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Sub

Spec. II-27-50,006-23-11-42.

Eth (1946) Department.

Ms

SERIES.

G.O. No. *1908*
Ed

Dated

7.2.1946

[Despatch Abstract.]

Back papers.

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

Further papers.

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

(c) Tabloid on - Schemes under Local Bodies - financing and control -
Approximate cost.

In the execution of the post-war development plan a large part of the programme will have to be entrusted to local bodies. It will be of interest to each province to know the plan of work adopted in other Provinces to finance these schemes, to speed up work and to ensure efficiency.

The local bodies are concerned with Schemes relating to (a) Education, (b) Communications, (c) Medical and (d) Public Health. With regard to (a), (b) and (c), the policy of the Bihar Government has been to "provincialise" certain basic schemes i.e. bring them under direct management. These include training and experimental schemes, higher and technical education, Sadar hospitals, important roads, etc. The other schemes are left to the local bodies to execute with grants-in-aid from Government. Besides general supervision, Government exercise control by laying down certain conditions for the grants, such as minimum expenditure under each head from the resources of the local bodies, minimum qualifications for staff, prior sanction for major schemes, etc., besides prior approval of their budgets. Government also have the power to take over schemes or activities under direct management on breach of the conditions or for inefficiency. As an additional measure of control, the Government of Bihar have recently provincialised the service of District Engineers. For (d) Public Health, work is executed mainly through local bodies with grants-in-aid from and supervision by Government. Government also undertake supplementary activities in an emergency such as an epidemic, or experimental or pilot schemes before general adoption. With a view to ensure better efficiency, the Government of Bihar proposes to enact a Public Health Act on the lines of the Madras Public Health Act of 1939.

The management by local bodies has not always been efficient. Provincialisation of schemes is naturally opposed by local bodies. It will be of interest to know what is being done in other Provinces to speed up work and ensure efficiency.

Under Public Health, the water supply, sewerage and drainage schemes in municipalities are of particular urgency in meeting basic needs as also in counteracting unemployment and deflation. The Government of Bihar have, therefore, provided Rs 119 lakhs for immediate expenditure on these schemes. The financing of these schemes has, however, raised certain problems on which Bihar would welcome information and suggestions for speeding up execution.

While the Government of Bihar have undertaken full responsibility for financing rural water supply schemes with regarding to urban schemes of water supply, sewerage and drainage, they have undertaken to bear half the capital cost of individual schemes, the remaining half being met by the municipal body, by taking, if necessary, a loan from Government. This, it has been ordered, will be the general rule, but the possibility of making exceptions has not been excluded. The financing of a loan may, however, be a stumbling block, or at least a cause of delay, in some cases. The problem is probably common with other Provinces, and the principles that are to be followed there would be of great interest to Bihar.

Development Dept.

The nature and extent of Government control for post war schemes entrusted to local bodies as well as the type of schemes that should be given to local bodies were discussed. As I had very little information on this subject I said the question would require to be examined before any view could be expressed. Notes of proceedings at pp. 5-7 below.

13 below

86/ S.Y. Krishnaswami,
25-1-46

Record of the discussion in item (c) - Schemes under Local Bodies -
Financing and control of.

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The Madras representative did not feel that he could say anything on the subject and considered that the problem would need examination.

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The Chairman summing up, said that the problem had been felt by Assam and Orissa and to a lesser extent by the U.P. and the C.P. Sind were conscious of the problem and the Punjab were not affected by it.

At the invitation of the Chairman, the Health Department representative said that their policy had not been formulated but it was likely that the Thore Committee report would recommend that public health services should be provincialised.

The Education Department representative stated that the question had been examined by the Central Advisory Board. Their report suggested that before taking up an Educational Development scheme, the Provincial Governments should remove all educational powers except when they felt confident that the Local Body concerned would be equal to enlarged responsibilities. The matter would be considered further at the forthcoming conference at Mysore.

Secretary, P. & D. emphasised the necessity for an effort to bring the administration of local bodies up to the required standard. He said that the department would be averse to central grants being given unless they felt satisfied that the money would be properly utilised. It would not be possible to abolish all Local Self Government. Other methods besides provincialisation of key services must, therefore, be found to increase efficiency. The department felt that provincial Governments should follow a course mid-way between allowing uncontrolled freedom to Local Bodies and the total resumption of powers by the provincial government. It was desirable not to remove local control over policy and it was likely that local interest would help to keep up efficiency. In the U.K. Local Bodies had originally been very inefficient and their working had been improved by a system of grants from the Central Government combined with inspection.

Subject:- Conference - Joint (Provincial - Central) Conference for coordinating and progressing reconversion and development policies and measures for ascertaining impediments to progress and to get them removed - Meeting from 10th January to 14th January 1946 - Schemes under Local Bodies - Financing and control - Apportionment of cost.

To A.S.

The tabloid prepared by the Bihar Government on the subject of schemes under local Bodies - Financing and control - for discussion at the meeting of the Joint Conference will be found at page 1 C.F. No tabloid was prepared by either the Madras Government or the Central Government. The note on the proceedings of the meeting relating to the subject prepared by the representative of the Madras Government and the record note of proceedings issued by the Central Government will be found at p. 3 and pp. 5-7 C.F. respectively.

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L.A., E.&P.W., P.W.D. may see for remarks, if any.

N.M.M./30-1-46

S.Y.K./30-1-46

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Edn. & P.H. Dept.

No remarks seem called for in this Department. The file may be passed to P.W.D.

T.G.M./8-2-46

Certain decisions have been taken by the P.W.R. Sub Committee on Public Health on the question of the responsibilities of local bodies in the matter of financing and control of the Sub Committee's P.W. schemes for P.W. and Medical Relief measures, including urban water-supply and Drainage. These decisions have not yet been specifically placed before the Govt.

C.O.C./14-3-46

I ascertained from Adml. Secretary, Development that it is desirable that provincial 'tabloid' should be got ready, on the general question raised here so that the information may be used at subsequent conferences if the need should arise. I agree; we may proceed to prepare a note, accordingly, on our subjects.

In Education the main point will be that, pace the Central Advisory Board's recommendation, we have decided to keep on the existing local board machinery in our scheme. The chief reason was that (apart from the local bodies here being comparatively better than elsewhere) tight control was being exercised by the Govt., through the P.P.I. in the Gen. Dept. as well as through the General powers of control embodied in the L.B. Act and the Municipalities Act. That general setting will have to be briefly indicated. Mention will have to be made of the existing scheme of grants and subsidies, the modifications made in relation to the scheme of compulsion recently introduced, the further modifications proposed in that connection, the modifications involved in the scheme of enhancement of salaries, the modifications involved in the scheme of bifurcated courses in secondary education, the general framework of the existing Elementary Education Act, the amendments proposed there, and the contemplated alteration in the general framework itself.

In Medical and P.H. (including T.P.) we should have a note on the position as it now stands - viz. subject to modify

Rhore Committee Report, the lines settled at the Sub Committee meetings on the basis of which we have proceeded to draft our Five-Year Plan. There are very important alterations proposed in respect of Medical and P.H. matters. These will have to be set out. In regard to matters which are proposed to be left with local bodies, and generally otherwise, the control we have, through special Acts like the P.H. Act, or generally under the L.B. and D.M. Acts, will have to be indicated.

Relevant extracts may be taken and notes prepared accordingly.

The file may be passed on to P.W.D. after that.

M.V.S./14-2-46

E D U C A T I O N.

* * *

The policy of Government is to depend mainly upon *local* bodies and aided agencies to open and maintain elementary and secondary schools. The Government themselves maintain a few elementary schools in backward areas like the Agency tracts and for particular communities, such as scheduled classes, fishermen, kallars, etc. Secondary schools for girls and muslims have been opened under direct Government management.

2. Subsidies are paid to local bodies for maintenance of elementary schools. These subsidies were consolidated into lump sums in 1936. Under the provisions of the Madras Elementary Education, Act, 1920, local bodies are permitted to levy an education tax on their own initiative with the approval of Government. The Act also empowers the Government to direct the levy of the tax. Until 1941 local bodies were paid a contribution equivalent to the proceeds of the tax levied by them. In that year, the Act was amended; the Government are not obliged to give a contribution towards the proceeds of education tax levied after the amendment Act came into force (8-7-1941). Subsequently it was decided to sanction contributions based on the average rates of education tax for the Presidency, viz., 1 1/3 per cent. of property rentals in municipal areas and 3 3/4 pies in the rupee of land revenue in rural areas. The proceeds of the tax and the subsidies paid by Government are credited to the Elementary Education Fund of each local body. The local body should also make a contribution from its general revenues to the fund. The accounts relating to the Fund are kept separately and audited by the Examiner of Local Fund Accounts and the audit reports submitted to Government for review.

3. According to the Elementary Education Act, local bodies can take the initiative in the matter of intro-

the case of local
es which did not re-
e any contribution
received contribution
at less than the average
rates.

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6.6.45

see 22 (1)

see 29.

introduction of compulsory elementary education in their areas. The Government can also call for proposals for the introduction of compulsion. No special subsidy was ordinarily given to local bodies to meet the cost of providing additional school places. The Act also authorizes the levy of penalties on guardians of defaulting pupils and the penalties are to be collected in the same way as taxes are collected. Until recently, the power of levying these penalties was vested in the Chairman in the case of municipalities, Commissioner in the case of the Corporation of Madras, and the President in District Board areas. The Act has just been amended vesting this power in the District Educational Officers.

4. No tuition fees should be levied in schools under local bodies in areas in which compulsory elementary education has been enforced but fees may be levied in schools under private management in these areas. The question whether the levy of fees should be prohibited in such schools with certain exceptions was raised recently and it was decided to defer consideration of the question for the present; this and the question of amending the general frame-work of the Act itself, have been deferred for consideration by the Ministry.

5. In 1945-46, the Government introduced a limited scheme of compulsory elementary education in selected areas as a preparation for the introduction of universal compulsory education which is one of Government's post-war plans. According to the limited scheme, elementary education has been made compulsory in standards

I to V for pupils between the ages of 6 and 14. The scheme is designed to bring under instruction 1.20 lakhs of children in the first year (1945-46) and 34,000 children in each of the subsequent years. It has been decided to extend the scheme to other areas in 1946-7 so as to bring to school 1.40 lakhs of additional children in the first year (1946-47) and 40,000 children

@ In the case of girls, compulsory education can be enforced only up to 12 years in areas not served by separate girls schools.

children in each of the subsequent years. The scheme relates to rural areas.

6. The entire cost of the scheme is met by Government by way of subsidies to District Boards. In cases where the ~~local body~~ ^{At. Bd.} is in a position to enhance its rate of education tax, (this is judged on certain working standards laid down in a rough and ready fashion on comparison of existing rates of levy of the education cess by the various District Boards in the Province; the cases where there is a taxable "margin" on these standards are very few), it is asked to do so, so that a portion of the cost may be met out of the proceeds of the tax. The scale of subsidies paid for the purpose is as follows

Pay of teachers:	Rs. 20/-	per teacher per mensem.
Dearness allowance:	16/-	--do--
Contingencies:	1½	--do--
Rent for school building:	2	per pupil per year.
Construction of sheds for school:	1,000	per shed.
Equipment:	100	per teacher.

7. Side by side with the introduction of compulsory education, the Government have also introduced a scheme of supply of midday meals to school children. Subsidies are paid to District Boards calculated at the rate of Rs. 0-1-9 per meal for 220 days a year. A sum of Rs. 20 lakhs was provided for the purpose in the last year's budget and Rs. 49 lakhs in this year's budget. The provision of Rs. 20 lakhs was intended to supply meals for 1.34 lakhs of children in 1945-6. The allotment for 1946-7 is to provide meals for the 1.34 lakhs of children already selected and for 70,000 additional children in the new areas in which compulsion is to be introduced. The position in respect of this scheme is the ~~same~~ ^{same} as that dealt with under paragraph 6 above: practically the entire cost of this scheme is met by Government by way of subsidies to District Boards. A

A scheme for the payment of subsidies to District Boards towards the supply of books and slates to school ^{children} in areas where compulsory elementary education has been introduced has also been sanctioned. In other areas the expenditure (is met on this account) from the elementary education fund, the supply being restricted to poor children of scheduled classes and muslim community.

8. Elementary schools under private managements are given grants based on the number and qualifications of teachers employed at the rates mentioned below:

	Untrained Rs. p.m.	Trained Rs. p.m.
Lower elementary grade.	5/-	9/-
Higher elementary grade.	9/-	14/-
Secondary grade.	12/-	18/-
Collegiate.	17 2/3.	22 2/3.

The teachers are in addition paid dearness allowance at Rs. 16/- p.m. There are rules to regulate the grant-in-aid to these schools. Under the rules, 85 per cent of the grant paid to a school should be disbursed to teachers as salaries. Where managements do not disburse salaries to teachers regularly, the inspecting officers can make payments direct to teachers. A proposal is under consideration to pay the entire grant assessed for a school to teachers and to make a separate grant to managements for the upkeep of the school. In this connection, the question has also been raised whether (as an alternative to the State taking over these schools ~~as~~ and when compulsion is introduced - which is also a question being considered) aided schools may not be transferred to the control of Panchayats as the new Panchayats Act is designed to vitalise these bodies.

9. Local bodies in the Province in spite of pronounced drawbacks have not proved to be totally unworthy to be entrusted with educational functions and the Director of Public Instruction and the Government have authority to exercise, and have in fact been exercising, a very close control over educational administration by local bodies and

and will, therefore, be able to enforce proper standards. As regards aided agencies, the Government have an ample measure of control over them through the rules framed for the disbursement of grants to schools maintained by them. Having regard to these factors, apart from the question of costs, the Government decided in connexion with their post-war plans to utilise local bodies and aided managements for providing the necessary school-places for the introduction of compulsory education.

10. As stated in paragraph 1 above, the policy of Government is to depend upon local bodies and aided managements for opening and maintaining ^{and} secondary schools except where they are needed for Muslims and for girls.

11. The establishment and maintenance of secondary schools is an authorised object of expenditure under the Madras District Municipalities and the Madras Local Boards Act. Local bodies need not obtain the sanction of Government for opening new secondary schools; they should, however, obtain recognition by the Educational Department which will be granted only if the finances of the local body permit incurring of the additional expenditure.

12. The subsidies payable to local bodies for maintenance of secondary schools were fixed in 1931. It was decided then that the amounts should not be revised on account of the opening of new schools or additional classes. Recently, subsidies to six local bodies have, however, been increased as they are "poorer" than the other local bodies and are not able to cope with the increased expenditure involved in the rise in the number of schools maintained by them. The question of granting additional subsidies in respect of new courses or schools to be opened in future will be examined in connection with the post-war development proposals.

13. Payment of grants to aided secondary schools are

para 27, 13
(P)

rule 1 of 1931
for aid

rule 12 of 1931
for aid

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(I)

are governed by the provisions of the Grant-in-Aid Code. A grant equal to one-half of the net cost of maintenance is paid from Provincial funds.

14. Until 1941, grants were being given both to local bodies and to private managements for acquisition of site and construction of secondary school buildings. In that year, it was decided that no grant should be paid for the purpose for institutions for boys unless a special case is made out that a grant was essential; accordingly, grants are given only where the management is unable to meet the cost from its own resources; this decision does not apply to institutions for girls or for playgrounds and for equipment. The question of revising this policy is under consideration.

15. As already stated in paragraph 9 above, the Government are exercising a close control over institutions under local bodies both financially and administratively. Under section 32 of the Elementary Education Act an Elementary Education Fund is constituted for each local body. Receipts and charges of the fund are subject to audit by the Local Fund Audit Department (Section 39). The Budget Estimate of the fund should be submitted to Government (Section 38) and the Government can pass such orders as they deem fit on the budget. The local bodies are bound to carry out the orders passed by Government. Only items of expenditure connected with elementary education can be debited to the fund; the Government have specified such items. Any unauthorised expenditure is liable to be surcharged on the persons responsible.

The Madras Local Boards and the Madras District Municipalities Acts lay down in general terms the conditions of service of employees of local bodies. The Government have framed detailed rules to regulate conditions of service and appointment and punishment of servants of local bodies. They have also prescribed qualifications for teachers in schools

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sections 67 & 74
of the Madras
70-77A
M.P.M. Bd.

schools under local bodies and have fixed the scales of pay for them. Schools opened by local bodies should be recognised by the Education Department and should conform to the rules framed by Government in the matter. The expenditure on unrecognised schools and salaries paid to unqualified teachers can be surcharged on the persons responsible. With a view to preventing frequent and unnecessary transfers of teachers in Board schools, it has been laid down that the President, Dt. Board, should consult the District Educational Officer before ordering the transfer of a teacher. Rules have also been framed to regulate the personal conduct of the employees of local bodies. All recognised schools are subject to periodical inspection by officers of the educational department and any defects noticed during inspection should be rectified by the management concerned. The superior inspecting staff consists of Divisional Inspectors (for groups of districts) and District Educational Officers (for each district) and Inspectresses of girls schools (for groups of districts). The subordinate inspecting staff, comprises Deputy Inspectors (Senior and Junior) and Sub Assistant Inspectresses for girls schools.

16. One of the five-year plans of the Government is to raise the scales of pay of the staff and establishments employed in schools and colleges under all managements - Government, private and local body - on the lines indicated by the Report of the Central Advisory Board of Education (the Sargent scheme). The Government have tentatively approved certain minimum scales of pay and the Director of Public Instruction has been asked to work out the cost involved in implementing the scheme. The intention of Government is to reimburse the managements (both local body and private) in respect of the additional cost involved in the enhancement of salaries in cases where

where they are not able to meet the cost from their own funds; it is likely that the bulk of the cost will fall on the Government.

17. In 1940, the Government announced a scheme for the reorganisation of secondary education. According to the scheme, the secondary school course was to be bifurcated at the end of Form IV - one branch providing for vocational training and the other leading to University courses. The introduction of the scheme was postponed until the end of the war as it was considered desirable to make the change simultaneously instead of beginning it with a few selected schools. The Education Sub-Committee of the Post-War Reconstruction Committee considered the matter and resolved that all areas should be given an opportunity to have suitably bifurcated courses. The Director has been asked to submit detailed proposals for consideration of Government along with his proposals on the post-war plans.

M.V. Subramanian,
18-4-1946.

A draft 'Tabloid' on Education is subd.

BM 8/4/46 S

The draft 'Tabloid' has been retyped and placed below. Perhaps it may be sent to the Addl. Secy.,

for perusal and return.

BM 24/4/46 S

BM 27656 29-4-46

29 APR 1946

Dev Dept

see the R. & P. H. note above. On the suggestion of Finance in the file relating to "The schemes under local bodies - financing and control-apportionment of cost, R. & P.H.,

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SECRETARY TO GOVERNMENT
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FINANCE DEPARTMENT

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E & P. H.

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A circular stamp with the text "LOCAL INFORMATION" at the top and "SECRETARY, U.S.A." at the bottom. In the center, the date "13 MAY 1948" and the number "14497" are stamped. There is a handwritten "P" to the left of the stamp.

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in his report
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on the question of financial aid for post-war road schemes of local bodies, the question ~~of~~ of the agency for the execution and supervision of such works will have to be settled. A tabloid ~~may~~ may then be prepared on the subject.

Please to not use.
American Expressions

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ASST. SECRETARY TO GOVERNMENT
2 5 MAY 1948
EDUCATION AND PUBLIC HEALTH DEPT.

Edu & P.H. Dept (B2)

The file may lie over. For orders on circulation
(for perusal of the note at (R)
D. Balakrishnaiah
Asst. Secy.
29/5/46 S

28/5/46

The case relates to the preparation of a 'tabloid' about the part that local Board may have to play with regard to the post-war development scheme, with special reference to the arrangements necessary for the financing and control of such schemes which may be entrusted to local bodies for execution.

The subject was raised ^{by his local representative} at a joint conference for coordinating development measures etc. that was held at Madras in January '46. The Madras representative, Mr S. J. Krishnamoorthy, Asst. Secy., was unable to express any views on the matter, as he had no information furnished to him by Madras.

After return to Madras, he expressed his opinion that it would be desirable to have a 'tabloid' prepared for use in subsequent conference. Mr N. V. Subramanian advised that in kind on P has indicated the lines on which it should be drawn up.

A tabloid ^{on the subject of education} has been prepared accordingly, and is at (R) below. It is circulated for perusal.

27.5.46
S. G. P. H.

H. N. (Edn)

(I have gone through the 'tabloid'.
(requires improvement) Its publication
may be suspended for the present.

TSA

16-46

It is not proposed to publish the 'tabloid'. H.N. has not indicated how it should be modified - mar lie over.
for the present.

27/6/46 S

L.O. 1.7.46

Submitted

5.7.46

6/7/46

6.7.46

H.N. (Edn)

In view of the great changes & reforms we are visualizing in the future, it is necessary now.



TSA
27.7-46

It may L.O. for consideration later.

27.7.46

In view of the questionnaire prepared for discussion at the conference it is for consideration whether these papers may be recorded. For orders.

May be 'recorded'

21.7.46

23/7/46

26.9.46

1908 Edu & P.H. Dept
Recorded.

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all right

W. J. P. W.

H. H. (L. H.)

In view of the great change in the situation, it is necessary to make some changes in the program.

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In view of the great change in the situation, it is necessary to make some changes in the program.

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