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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 342 Press / Mis.

52-53.

Dated 17-8- 1871.

52-53

39/40

Not to be folded or roughly handled

No. 52. Read the following Proceedings of the Board of Revenue, dated 10th July 1871, No. 2851 :—

Read the following letter from the President of the Local Fund Board, Calicut and Tellicherry Circles, to the Acting Secretary to the Board of Revenue, dated Calicut, 30th June 1871, No. 151 :—

I have the honour to forward extracts from the Proceedings of the Local Fund Board Meetings of Calicut and Tellicherry.

2. Owing to the necessity which existed for raising funds, and the consideration that no time should be lost if tolls were to be imposed, I thought it advisable not to wait for the issue of the rules for conduct of business.

3. It will be observed that the Boards have agreed to the Budget of communications, merely recommending the withdrawal of some allotments for new works under the financial pressure.

4. In regard to the anticipated revenue from tolls, I must explain that, in regard to the old tolls, the sums entered in the Budget include tolls on foot passengers for this reason.

The tolls and ferry farms for this district expire on the 1st July. In accordance with custom they were put up to auction at the beginning of May on the usual conditions, and were knocked down for the sums specified in the margin. The auctions are conducted in various parts of the district, and it is necessary that they should precede the commencement of the term of the lease by at least a couple of months to admit of purchasers making the requisite arrangements. I did not at that time anticipate that Government would object to the levy of tolls on foot passengers in the case of bridges where such tolls had always existed, and did not, therefore, think it necessary to postpone the sales or modify the terms. Had it been considered the tolls on foot passengers were to cease with the introduction of the new Act, it would have been necessary also to cancel the three last months of the existing leases at a large cost by way of compensation. Had the tolls been put up, excluding foot passengers, it is impossible to say what they would have fetched, but I feel convinced that, not only would an enormous decrease in the receipt at the tolls be the result of such an exclusion, but also that the prices bid would for the first year have fallen far below the sums properly representing the diminished value of the farms; this being the experience when terms are varied.

	Rs.
Ferries	40,202
Tolls on Bridges	43,930
Total...	84,132

I feel bound to bring to the prominent notice of Government the peculiar position of Malabar tolls.

The character of the rivers of the district is such that, as a rule, it may be said they are unfordable throughout the year. Herein lies the whole matter.

Where rivers are fordable during a great part of the year a ferry is a source of expense rather than profit. Boats can only be obtained from a distance at great expense, boatmen also are scarce and cannot be got when required except at exorbitant rates; when a sudden flood does come it is often so high above the usual level that the boats are washed away and damaged or destroyed, and if not fees are only realized during a few days as the waters rapidly subside. If such a

stream be bridged, and a toll levied on foot passengers, it may be considered a hardship, as they could generally walk through the almost dry bed of the river and, therefore, get little for their money.

The case, however, of the deep perennial rivers and estuaries of this district is totally different. Boats and boatmen are numerous, and the ferry service can, therefore, be performed cheaply and efficiently. The rapidity of the current in the inland rivers, and the great width, depth of mud, and fear of alligators near the coast, renders it impossible to ford, and the ferryman is, therefore, plying his trade all the year. From time immemorial Government has stepped in and sold the ferryman a monopoly on terms advantageous to the public as well as to Government. A minimum rate is fixed and the ferryman is bound to be in readiness night and day, and whether traffic is brisk or slack. The rates vary from 3 to 9 Pice according to the size of the river, and could scarcely be reduced even if the ferries were thrown open; whereas in the latter case when only one boat was ready the owner might charge what he liked, and when custom was slack travellers would be liable to detention.

On a ferry being superseded by a bridge the toll has been removed to it, and travellers are only too glad to pay for the improved accommodation no more than they must anyhow have paid, generally less.

It is by means of this organization favourable to all parties concerned that, without any special legislation, a revenue has sprung up, amounting now to 80,000 Rupees, available for expenditure on the communications of the district, and in fact already absorbed in their maintenance.

While a system already exists and works well in this district, which from the very nature of things could not arise in other districts, I respectfully urge that it is not sound policy to alter it on the ground that this district should not be treated exceptionally. To alter it is in one sense to make an exception, viz., to destroy local revenue when elsewhere the Act aims at creating it. Moreover, there are two of the bridges yielding a revenue of Rupees 15,300, of which only half the tolls are our property, a moiety being payable to the Governments of Mahé and Coorg. I presume that, if by altering the terms of toll collections we voluntarily sacrifice a considerable portion of the receipts without the concurrence of these Governments, we shall be bound to hand them over their former income from the reduced collections.

	Rs.
Mahé.....	4,200
Irrity.....	11,100
Total...	15,300

5. I venture to offer a few remarks on the recommendation of the Local Fund Board in regard to land valuation. It has been argued that, so long as the whole district is treated on one and the same principle of assessment, all the resulting revenue being spent within the circle in which it is raised, the question of the ratio which the real value of the land bears to the assessment is immaterial; but I submit that the matter is most important even within the district in so far as it affects the proportion in which local rates are to be relatively borne by the landed interest and by the rest of the community.

The Act as it stands has provided for a scale of valuation of landed property in ryotwary districts, which, if applied to Malabar, will confessedly subject the

Proceedings of the Madras Government, Financial Department,
17*th August* 1871.

landed interests here to only half the proportionate burdens borne by that interest elsewhere as compared with the rest of the community, and this results, not because in Malabar land has already been unduly burdened, but precisely because the Government share has already been assessed at an exceptionally low proportion of the net profit. This discrepancy, affecting a cardinal and essential principle of local rating added to the fiscal loss entailed, seems a heavy price to pay for what is after all a mere superficial and apparent uniformity obtained by assuming landed incomes to equal assessments everywhere.

The fact is that the district occupies an anomalous position in regard to its peculiar land tenure, and, though a so-called ryotwary district is scarcely correctly so described with reference to the purport of Section 38 of the Local Fund Act, I would call attention to a long report on the subject made by a former Collector (Mr. W. Robinson), under date 29th April 1857, in which the following remark occurs :—

" Now in purely ryotwary districts, and where the Government is the paramount landlord and the cultivator is a ryot in the proper acceptation of the term, the Collector may be in the position of a landlord collecting his rent or revenue, and he may be making a private (Kass) collection. But in the proprietary district of Malabar this cannot be the case. Every foot of ground in the province has its legal private (Kass) proprietor, whose titles, &c., are as indefeasible, as far as Government is concerned, as those of the most independent Zemindar or Taluqdar existing under the Statute of Permanent Settlement. The Government, therefore, can never be construed to be making a (Kass) private collection of rent or revenue. The public revenue of Malabar is a demand of land tax, assessment (temporary), if we like from (Zemindary) proprietary land," &c.

The peculiar position of the Malabar proprietor gives him a claim to hold waste land without payment of revenue, and by his contribution to the Road Fund he not only secures cheap carriage to market for the produce of his cultivated land, but reaps a large return from the reclamation of waste and from firewood and timber.

It is merely because under the Act we are called on to class the wealthy landholders of the district as a body scarcely removed from pauperism that the difficulty of funds occurs. If they were heavily assessed by Government, as in Tinnevelly and Godavery, the local fund would draw an ample contribution from them. It is on these considerations that I strongly recommend Government to modify the scale of land-valuation.

6. In regard to the house-tax, both the character of the district and the existing development of rate schools present special difficulties. These schools are expensive, and we have not, therefore, funds available for spreading elementary schools and thus bringing a large area within the operation of house-tax. In their Order, dated 31st March 1871, No. 436, Government allude to the rate school at Palghaut as the only case of a rate school in a Municipality, and I would invite attention to the financial position of this school under the new and under the proposed system. The total cost is Rupees 9,585, of which Rupees 2,996 is contributed by Government; of the remainder a sum of 250 Rupees was contri-

The Board have carefully gone through the budget of charges and have proposed some reduction in new works of communications in consequence of the want of funds.

Adding the charge prescribed by Government, they resolve that a sum of not less than Rupees 2,95,000 is absolutely required for the current year to carry on the works of communication of the district, and to provide for the services, Educational and Medical, now devolved on the Fund. They are, however, of opinion that the charges for the Anjengo and Cochin Hospitals and for the Palliport Leper Hospital, aggregating Rupees 3,131, should not be borne by the Calicut Local Funds, which derive no income from the places where they are situated. Even the Budget as above provides little or nothing for the extension of education; it does not provide anything for the Calicut Lunatic Asylum, or for the Hospital under course of erection at Vythery. As regards communications, the estimates have beencut down to the lowest amount. For the two Wynaad Imperial ghaut roads there is the limited provision of only 30,000 Rupees or 15,000 less than that originally contained in this year's Imperial Budget. These two lines involve a balance of estimates under new works of three lakhs.

The Imperial road from Calicut to foot of the Karkur Ghaut made over with a bare maintenance involves the re-construction of the Cherapoya and Yeddakarra Bridges at an estimated cost of 38,000 Rupees which cannot be now provided for. The coast line likewise made over with no provision for new works contains several large backwater bridges likely to require re-construction at no distant date. On the Great Western Imperial Line, also handed over with only maintenance, the large bridge over the Maliapuram river is in course of re-construction, the balance of estimate being upwards of 10,000 Rupees; for this nothing can now be allotted. It is clear, therefore, that no further charges can be deferred to future years.

The charges being estimated to exceed the receipts by a sum of 44,000 Rupees, the Board have considered the means by which the deficit may be met.

Tolls are already numerous and form a considerable source of revenue, and the Board are not of opinion that their number can be greatly increased. The most paying situations having already been fixed on the proportion of cost of collection to revenue will considerably increase in the case of additional tolls. They resolve to apply to Government for sanction to levy tolls at the full rate at the places noted below, the receipts at which are estimated at Rupees 9,000 :—

	RS.
Kalpetta, South Wynaad	1,000
Gudalur, South-East Wynaad...	2,000
Nelambur River, Ernad	2,000
Wattapalam Bridge, Walluvanad	1,000
Junction, north of Kalpatty Bridge, Palghaut	3,000
Total...	9,000

The last-named place being a site of a municipal toll where the old rates are levied, the Board propose the two tolls should be amalgamated, the Local Fund handing over to the Municipality a sum equal to the income hitherto obtained.

If, according to the Schedule of the Act, foot passengers be exempted from tolls, a loss of about 50 per cent. on the existing tolls may be apprehended. Considering that these bridges have all superseded ferries where foot passengers have had to pay from time immemorial, and that the rivers are perennial and not fordable, the Board are of opinion that no hardship is involved in foot passengers paying as heretofore, and they resolve to urge Government to adopt measures for continuing the tolls on foot passengers.

The Board have carefully discussed the subject of meeting the remaining deficit of 35,000 Rupees by the imposition of a house-tax. They have had laid before them a detailed estimate prepared by the Calicut Tahsildar of the value of the houses within 2½ miles of the Chatamangalam Rate School, the nearest school to Calicut, and similar lists for the cusbah stations of Manjeri and Angadipuram,

prepared by the Tahsildars of Ernad and Walluvanad. The subjoined tabular statement shows the result :—

Chatamangalam.

		No. of houses.	Tax.
1st Class...	Rupees 1,000 and upwards	8	40 0 0
2nd ,, ...	,, 500 to 1,000	11	33 0 0
3rd ,, ...	,, 200 to 500	30	60 0 0
4th ,, ...	,, 100 to 200	24	24 0 0
5th ,, ...	,, 50 to 100	63	21 0 0
6th ,, ...	under Rupees 50	879	219 0 0
		1,015	397 0 0

Manjeri.

1st Class...	Rupees 1,000 and upwards	3	15 0 0
2nd ,, ...	,, 500 to 1,000	5	15 0 0
3rd ,, ...	,, 200 to 500	25	50 0 0
4th ,, ...	,, 100 to 200	62	62 0 0
5th ,, ...	,, 50 to 100	65	32 8 0
6th ,, ...	under Rupees 50	456	114 0 0
		616	288 8 0

Angadipuram.

1st Class	Rupees 1,000 to 10,000	7	35 0 0
2nd ,, ...	,, 500 to 1,000	6	18 0 0
3rd ,, ...	,, 200 to 500	38	76 0 0
4th ,, ...	,, 100 to 200	94	94 0 0
5th ,, ...	,, 50 to 100	180	90 0 0
6th ,, ...	under Rupees 50	602	150 8 0
		927	463 8 0

In Malabar houses are never in groups but always scattered throughout the taluq. The few exceptional localities are in municipal limits. The residents, excepting the very poor class, are mostly interested in land. The scattered character of the dwellings renders valuation of houses and revision of valuation difficult. The dwellings are for the most part of mud; the wood-work, the bamboos, and cocoanut leaves, of which the roofs are composed, are procured on the spot at low rates. The houses thus afford little or no criterion of the means of the occupants.

In order to obtain a sum of Rupees 35,000, it would be necessary to make the house-tax extend to a greater distance than 2½ miles from the schools; it would also be necessary to include houses below 50 Rupees value, and in parts it would be necessary to make the tax almost general.

Looking to these facts, and to the impolicy of following up with a house-tax, the Census House Register, which was prepared on an implied guarantee that no house-tax was contemplated, the Board are of opinion that it would be infinitely preferable to levy the required amount by a land cess.

As a rule land in Malabar is sublet to tenants, and, were the incomes from land to be valued under Clause 3, Section 38, of the Act, the deficit could easily be met by a rate at less than one Anna in the Rupee.

It appears, however, that the district must be considered as ryotwary, and the profits of land be valued as equal to the assessment, though, on account of the fact of irrigation works being unnecessary, and no joint proprietary right in land having ever been claimed by Government, the assessments have never approached to an equality with the income. They are now considerably less than half.

The Board resolve, by a majority of 10 to 5, to recommend that, if necessary, the Act should be modified to admit of the valuation of land being fixed at an amount more nearly approximating its true value.

To meet the present deficiency it would be sufficient to impose a rate at three quarters of an Anna, supposing income of land to be valued at twice its assessment.

In making this recommendation, the Board have borne in mind that throughout a great part of the district school rates equal to one Anna in the Rupee of assessment have been remitted under the new Act.

Subjoined is the Budget of Receipts and Charges which the Board recommend for the approval of Government.

(Signed) A. MACGREGOR,
President.

Enclosure No. 2.—List of Works proposed to be executed during 1871-72 in the Calicut Circle.

Enclosure No. 3.—Abstract Statement of Estimated Receipts and Charges for 1871-72 for Calicut Circle.

Enclosure No. 4.

Proceedings of a Meeting of the Tellicherry Circle Local Fund Board.

Present:

A. Macgregor, Esq., President.
J. Cameron, Esq., Vice-President.
Major Kennedy.
Captain Bailey.
W. E. Underwood, Esq.
T. Richmond, Esq.
Doctor McAllam.
C. Canaran, Esq.

The Board, having carefully scrutinized the proposed Budget, are of opinion that the following reduction in the expenditure allotted for new works and repairs can be made:—

	Rs.
Road from Taliperamba to Cherukundapuram	1,000
Irkur to Chalot	1,000
Peruparamba to Nedumpoya	1,000
Mambram to Chalot	5,000
Manantoddy to Coorg frontier...	2,000
Chuttrum at Manikunnu	1,670
	11,670
Repairs.	
Cherakal to Coorg	1,040
	12,710

On the other hand, it is absolutely essential that the allotment for repairs of the road from Tellicherry to Kuttaparamba should be increased by a sum of Rupees 980, and that an allotment of Rupees 1,760 should be provided for the road from Kuttaparamba to Mattanur, for which no provision was made.

It is proposed to transfer from the 3,000 Rupees remaining for the Coorg road a sum of Rupees 2,500 to Dhoby Nullah bridge and tunnels on Teriot road.

The total charges will thus amount to Rupees 1,49,715.

The Board greatly regret the necessity for curtailing expenditure to this amount, especially considering the loss occasioned by the delay in the shape of establishment charges.

Proceedings of the Madras Government, Financial Department,
17*th August* 1871.

The revenue as estimated amounts to Rupees 1,46,415, and the Board are of opinion that tolls might be established at the places noted in the margin.

Kudaly Bridge.
Dhoby Nullah near junction of Coorg road with Manantoddy and Mysore road.
Kuttiady Ghaut.

The Kudaly Bridge is situated seventeen miles west of the Irrity Bridge, at which also tolls are levied, but, by the late orders of Government, a sum of nearly 5,000 Rupees will be handed over to the Coorg authorities for expenditure on the ghaut.

It should be remarked that from the foot of the ghaut to the Irrity bridge is a distance of eleven miles, of which seven are kept in order by Malabar. An expensive bridge on the boundary line is likewise maintained wholly at the district expense, and the seven miles alluded to are, from the feverish character of the country, and from the steep gradients and nature of the soil, nearly as expensive to maintain as the ghaut itself. The Irrity traffic divides at Mattanur, part going to Cannanore and part to Tellicherry.

The latter is tolled at Erinjolli, and there is no reason that the former should be allowed to pass over the twenty-seven miles between Irrity and Cannanore free.

The Board estimate receipts from these tolls, amounting to Rupees 3,300, for the next nine months. Adding this sum to the estimated income of Rupees 1,46,415, there is a total income equal to the estimated expenditure, Rupees 1,49,715.

The Board are of opinion that if according to the Act the present system of levying toll from foot passengers is discontinued, a loss of not less than one-third of the toll receipts, or about 9,000 Rupees, would be incurred. They see no way to meeting this reduction of funds, and are of opinion that, having regard to the fact that the tolls are at sites where ferries have existed from time immemorial, the payment of tolls by foot passengers should be continued.

The Board regret that they have been unable to propose any allotment for extension of education owing to want of funds.

They see no possibility of obtaining any important returns from a house-tax which, from the peculiar character of the dwellings of the country, they consider extremely inexpedient.

Even if it were otherwise an eligible source of revenue, they are of opinion that its imposition at a period corresponding with the census is much to be deprecated.

They are of opinion that future increase of funds, if not available from the Provincial grant, should be sought from the land which constitutes the wealth of North Malabar. There are on the Imperial coast road now handed over, three large wooden bridges in the last stage, the re-construction of which will cost not less than Rupees 50,000.

Moreover, this same line requires an expenditure of Rupees 80,620 on the fifteen miles between Taliparamba and the Canara frontier, as shown in Government Order, dated 15th February 1870, No. 521, for which nothing is now available.

The Board recommend Government to sanction the Budget as now submitted.

(Signed) A. MACGREGOR,
President.

From A. MACGREGOR, Esq., Collector of Malabar, to the Acting Secretary to the Board of Revenue, dated Calicut, 5th July 1871, No. 156.

I have the honour, in continuation of the subject of my letter of the 30th ultimo, No. 151, to inform you that I have this day received a letter from the Inspector of Schools, stating that an additional sum of Rupees 11,229 will be required for educational purposes to meet salary grants to rate schools. When the budget was prepared, this sum was not provided under the impression shared by the Inspector that the Government grants would be continued.

From the enclosed Proceedings of the Director of Public Instruction, it appears that the Government grant under this head will be withdrawn.

I can scarcely believe that this is really contemplated, but if so, the difficulties of the Fund will be increased by the amount above stated.

Proceedings of the Director of Public Instruction, Madras, 30th June 1871, *No.* 1062.
Read letter from the Acting Inspector of Schools, 6th Division, dated 26th June 1871, No. 458.

The Director of Public Instruction understands the Proceedings of Government, Public Department, No. 563, of the 28th April last, to lay down that, save in the case of rate schools and a few other schools made exceptional by special order, salary and results grants to middle and higher class schools are to be continued as hitherto from Imperial revenue. Rate schools of all classes are to be provided for from local and municipal funds; and salary grants to lower-class schools will have to be paid from the same source.

(Signed) E. B. POWELL,
Director of Public Instruction.

With the first of these letters the President of the Malabar Local Fund Boards submits the Proceedings of the Boards of the Calicut and Tellicherry Circles with regard to the Revised Budget of the year and the Budget of the Calicut Circle.

2. The Budget must be returned in order that it may be framed in accordance with the Rules which have since been promulgated by Government and in order that references may be entered in the last column of the lists of works, but before this is done there are certain points which must be decided by Government.

3. In the Northern Circle it appears that, by cutting down the expenditure on some important works and retaining tolls on foot passengers, equilibrium has been attained, the estimated receipts and expenditure amounting to Rupees 1,49,715 without levying house-tax anywhere; but the Board point out that, in justice to the country, more money must be provided in future years (numerous important new works being still unfinished or even not commenced), and they are strongly of opinion that the additional funds cannot and ought not to be provided by house-rates, and that they can and ought to be provided by increasing the land cess.

4. In the Southern Circle also the Board have been guided by the principles that the toll on foot passengers must be retained and that a house-rate ought not to be levied. Here, however, the expenditure is chiefly for maintenance and there is less room for retrenchment than in the north, where many new works are in progress or projected. Hence the result of the budget is a deficit of Rupees 35,000, which will be still further increased if Government withdraw their grants-in-aid to rate schools, and the Board, by a majority of ten to five, have decided this can be fairly raised only by increasing the land cess. The whole allotment for new works on lines which have not hitherto been considered imperial is Rupees 30,500, of which Rupees 18,400 is for works already in progress. The Budget will, therefore, not be balanced even if expenditure on new district works is entirely st[illegible]pped. The Board have fixed the reserve at nearly 20 per cent. of the estimated re[illegible]ceipts, and the President thinks it cannot be reduced with safety. If the usual r[illegible]ule of 10 per cent. on estimated receipts is followed, the reserve will be reduced from Rupees 26,724 to Rupees 13,600. On the other hand, the charges fo[illegible] rate schools

must probably be raised, and the Board of Revenue do not see how any other item on the expenditure side can properly be reduced.

5. On a representation from the Collector, Government decided in their Order of the 17th May 1871, No. 652, that a house-tax must be imposed as contemplated by the Act; that the rate of the cess on rent-value should not be raised by taking the rent-value to be more than the Government assessment; and that Malabar should not be treated exceptionally with regard to tolls on foot passengers. With this order before them, and with an evident desire to meet the wishes of Government, the Local Fund Boards recommend a re-consideration of the three questions, and their views are supported by weighty arguments.

6. In support of the retention of the tolls on foot passengers, it is urged that the annual leases are already sold under the terms hitherto prevailing; that, if these tolls are abolished and re-sales effected, the loss in purchase-money will be still greater than the decrease in the tolls; that the impost is suited to the circumstances of the country, warranted by ancient custom, borne cheerfully by the people, and worth no less than Rupees 42,000 a year; and that, if these tolls are abolished, compensation will have to be given from other sources to the Mahé and Coorg Governments, who are entitled to half the amounts collected at the Mahé and Irrity Bridges.

7. The only one of these arguments which can be questioned is the last. Under the engagements with Coorg, it would not be necessary to pay more than half the amount actually collected at the Irrity Bridge. The Board of Revenue are not aware of the terms of the engagement with Mahé. They called for particulars in their Proceedings of the 18th November 1869, No. 8515, but no answer has been received.

8. This, however, is a minor consideration compared with the others which have been enumerated and it is clear to the Board of Revenue that the tolls on foot passengers should be retained. This can be effected very simply by not raising tolls at all under the Local Funds Act, and so leaving matters as they are at present.

9. It is urged that the house-tax is unsuited to the circumstances of the country; that it would yield but little because the houses are scattered and not grouped, whilst rate schools are expensive, and cannot be multiplied so as to bring large numbers of houses under the rate; and that it cannot be justly imposed after the census-numbering has been conducted on the express assurance that no houses-tax would follow. A detailed estimate has been framed of the value of houses within 2½ miles of three rate schools in the Southern Circle, and the result is as follows:—

	Rs.
Chatamangalam	397
Manjeri	289
Angadipuram	464

Houses under Rupees 50 in value are placed in the sixth class, and houses above Rupees 1,000 in the first. It is possible that the houses may have been under-valued, but it is evident that the house-tax in these cases will not re-place

the cesses which are to be abolished. In 1868-69 the cess proceeds were as follow:—

	RS.
Chatamangalam	610
Manjeri	1,840
Angadipuram	761

Mr. Macgregor mentions the case of a rate school at Palghaut, Rupees 6,339 out of the cost of which has hitherto been defrayed by a voluntary land-rate and income-tax throughout the taluq. As the house-tax of the Local Funds Act will not be levied within the Municipality, and the country round Palghaut is sparsely populated, Mr. Macgregor doubts whether the house tax would produce Rupees 300 a year. The Board of the Calicut Circle remark that the way in which houses are scattered over the country renders valuation difficult, and that the houses are cheaply made and "afford little or no criterion as to means of the occupants."

10. The Board of Revenue do not altogether coincide with these views, but they are entitled to great consideration, and it will be well if the imposition of the tax can be deferred for the present at all events. It is clear that a house-tax will not succeed if it is forced on a reluctant people against the will of their legal representatives.

11. The charges on account of rate schools in the Calicut Budget are stated at Rupees 14,800, whilst the deficit is Rupees 35,000, or including the grants-in-aid to rate schools more than Rupees 40,000. It may be gathered from this that equilibrium would not be restored by the imposition of a house-tax.

12. To meet this deficit, and provide funds for future necessities, it is urged that the land-cess should be increased.

13. The want of funds is clearly made out. In the Southern Circle there are sanctioned estimates for Rupees 3,00,000 on account of new works on the Wynaad Ghauts, two bridges must be built on the road from Calicut to Karkur at a cost of Rupees 38,000, many timber bridges on the coast line will soon need re-construction, and there are numerous other *new* works which should be commenced at once. In the Northern Circle the case must be even worse for it has only just begun to enjoy a fair assignment of the road fund. Throughout the district, hospitals and dispensaries are numerous and expensive. With questionable justice it has been ordered that such institutions at Anjengo, Cochin, and Palliport shall be charged to Local Funds. A Lunatic Asylum is nearly finished in Calicut, and two new Hospitals are being erected at Manantoddy and Vythery. It is impossible, as matters stand at present, to allot funds for extending education.

14. In favour of providing the required funds by increasing the land-cess it is argued that the proportion of local burdens borne by landed interests in Malabar is less than elsewhere; that the land is so lightly assessed that it can bear high cesses easily; that the district is in essential points not ryotwary, so that rules framed on the basis of the relation of income to assessment in ryotwary districts are not applicable; that the landholders, while they pay less than landholders elsewhere, derive more benefit from the Road Fund, because they own forests and enjoy waste land and its products free of tax.

15. The Board of Revenue have no doubt whatever that, if justice is to be done to Malabar, the land-cess must be increased and placed they will not say on a *sounder* basis, for at present it is rated on a theory which in no way corresponds to fact, but on some reasonable basis.

16. If this could be done by declaring that land in Malabar is held on tenure other than ryotwary or inam, and falls under Clause 3, Section 38, of the Act, all that is wanted would be effected. This is what is recommended by the Calicut Board, but it is so inconsistent with all previous practices and with the construction placed for years on a law similar in this respect to that now in force, that the Board of Revenue fear it cannot be done without legislative authority.

17. Moreover the difficulty to which Government attach so much importance, but which has been faced from the beginning by the Collector, viz., that of ascertaining true rental throughout the entire district is in the way.

18. The Board can only recommend that a law should be passed as soon as possible after the Legislative Council meets, providing that the land-cess shall be rated in Malabar either at 1 Anna in the Rupee of true rental, or at 2 Annas in the Rupee of assessment.

19. At the same time the present system of ferry tolls might be authorized by law, but a change of law is not *necessary* on this account. The President seems to think it is, and enlarges on the advantage of controlling the canals and amalgamating canal and ferry funds. Every object will be gained if Madras Act I. of 1870 is applied to the canals only and not to the ferries, for the road fund can be expended on canals as well as on other "communications."

20. Five new toll-gates (one on the site of a municipal toll-gate) are proposed by the Calicut Board and three new toll-gates by the Tellicherry Board. The estimated receipts are:—

	RS.
Calicut	9,000
Tellicherry	5,000

21. The sites are well chosen, and the Board of Revenue recommend that they be sanctioned.

(A true Copy and Extract.)

(Signed) J. GROSE,
Acting Secretary.

No. 53. ORDER THEREON, 17th August 1871, No. 342.

The form in which estimates received with the foregoing Proceedings have been prepared does not admit of detailed review and sanction by Government, and the Board, it is observed, have called for revised budgets. Meanwhile the orders of Government are necessary on certain points.

2. The first to be settled is whether any change should be made in the system on which tolls are now levied on roads in Malabar. It is anticipated that the introduction of the schedule rates of the Act involving the exemption of foot passengers will cause great loss; and the exemption, it is said, is uncalled for. The Board of Revenue suggest that the tolls may be left as they are at present, *i.e.*, under the Imperial Act XV. of 1864, tolls under the Local Funds' Act not being levied at all.

The Government approve this suggestion, and the President will inform the Local Fund Boards accordingly. It is not clear whether the figures entered in the estimates represent the proceeds of tolls at the old or new rates. They do not tally with the figures given in paragraph 4 of the President's letter of the 30th June. The new tolls proposed by the Calicut Local Board appear to be estimated at the schedule rates of the Act, but as regards the first four there is nothing to prevent their being levied at the usual district rates if these will produce more. The fifth proposed site is at the boundary of the Palghaut Municipality, which already takes tolls at half schedule rates. All that is now required is to sanction the local toll also at half rates, and the Local Board and the Municipality can arrange as to the mode of levy. The adjustment proposed, if accepted by the Commissioners, may be carried into effect. The necessary notification will be issued, the toll being made payable from 1st September. The Local Funds' Act does not provide for the exemption of vehicles and animals licensed or registered by the Commissioners. This difficulty does not arise in Palghaut, as the Commissioners do not license or register vehicles or animals. But it must arise in Tellicherry, and the arrangement sanctioned in G. O., 1st July 1871, paragraph 3, cannot stand after the expiry of the present contract for the district tolls at the two bridges if there is one. In such cases the local and municipal tolls should each be at half rates and collected by the same agency, and it should be settled, either by a clause in the contract or by a bye-law, and notified, that half rates only will be levied on traffic outwards, and half rates only on registered or licensed vehicles or animals going inwards. The Municipality would be entitled to half the collection at full rates on traffic inwards. The President will report with reference to the Tellicherry tolls.

3. Under the existing system, which will be continued as regards most tolls, the sanction of Government to the receipt of the proceeds by the Local Board is necessary under Section 34. It is hereby accorded.

4. The Director of Public Instruction, in issuing the Proceedings of the 26th June 1871, No. 458, of which copy is furnished by Mr. Macgregor, misapprehended the intentions of Government in respect of aid to rate schools. There is nothing, the Government observe, in the orders which have been issued, to warrant the view of the Director that aid will be withdrawn from all rate schools. It has been declared that it is only the charges in connexion with elementary education which have been removed from the Provincial Budget, and transferred to local and municipal funds; and the Government will, therefore, continue to aid, as heretofore, existing rate schools not of the lower class. Salary grants, when those have been given, will be continued at amounts not exceeding those now drawn. Results grants, if any such have been drawn by rate schools, will not again be given. Lump grants, equivalent to the cess collections, have been allowed to some rate schools, many of them in Malabar, and will be continued, provided, however, that they shall not exceed the average collections of the past three years, and that at least an equivalent sum from local funds, whether from house-tax alone, or from it supplemented by an appropriation for the schools from the general fund, is credited to the union funds. Additional columns 3*a* and 3*b* should be opened in Statement III. appended to

Proceedings of the Madras Government, Financial Department,
17*th August* 1871.

the Local Fund Rules, and headed "Grants from Government" and "Appropriation by Local Fund Board." Entries should appear in the former only with reference to rate schools, not of the lower class, now transferred to the Local Boards; and, in the latter, only for such schools now in the receipt of lump grants. Schools not of the lower class, which may hereafter be established under the auspices of Local Fund Boards, and developed by them from lower class schools, will not be aided by the State.

5. The last paragraph will be communicated to the Presidents of all Local Fund Boards.

6. The Local Fund Boards of the Malabar District and their President deprecate the imposition of the house-tax, which, it is urged, is unsuited to the country, will be inadequate to meet the charges on account of rate schools, and is undesirable, the people having been recently assured that no house-tax would follow the census numbering. The Board of Revenue do not altogether coincide with these views, but, in deference to the opinion of the Local Fund Board, recommend that it be postponed.

7. The Government do not think that the arguments against the tax are convincing, though, doubtless, entitled to weight. Strong arguments may be adduced to rebut them. The tax will not, at present, be imposed everywhere, and in most places, in fact nearly all, it will be in lieu of existing taxes. The people, therefore, cannot take it to be a general tax; it will be imposed only where there is a school, and from this fact, which will be patent, and as it will be substituted in some places for hitherto-existing school cesses, it will soon be identified by them with the schools, and regarded, as intended, as a special educational rate. The people of Malabar have shown themselves not unwilling to be taxed for such special purposes. If, as is alleged, the tax produce much less than the cesses, they will not be slow to appreciate the change. The Government, for these reasons, are of opinion that the tax should be imposed, and draft notifications under Section 37 specifying the areas of its incidence, should be submitted with the revised budgets.

8. As regards its inadequacy, and the difficulty which the Local Fund Boards will have in providing for the existing rate schools, the Government are of opinion that the estimate of the proceeds will probably be found to be too low. In the first place, the tax is to be imposed throughout all areas hitherto assessed for the support of rate schools, and not only for a distance of two-and-a-half miles from each school as supposed by the Calicut Local Board. Next, the valuation on which the opinion of the Local Board is based appears unduly low. The estimated value of the Chatamangalum houses, taking the highest at a mean value of Rupees 1,250, and the rest at the mean of each class, is Rupees 58,950. The average is, therefore, a little over Rupees 58. The average municipal valuation of houses in Calicut is Rupees 999, and every possible allowance for the inferiority of the houses in rural tracts cannot account for such a difference as this. Even accepting the estimate, the Government observe that the tax will produce more in the villages named than the cesses did in 1869-70. The revised estimates should include the balances of school funds and the arrears outstanding, which

	House-tax.			Cesses, 1869-70.		
	Rs.	A.	P.	Rs.	A.	P.
Chatamangalum	397	0	0	360	8	0
Manjeri	289	0	0	217	0	0
Angadipuram	464	0	0	412	8	0

are probably considerable, and the charges should be scrutinized by the Local Boards with the advice of the Educational Officers of Government. The schools, it is probable, can be more economically administered than they hitherto have been; and the Government are confident that, allowing for the Government grants-in-aid, and the proceeds of the house-tax, it will be found that the general funds will be at no charge for existing schools in 1871-72.

9. The estimate of the other educational charges is probably too high, and the Government do not understand how the distribution between the two circles has been arrived at—if by the inclusion in the charge against Tellicherry of the whole local contribution to the Cannanore Normal School, this is incorrect.

	Rs.
Calicut	4,674
Tellicherry	8,218
Total...	12,892

10. By a separate order the President has been informed that the charges against local funds for the Palliport, Anjengo, and Cochin Hospitals will be withdrawn, and there is no present intention of making any charge against local funds for the Calicut Lunatic Asylum. The estimates, it is observed, take no credit for Dispensary receipts. The sundry charges in the institutions are probably susceptible of reduction.

11. The most important question raised is that of the proposed increase of the land cess. The Government are disposed to agree with the Local Boards and the Board of Revenue that this measure will be found necessary, but the settlement which may be arrived at cannot affect the budget of the current year as a legislative enactment, which cannot be passed for some time, will be necessary to give effect to the proposal. Final orders will not be passed until the revised budgets shall be received. For the current year it may be that more careful estimate will cause the anticipated deficit in the Calicut Circle to disappear, or, at least, to be much reduced. Some of the new works may perhaps be postponed, and, if equilibrium of receipts and expenditure cannot be attained, the Government will consider whether the Provincial grant can be increased.

12. The suggestion of the Board that Madras Act I. of 1870 should be applied to canals in Malabar is not of immediate urgency, and the Government await further proposals after fuller consideration.

13. With the revised budgets, explanation should be given as to the proposed distribution of the road fund balances and the provincial grants between the circles.

(True Extract.)

R. S. ELLIS,
Chief Secretary.

To the Board of Revenue.
,, Collector of Malabar.
,, Public Works Department.
,, Acting Accountant-General.
,, Director of Public Instruction.
,, Acting Inspector-General, Indian Medical Department.
,, Revenue Department.
Paras. 4 and 5 to all Collectors.

Exd. J. Wright.

Govt. of {1871} Madras.

FINANCIAL.

To

THE BOARD OF REVENUE,
&c., &c., &c.

Dated August, 17th.

Recd. *Encl.*

G. O., 17th August 1871, No. 342.

AUGUST.
Nos. 52-53.

Passing orders on certain points connected with the Budget Estimates of the Local Fund Circles in Malabar District.

Abstract Statement of Estimated Receipts and charges for 1871-72 for CALICUT Circle.

Receipts.

TALUKS.	Tolls on bridges and Ghauts.	Tolls on Ferries.	~~Road~~ Land Cess.	10 Per Cent on net receipts from Escheat sales.	Miscellaneous Receipts	Total.
Calicut	8,685	8,919	4,985	600	200	23,389
Ernad	2740	4,908	11,091	3,200	1,000	22,939
Ponani	634	6,597	18,802	48,00	1,400	32,233
Waluvanad	2,330	1,491	12,097	600	700	17,218
Palghaut	3570	262	13,627	2,800	600	20859
G.	16 000					16,000
S. E. and S. Wynad R.		100	3,136	...	100	3336
Total	33,959	22,277	63,738	12,000	4,000	135,974
Add Balance at the begining of the year						14,800
Proportion of Government Lump Grant						93,000
Proportion of Government Grant for Establishment.						16,000
~~House tax~~ Amount to be otherwise provided for						35,226
Total...						2,95,000

Charges.

	New District roads and Bridges.	Repairs to District roads and Grants	New Chattrums.	Repairs to Chuttrums and Mussaferkhanas.	Total.	Contribution to rate Schools equal to the cess at present levied.	Hospitals. Contribution as per G. O. dated 17th April 1871 No. 491.	Hospitals. Dieting cloth-ing &c. charges.	Hospitals. Total.	Grand Total.
Calicut	850	6,700	540	50	7540	320	3,849	500	4,349	12,189
Ernad	3,050	5,100	...	200	8950	1000	1,014	1,800	2,814	12,764
Ponani	10471	6,350	..	750	17,771	3,600	653	1,000	1,653	28024
Waluvanad	6,325	10,110	...	100	17035	1,900	...	...	...	18935
Palghaut	9,630	8,410	...	200	18240	8,000	151	1,500	1,651	27891
		12,500			12,500					
S. E. and S. Wynad	150	4,160	916	130	5556		2,704	800	3,504	21,560
Total	30,476	54,230	1,456	1,430	87,592	14,800	8,371	5,600	13,971	1,16,363
Anjengo							530	...	530	530
Cochin							525	...	525	525
Palliport							2,076	...	2,076	2076
							11,502	5,600	17,102	1,19,494
Add. Imperial Roads New Works...										40,400
Do Do Repairs...										60630
Tools and Plant										1900
Public Works Department Establishment										31,500
Petty Establishment Local Fund Maistries &c.										2,900
Establishment entertained in the Board Office										150
Administrative Establishment ...										1,540
Establishment for collecting Ghaut Tolls										528
Musaferkhana and Chuttrum Establishment ...										530
Miscellaneous charges, such as, digging wells, maintaining avenues and constructing rafts in Wynad										2,530
Educational charges hitherto met from Imperial Funds transferred to Local Funds										4,674
Sundries										1,500
Reserve										26,724
Total...										2,95,000

A Macfayden
President

S.O.-No. 342 of 17th Aug 1871 Fee

Price

In Abs

3

Abstract Statement of Estimated Receipts and charges on account of Local Funds for 1871-72 for TELLICHERRY Circle.

TALUKS.	Receipts. Tolls on bridges and Ghauts.	Tolls on Ferries.	Land Cess.	10 Per Cent on net receipts from Escheat sales.	Miscellaneous Receipts	Total.	Charges. New District roads and Bridges.	Repairs to District roads and Ghauts.	New Chattrums.	Repairs to Chuttrums and Mussaferkhanas.	Total.	Contribution to rate Schools equal to the cess at present levied	Hospitals. Contribution as per G. O. dated 17th April 1871 No. 491.	Dieting clothing &c. charges.	Total.	Grand Total.	Remarks
Cherakal	3609	8883	11,602	200	450	24744	5974	160	*	150	14284	1,400	"	"	"	45684	* Includes additional maintenance & roads hitherto Imperial.
Kottayom	24248	1908	5,240	2,000	500	33896	12361	030	1450	150	22991	1,000	689	800	1,489	25480	
Kurumbranad	2480	3249	13,018	1,300	500	20647	250	370	"	150	6770	700	"	"	"	*7470	
Ghaut	2000	690				2000		1750	"	"	1750	"	"	"	"	3620	
North Wynad R.	800		1,864	"	50	3304		320		50	370	500	"	1,000	1,000		
Total	33137	14,630	31,724	3,500	1,500	84,491	18585	2630	1450	500	46.165	3,600	689	1,800	2,489	52254	
Add Balance at the begining of the year						10,094	Add.									13000	
Proportion of Government Lump Grant						47,000	Imperial Roads New Works									33150	
Proportion of Government Grant for Establishment.						6130	Do. Do. Repairs									990	
							Tools and Plant									15297	
							Public Works Department Establishment									1560	
							Petty Establishment Local Fund Maistries &c.									80	
							Establishment entertained in the Board Office									460	
							Administrative Establishment									264	
							Establishment for collecting Ghaut Tolls									336	
							Musaferkhana and Chuttrum Establishment									1270	
							Miscellaneous charges, such as, digging wells, maintaining avenues and constructing rafts in Wynad									4286	
							Pantoon rafts as per Boards Proceedings dated 9th May 1871, No. 1926									6885	×
							Moity of the collection on accouut of Mahe and Irity Bridge									8218	
							Educational charges hitherto met from Imperial Funds, now-transferred to Local Funds									500	
							Sundries									10,625	×
							Reserve										
Total						149,715	Total									149,715	

3600
14,800
18,400

A Macfayll
President

Enc: No 6

In a letter from the Secy
of the Local Fund Board
Malabar to the Offg Secy to
the Board of Revenue D/30
June 1871 No 151.

S.O. No 342 of 17th August 1871 Fort St.

Statement of estimated
Receipts & charges for
1871-72 in the Tellicherry
Circle

Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871-72. To be executed by P. W. Department.	To be executed by Revenue Department	Total.	Remarks.
DISTRICT ROADS.						
CHERAKAL TALUK.						
Original Works.						
Road from Taliparamba to Chirikandapuram to Irkur D. R. No. 5	50,895	„	6,000	„	6,000	
Cherakal via Irkur to Coorg Do. No. 9	40,900	40,570	330	„	330	
Rebuilding Anjerakandi bridge on the road from Chowa to Mattanur	1,830	1,436	394	„	394	
Petty Works	„	„	250	„	250	
Total...	„	„	6,974	„	6,974	
Repairs.						
Maintenance to the road from Kavai via Madai to Beliapatam 19 miles at 55 Rs D. R. No. 1	„	„	„	1,040	1,040	
Do. from Kavai via Nedanad and Kunhimangalam to Taliparamba 8 miles at 55 Rs. Do. 2	„	„	440	„	440	
Do. from Cannanore Cantonment to Beliapatam via Chalat 6 miles at 55 Rs. ...	„	„	330	„	330	
Do. from Cherakal via Irkur to Coorg frontier 40 miles at 55 Rs.	„	„	2,200	„	2,200	
Petty Repairs	„	„	„	150	150	
Repairs to Musaferkhanas	„	„	„	150	150	
Total...	„	„	2,970	1,340	4,310	
KOTTEYOM TALUK.						
Original Works.						
Road from Irkur to Chalot D. R. No. 13 ..	8,550	5,025	3,525	„	3,525	
Road from Perumparamba to Nedumpoya on Peria road D. R. No. 11	31,500	25,906	5,256	„	5,256	
Road from Mambrem ferry to Chalot Do. 17...	14,180	3,900	10,280	„	10,280	
Chattrum at Irity	1,450	„	1,450	„	1,450	
Do. at Manikunnu	1,670	„	1,670	„	1,670	
Petty works	„	„	300	„	300	
Total ..	„	„	22,481	„	22,481	
Repairs.						
Maintenance to the road from Kirur Perumparamba to Nedumboya on Peria road Do. 11	„	„	660	„	660	
Road from Irkur to Chalot 6 miles at 55 Rs. D. R. No. 13	„	„	330	„	330	
Road from Tellicherry to Chalot 14 miles at 55 Rupees D. R. No. 17	„	„	770	„	770	
Do. Kotteyam via Panur to Perinkolam 9 miles at 55 Rupees Do. 18	„	„	„	500	500	
Do. Kadirur to Panur 5 miles at 55 Rs. Do. 19	„	„	270	„	270	
Coast road South of Tellicherry to Perinkolam 12 miles at 55 Rupees Do. 20	„	„	„	660	660	
Petty repairs	„	„	„	200	200	
Repairs to Musaferkhanas	„	„	„	150	150	
Total.....	„	„	2,030	1510	3,540	

Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871-72. To be executed by P. W. Department.	To be executed by Revenue Department.	Total.	Remarks.
KURUMBRANAD TALUK.						
New.						
Petty works	„	„	250	„	250	
Repairs.						
Maintenance to Coast road 1½ miles North of Badagara by Nadapurom, and Kuttiprom to Kuttiadi 19 miles at 55 Rupees D. R. 22...	„	„	1,040	„	1,040	
Naduvanna via Pyoli to Coast road 11 miles at 55 Rupees D. R. 23.	„	„	600	„	600	
Road from Quilandi via Ulleri to Tambercheri as far as it lies in Kurumbranad Taluk 16 miles at 55 Rupees D. R. No. 24	„	„	„	880	880	
Do. from Ulleri via Neduvanna to Kuttiadi 18 miles at 55 Rupees D. R. No. 25	„	„	990	„	990	
Do. Perinkolam to Nadapurom 8 miles at 55 Rupees D. R. No. 21. ...	„	„	440	„	440	
Petty repairs ...	„	„	„	150	150	
Repairs to Musaferkhanas ...	„	„	„	150	150	
Total...	„	„	3,070	1,180	4,250	
NORTH WYNAD.						
Iron Pontoons ...	4,286	„	4,286	„	4,286	
Petty repairs ...	„	„	320	„	320	
Repairs to Chettrums ...	„	„	„	50	50	
Total ..	„	„	320	50	370	
IMPERIAL ROADS						
New Works.						
Peria Ghaut and road via Manantoddy to Bawally on the Mysore frontier	1,82,700	1,67,700	10,000	„	10,000	
New trace from Manantoddy to the Coorg frontier	42,400	35,716	5,000	„	5,000	
Total...	„	„	15,000		15,000	
Repairs.						
Road from Beypore to Mangalore as far as it lies in Tellicherry Circle	„	„	7,770	„	7,770	
Additional maintenance to do.	„	„	6,470	„	6,470	
Road from Cannanore to the Mysore frontier via the Peria Pass and Manantoddy	„	„	11,300	„	11,300	
Do. Cannanore to the Mysore frontier via Mattanoor	„	„	3,740	„	3,740	
Additional maintenance to do.	„	„	3,740	„	3,740	
GHAUT ROADS.						
Kuttiadi Ghaut Road	„	„	3,690	„	3,690	
Laccadi to Manantoddi via Teriot as far as it lies in Tellicherry Circle	„	„	3,000	„	3,000	
Road from Coorg frontier to Peria ghaut road.	„	„	1,500	„	1,500	
Do. from Manantoddy via Sultan's Battery to Gudalore as far as it lies in Tellicherry Circle ...	„	„	850	„	850	
Do. Tellicherry to Kutuparamba (Salt road)	„	„	1,000	„	1,000	
Sultan's Canal ...	„	„	300	„	300	
Total...	„	„	43,360	„	43,360	

A Macfyll
President-

Enc: No 5

In a letter from the Presidt
of the Local Fund Board
Malabar, to the Actg Secy to
the Board of Revenue D/30th
June 1871 No 151

S.O. No. 34 dt 17th August 1871 Fin.

List of works proposed
to be executed during
1871-72 in the Tellicherry
Circle -

Enc: No 2

In a letter from the Presidt
of the Local Fund Board
Malabar to the Actg Secy
to the Board of Revs: D/30
June 1871 No 151.

S.O. No 34 dt 17th August 1871 Fin.

Judl Dept No 3363/71

List of works proposed
to be executed during
1871-72 in the Calicut
Circle -

District.	Project. No.	Locality.	Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871-72. To be executed by P. W Department	To be executed by Revenue Department	Total.	Remarks.
			LOCAL FUND WORKS.						
			Original Works.						
		CALICUT TALUK.	Constructing a Chattram at Tambercheri.	2,040	1,500	540	„	540	
			Karaparamba to Kokotri bridge	3,600	3,000	600	„	600	
			Petty works	„	„	250	„	250	
			Total.....	„	„	1,390	„	1,390	
			Repairs.						
			Maintinance to the road from Quilandy via Ulleri to Tambercheri as far as it lies in Calicut Taluk 4 miles at 55 Rubees. D. R. No. 24.	„	„	„	220	220	
			Calicut via Chevayier to Muprom 18 miles at 55 Rupees. D. R. No. 31.	„	„	990	„	990	
			Calicut (Karaparamba) via Kokotribridge to Koka'lur amshom 16 miles at 55 Rupees. D. R. No. 30.	„	„	880	„	880	
			Calicut via Urkadava to Areakode 20 miles at 55 Rupees. D. R. No. 32.	„	„	„	1,100	1,100	
			Makot (10th mile Calicut to Tambercheri road) by Chetta Kadavu to Tiruvembadi 10 miles at 55 Rs. D. R No. 32 A.	„	„	„	550	550	
			Tambercheri to Areakode 16 miles at 55 Rs. D. R. No. 34	„	„	880	„	880	
			Repairs of Mussaferkhanas and Chatterams ..	„	„	„	50	50	
			Petty repairs.	„	„	„	250	250	
			Total	„	„	2,750	2,170	4,920	
			Original Works.						
		ERNAD TALUK.	Road from Pandikad to Wandur and Mambat (Part of District Road No. 41. A.)	18,100	16,700	1,400	„	1,400	
			Tracing road from Areakode and Kondotti to Oorkadavoo	„	„	1,400	„	1,400	
			Petty works	„	„	250	„	250	
			Total... ..	„	„	3,050	„	3,050	
			Repairs.						
			Maintenance to the road from Manjeri to Mangoth at 22nd mile on Malaprom to Calicut 8 miles at 55 Rupees per mile D. R. No. 35	„	„	„	440	440	
			Do. to Areakode 12 Miles at 55 Rs. per mile D. R. No. 36	„	„	„	660	660	
			Do. to Wandur 5 miles at 55 Rs. per mile D. R. No. 37	„	„	270	„	270	
			Ditto via Pandikad and Melatur to 2 miles west of Manar on Mundoor road 5 miles D. R. No. 38	„	„	700	„	700	
			Edawanna via Wandur to Sholakal 20 miles at 55 Rupees per mile D. R. No. 39	„	„	„	1,100	1,100	
			Sholakal to Sispara 8 miles at 55 Rs. per mile D. R. No. 40	„	„	„	440	440	
			Tirurangadi to Malaprom 12 miles at 55 Rupees per mile D. R. No. 45	„	„	„	660	660	
			Manjeri and Malaprom road via Anakayom to Angadipuram road 2 miles at 55 Rs. per mile D. R. No. 38 A.	„	„	„	110	110	

District.	Project. No.	Locality.	Description	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871-72. To be executed by P. W. Department	To be executed by Revenue Department	Total.	Remarks.
		ERNAD TALUK.	Wandur via Pandikad to Angadiprom 5 miles at 55 Rs. per mile D. R. No 41 A.	,,	,,	300	,,	300	
			Beypore via Betutpudiangadi to Tirtala as far as it lies in Ernad Taluk 14 miles at 55 Rs. per mile D. R. No. 48	,,	,,	,,	770	770	
			Repairs to Mussaferkhanas and Chatterams	,,	,,	,,	200	200	
			Petty repairs	,,	,,	,,	250	250	
			Total.....	,,	,,	1,270	4,630	5,900	
			Original Works.						
		SOUTH WYNAAD.	Chattram at Kalpatty	1,850	934	916	,,	916	
			Petty works	,,	,,	150	,,	150	
			Total.....	,,	,,	1,066	,,	1,066	
			Repairs.						
			Teriot to Kalpatta, 6 miles at 55 Rs. per mile D. R. No. 26	,,	,,	330	,,	330	
			Chalipoya via Mupynad to the Karkur ghaut road, 43 miles at 55 Rupees per mile D. R. No. 27	,,	,,	,,	2,360	2,360	
			Sultan's Battery via Nellialom to Mupynad road 25 miles at 55 Rupees per mile D. R. No. 28	,,	,,	1,370	,,	1,370	
			Mantenance to Tambercheri and Karkur Ghauts	,,	,,	12,500	,,	12,500	
			Petty repairs	,,	,,	,,	300	300	
			Repairs to Mussaferkhanas and Chatroms	,,	,,	,,	130	130	
			Total	,,	,,	14,200	2,790	16,990	
MALABAR.		WULLUVANAD TALUK	Tracing and putting in order the road from Manar to Kopeneri D. R. No. 42	,,	,,	1600 3,978	,,	1600 3,978	
			Tunnels on the road from Cherpulcheri to Kongad as far as it lies in Wulluvanad Taluk D. R. No. 51	2,390	,,	1,690	,,	1,690	
			Making a branch road from high road to Shoranore Railway Station	2,780	,,	2,780	,,	2,780	
			Shoranore to Padinharangadi as far as it lies in Wulluvanad Taluk	32,500	8 341	159 1,259	,,	159 1,259	
			Tracing a road to connect Melatur bridge with Mooliarchy on the road to Angadiprom	900	4	896	,,	896	
			Petty Works	,,	,,	200	,,	200	
			Total.....	,,	,,	10,798 6,325	,,	10,798 6,325	
			Repairs.						
			Angadiprom to Cherpulcheri 10 miles at 55 Rupees per mile D. R. No. 46	,,	,,	550	,,	550	
			Ditto to Pattambi Railway Station 15 miles at 55 Rs. per mile D. R. No. 46 A.	,,	,,	,,	820	820	
			Pattambi to Palghaut, 24 miles at 110 Rs. per mile (as far as it lies in Walluvanad Taluk) D. R. No. 46 B.	,,	,,	2,640	,,	2,640	
			Repairs to the cross branch road from high Road to Lakadi Railway Station 1½ miles	,,	,,	1,730	,,	1,730	
			Cherpulcheri to Watapalam R. S. 11 miles D. R. 47 A...	,,	,,	,,	600	600	

District.	No.	Locality.	Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871–72. To be executed by P. W. Department	To be executed by Revenue Department	Total.	Remarks.
		WULLUVANAD TALUK	Cherpulcheri to Pattambi 14 miles D. R. No 47	,,	,,	770	,,	770	
			Kutnad to Pattambi as far as it lies in Walluvanad Taluk 3 miles D. R. No 49 B.	,,	,,	,,	170	170	
			Cherpulcheri via Kongad to Mundoor as far as it lies in Wulluvanad Taluk, 9 miles at 55 Rs. per mile D. R. 51	,,	,,	500	,,	500	
			Manjeri via Pandikad and Melatur to 2 miles west of Manar on the Mundoor road 10 miles as far as it lies in Wulluvanad Taluk D. R. No 38	,,	,,	1500	,,	1,500	
			Manjeri & Malaprom road via Anakayom to Angadiprom road 8 miles as far as it lies in Wulluvanad Taluk do. 38 A	,,	,,	,,	440	440	
			Wandur via Pandikad to Angadiprom, 13 miles do. 41 A	,,	,,	690	,,	690	
			Petty repairs	,,	,,	,,	200	200	
			Repairs to Mussaferkhanas and Chatroms	,,	,,	,,	109	100	
			Total	,,	,,	8,380	2,330	10,710	
			Original Works.						
		PALGHAUT TALUK.	Constrocing tunnels on the road from Palghaut via Elapalli to Eratakolam D. R. No. 58	2,040	,,	2,040	,,	2,040	
			Road from Kolangode to Cochin frontier	,,	,,	1,500	,,	1,500	
			Ditto from Modappaloor to Ditto	,,	,,	1,000	,,	1,000	
			Tunnels on the road from Mundoor to Kongad 6 miles	4,140	,,	4,140	,,	4,140	
			Cherpulcheri to Kongad as far as it lies in Palghaut Taluk	2,390	,,	700	,,	700	
			Petty Works	,,	,,	250	,,	250	
			Total.....	,,	,,	9,630	,,	9,630	
			Repairs.						
			Palghaut via Polpally towards Chittoor 9 miles at 55 Rs. D. R, No 55.	,,	,,	490	,,	490	
			Palghaut to Kunisherry 8 miles	,,	,,	440	,,	440	
			Do. to Koduvayur 6 miles at 55 Rs.	,,	,,	330	,,	330	
			Do. via Alatur and Wadakanjeri to Vaniampara 30 miles at 55 Rs. D. R. No. 57	,,	,,	1,650	,,	1,650	
			Tunnels on ditto ditto	,,	,,	1,400	,,	1,400	
			Do. via Elapalli to Eratakolam 8 miles at 55 Rs. do. 58	,,	,,	440	,,	440	
			Kollangode to Alatur 12 miles at 55 Rs. D. R. No. 62	,,	,,	660	,,	660	
			Pudunagaram to Mangara 14 miles D. R. No. 64	,,	,,	770	,,	770	
			Koduvayur to Kunisheri 6 miles D. R. No. 65.....	,,	,,	330	,,	330	
			Pattambi to Palghaut as far as it lies in Palghaut Taluk 10 miles D. R. No. 46 B.	,,	,,	1,100	,,	1100	
			Cherpulcheri via Kongad to Mundur as far as it lies in Palghaut Taluk D. R. No. 51	,,	,,	550	,,	550	
			Petty repairs.	,,	,,	,,	250	250	
			Repairs to Mussaferkhanas and Chatroms	,,	,,	,,	200	200	
			Total.....	,,	,,	8,160	450	8,610	
			Original Works.						
		PONANY TALUK.	Constructing minor bridges on the road from Chowghaut to Enamakal D. R. No. 69	900	,,	900	,,	900	
			Road from Kuttiprom R. S. to Edapp[illegible]al do. 48 C.	7,800	,,	1,500	,,	1,500	

MALABAR.

District.	PROJECT. No.	Locality.	Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	ESTIMATE FOR 1871-72. To be executed by P. W. Department	To be executed by Revenue Department	Total.	REMARKS.
			Do. from Shoranore to Padinharangadi as far as it lies in Ponani Taluk	32,500	8,341	6,650	„	6,650	
			Road from the junction of Malapuram road to the junction of District Road No. 48 from Watathani to Tiruvegapurom	„	„	1,121	„	1,121	
			Petty Works	„	„	300	„	300	
			Total.....	„	„	10,471	„	10,471	
			Repairs.						
			Canur to Tiruvegapuram 16 miles at 55 Rs. D. R. 48 B.	„	„	880	„	880	
			Tirur Railway Station via Betatpudiangadi to Ponani 10 miles at 55 Rupees D. R. No. 49 A.	„	„	„	550	550	
			Kuttanad to Pattambi as far as it lies in the Ponany Taluk 5 miles D. R. No. 49 B	„	„	„	270	270	
			Tirtala via Kutanad to Chowghaut 13 miles do. 66.....	„	„	„	700	700	
			Ponany to Madilagom 32 miles	„	„	1,760	„	1,760	
			Chowghaut to Enamakal 7 miles at 55 Rupees D, R. 69	„	„	380	„	380	
			Paroni to Betatpudingadi 3 miles at 110 Rupees.....	„	„	330	„	330	
			Beypore via Betathpudingadi to Tirtala as far as it lies in Ponany Taluk 26 miles D. R. No. 48	„	„	„	1,430	1,430	
			Repairs to Musaferkhana at Betatpudiangadi	430	„	430	„	430	
			Do. to Musaferkhanas	„	„	„	320	320	
			Petty repairs	„	„	„	250	250	
			Total.....	„	„	3,700	3,520	7,300	
			IMPERIAL.						
			New Works.						
MAL BAR.		CALICUT CIRCLE.	Improvements to Road No. 21 between the foot of the Tambercherry Ghaut and Calicut	17,500	10,085	5,000	„	5,000	
			Karkur Ghaut and road via Goodalur to Teppacandoo on the Eastern frontier of Wynad Ghat Road No. 12 ...	4,16,030	2,21,746	10,000	„	10,000	
			Tambercherry Ghaut and road via Vythery, Culpathy and Sultan's Battery to the Mysore frontier No. XXI.....	5,98,750	4,69,590	20,000	„	20,000	
			Bridges over the Nellambur and Cheroopuya rivers on the road from Mambat to the foot of the Karkoor Ghaut	71,000	65,572	5,400	„	5,400	
			Total.....	11,03,280	7,66,993	40,400	„	40,400	
			Repairs.						
			The Great Western road from Madras to Calicut via Palghaut Angadipurom and Malaprom No. III	„	„	10,890	„	10,890	
			Pamben on the Madura coast to Palghaut via Collengode as far as it lies in this District No. XIII	„	„	2,310	„	2,310	
			Beypore to Mangalore via Taliparamba as far as it lies in Calicut Circle No. XX	„	„	1,470	„	1,470	
			Additional Maintenance to Do.	„	„	1230	„	1230	
			Calicut to the Mysore frontier via the Tambercherry Ghaut and Sultan's Battery No. XXI.	„	„	12,170	„	12,170	
			Lakadi to Manantodi via Teriot as far as it lies in Calicut Circle Ghat Road No. XII	„	„	3000	„	3000	
			Manantodi via Sultan's Battery to Goodalore as far as it lies in Calicut do. No. XII.	„	„	8000	„	8000	
			Kondoti to Tippakadu Do.	„	„	10,690	„	10,690	

District.	Project. No.	Locality.	Description.	Amount of Estimate.	Computed Expenditure up to 31st March 1871.	Estimate for 1871-72. To be executed by P. W. Department	To be executed by Revenue Department	Total.	Remarks.
MALABAR.			Edawana via Tirur Station to Mallaprom Do.	,,	,,	3,520	,,	3,520	
			Ponani to Patambi Salt Road No. XXIII	,,	,,	1,980	,,	1,980	
			Canal from Cochin to Malabar ...	,,	,,	6,600	,,	6,600	
			Total... ...	,,	,,	61,860	,,	61,860	

A Cadfyre
President

Abstract Statement of Estimated Receipts and charges for 1871-72 for CALICUT Circle.

TALUKS.	RECEIPTS. Tolls on bridges and Ghauts.	Tolls on Ferries.	Land ~~Road~~ Cess.	10 Per Cent on net receipts from Escheat sales.	Miscellaneous Receipts	Total.
Calicut	8,685	8,919	4,985	600	200	23,389
Ernad	740	4,908	11,091	3,200	1,000	20,939
Ponani	634	6,597	18,802	48,00	1,400	32,233
Waluvanad	1,330	1,491	12,097	600	700	16,218
Palghaut	570	262	13,627	2,800	600	17,859
S. E. and S. Wynad . . G.	13,000					13,000
S. E. and S. Wynad . . R.		100	3,136	...	100	3,336
Total	24,959	22,277	63,738	12,000	4,000	1,26,974
Add Balance at the begining of the year						14,800
Proportion of Government Lump Grant						93,000
Proportion of Government Grant for Establishment.						16,000
House tax						7,000
Total...						2,57,774

CHARGES.	New District roads and Bridges.	Repairs to District roads and Ghauts.	New Chattrums.	Repairs to Chuttrums and Mussaferkhanas.	Total.	Contribution to rate Schools equal to the cess at present levied	HOSPITALS. Contribution as per G. O. dated 17th April 1871 No. 491.	Dieting clothing &c. charges.	Total.	Grand Total.
Calicut	850	4,870	540	50	6,310	650	3,849	500	4,349	11,309
Ernad	3,050	5,700	...	200	8,950	250	1,014	1,800	2,814	12,014
Ponani	10,471	5,550	..	750	17,771	6,400	653	1,000	1,653	25,824
Waluvanad	10,798	10,610	...	100	21,508	1,800	...	...	...	23,308
Palghaut	9,630	8,410	...	200	18,240	10,900	151	1,500	1,651	30,791
S. E. and S. Wynad . . G.		12,500			12,500					21,560
S. E. and S. Wynad . . R.	150	4,360	916	130	5,556	...	2,704	800	3,504	
Total	34,949	53,000	1,456	1,430	90,835	20,000	8,371	5,600	13,971	1,24,806
Anjengo							530	...	530	530
Cochin							525	...	525	525
Palliport							2,076	...	2,076	2,076
							11,502	5,600	17,102	1,27,937
Add.										90,835
Imperial Roads New Works...										40,400
Do. Do Repairs...										61,860
Tools and Plant										1,900
Public Works Department Establishment										31,500
Petty Establishment Local Fund Maistries &c.										2,900
Establishment entertained in the Board Office										150
Administrative Establishment ...										1,540
Establishment for collecting Ghaut Tolls										528
Musaferkhana and Chuttrum Establishment ...										530
Miscellaneous charges, such as, digging wells, maintaining avenues and constructing rafts in Wynad										2,530
Educational charges hitherto met from Imperial Funds transferred to Local Funds										26,000
Sundries										1,000
Total.....										2,98,775

× The cess proceeds in 1869-70 were Rs 29,873 The Govt grant Rs 9,904 The charges Rs 32,078. Besides these there must be balances & arrears outstanding

45

No reserve is provided but at least 30,000 is necessary to meet unforseen charges

No 983.

Official Memorandum

The Acting Secretary to the Board of Revenue submits herewith the Budget Estimate and list 8 for the Tellicherry Circle which ought to have been enclosed in the letter from the Collector of Malabar recorded with Board's Proceedings dated 10th July 1871, No 2851, but were received subsequently.-

(By Order)

Revenue Board Office
Madras 14th July 1871

J Grole
Acting Secretary

To,
The Acting Chief Secretary
to Government
Public department.-
with 2 Statements

E G Langhorne

S.O. No 342 of 17th Aug. 1871 Forwd

Revd. M.M.	104. 280.	
M. P. 9 80	96 880	
Revn. Bd.	110. 980	
M. P. 9 80	15 0 0	
	223 660	

We can now a written criticism
the estimate of receipts, as we
have only that for one circle
of the district. One item, the
House tax, is undoubtedly fixed
too low. No estimate can be
worth much until the house
are actually assessed. ~~[illegible]~~
The
proceeds of the cess in rate
Schools areas in 1869-70 were
for the whole district
Rs 29,873. The house tax
ought to yield half this sum
at the very least, or Rs 15,000.
The contribution of the munici-
palities of Palghaut, on which
subject Mr. MacGregor was
called on to report, but did not
will be at least Rs 1000. The
Govt. grant for the schools, which
are all of the middle class,
will be Rs 10,000, & of this
item Mr. MacGregor has taken
no account. There must also
be considerable balances of
Schools funds & arrears of

S.O. - 20th June 1871.

*Down Rs 9904 in 1869-70.

Pub 1871 Dept.

Office Received

Read

Letter from Secretary to Board of Revenue

No. 242 dated 17 Aug 71

To Chief Secretary to Government

Fort St. George

Dated 14th Sept 1871

Received 15th Sept 1871

No. 1521

Encl 2

Encl 983.

Submitting Budget Estimate and list of Pay Vellicherry Local Fund Circle in Malabar Dt.

4 9

4/8/71

52/3

old rates outstanding to be collected — Mr. Macgregor has taken no acct. of these. I think it is certain that the general local fund will be at no charge for schools hitherto under Act VI of 1863. Mr. Macgregor does not seem to have made any attempt to ascertain the actual charges. The scales of establishment should be ascertained & scrutinized under the advice of the Educational officers. No doubt the schools, under the local fund board, might be more Economically administered than has been the case hitherto under school committees. Mr. Macgregor estimates the whole Educational charges at Rs 26000. They will not Exceed one third this sum. In 1869-70 the grants in aid in the whole district to lower class schools beyond munici-

pal limits amounted to Rs 6004. The cost of the Cannanore Normal School was Rs 9000, of which one fourth is Rs 2250, & the share of local funds may be taken at Rs 1600. The details of the charges for inspection in Malabar are not at hand, but the whole transfer of such charges in all districts is taken at Rs 49,874 — say Rs 50,000 The Malabar share will be not more than Rs 3000. The figures in the margin are there for a moderate estimate for the whole district; & if it be assumed that $\frac{2}{3}$ are the share of the Calicut circle, Mr. Macgregor's estimate should be about Rs 8500, not Rs 26,000

	Rs
Grants in aid —	9000
Inspection —	3000
Normal School. —	1600
	13,600

The charges for Public works in the whole district are estimated at Rs 335,269. Mr. Macgregor's estimate of Rs 227,695 is probably correct for the Calicut circle

Rs 32,078. for the district.

Mr. Macgregor has entered no dispensary receipts whatever. Most of the dispensaries are in Municipalities & the Local Fund Board will only have to contribute towards the charges in such cases; but for the dispensaries which will be under their own management, receipts probably sufficient as hitherto to meet the general charges will accrue to them. & should appear in their estimate. Probably the sum of Rs 5600 which Mr. Macgregor has entered might be reduced to a net charge of Rs 4000. The charges for the Anjengo Pallipuram & Cochin Hospitals* will be retained as provincial

Omitting ~~for the~~ the house tax on the receipt side & the school provision on the other side Mr. Macgregor's deficit is Rs 28001, which is reduced on more correct estimate of charges to Rs 4766 — which may disappear on more careful estimate. A further grant of Prov. Funds is impossible; but the idea ought not to be entertained until the detailed budgets of the two circles in the district are before Govt. No request, based on crude estimates like this one, should be listened to.

HCI

* Rs 3135

Exp.		278,775
Rec.		250,774
Deficit		28,001
Deduct: Overestimate Education		15,500
Do. Hospitals		7,735
		23,235
Deficit		4,766

to provide a reserve

55

Cut June 19.

My dear Lee

Here is my balance sheet with which I have to face my Board tomorrow morning.

The D. P. W. have for the sake of convenience attend the to for each payment into a fixed sum, thereby throwing Malabar to the extent of Rs 11.000. the Calicut

circle is saddled with
3000 Rs for Dispensaries
at Anjengo. Cochin &
Palliport. with none of
which they have any Concern.

In my Charges I have
provided simply for
the actual amounts ordered
by Govt. & sanctioned in the
Budget. Not a new School
is possible. The new
Lunatic Asylum &
Hospitals. & the Calicut

Lunatic Asylum are
looming in the future.
The Coast Road is made
over with a bare
maintenance, though
there are about 7
large Backwater Bridges
on it most of which
are tottering - Tanbachery
& Karkan Ghauts &
Road from one with
small allowance though
Eddakurra & Cherrapza

Bridges have to be rebuilt & both roads require metalling & consolidating throughout.

I confess I don't see my way out of it.

I am going up to Tellicherry on Friday & meet the circle there. I don't anticipate any better results — I got a letter this morning from the Governor of Mahe declaring that the Bridge was absolutely dangerous & indisputably calling on me to rebuild it according to treaty.

Back in the morning. Yours ever

A Mackenzie.

57

My dear Huddleston

I send [illegible] memorandum & the papers to which it relates. I fear however there will still be a deficit. I should be disposed for the present year to give a larger provincial grant and to allow the land cess to grow next year.

I have been delayed by

Public Department.

PROCEEDINGS of the MADRAS GOVERNMENT:

Read the following ~~letter~~ Proc: of the Board of Revenue dated 10 July 1871 No. 2857.

Order thereon. 17 Augt 1871. No. 3425.

The form in which estimates received with the foregoing proceedings have been prepared does not admit of detailed review and sanction by Govt and the Board it is observed, have called for revised budgets. Meanwhile the orders of Govt are necessary on certain points

2. The first to be settled is whether any change should be made in the system on which tolls are now levied on roads in Malabar. It is anticipated that the introduction of the schedule rates, involving the exemption of foot passengers will cause great loss; and

the

the exemption, it is said is uncalled for. The Board of Revenue suggest that the tolls may be left as they are at present, tolls under the local funds Act not being levied at all. The Govt. approve this suggestion and the President will inform the local fund boards accordingly. It is not clear whether the figures entered in the estimates represent the proceeds of tolls at the old or new rates. They do not tally with the figures given in para 4 of the Presidents letter of the 30th June. The new tolls proposed by the Calicut local board appear to be estimated at the schedule rates, but as regards the first four there is nothing to prevent their being levied at the usual district rates, if these will produce more. The fifth proposed site is at the boundary of the Calghaut Municipality which already takes tolls at half schedule rates. All that is now required is to sanction the local tolls also at half rates, and the local board and the Municipality can arrange as to the mode of levy. The adjustments proposed, if accepted by the Commissioners, may be carried into effect. The necessary notification will be issued, the toll being made payable from 1st September to 15th August. The local funds act does not provide for the exemption of vehicles and animals licensed or registered by the Commissioners. This difficulty does not arise in Calghaut as the Commissioners do not license

or

i.2. under the XV 1864 Imperial Act of

I therefore

warrant levy of toll

necessary?

The act provides for a toll of 3 pies on foot passengers, but only the Grant tolls, in Malabar are levied under the act. Most of the tolls are levied by manual custom the rates being those levied at the ferries before the bridges were built.

V Act

this draft must be modified very much before

Ag/1

or register vehicles or animals
But it must arise in Tellicherry
and the arrangement sanc-
-tioned in G. O. 1st
July 1871 para 3 can-
-not stand, after the
expiry of the present
contract for the dis-
trict tolls at the two
bridges, if there is one.
In such cases the
local & municipal tolls
should each be at
half rates and collect-
-ed by the same agency,
and it should be settled
either by a clause
in the Contract or
by a bylaw, and
notified, that half
rates only will be
levied on traffic out-
-wards and half rates
only

only on registered or
licensed vehicles or
animals going inwards.
The Municipality would
be entitled to half
the collection at full
rates on traffic in-
wards. The President will report with re-
ference to the Tellicherry
tolls.

3. Under the ex-
-isting system which
will be continued as
regards most tolls the
sanction of Govt. to the
receipt of the proceeds by
the local board is ne-
-cessary under Section
34. It is hereby accorded.

4. The Director
of Public Instruction,
in issuing the Proceedings
of the 26th June 1871 No. 458,

of-

of which copy is furnished by Mr. MacGregor, misapprehended the intentions of Govt in respect of aid to rate Schools. There is nothing, the Govt approve, in the orders which have been issued, to warrant the view of the Director that aid will be withdrawn from all rate Schools. It has been declared ~~that~~ it is only the charges in connexion with elementary education which have been removed from the provincial budget, and transferred to local and municipal funds, and the Govt will therefore continue to aid as heretofore existing rate Schools not

Results grants, if any such have been drawn by rate schools will not again be given.

Are results grants given only to Lowerclass schools?

No – to all schools which earn for them. It is estimated that Rs 23000 will be paid in results grant to Schools of the lower middle class in 1871-2

not of the lower class. Salary grants when those have been given will be continued at amounts not exceeding those now drawn. Lump grants, equivalent to the cess collections, have been allowed to some rate schools, many of them in Malabar; and will be continued provided, however that they shall not exceed the average collections of the past three years, and that at least an equivalent come from local funds, whether from house tax alone, or from it supplemented by an appropriation for the Schools from the is credited to the union funds general fund. Additional Columns 3a, and 3b, should be opened in Statement III appended to the local fund rules, and headed

Grants

"Grants from Govt" and "Appropriation by local fund board". Entries should appear in the former only with reference to rate Schools, not of the lower class now transferred to the local boards; and in the latter, only for such schools now in the receipt of lump grants. Schools not of the lower class, which may hereafter be established under the auspices of local fund boards, and developed by them from lower class Schools will not be aided by the State.

5. The last paragraph will be communicated to the Presidents of all local fund boards.

6. The local fund boards of the Malabar district and their President, deprecate the imposition of the house tax

tax, which, it is urged, is merited by the country, will be inadequate to meet the charges on account of rate Schools, and is undesirable, the people having been recently assured that no house tax would follow the census numbering. The Board of Revenue do not altogether coincide with these views but in deference to the opinion of the local fund board, recommend that it be postponed.

7. The Govt do not think that the arguments against the tax are entitled to wright. Strong arguments may be adduced to rebut them. The tax will not, at present, be imposed every where, and in most places, in fact nearly all, it will be in lieu of existing taxes. The people convincing, though doubtless

therefore

therefore, cannot take it to be a general tax; it will be imposed only where there is a school, and from this fact, which will be patent and as it will be substituted in some places for hitherto existing school cesses, it will soon be identified by them with the schools, and regarded, as intended, as a special Educational rate. The people of Malabar have shown themselves not unwilling to be taxed for such special purposes. If as is alleged, the tax produce much less than the cesses, they will not be slow to appreciate the change. The Govt. for these reasons are of opinion that the tax should be imposed, and draft notifications under Section 37 specifying the

Mr. MacGregor put the whole house tax in the Calicut circle at Rs 7000 Mr. Austin, Head Assistant at Palghaut, states that the tax in the area rated for the support of the Palghaut school will is estimated to yield Rs 22,500!

I don't know the amount kept in the assurance when the houses are numbered for the Census - Why not wait till next year?

the areas of its incidence, should be submitted with the revised budgets.

8. As regards its inadequacy and the difficulty which the local fund boards will have in providing for the existing rate schools, the Govt are of opinion that the ~~Tax~~ estimate of the proceeds will probably be found to be too low. In the first place the tax is to be imposed throughout all areas hitherto assessed for the support of rate schools, and not only for a distance of 2½ miles from each school as supposed by the Calicut local board. Next, the valuation on which the opinion of the local board is based appears unduly low. The estimated value of the Chatanmangalam houses, taking the highest at a mean value of Rs 1,250, and the rest at the mean of

each

each class, is Rs 58,950.
The average is therefore a
little over Rs 58. The average municipal
valuation of houses in Calicut
is Rs 999, and every possible
allowance for the inferiority
of the houses in rural tracts
could can not account for such
a difference as this. Even
accepting the estimate the
Government observe that the
tax will produce more in
the villages named, than the
cesses did in 1869-70. The
revised estimates should in-
-clude the balances of school
funds and the arrears out-
-standing which are probably
considerable; and the charges
should be scrutinized by
the local boards with the
advice of the educational
officers of Government. The
schools, it is probable, can
be more economically ad-
-ministered

	House tax	Cesses 1869-70
Chatanangalum	397-0-0	36-8-0
Manjeri	289-0-0	217-0-0
Angadipuram	464-0-0	412-8-0

by
administered than hitherto;
and the Govt are confident
that, allowing for the Govt
grants-in-aid, and the pro
-ceeds of the house tax, it
will be found that the general
funds will be at no charge
for existing schools in 1871-2.

9. The estimate of the other
Educational charges is probably
too high, and the Govt do not
understand how the distribu
-tion between the two circles
has been arrived at. If by

Calicut	4,674
Tellicherry	8,218
	12,892

the inclusion of the whole cost
local contribution to the Cannanore
Normal School, in the charge
against Tellicherry, this is in-
correct.

10. By a separate Order
the President has been in-
-formed that the charges against
local funds for the Vellipore,
Anjengo, & Cochin hospitals
will be withdrawn, and there
is no present intention of
making any charge against
local funds for the Calicut

Lunatic

Lunatic Asylums. The estimates, it is observed, take no credit for dispensary receipts. The sundry charges in the institutions are probably susceptible of reduction.

11. The most important question raised is that of the proposed increase of the land cess. The Govt are disposed to agree with the local boards and the Board of Revenue, that this measure will be found necessary, but the settlement which may be arrived at, cannot affect the budget of the current year, as a legislative enactment, which cannot be passed for some time, will be necessary to give effect to the proposal. Final orders will not be passed until the revised budgets shall

shall be received. For the current year it may be that more careful estimate will cause the anticipated deficit in the Calicut circle to disappear, or at least, to be much reduced. Some of the new works may perhaps be postponed, and if equilibrium of receipts and expenditure cannot be attained, the Govt will consider whether the provincial grant can be increased.

12. The suggestion of the Board that Madras Act I of 1870 should be applied to canals in Malabar is not of immediate urgency and the Govt await further proposals after fuller consideration.

13. With the revised budgets, explanation should be given as to the proposed distribution of the road fund balances and the provincial grants between the circles.

H.S.

To

The Board of Revenue. } disp 24/8
Collector of Malabar. }
All Collectors — paras 4 & 5 disp 23/8
— P. W Department. }
— Accountant General. } disp 24/8
— Director of Public Instruction.
" Insp Genl Med Depart
" Revenue Depart.

Govt. of {187} Madras:

Financial

To

The Board of Revenue.

&c.

Dated Aug. 17 } 187 , No. 342.
Recd.

Nos. 52-53

17 August 71

Passing orders on certain points connected with the Budget Estimates of the Local Fund Circles in Malabar District.