

Educational (190 2) Department.

ORDINARY PRINTED.

G.O., No. 167-168

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INDEXED.

ORIGINAL

[Despatch Abstract.]

School of arts

Forwarding to the Govt of India memoranda
from the Indian aluminium Company,
Madras on the subject of the industries
carried on in the ~~Madras~~

BACK PAPERS.

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

FURTHER PAPERS.

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

Nos. 167, 168, EDUCATIONAL, 24TH MARCH 1902.

3

No. 124, Public.

Transferred to the Educational department.

(By Order.)

20th January 1902.

A. R. KNAPP,
Under Secretary to Government.

No. 33, Educational.

Referred to the Director of Public Instruction for remarks.

(By Order.)

1st February 1902.

A. T. PRINGLE,
Asst. Secretary to Government.

From the Hon'ble Mr. G. H. STUART, M.A., Director of Public Instruction, Madras, to the Secretary to Government, Educational Department, Ref. on C. No. 884, dated 7th March 1902.

In returning herewith the letter of the Hon'ble Mr. Norton, Chairman of the Indian Aluminium company, Madras, forwarded to me for remarks with endorsement No. 33, dated 1st February 1902, of the Educational department, I have the honour to submit the enclosed copy of Mr Chatterton's letter on the subject, and to state that I concur in the views expressed therein.

ENCLOSURE.

From A. CHATTERTON, Esq., Officer in charge, Aluminium department, School of Arts, to the Director of Public Instruction, No. Al/5572, dated Madras, 26th February 1902.

With reference to your endorsement, Reference on C. No. 884/02, dated the 10th February 1902, I have the honour to offer the following remarks on the letter of the Chairman of the Indian Aluminium company.

My first indent for machinery was sent to the Secretary of State in December 1900. Before the indent was prepared, I discussed the question of machinery with the officers of the Indian Aluminium company and a provisional arrangement was made with them that they should be allowed to freely avail themselves of the facilities which would be provided and I agreed to allow them the privilege of having their own dies prepared to fit the machines and agreed neither to use those dies myself nor allow any other person to use them. Later on they applied to me for a copy of my indent which I supplied to them. Still later I informed them that the despatch of the indent had been deferred by Government in consequence of the letter their directors had addressed to the Government of India on the 8th May 1901. It cannot, therefore, be said that the Indian Aluminium company have been in the very slightest degree unfairly dealt with. From the terms in which the letter referred to me is couched, it would appear that the Chairman of the Indian Aluminium company is endeavouring to create the impression that only after his company had taken steps to procure machinery, the school of arts had done the same. The reverse is the actual fact. Personally I do not agree with the statement that there is not room for two installations of metal-working machinery in Madras. The school of arts machines are intended to work in any suitable metal and as they are primarily for educational purposes they will never be used to anything approaching their maximum capacity. I fully admit that at the present time "there is not sufficient demand to keep two outfits in full work", but I have worked up a fairly large native business by getting the machine work done in Poona and I am sanguine that the reduction in working expenses consequent upon the installation of machinery here will lead to a large increase in the demand for aluminium. The Indian Aluminium company have done very little to open up the native market and they would be glad if Government would order the school of arts' business to be handed over to them.

Practically the attitude of the Indian Aluminium company is this. They have been glad to avail themselves of the help I have rendered them during the past two years and would like to continue to receive this assistance, but at the same time they would like to enjoy a monopoly of the aluminium business in this part of India. If the school of arts ceased to do aluminium business it is just possible that some private individual, firm or company would start in the trade

and would cut prices at the outset to secure business. The monopoly would be destroyed if this happened and the directors of the Indian Aluminium company to prevent this would prefer to see the school of arts still working, but under such restrictions as would enable their company to secure all the profitable business. The financial support and credit of Government have been important factors in the successful development of the aluminium industry and the Indian Aluminium company desire to retain this; but at the same time they would, if possible, put such restrictions on the work of the school of arts as would render that institution unable to make a commercial profit and finally they would no doubt claim that the department was a dead loss to the country and a mischievous and useless competitor.

My own opinion is that so long as Government decide to carry on the aluminium industry in the school of arts they should do it in a manner which will reflect credit on themselves and that no restrictions should be placed on the efforts of the officer in charge to legitimately develop business. When Government consider that they have fully attained the objects with which they started the aluminium industry in India, they should certainly take steps to prevent the aluminium department from becoming an obstacle to the promotion of private enterprise, but so far the initial objects have not been fully achieved.

The proposition made by the Chairman of the Indian Aluminium company to place their company's workshops "at the disposal of instructors and classes" can hardly be considered seriously. The absence of machinery in the school of arts would not long be considered a *quid pro quo* for the facilities for educational work now offered.

Either the dividends of the company would suffer or the students would get but scant instruction and, in the interests of the latter, Government would undoubtedly be asked to make a grant to compensate for the loss, trouble and worry caused by the students. Education carried on in this way would be as inefficient as it would prove expensive. It may possibly be worth while to ask the directors of the Indian Aluminium company for further details as to the conditions under which they would be prepared to place their workshops at my disposal for the instruction of the metal work apprentices of the school of arts. Probably a careful consideration of this proposition will show the directors the absurdity of it and they will withdraw it. In any case, however, I think it would be well that they should be asked to submit a more detailed proposal than that put forward in the Chairman's letter of the 30th November 1901.

ORDER—No. 167, Educational, dated 24th March 1902.

The letter from the Indian Aluminium company will be forwarded to the Government of India.

(True Extract.)

M. HAMMICK,
Secretary to Government.

To the Indian Aluminium company.

LETTER—No. 168, Educational, dated Fort St. George, 24th March 1902, to the Secretary to the Government of India, Revenue and Agricultural Department.

In continuation of the correspondence ending with Mr. Weir's letter, No. 12, Educational, dated the 7th January last, I am directed to forward another memorial, received on 20th January last and addressed to the Finance department of the Government of India, from the Indian Aluminium company (limited) on the subject of the industries carried on in the Madras school of arts. The remarks thereon of the officer in charge of the aluminium department at that school are also forwarded for information. As was reported in Mr. Weir's letter, His Excellency the Governor in Council will await the experience which will be gained in the coming year before deciding what limitations shall be placed on the work.

M. HAMMICK,
Secretary to Government.

Egd. A. F. Eccleston.

Government {1902} of Madras.

EDUCATIONAL.

Recd.

Enclosures

Regd.

1902.

Spare copies

ORIGINAL

G.O., &c., Nos. 167, 168, 24th March 1902.

MARCH.

School of Arts.

Forwarding to the Government of India memorial from the Indian Aluminium company, Madras, on the subject of the industries carried on in the —.

GOVERNMENT OF MADRAS.

EDUCATIONAL DEPARTMENT.

READ—the following papers :—

From the Hon'ble Mr. EARDLEY NORTON, Chairman of the Indian Aluminium Company (Limited), Madras, to the Secretary to the Government of India, Finance and Commerce Department (through the Chief Secretary to the Government of Madras), dated 30th November 1901.

The directors of this company respectfully solicit your consideration of the following subject.

On the 8th May last a letter was submitted to the Government of India protesting against the establishment of additional institutions similar to the school of arts in Madras as being exceedingly detrimental to the interests of this company and of others engaged in metal-working industries, and as being also opposed to the declared policy of Government that private enterprise should not be interfered with. Since writing the above, the directors' apprehension that the proposed competition with Government would seriously injure this company's prospects has been fully realised. Many people have expressed their desire to invest in the company, but have refrained from doing so until the policy of Government has once for all been declared. They rightly argue that if competition were to be encountered upon the lines adopted by the school of arts in Madras, it would be impossible for the company to pay anything like a reasonable dividend, even if it succeeded in avoiding a loss. The proposed action of Government has, unfortunately, had the effect of disquieting some of the shareholders in the company who are now desirous of selling their shares—a desire very detrimental to the company's interest at a time when increased capital is being placed on the market. As, however, the directors have a considerable sum of money at their disposal, only half the capital having been called up, it was recently resolved that a complete outfit of stamping, drawing and spinning machinery should be purchased in England, and estimates from different firms have been received. The directors now learn, however, that a similar order has been placed by Government for the use of the Madras school of arts, and as there are already two such outfits in Bombay, and one in Poona, exclusive of that at the technical institute in Bombay, which is about to be closed, it is evident to the directors that there will not be room in Madras for two installations of metal-working machinery. The directors, therefore, respectfully request that Government will make an early declaration of the policy it intends to adopt in this connection.

Matters are at present at an impasse, for although the directors believe that the time has now arrived for making extensive purchases of machinery, it would obviously be most unwise for them to do so if Government were to take a similar step, as there is at present not sufficient demand to keep two outfits in full work. It is presumed the machinery ordered by Government is required to educate the native workmen in its use, and the directors would here reiterate a proposal previously made that they are prepared to entertain a certain number of apprentices and to place their workshops at the disposal of instructors and classes, and in every way to assist Government in the encouragement of tuition in local industries.

EDUCATIONAL DEPARTMENT.

NOTES CONNECTED WITH G.O., Nos. 167, 168, EDUCATIONAL,
DATED 24TH MARCH 1902.

[SUBJECT.—*Aluminium Industry at the School of Arts.*]

From the Indian Aluminium Company (Limited), dated 30th November 1901.

Honourable Member—

I think we might first ask Mr. Chatterton what he has to say to this letter.

C. J. WEIR.
23-1-02.

Certainly.

J. T. [HOMSON].
27-1-02.

The draft placed below may issue.

P. T. THARYAN.
28-1-02.

Secretary.

A. T. PRINGLE.
28-1-02.

Yes.

C. J. WEIR.
29-1-02.

From the Director of Public Instruction, No. 884, dated 7th March 1902.

Mr. Chatterton's reply will be found on page 9 of the current file. The indent for the machinery is now under supply and cannot be cancelled. There seems therefore to be no necessity to hold any correspondence with the Indian Aluminium Company as suggested in the concluding portion of Mr. Chatterton's letter. Sooner or later Government must withdraw from the aluminium business, but just at present no definite time can be fixed for the withdrawal. The whole matter is before the Government of India. It seems therefore to be sufficient simply to forward the memorial with the draft already prepared and make no remarks.

P. T. THARYAN.
11-3-02.

Secretary—

I submit that the draft, dated 23rd February 1902, may now issue with the omission of the words "this memorial although . . . 18th instant". Mr. Chatterton's letter does not seem to help Government particularly; it merely travels over the old, old ground, and the suggestion at the end of it was of course not meant seriously; Government cannot discuss the matter in that way with a private company. There is no use in taking up an attitude of surprise at the antagonism of the private companies. Such antagonism is likely to increase in strength as time passes; it is a price which the State must pay for competing with private industry and I cannot but think that such proceedings as those described at A in Mr. Chatterton's letter are unwise; it is now certain that they fail to disarm the enemy, and it is not unlikely that sooner or later as predicted in a note written * last year they may have capital made out of them.

* 10th August 1901.

A. T. PRINGLE.
11-3-02.

Honourable Member—

The real defence of all Mr. Chatterton's work is that if he shut up his shop the aluminium demand would die out, and I think nobody who has looked into the matter can help believing that that result would follow.

2. This machinery will, I believe, be of use for many sorts of work besides aluminium, and when the aluminium trade no longer requires the school of arts the machinery will be used for other purposes.

3. It does not seem worth while saying any thing more to the Government of India, and it is submitted that perhaps it is best not to send on Mr. Chatterton's letter.

M. HAMMICK.
13-3-02.

I think the letter should go so as not to leave an impression that Mr. Norton's letter is unanswerable.

J. T[HOHSON].
14-3-02.

Issue.

M. HAMMICK.
17-3-02.

Educational (1902) Department.

CURRENT No. 114

From

[Name] The Hon'ble Mr. Eardley Norton

[Designation] Chairman of the Indian Aluminium Company

[Station] Madras

No. _____

Dated 30. 11. 1902

Enclosures _____

Received 20. 1. 1902

Registered 20. 1. 1902

SUBJECT.

Forwarding a memorial for transmission to the Govt of India on the subject of the aluminium manufacture & the undecidability of the State Competition.

BACK PAPERS.

G.O. 676-7 in 7/20-11-01
" 522-23 7/16-9-01 Copy
" 515 in 7/12-9-01
" 357-88 in 7/10-7-01

G.O. 380 7/17-6-01 Copy
" 89-50 R 7/18-2-01
" 1112 7/12-01
" 5 fail 7/2-12-02

FURTHER PAPERS.

Educational (1902) Department.

CURRENT No. 382

From

[Name] *The Honble Mr. G. H. Stewart, M.A.,*[Designation] *Director of Public Instruction,*[Station] *Madras.*

DESPATCHED

7. MAR. 1902

Reference No. *884702.*Dated *7th March 1902*Enclosures *2 of which one being in original*

Received _____ 190 .

Registered *10-3* 190 *2*

SUBJECT.

Resubmitting with remarks the letter of the Chairman of the Indian Aluminium Company on the subject of the aluminium industry carried on at the school of Arts, Madras.

BACK PAPERS.

FURTHER PAPERS.

dept.

of the G. of I.
department from the Indian
aluminium company (limited) of
Madras, dated 30th November 1901,

on the subject of the aluminium
industries carried on in the Madras
school of arts. This memorial,
although dated the 30th Nov^r 1901,
was received in the Secretariat
by this Govt. only on the 18th instant. I am
to state that H.E. the G. in C.
has no further remarks to
make on the subject.

Mr Weir
As was reported in my letter
No 12 d. 7th Jan, 02, His Ex-
C^y in Council will await the
experience gained in the coming
year, before deciding what
limitations should be placed on
the work at the school of
arts.

Educational Department.

Cur: No. 114, from the Indian Aluminium Co., dated 30th November 1901.

H.M.

Order (Press) No. 167 d/24-8-02

The letter from the Indian
Aluminium company will be forwarded to
the Government of India.

A.T.P.
23-1-02.

To the Indian Aluminium Co.

(order only
in mind)
26/3

Letter No. 168 d/24-8-02

To the Secy. to the Govt. of India,
Rev. and Agricultural Department.

Sir,

In continuation of the cor-
respondence ending with Mr. Weir's
letter, No. 12 Edl., dated the 7th
January last, I am directed to forward
another memorial addressed to the
Finance department of the Government
of India from the Indian Aluminium
company (Limited) of Madras on the
subject of the industries carried
on in the Madras school of arts. As
was reported in that letter, His

Excellency

the remainder of the
letter in charge of the
Dept at the school
are & also for
your information.

7
Excellency the Governor in Council
will await the experience which
will be gained in the coming year
before deciding what limitations
shall be placed on the work at the
school of arts.

A.T.P.
23-1-02.
M.H.
13-3-02.

W. 812

First copy sent to Press.

Returned for signature.

Despatched in print.

READ AGAIN G.O., No.
190 .

DATED

CURRENT No.

ENCLOSURES TO G.No.

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LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

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17-3-02*