTIONS.

TO BE FILLED IN BY THE PRESS.

Diary.	Initials of Press official.
Received in Press on.....	
First proof furnished on.....	21/11/16
Call for revised proof received on.....	
Revised proof furnished on.....	
Corrected proof received for striking on.....	
Final copies supplied on.....	

Account of copies.	Complete copies.	Notes.	Issue copies.	Special E.T. edition.
Supplied to Secretariat for Record.....				
" " " Issue.....				
" " " for Extra E.T. copies to supply requisitions for sale to the public.				4
For Volumes.....				
For supply to newspapers and institutions admitted to the privileges of the E.T.				
Total ...				

28

Demi official to the Hon'ble Mr. J.H. Stone, M.A., C.I.E.,
Director of Public Instruction No. 2199-3 Educational, dated the
23rd 28th August 1916.

With reference to your demi official letter No. 68/16,
dated the 25th June 1916, requesting a reconsideration of the orders
about building grants, I am to state that the Government agree to
your accepting liabilities up to a total of 8.50 lakhs to be paid
when normal conditions are restored.

4 lakhs in respect of non-European schools,
and 4.50 on account of European schools,
the latter being the unspent balance of the
Imperial non-recurring grant for European
education.

Towards the above
liability the Government
hope to allot 1.50 lakhs

in the current year in addition to the budget provision for building
grants. I am to enquire whether you would require this amount of
Rupees 1.50 lakhs in full at once.

29

Demi official from the Hon'ble Mr. J.H. Stone, M.A., C.I.E.,
Director of Public Instruction, No. 177 of 16, dated the 21st
September 1916.

With reference to your demi official letter No. 2199-3, dated the 28th August 1916 enquiring whether any additional amount is required for expenditure under building grants this year, I find that an extra sum of Rs. 33,000 could be utilized this year for payment of building grants to Non-European Schools under private management.

2. As regards schools under public management, I may state that those mentioned in the enclosed list have applied for aid towards the cost of improving their accommodation; but the authorities ^{Copies not taken} ~~xxxx~~ concerned have been advised to renew their applications after the termination of the war. If Government are willing to advance money to the local bodies for those schemes and if they are willing to sanction a grant equal to the full cost as asked for in all cases excepting Nos. 4, 8, 9 and 10, another sum of Rs. 1,32,655 will be required during the current year. Detailed plans and estimates would of course have first to be prepared and approved. I may add that there are other schools under public management in which improvements in accommodation are desirable, e.g. Russelkonda and Chicaacole.

3. As regards European Schools, no additional amount will be required during the current year unless Government sanction an additional building grant to St. Georges' Homes, Kodaikanal, referred to in this office letter R.O. No. 822/15 dated the 25th July 1916 and agree to prepay .40 to the school as requested by the management. I would suggest that the Imperial 4.5 on account of European Schools may be spread over three years from 1917-18, .60 being allotted next year.

X

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H.C.P.