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Scott. II-27-58,004-27-10-47.

(1948) Department.

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SERIES.

Closed
or

G.O. NO. 2996, Edu.

Dated 29-11-48

J. H. R. S.

13-205 10/11/48
H. J. H.

Order at P. 8. NF.

[Despatch Abstract.]

Grants - Teaching etc. - Aided Educational
Institutions - Provision in Part I - Estimates -
Notes - Recorded

Back Papers.

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

Further Papers.

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

EDUCATION AND PUBLIC HEALTH DEPARTMENT

PART II SCHEME FOR 1946-7.

[SUBJECT.—Teaching grants to aided colleges, secondary and special schools and grants to boarding homes for orphans and destitute children.]

Summary.

Head of account.	Item of expenditure.	Ultimate cost.	
		Recurring. RS.	Cost in 1946-7. RS.
37. c. Education—University Grants to non-Government Arts colleges—A. Teaching.	Grants to new non-Government Arts Colleges and for courses newly recognized.	16,500	16,500
37. g. Education—Secondary—Direct grants to non-Government Secondary schools—B. Non-European—1. Teaching.	Teaching grants to new secondary schools and scholarship schemes newly approved.	44,400	44,400
37. n. Education—Special—Direct grants to non-Government special schools—B. Non-European—1. Teaching.	Teaching grants to non-Government special schools.	23,700	23,700
37. k. Education—Primary—Direct grants to non-Government primary schools—B. Non-European—	Boarding grants to orphanages.		
I. Ordinary areas—		16,200	16,200
4. Boarding.		400	400
II. Partially excluded areas—Boarding.			
Total ..		1,01,200	1,01,200

NOTE BY THE ADMINISTRATIVE DEPARTMENT.

The policy of the Government is to rely mainly on aided agencies expansion of education. The practice has been to consider every year the question of budget provision for grants to institutions newly recognized by Universities in the case of colleges and by the Director of Public Instruction in the case of secondary and special schools. The provision for 1946-47 proposed for the purpose is indicated in the summary at the top.

Teaching grants.—These grants represent ordinarily one-half of the net cost of the institution. In the case of colleges and secondary schools, the teaching grants include also compensation payable to the private managements for the loss of fee income on account of the grant of fee concessions to backward classes under rule 92 of the Madras Educational Rules. In addition, grants are paid to secondary schools towards one-half of the cost of scholarships awarded in accordance with schemes approved by the Director under rule 32 of the Grant-in-aid Code. Teaching grants to non-Government special schools including training schools are assessed by the Director under rule 45 of the Grant-in-Aid Code after a consideration of all the circumstances of the case. The amounts proposed are in respect of four colleges, 29 secondary schools and 21 special schools including ten training schools. A provision of Rs. 2,660 is included towards scholarships in 15 secondary schools.

Boarding grants.—Under article 62 of the Grant-in-Aid Code, a special grant may be made in aid of boarding charges to Indian orphanages and boarding homes for destitute children, the grant being limited to two-thirds of the net boarding charges of the institution subject to a maximum limit of Rs. 3 a month (temporarily raised to Rs. 6 for the duration of the war) per pupil. The Director proposes to admit 13 new orphanages to aid next year.

This Department recommends that a provision of Rs. 1,01,200 may be provided in the next year's budget.

M. V. SUBRAMANIAN—23-10-45.

Education and P.H. Department

PART II SCHEME FOR 1947-8.

(SUBJECT: TEACHING GRANTS TO AIDED COLLEGES, SECONDARY AND SPECIAL SCHOOLS AND GRANTS TO BOARDING HOMES FOR ORPHANS AND DESTITUTE CHILDREN).

S U M M A R Y.

Head of Account	Item of Expenditure	Ultimate cost. Recurring Rs.	Cost in 1947-48. Rs.
37.c. Education--University--Grants to non-Government Arts Colleges--A. Teaching.	Grants to three non-Government Arts Colleges newly recognised.	23,800	23,800
37.c. Education--University Grants to non-Government Professional Colleges--Teaching.	Grants to one non-Government Professional college and for courses newly recognised	5,600	5,600
37.g. Education--Secondary--Direct grants to non-Government Secondary Schools--A. General--1. Teaching.	Teaching grants to new secondary schools and scholarship schemes newly approved	1,06,500	1,06,500
37. n. Education--Special Direct grants to non-Government special schools--B, Non-European--1. Teaching	Teaching grants to non-Government special schools.	9,700	9,700
37.k. Education--Primary--Direct grants to non-Government Primary Schools--B. Non-European--1. Ordinary areas--A. General--Excluding Post-War Reconstruction--4. Boarding.	Boarding grants to orphanages to be newly admitted to aid	26,000	26,000
T O T A L.		1,71,600	1,71,600

The policy of Government is to rely mainly on aided agencies for the expansion of education. The practice has been to consider every year the question of budget provision for grants to institutions newly recognised by Universities in the case of colleges and by the Director of Public Instruction in the case of secondary and special schools. The provision for 1947-48 proposed for the purpose is Rs 1,71,600 as indicated in the summary at the top.

TEACHING GRANTS:—These grants represent ordinarily one-half of the net cost of the institution. In the case of colleges and secondary schools, the teaching grants include also compensation payable to the private managements for the loss of fee income on account of the grant of fee concessions to backward classes under rule 92 of the Madras Educational Rules. In addition, grants are paid to secondary schools towards one-half of the cost of scholarships awarded in accordance with schemes approved by the Director under rule 32 of the Grant-in-Aid Code. Teaching grants to non-Government special schools including training schools are assessed by the Director under rule 45 of the Grant-in-Aid Code after a consideration of all the circumstances of the case. The provision

proposed

proposed Rs 1,40,700 is in respect of three Arts Colleges and one Training College for Women, 49 Secondary Schools and 15 special schools including 5 training schools. A provision of Rs 4,900/- is included towards scholarships in 22 secondary schools.

BOARDING GRANTS:-

Under article 62 of the Grant-in-Aid Code, a special grant may be made in aid of boarding charges to Indian Orphanages and boarding homes for destitute children, the grant being limited to two-thirds of the net boarding charges of the institution, subject to a maximum limit of Rs 3/- a month (temporarily raised to Rs 8 on account of the increase in the prices of food-stuffs) per pupil. The Director proposes to admit 19 new orphanages to aid next year.

The total provision proposed for 1947-8 is Rs 1,71,600 as against Rs 1,01,200 in 1946-7. The increase is mainly due to the proposal to admit 40 secondary schools for boys and 9 secondary schools for girls newly to aid in the next year as against 20 boys schools and 9 girls schools in the current year. There has been an unprecedented pressure for accommodation in secondary schools and this has resulted in the opening of new secondary schools. But for the private managements coming forward so readily to take up the responsibilities for extension of secondary education, the position would have been very difficult. It is not therefore possible to refuse them the usual aid especially as every item of expenditure recurring or non-recurring is on the increase. This Department recommends that a provision of Rs 1,71,600 may be provided in the next year's budget as shown in the summary at the top.

M.V. SUBRAMANIAN,

SECRETARY TO GOVERNMENT.

"RP"/11/12.

PART II SCHEME FOR 1948-49.

Sub: Teaching grants to aided secondary schools under private managements and grants to Boarding homes for orphans and destitute children.

HEAD OF ACCOUNT	ITEM OF EXPENDITURE	Ultimate cost	
		Recurring cost in 1948-1949.	Rs.
37. Education-Secondary-Direct grants to non-Government Secondary schools-A-General	Teaching grants to new secondary schools and scholarship schemes newly approved.	1,14,400	1,14,400
1. Teaching-Voted.			
37. K. Education-Primary-Direct Grants to non-Government primary schools-A-General I. Ordinary areas-	Boarding grants to orphanages and boarding homes to be newly admitted to aid.	32,700	32,700
(i) Excluding Post war Reconstruction - 4 Boarding.			
	Total	1,47,100	1,47,100

the

The policy of Government is to rely mainly on aided agencies for the expansion of secondary education. The practice has therefore been to consider every year the question of budget provision for grants to new institutions recognised by the Director of Public Instruction.

2.(i) Teaching grants: The managements of aided secondary schools were hitherto allowed to adopt such scales of pay as their finances could afford and the Government were giving them grants-in-aid for a year based on half the approved net cost in the preceding financial year. As no standard scales of pay were fixed by managements, the teachers, in most of the cases, were paid very poor salaries, and the Government therefore decided to insist on managements of aided schools adopting atleast the revised scales of pay fixed for teachers in secondary schools under local bodies. With a view to enable the managements to find the funds required for meeting the extra cost involved, the Government have raised the basis of assessment of teaching grants from one-half to two-thirds of the approved net cost with effect from 1-6-47. The Government also decided that no new school should be permitted to come into existence unless it undertook to adopt atleast the scales of pay approved for teachers in schools under local bodies. So all the newly recognised schools will have to be paid teaching grants on the basis of two-thirds of the net cost. In addition grants will also be paid as usual for the loss of fee income on account of the grant fee concessions to backward classes under rule 92 of the Madras Education Rules and (2) towards on-half of the cost of scholarships and fee remission awarded in accordance with schemes approved by the Director under rule 32 of the Grant-in-Aid Code. The provision of Rs. 1,14,400 suggested under this head is intended for 40 new schools and two colleges newly opened which do not provide instruction upto the standard of a University degree and for which teaching grants are assessable according to the rules for aided secondary schools.

(ii) Boarding grants: Under rule 62 of the Grant-in-Aid Code, a special grant may be made in aid of boarding charges to Indian orphanages and boarding homes for destitute children, the grant being limited to two-thirds of the net boarding charges of the institution subject to a maximum limit of Rs. 3 a month which has been temporarily raised to Rs. 8 on account of the prevailing high cost of food stuffs. The Director proposes to admit 22 new orphanages and boarding homes to aid next year.

3. The total provision proposed for the next year is Rs.1,47,100 as against Rs.1,32,500 in 1947-8. The increase is due to the increase in the basis of assessment of teaching grant from one half to two thirds of the approved net cost as explained above and also in the number of scholarship schemes to be provided for

4. The teaching and boarding grants recommended by the Director are absolutely essential for the proper maintenance of the institutions. This Department therefore recommend that a provision of Rs.1,47,100 be made for this purpose in the budget for 1948-9 as indicated in the summary at the top.

M.V. Subramaniam,
Secretary to Government.

PART II SCHEME FOR 1948-49.

Sub: Teaching grants to secondary schools under local bodies.

HEAD OF ACCOUNT	ITEM OF EXPENDITURE	S U M M A R Y	
		Ultimate cost Recurring	Cost in 1948- 49. Rs.
37. h. Education Secondary	Teaching grants to		
Grants to local bodies for	secondary schools		
secondary education - A.or-	under local bodies		
dinary areas-I- Teaching.	<u>newly recognised.</u>	67,200	67,200
	TOTAL.	67,200	67,200

Prior to 1947, the Government were paying fixed lump sum subsidies towards the cost of maintenance of certain secondary schools opened by local bodies before 1930. This system was abolished as from 1-1-47 and the system of payment of teaching grants to all recognised schools under local bodies on the basis of half the approved net cost of maintenance of the institutions in the preceding financial year was introduced instead. Thus secondary schools under local bodies were brought into a line with aided secondary schools under private managements and it was ordered that the grant should be assessed according to the procedure laid down in rule 32 of the Grant-in-Aid Code as in the case of aided secondary schools.

2. The procedure followed in respect of aided secondary schools is to consider the question of providing for the payment of teaching grants to the schools newly recognised by the Director during a year in connection with/budget for the ensuing year as the teaching grant for the year ~~xxx~~ in which the school is newly opened is payable only in the next year. Following that procedure, the Director of Public Instruction has recommended that provision may be made in the next year's budget for payment of teaching grants to 34 secondary schools under local bodies newly recognised by him during the current year. The grant is made up of one-half of the estimated net cost of maintenance of the institutions in the current year, the compensation for the loss of fee income on account of the grant of fee concessions to backward classes under rule 92 of the Madras

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Educational Rules and one half of the cost of scholarships awarded in accordance with the schemes approved by the Director under rule 32 of the Grant-in-Aid Code as in the case of aided secondary schools.

3. This Department accepts the Director's recommendation and recommends that a provision of Rs. 67,200 may be made in the next year's budget as shown in the summary at the top.

M.V. Subramanian,
10-12-47.

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EDUCATION AND PUBLIC HEALTH DEPARTMENT.

PART II SCHEME FOR 1948-9.

[SUBJECT.—Grants to local bodies and private agencies for the opening and maintenance of new middle schools for boys and conversion of middle schools into high schools in taluks not served by such schools.]

Summary.

Head of account.	Item of expenditure.	Ultimate cost		Cost in 1948-9.	
		Recur- ring.	Non- recur- ring.	Recur- ring.	Non- recur- ring.
(1)	(2)	(3)	(4)	(5)	(6)
		RS.	RS.	RS.	RS.
37. g. Education—Secondary— Direct grants to non-Govern- ment secondary schools— A. General—Ordinary Areas— 1 Teaching—Voted ..	Teaching grants for four new middle schools and two high schools for boys to be newly opened by private bodies.	21,200	..	6,000	..
3 Equipment—Voted ..	Grants towards the purchase of initial equipment for the six schools ..	..	18,000	..	9,000
	Total ..	21,200	18,000	6,000	9,000
37. h. Education—Secondary— Grants to local bodies for secondary education—A. Ordinary Areas— 1 Teaching—Voted ..	Teaching grants for four new middle schools and two high schools to be opened by local bodies.	21,200	..	6,000	..
4 Equipment—Voted ..	Subsidies towards the purchase of initial equipment for the six schools.	..	18,000	..	9,000
	Total ..	21,200	18,000	6,000	9,000
	Grand total ..	42,400	36,000	12,000	18,000

The policy of Government is to rely on local bodies and private agencies for the expansion of facilities for secondary education of boys. There are certain taluks in this Province which have not even a single high school. It is considered essential that there should be at least one high school in each taluk, that to begin with a middle school should be opened in taluks which have not even a middle school and it should be developed into a high school in due course and that in a taluk where there are only middle schools but no high school, one of the schools should be converted into a high school by the opening of Form IV in the first year and Forms V and VI in the succeeding years. In order to achieve this object within a reasonable time, it is considered necessary to encourage local bodies and private agencies to open schools in these backward taluks by payment of grants towards the full cost of the initial equipment to be purchased for each school

subject to a maximum of Rs. 3,000 (payable in two equal instalments in successive years) and also teaching grants based on the entire net cost of maintenance of the schools subject to a maximum of Rs. 3,300 a year for a middle school and of Rs. 4,000 a year for a high school for the first five years from the opening of the school instead of a portion of the net cost, as in the case of the existing schools (half the net cost in respect of secondary schools under local bodies and two-thirds of the net cost in respect of schools under private bodies). The question of restricting the teaching grant to a portion of the net cost will be considered at the end of the fifth year.

2. As a first step in this direction, the Government sanctioned the payment of subsidies to local bodies in the current year for four new middle schools to be newly opened by them in taluks where there are no such schools and for the conversion of two middle schools into high schools in taluks in which there are no high schools. Three new middle schools and two high schools have been opened under this arrangement and the remaining middle school will be opened during the next school year. It is considered that not only local bodies but also private managements should be encouraged to open schools in backward taluks so that the object of providing at least one high school in each such taluk may be achieved as soon as possible. It is accordingly proposed to provide for the payment in 1948-9 of teaching and equipment grants for eight middle schools to be newly opened (four by local bodies and four by private bodies) and for the conversion of four middle schools into high schools—two by each agency from the next school year. The teaching grant for 1948-9 for the schools to be newly admitted to aid are payable only in 1949-50 but as the managements may not be able to meet the entire cost of maintenance of the middle schools to be newly opened, it is proposed to make an advance teaching grant of Rs. 1,500 for each school in 1948-9 and pay the balance of the grant due for 1948-9 in 1949-50.

3. The ultimate cost involved in the proposal is Rs. 42,400 recurring and Rs. 36,000 non-recurring and the cost in 1948-9 is Rs. 12,000 recurring and Rs. 18,000 non-recurring. This department recommends that provision be made for the purpose in the Budget for 1948-9 as shown in the summary at the top of this note.

M. V. SUBBAMANIAN—15-10-47.

54 EDUCATION AND PUBLIC HEALTH DEPARTMENT.

PART II SCHEME FOR 1948-9.

[SUBJECT.—Grants to local bodies and private agencies for new middle schools for girls to be opened in centres not served at present by such schools.]

Summary.

Head of account.	Item of expenditure.	Ultimate cost.		Cost in 1948-9.	
		Recur- ring. Rs.	Non-re- curring. Rs.	Recur- ring. Rs.	Non-re- curring. Rs.
37. g. Education—Secondary—Direct grants to non-Government secondary schools—A. General—	Grants for three middle schools for girls to be newly opened by private managements.	9,900	9,000	4,500	4,500
1. Teaching		..	9,000	..	4,500
4. Equipment		..	..	..	..
37. h. Education—Secondary—Grants to local bodies for secondary education—A. Ordinary	Grants for three middle schools for girls to be opened by local bodies.	9,900	9,000	4,500	4,500
1. Teaching		..	9,000	..	4,500
3. Equipment		..	..	..	..
	Total ..	19,800	18,000	9,000	9,000

Secondary education among girls is in a very backward state. There are about 130 towns with a population of 10,000 and above and 190 towns with a population of over 5,000 and below 10,000 without any secondary school for girls. In order to provide more facilities for their education, it is necessary to encourage local bodies and private agencies to open secondary schools for girls by the grant of adequate teaching and equipment grants in addition to the opening of a certain

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number of such schools directly by the Government. In respect of middle schools for boys newly opened by local bodies in taluks not served by such schools, the Government have undertaken to pay as a special case teaching grants equal to the actual net cost of maintenance of the schools for a period of five years, subject to a maximum of Rs. 3,300 for each school and grant towards the full cost of the initial equipment, subject to a maximum of Rs. 3,000 for each school. The Director of Public Instruction has recommended that teaching and equipment grants to the middle schools for girls to be newly opened by local bodies and private agencies at suitable centres may be paid on the same basis so that there may be uniformity in the payment of these grants. As local bodies and private agencies do not generally come forward to open secondary schools for girls even to the extent they do in the case of boys, it is considered necessary to make grants at special rates as recommended by the Director for a limited period. The question of revising the basis of teaching grant will be considered at the end of five years as in the case of boys' schools.

2. The proposal involves an ultimate recurring expenditure of Rs. 19,800 per annum and a non-recurring expenditure of Rs. 18,000. The teaching grant for 1948-9 is normally payable only in 1949-50, but as local bodies and private agencies may find it difficult to meet the full cost in the first year of the opening of the schools without some financial assistance, it is proposed to make an advance teaching grant of Rs. 1,500 for each new middle school. To enable the management to purchase the initial equipment in time before the reopening of the school, it is proposed to make the first instalment of the equipment grant also in advance. This department, therefore, recommends that a provision of Rs. 18,000 be made for the purpose in the budget for 1948-9 as shown in the summary at the top of this note.

M. V. SUBRAMANIAN—21-10-47.

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EDUCATION AND PUBLIC HEALTH DEPARTMENT.

PART II SCHEME FOR 1948-9.

[SUBJECT.—Teaching grants to aided colleges].

Summary.

Head of account.	Item of expenditure.	Recurring.	
		Ultimate cost. Rs.	Cost in 1948-9. Rs.
(1)	(2)	(3)	(4)
37. c. Education—University— Grants to Non-Government Arts Colleges—(i) Excluding Post-war Reconstruction— c. (i) A. Teaching—Voted.	Grants to Non-Government Arts Colleges newly recognized and for courses newly opened in existing Non-Government Arts Colleges.	49,000	49,000
	Total ..	49,000	49,000

Secretary, E. & P.H.

When we ^{are} considering the Part II Schemes for 1948-49, the then Finance Secretary, Dr. Dodwell suggested that certain grants which we are liable to pay under the rules as under the Grant-in-Aid Code need not be brought in every year, as part II proposals but that they may be included in the Part I of the Budget proposals as these are our normal commitments and we have to pay them in any case. This is different from the equipment and the building grants for which we either pay or do not pay according to financial circumstances.

The grants that we pay as teaching grants according to rules are of the following varieties.--

- (1) Teaching grants to elementary schools
- (2) -do- to high schools
- (3) -do- to colleges
- (4) Teaching grants to night schools and rural colleges under the Adult Education scheme.

I think we may accept the suggestion of Dr. Dodwell and include them in Part I of the Budget itself instead of bringing it for consideration in Part II schemes. This may be examined and put up.

H.M. Education.

E. & P. H. (C1)

The suggestion referred to above does not appear to have been recorded anywhere. Perhaps it is a oral suggestion made at same meeting of the S.F.C. The position in respect of the various types of schools is as follows:--

- (1) Elementary schools:--The teaching grant payable to aided elementary schools, is even now

The policy of the Government is to rely mainly on aided agencies for the expansion of education. Teaching grants represent ordinarily one-half of the net cost of the institutions. The teaching grants include also compensation payable to the private managements for the loss of fee income on account of the grant of fee concessions to backward classes under rule 92 of the Madras Educational Rules. It is usual to provide for teaching grants to newly opened colleges or courses in the colleges under Part II of the budget. The provision of Rs. 49,000 proposed is in respect of four non-Government arts colleges newly opened and in respect of new courses opened in two existing non-Government colleges.

The provision proposed for 1948-9 (Rs. 49,000) is higher than that provided in 1947-8 (Rs. 23,800). The increase is mainly due to the provision for four arts colleges newly opened in 1947-8 to meet the abnormal rush for admissions to Intermediate classes. This department recommends that a provision of Rs. 49,000 may be made in the next year's budget as shown in the summary at the top of this note.

M. V. SUBRAMANIAN-1-12-47.

provided for in the Part I Budget.

(2) (a) Secondary schools under local bodies:-

Secondary schools under the control of local bodies opened prior to 1930 were in receipt of fixed lump sum subsidies and this system was abolished as from 1-1-1947. From 1.1.47 the system of payment of teaching grants on the basis of one-half of the approved net cost of maintenance of the institutions in the preceding financial year was introduced. The teaching grant payable to the existing schools is even now provided for in the Part I budget - Grants to schools newly recognised is treated as a Part II Scheme.

(b) Secondary schools under private managements:-

The teaching grant payable to secondary schools under private management is even now provided for in the Part I Budget. Only in the case of schools which have to be newly recognised and opened during a year and which are recommended for aid are considered as part II Scheme for the ensuing year. The object in treating them as Part II Schemes seems to be to restrict the schools to be newly admitted to aid, in case the Provincial finances do not permit the undertaking of additional financial liability over and above the existing commitment. If Finance agree, this Deptt. may agree to provision for teaching grants to such schools being made under Part I.

(3) Aided Colleges:- The position is the same as for aided secondary schools.

(4) Night schools and rural colleges opened under Adult Education scheme introduced this year will be eligible for grants in future years also and the provision required for the purpose will be included in the Part I of the estimates for the Budget. The question of providing funds as Part II schemes will arise only if the scheme of Adult Education is extended and more schools are to be opened.

(5) Non-Government special schools:- The teaching grant payable in respect of newly opened schools is provided for in Part II of the budget.

Perhaps the D.P. may see this as first

7/9/48 AS IV by Mr. D.P. Edu. 5823 (1/2) 8.9.48

U.O.Reply No. 648-41/48 Dated 29th September 1948.

Resubmitted.

2. I agree that provision for the payment of teaching grants for all educational institutions may be made in Part I of the Budget.

To

The Secretary to Government,
Education & P.H. Department.

D.P.I.

E & P.H. (C)

The view of the - may

be invited

15/10/48

15/10/48

AS IV 15/10/48

Finance (B.G.) Dept.

Please see the minute of H.M.(Edn.) on p.1 above and the notes on pp.1-3 above.

2. Provision is made in Part I Estimates for expenditure required for the normal working of the various Departments of the Govt. with reference to the existing sanctions - See paragraph 15 of the Madras Budget Manual. It will be seen from the note of E.&P.H. on pp.1-2 above that teaching grants payable to the existing schools are included in Part I of the Estimates. Grants for these schools would have been sanctioned already, after the proposals had been treated as Part II Schemes in a previous year. Under paragraph 52 of the Madras Budget Manual, proposals for increased provision for the expansion of the existing services, e.g. grants-in-aid to schools newly admitted to aid or increased grants-in-aid due to the opening of higher forms in existing schools should be treated as Part II Schemes. The object of this distinction is that as payment of grants-in-aid to new extensions and for



not put up

not put up

extensions to the existing institutions involving new commitments, the question of provision of funds for such schemes should be examined with reference to the budgetary position and the relative urgency and importance of other similar schemes.

The E.&P.H. Dept. have stated that teaching grant payable to aided elementary schools is even now provided for in Part I of the Budget - see 'Z' on pp.1-2 above. It is not clear what exactly this is intended to mean. Provision is made in Part I for teaching grants for existing elementary schools (and also for additional teachers ~~in~~ in existing schools with reference to increase in strength) as in the case of grants for Secondary schools, Colleges etc. Proposals for opening certain new Govt. elementary schools in the Agency tracts were treated as Part II Schemes - cf. items 46 and 83 of the list of Part II Schemes appended to the Budget Memorandum for 1948-9. It does not appear that a different procedure is followed for new elementary schools opened by Local Bodies or private managements. Provision for extension of compulsory elementary education to new areas was included in Part II of the Budget each year.

3. There is no record in the Finance Dept. to show that Dr. Dodwell expressed views on the lines indicated in the minute of H.M.(Edn.) on p.1 above. The views are not in accordance with the rules in the Budget procedure or the existing procedure referred to in para 2 above. It does not seem advisable to make any change in the existing rules or procedure so as to provide in Part I for all teaching grants including grants for new schools or opening higher forms, new courses etc. in existing schools. Such a procedure will result in increase in the Government's recurring commitments without any limit, a situation which it is essential to avoid especially under present conditions, when the Govt. of India want us to balance the budget without recourse to the Revenue Reserve Fund. The fact that certain new institutions or new sections of existing institutions are "eligible" for teaching grants under Grants-in-aid Code cannot commit the Govt. to provide funds for such grants in a particular year. The position is similar to inclusion of building schemes of

See Part II Scheme
NAB at (X)

* This scheme
has been
held in
abeyance
temporarily

X

educational ^{or medical} institutions or water supply and drainage schemes in an 'approved' list. The inclusion of a scheme in such an approved list does not carry with it a guarantee regarding payment of grant in any particular year. In some of these cases, the local body or private institution incurs the expenditure in advance, and waits for the grant until the Govt. are in a position to provide funds for the purpose.

The position in regard to teaching grants for the opening of new schools or new sections in existing schools is not different from that stated at "X" on pp.4-5 above. If a local body or a private institution opens a new school or a higher form or a new course in an existing school or college, it will have to do so on its own responsibility, and the grant of recognition by the D.P.I. to such an institution or section or course cannot be deemed to carry with it a guarantee regarding grant from Provincial funds. Local bodies and private educational institutions know this position and cannot complain of any unexpected difficulty arising out of it, as the procedure has been in vogue for years. It will not be correct or advisable to include provision for such grants in Part I of the Budget. Relaxation of the prescribed budgetary procedure in this case may give rise to requests for similar relaxation from other Departments, e.g. increase in the number of beds in a hospital which receives a maintenance grant from the Govt. will involve a recurring liability. It may be argued that as we have already agreed in principle to a half ^{grant} towards the cost of maintenance, the Govt. should provide funds for additional grants for increases in the number of beds in Part I, treating them as standing sanctions.

Another point to be mentioned is that provision of funds in Part I for teaching grants for a new educational institution or a new section or course in an existing institution may indirectly commit Govt. to grants for buildings and equipment. The opening of a Science course in a College or school will involve not only an increase in the teaching grant, but special non-recurring grants for

buildings and equipment. Once funds are provided in Part I for teaching grants as standing sanctions, the Govt. will have to provide also funds for building and equipment grants for the new courses. The resulting liability to the Govt. will be very large. On the other hand, if grants for such new purposes are included in Part II of the Budget, the Govt. will have an opportunity to consider at the time of passing final orders on the Budget, the relative urgency and importance of the several new schemes proposed, and decide as to which of them should be provided for in the ensuing year's budget with reference to the total funds available for new schemes.

In view of the considerations set forth above, Finance may advise that no change need be made in the existing procedure for budgeting for schemes relating to teaching grants for opening new educational institutions or for opening new sections in existing institutions.

200
8/11/48

In this matter a clear distinction should be drawn between teaching grants for existing schools on the basis of their existing level of activities and grants which will be a new commitment to Govt. either by way of the opening of new schools or the opening of new forms etc. by existing schools. Grants of the former kind are even now included in Part I of the budget - and it is only proposals involving grants of the second kind that have to be treated as Part II schemes. Part II estimates are defined to be "estimates of the cost of schemes involving new expenditure or abandonment of existing revenue" and all schemes involving new expenditure have to be treated as Part II schemes. It makes no difference that in a particular case the new expenditure

may be on a prescribed scale. There will be no meaning in Govt. framing a budget at all if they cannot decide to what extent they would undertake new commitments in the coming year with reference to the over-all financial position & the Govt. must obviously have an opportunity of deciding how many new schools should be given grants in the coming year. Theoretically it is open to them to say at any time that they cannot afford to spend more by way of grants than what they are already spending and that new schools should not be opened or if opened they should do without Govt. grants. When once grants to certain educational institutions are considered as Part II & provision is ultimately made for them in the budget of a particular year, the items automatically become Part I for succeeding years and some kind of scrutiny cannot be dispensed with in the year in which the grants first become an addition to our commitments.

H.M. (Edn) mentioned the matter to me some time ago & I have personally explained the above position to him.

11/11/48. E.P.H.

Finance do not want any change in the existing procedure. Their views may be accepted.

Secy., Fin., says that he has already explained

Finance n.o. 91314 B948.
11.11.48.

10 NOV 1948

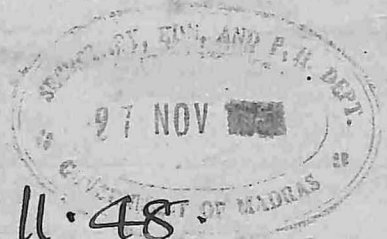
8-8-20

explained the position to H.M. (Edu.) in person —
vide A'overb of. No further action appears to be
necessary. The papers may be recorded for
future reference after perusal by H.M.

for
18/11/48
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58823/48/21
02/11/48

18/11/48
29.11.48



Co. Ms. no. 2996, Edu., dated 29.11.48.

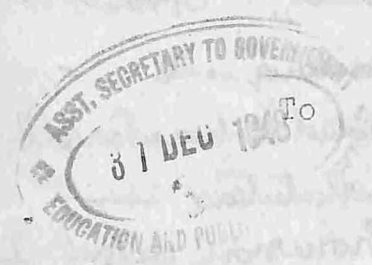
Abstract:- Grants —
Teaching etc —
Aided Educational
Institutions —
Provision in Part D
Estimates — Notes
Rendered.

C/ AS/

Education Department.

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From The Director of Public Instruction,
Madras.



To The Secretary to Government,
Education and Public Health Department,
Madras.

Rec.No.648 A1/48 dated 28-12-1948.

98294

Sir, Sub: Budget - Provision of funds for the payment of
teaching grants to Non-Government Schools.

Ref: Edn. & P.H.(C.1) Department U.O. 58823-C1/48-1
dated 8-9-1948 and my reply (U.O.) No.648
A1/48 dated 29-9-1948.

I request to be informed of the orders passed by
Government in the matter.

Yours faithfully,

Heichmann
for Director of Public Instruction.

KHR.29-12.

30/12/48

Experiments - Teaching of - school education
Institution - Provision in Part I & II

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~~July 12~~