[E. 13.—]

Educational (190 /) Department.

ORDINARY PRINTED.

G.O., No. 578-579

DATED 14. 10. 01

INDEXED.

ORIGINAL

[Despatch Abstract.]

Teachers in Govt. aided & Board Schools

Addressing the Govt of India on the Suggestion
to extend the postal insurance Scheme
to ——.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government {1901} of Madras.

EDUCATIONAL.

Recd. } 1901. *Enclosures*

Regd. } *Spare copies*

ORIGINAL

G.O., No. 578, 14th October 1901.

OCTOBER.

Teachers in Government, aided and board schools.

Addressing the Government of India on the suggestion to extend the postal insurance system to —.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—again the following paper :—

G.O., No. 348, Educational, dated 24th June 1901.

ABSTRACT.—Communicating to the Director of Public Instruction, for report, letter from the Government of India on the subject of extending the postal insurance system to teachers employed in board, municipal and aided primary and secondary schools.

READ—also the following paper :—

From the Hon'ble Mr. G. H. STUART, M.A., Barrister-at-Law, Director of Public Instruction, Madras, to the Secretary to Government, Educational Department, dated 3rd August 1901, Ref. on C. No. 5029.

In reply to G.O., No. 348, Educational, dated 24th June 1901, I have the honour to say that I have not seen the previous correspondence on the subject of improving the position of school teachers, and therefore I am not certain what class of teachers it is proposed to benefit. If, as would appear from paragraph 4 of Mr. Hewett's letter, the proposal contemplates the case of primary teachers on about Rs. 6 a month, then I think that such teachers would consider it a hardship to be compelled to take out a postal insurance policy. To insure for the sum of Rs. 150, payable at 55, or at death if before, such a teacher would have to pay about As. 6 a month or an anna in the rupee of his salary. He might not mind this if a real provision for his old age could be made, but I doubt whether he would regard Rs. 150 as enough. The scheme has also one of the disadvantages of a pension system, namely, that under it there would be a difficulty in discharging, or at least a disinclination to discharge, an inefficient teacher; for, although the policy would hold good whether the teacher left his employment or not, an unemployed teacher could not keep up the payment of the premiums. I believe most teachers, if they wished to insure at all, would prefer to do so in a private insurance office.

2. I much prefer the system of a Provident fund. The Local Board Provident funds are, I believe, very popular and a similar fund could be started for teachers, its application being limited to teachers on salaries of Rs. 10 or more for the present. Government would, of course, have to contribute a substantial bonus as local boards now do. It might be optional, at all events at first, with teachers to join the fund or not. A teacher joining such a fund at the age of 25 and paying one anna in the rupee of his salary for the 25 or 30 years of his service would, at the end of his time, have a substantial provision for his old age, and no teacher would have a grievance if he were discharged at any time with his accumulated savings.

3. This scheme would be more expensive to Government than that of postal insurance, which would cost nothing, but I do not believe the latter would give an effectual provision for teachers, while it would certainly be unpopular.

ORDER—No. 578, Educational, dated 14th October 1901.

The Government of India will be addressed.

[Here enter letter, No. 579, Educational, dated 14th October 1901.]

(True Extract.)

C. J. WEIR,
Ag. Secretary to Government.

Exd. A. J. D'Monte.

1901.

HOME DEPARTMENT.

From

The Government of Fort St. George.

Recd. } 1901. *Enclosures*

Regd. *Spare copies*

Letter, No. 579, 14th October 1901.

OCTOBER.

SUBMITTING its views on the suggestion to extend the postal insurance system to teachers in Government, aided and board schools.

EDUCATIONAL DEPARTMENT.

From

C. J. WEIR, Esq., I.C.S.,
Acting Secretary to the Government of Fort St. George,
Educational Department,

To

The SECRETARY to the GOVERNMENT of INDIA,
Home Department.

Dated Ootacamund, 14th October 1901.

Sir,

I am directed to acknowledge the receipt of your letter No. 208, Education, dated the 14th June 1901. The Government of India propose that no teacher should be employed in future in any Government, aided or board, primary school unless within three months of his appointment he takes out a postal insurance policy for a sum of, say, Rs. 150, payable at the age of 50 or 55, or on death if he dies before 50. This sum of Rs. 150 is supposed to represent the amount of the teacher's pay for a period of 25 months.

2. In reply, I am to observe that, in the opinion of the Governor in Council, it would be a hardship to compel teachers of primary schools in receipt of such small pay to assure their lives. To take out a policy for Rs. 150, payable at the age of 55, a teacher aged 25 would have to subscribe every month about an anna in the rupee of his salary; this deduction from his pay would be appreciable, while in all probability he would not consider Rs. 150 to be a sufficient provision for his old age. Compulsion to subscribe regularly however small an amount would be irksome, and lead to discontent. Moreover, inasmuch as the policy would hold good under all circumstances, there would not be any inducement to a subscriber to continue as a teacher.

3. In paragraph 2 of your letter you observe that it is extremely doubtful whether the prospect of eventually receiving a pension calculated on the small rates of pay which persons of the classes under notice receive would afford any real inducement for better men to take service. The Governor in Council considers that it is at least equally doubtful whether the prospect of receiving a small sum, the product of compulsory subscriptions, at the age of 55, will work the desired change in the quality of these teachers.

4. On these grounds His Excellency in Council is unable to support the proposal of the Government of India in respect of teachers of primary schools. As regards teachers in secondary schools the scheme may be less open to objection, as they are better paid and belong to a more intelligent class and are therefore more likely to appreciate the benefits of a provision for old age.

I have the honour to be,
Sir,
Your most obedient servant,

C. J. WEIR,
Ag. Secretary to Government.

Erd. S. J. Pereira.

NOTES CONNECTED WITH G.O., Nos. 578, 579, EDUCATIONAL, DATED 14TH OCTOBER 1901.

[SUBJECT.—*Extension of the postal insurance system to teachers in certain primary and secondary schools.*]

G.O., No. 348, *Educational, dated* 24*th June* 1901.

From the Director of Public Instruction, Ref. on C. No. 5029, *dated* 3*rd August* 1901.

In paragraph 4 of Mr. Hewett's letter printed on page 2 of G.O., Nos. 354, 355, Educational, dated 15th June 1899, the question was raised whether any necessity had been demonstrated for the improvement of the position of teachers in board and aided primary schools, especially in regard to their service being made pensionable. Dr. Duncan dealt with this subject in paragraph 6 of his report on Mr. Hewett's letter—*vide* page 10 of the Government order quoted. He thought that the question was beset with difficulties which in the existing state of provincial, municipal and local fund finances appeared to be insurmountable. The Government of India were informed accordingly in paragraph 23 of letter No. 355, dated 15th June 1899—page 23 of the Government order quoted.

2. In Mr. Hewett's letter No. 208, dated 14th June 1901, printed in G.O., No. 348, Educational, of the 24th idem, it was stated that, on a consideration of all the circumstances connected with the question, the Government of India doubted whether the grant of pensions to the teachers in question would be either useful or advisable, and that the idea of establishing a provident fund to which the teachers might be asked to subscribe had likewise to be given up. The Government of India, however, thought that the benefits of the postal insurance system might be extended to them and accordingly proposed that it might be laid down as a condition of service in the Educational department that no teachers should be employed in future in any Government, aided and municipal or local board school unless within three months of his appointment he takes out an insurance policy under this system. Before passing final orders, however, they desired to be favoured with the views of this Government on the proposal. They desired also to know whether a similar arrangement could be made in respect of teachers in secondary schools.

3. Mr. Hewett's letter was referred to the Director for remarks (*vide* G.O., No. 348, Educational, dated 24th June 1901), and the present current is his reply. He is against the extension of the insurance system to primary school teachers, chiefly because their pay is small and the amount to which they may ultimately become entitled would not be a sufficient provision for their old age. What he would like to see is a provident fund similar to the local board provident funds, but he would limit the application of such a fund to teachers on Rs. 10 and above, and he requires Government to contribute substantial bonuses as local boards now do.

4. It is submitted that the Director's objection to the insurance system does not seem to be sound. To a teacher who draws Rs. 6, a bonus of Rs. 150 ought to be welcome; but there is a large number of teachers who draw more than Rs. 6 *per*

mensem and who can subscribe more and obtain larger amounts. Moreover, Government cannot afford to pay any bonuses from provincial funds. The only objection to the proposal of the Government of India appears to be its compulsory nature. If insurance is made compulsory, it is sure to become unpopular. It seems therefore that if the benefit of the system is extended to the teachers and the matter left optional with them, all that can be done to make them contented and happy will have been done. Teachers in secondary schools may also be brought within the scope of the system.

5. From the statement in paragraph 87 of the last public instruction report, it appears that there were 14,039 primary schools for boys alone on the 31st March 1900 and paragraph 94 shows that the number of teachers in these and the 6,036 unaided schools was 24,004. Of primary schools for girls there were 746—*vide* paragraph 133—but the number of teachers in them is not separately given. The total number of teachers in girls' schools was 3,114—*vide* paragraph 139. The number of secondary schools for boys and girls was 448 and 210, respectively, and that of teachers in boys' schools (including the 80 unaided schools) 3,438.

P. T. THARYAN.
10-8-01.

We might perhaps ask the Hon'ble Mr. Stokes for the favour of opinion.

2. Mr. Stuart is probably correct in the belief expressed at the end of his first paragraph, and if option were to be given to insure, it seems likely that very few would do so except in private offices. It must be remembered that it could be only at the first that option could be allowed; when a policy had been once taken out, there could be no going back. I fancy that if Government invited persons to insure, those, and no others, would do so who were especially cautious persons and who were also lazy enough to prefer the post office arrangement because it saved them the trouble of making payments themselves. Mr. Stuart's "provident fund" would cost Government money, and there is generally a tendency, it is believed, to get rid of "funds" imposing charges on the State.

A. T. PRINGLE.
15-8-01.

What precisely are the *benefits* of the postal insurance system as contrasted with insurance in an ordinary office? As regards Director's suggestion, the Government of India have expressed disapproval of a provident fund generally and it seems doubtful if they would accept his modifications.

Schoolmasters were expressly excluded from local board provident funds. We had better find out in the Local and Municipal department exactly why?

C. J. WEIR.
18-8-01.

First Assistant, Local and Municipal department, for a note.

The main advantages of the postal insurance over the ordinary private system are—

(i) The private companies' rates are as far as is known higher than the Government rates.

(ii) The premia can be paid by deduction from salary bill so long as the person is in active service and afterwards to a post office to be selected by him, whereas a person who effects an insurance with a private company has to remit the premia to places where agents may be specially employed to receive them. Many people should now be deterred from effecting insurances with private companies on account of this inconvenience.

This is the main inducement with lazy people. On the other hand there is the inveterate preference for private as against State concerns, common with so many, and this is against the Government system.

A. T. PRINGLE.

There are a few minor advantages also; for instance, Government allows 21 days of grace but private companies do not as a rule grant more than 15 days for monthly payments; if a person changes his mind and refrains from insuring after medical examination he has to pay Government only Rs. 4, whereas the payment in the case of a private company is not less than Rs. 10. These are, however, quite immaterial.

2. Schoolmasters are not excluded from local fund provident funds unless their pay is Rs. 10 or less, or they are paid on the salary-result system—*vide* rule 3 on page 8 of G.O., No. 1394 L., dated 11th August 1900. This is apparently because there is not much permanency about salary-results schools, but the Local and Municipal department may perhaps be consulted.

P. T. THARYAN.
24-8-01.

Secretary.

A. T. PRINGLE.
26-8-01.

First Assistant, Local and Municipal department—

Let me have a note early on the subject. Have we any information as to how far schoolmasters, to whom the provident fund is or has been open, have subscribed?

Lately we have district boards abandoning provident funds and subscribing for Government pensions. What is the reason?

C. J. WEIR.
26-8-01.

LOCAL AND MUNICIPAL DEPARTMENT.

For the Secretary—

Under No. 3 of the rules for the working of local fund provident institutions, subscription to the fund is compulsory on all permanent officers and servants of the district and taluk boards in *superior service*, as defined in the Civil Service Regulations, with the exception, among others, of salary-results schoolmasters, who are not permitted to contribute to the fund. Masters in superior service in board schools on the salary system are therefore bound to subscribe to the provident fund; but there is no information here as to the exact number of appointments of this nature in local fund service in the districts in which the system of provident funds is in force. The exclusion of salary-result schoolmasters from the benefits of this system was based on the following note by the Hon'ble Sir Henry Stokes in G.O., No. 828 L., dated 11th April 1889, which was concurred in by the Hon'ble Mr. Garstin:—

"Are servants of panchayats and sweepers and menials to be admitted? or salary-result schoolmasters? I would exclude all these and fix a limit of salary, say Rs. 10. It would involve immense bother adjusting charges against panchayat funds; it will be bad enough in regard to taluk funds."

The district board of Tanjore, which was the first to introduce this system, subsequently abandoned it in favour of the scheme for payment of pensionary contribution, but only so far as clerks and accountants were concerned, on the ground that the system of provident fund had not found favour with the class of men whom the boards desired to secure as clerks and accountants—*vide* paragraph 4 of the President's letter on page 1 of G.O., No. 2572 L., dated 17th November 1893. Recently the Tinnevelly district board took a similar step as regards the same class of servants, the reason assigned for this course being that the local boards, the district medical and sanitary officer and the treasury deputy collector considered that the introduction of the pensionary scheme would tend to raise the character of the clerical staff of the boards concerned. Please see paragraph 2 of the President's letter in G.O., No. 2346 L., dated 14th December 1900.

V. RAGHAVA CHARLU.
30-8-01.

Honourable Member—

There is a good deal of "bathos" about the present letter from the Government of India. They began by proposing to improve the present position of these teachers and provide them with a pension so as to remove all discontent and inspire them with so keen feelings of loyalty to Government that they would feel bound to try and infect their pupils with similar sentiments. They have now come down to a proposal to compel all such teachers to take out a postal life insurance policy as a condition of their employment or receipt of aid. The proposal will practically cost Government nothing; but it seems more than doubtful if it would tend to remove discontent among the teachers. It is indeed submitted that compelling men on such small salary to subscribe to anything would probably have quite the opposite effect.

2. In paragraph 2 of their letter, the Government of India say that it is doubtful whether the prospect of receiving a small pension at the end of their service would be any inducement for better men to take service. I do not think there is much justification for such doubt. There are however other weighty reasons for rejecting the pension scheme.

3. But it is difficult to understand how the Government of India when it has these doubts about the effect of pensions can think that the prospect of getting a small lump sum at 55 years of age, which he himself must subscribe for, will be a really effective inducement to any one to become a teacher. Moreover, the scheme does not seem to offer any inducement to a subscriber to continue as a teacher as the policy holds good whether he leaves his employment or not. If insurance is made compulsory, it is submitted, it will be disliked; if left optional, few, if any, will avail themselves of it. As regards teachers in secondary schools there would probably be less objection in requiring them to insure. They are better paid and more intelligent and likely to appreciate the benefits of providing for their old age.

4. The Director of Public Instruction proposes a provident fund. But the Government of India have apparently definitely rejected the idea and it seems useless to put forward the proposal again. If substantial bonuses are to be given by Government, it will, as the Director admits, be expensive and probably the money it would cost would be better spent in increasing the present pay and grants of teachers. On this point reference is requested to the remarks of Dr. Duncan at page 10 of G.O., No. 354, dated 15th June 1899, in confidential cover.

5. This Government has already refused to let salary-result teachers join our district board provident funds, and the financial position of most of our boards will scarcely allow a reconsideration of that order.

C. J. WEIR.
4–9–01.

The proposal of compulsory postal life insurance to better a teacher's position is too absurd to be worth consideration. An employer has no warrant for so treating a servant unless he is paying that servant at least a fair rate of wages. To starve a servant and still reduce his income by taking some of it for a life insurance premium and then say the teacher's position is made thus attractive is a discovery worthy of the Government of India.

What rates of pay do secondary schoolmasters receive?

J. T[HOMSON].
5–9–01.

For the Secretary—

Please see portions marked with blue chalk on pages 127, 128 and 130 of the civil budget estimate for 1901–1902 below. These furnish the required information about Government and local fund schools. The rates of pay vary considerably from Rs. 60 to Rs. 4.

2. There is no information here as to the scale in municipal and aided schools, but that in the former case will be about the same as in local fund schools. In aided schools it will be somewhat lower.

P. T. THARYAN.
6–9–01.

Honourable Member—

On the same pages Honourable Member will see the pay of primary schoolmasters. The bulk of the latter draw Rs. 7 and under. In secondary schools only a comparatively small number draw so little.

C. J. WEIR.
6–9–01.

Answer India in the sense of the notes and of the Director's opinion.

J. T[HOMSON].
8–9–01.

Draft and put up through Assistant Secretary.

C. J. WEIR.

A draft is placed below for approval.

P. T. THARYAN.
11–9–01.

Secretary—

I have recast this to some extent and had it set up in type. It may now issue.

A. T. PRINGLE.
3–10–01.

[In paragraph 3 of the draft] How [is the sum raised] "in part"?

J. T[HOMSON].

Second Assistant—

A | I understand that the drafter meant that the rest was interest.
B | How much does [t] he [policy-holder] actually pay for Rs. 150 at 55 years?

C. J. WEIR.

The Secretary's surmise at **A** is correct.
The answer to the question at **B** is Rs. 110–2–6.

P. T. THARYAN.
11–10–01.

Honourable Member—

May the words ("in part raised by") stand?

C. J. WEIR.

I should prefer "the product of" for "in part raised by". The total of payments earning Rs. 150 is Rs. 110–2–6, but these sums are not even equivalents, for the total value of each of the several payments, aggregating Rs. 110–2–6, is more than Rs. 150, that is, if the business is on the ordinary lines of life assurance.

J. T[HOMSON].
12–10–01.

Altered. Now issue.

C. J. WEIR.
14–10–01.

1,000—16-11-00.

Educational (1901) Department.

CURRENT No. 1070

From

[Name] The Honourable Mr.G.H.Stuart,M.A.,

[Designation] Director of Public Instruction,

[Station] Madras.

G.O. no 578 Edl. 14-Oct-01.

DESPATCHED
3 AUG.1901

C.
Ref. on *No.* ~~1029~~ of 1901.

Dated 3rd August 1901

Received 5th August 1901.

Enclosures

Registered 190 .

SUBJECT.

Submitting report on a letter from the Government of India on the subject of extending the Postal Insurance system to ~~school~~ board teachers of ~~boards~~ and municipal primary schools in the Madras Presidency.

BACK PAPERS.

G.O. 348: 25-6-01 Edl.

FURTHER PAPERS.

To

The Secretary to Government,

Educational Department.

Sir,

In reply to Government Order No 348, Educational, dated 24th June 1901 I have the honour to say that I have not seen the previous correspondence on the subject of improving the position of school teachers and therefore I am not certain what class of teachers it is proposed to benefit. If, as would appear from paragraph 4 of Mr. Hewett's letter, the proposal contemplates the case of primary teachers on about Rs.6 a month, then I think that such teachers would consider it a hardship to be compelled to take out a postal insurance policy. To insure for the sum of Rs.150 payable at 55, or at death if before, such a teacher would have to pay about 6 as a month or an anna in the rupee of his salary. He might not mind this if a real provision for his old age could be made, but I doubt whether he would regard Rs.150 as enough. The scheme has also one of the disadvantages of a pension system, namely, that under it there would be a difficulty in discharging, or at least a disinclination to discharge, an inefficient teacher; for although the policy would hold good whether the teacher left his employment or not, an unemployed teacher could not keep up the payment of the premiums. I believe most teachers, if they wished to insure at all, would prefer to do so in a private insurance office.

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But have seen G.O. 354 Sol dt 15-6-99 the correspondence fuller in it.

3

50 578 Sol 19-Oct-01

9

[E. & L. 50]

2,000—13-3-01.

NOTE FOR THE

S.A

Vide H. Tr's query

I do understand that the

(1) chapter treats about the Next

two interest.

(2) How much does he actually

pay for Rs 150 at 55

Sol

(1) yearly.

(2) Rs 110-2-6.

H. Tr

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stand, Sol

Pty

11/10/11

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Government {1901} of Madras.

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(True Extract.)

Assistant Secretary to Government.

Exd. A. J. D'Monte.

Government {1901} of Madras.

EDUCATIONAL.

Draft for approval

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Letter, No. 579, 14th October 1901.

OCTOBER.

Teachers in Government, aided and board schools.

Submitting its views on the ~~advisability of~~ extending the postal insurance system to ~~teachers employed in~~ —.

EDUCATIONAL DEPARTMENT.

Letter—from

C. J. WEIR, Esq., I.C.S.,
Acting Secretary to the Government of Fort St. George,
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To

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I have the honour to be,
Sir,
Your most obedient servant,

Ag. Secretary to Government.

Ed. S. J. Perera.

First copy sent to Press.

Returned for signature.

Despatched in print.

NUMBER OF COPIES REQUIRED. { Order complete. / Letter only. / Order complete with Letter.

READ AGAIN G.O., No. 1 , DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.

N.B. —

A = Print in full.
B = Not to be printed.
P = Print abstract only.
Q = Print heading only.