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MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No. 876 Press / Mis.

151-157.

Dated 21-6- 1873.

12/13

Not to be folded or roughly handled

No. 156. Read the following Proceedings of the Board of Revenue, dated 19th April 1873, No. 602:—

Read the following letter from R. K. PUCKLE, Esq., President of the Local Fund Boards, Tinnevelly, to the Secretary to the Board of Revenue, dated 8th February 1873, No. 55 :—

In reply to the Board's Proceedings, No. 515, dated 3rd April 1872, I have the honour to inform you that this district has been mapped out into Unions, each Union being formed round some central school now receiving a grant-in-aid or payment on examination results. Those villages that have no Grant-in-aid or Result Schools within 2½ miles distance have not been formed into Unions, as in such cases it is difficult to select a centre, but 133 Unions have been formed round 315 Grant-in-aid or Result Schools.

Specimen maps for one taluq were forwarded to the Board with my letter, No. 72, dated 26th February 1872.

	Tinnevelly Circle.	Shermadevi Circle.
Grant-in-aid ...	139	110
Result	51	15
Total...	190	125

2. These are all Mission Schools, receiving in the aggregate to Rupees 13,350 per annum from the Local Fund Boards of this district. It is, however, the intention of Government, as explained to me by the Inspector of Schools who is now here, that each Union should have a school of its own to be called a Union School, and to be started and managed by the Local Fund Board ; that the Pyal Schools around each such Union School should be subsidized by payment for examination results on application being made by the Masters ; and that poorer Unions that cannot meet their expenses should be aided to the extent of 25 per cent. of their collections from the general funds of the Circle. It seems to me, however, that in Tinnevelly a relaxation of this ruling is requisite, for each one of the 133 Unions already formed possesses one or more schools of the very class that the Government wish to establish ; these are all Mission Schools under the constant supervision of European Missionaries and periodically visited by the Inspector and Deputy Inspector of Schools.

	Rs.
Tinnevelly Circle	8,250
Shermadevi do.	5,100
Total ...	13,350

3. The education given in these is as good, and the general management is better than could be secured in newly-formed Union Schools, and the Local Fund Boards of this district have, therefore, hitherto contented themselves with these Mission Schools, and proposed the system of subsidy to the Pyal Schools of these villages, that have been formed into Unions. To this end they have sent Inspecting Schoolmasters to visit the Pyal Schools, and to point out to the Masters the benefits that they may expect to obtain by raising their standard of education and placing themselves on the Result system, and 14 Pyal Schools, besides certain Mission Schools that do not now receive a grant-in-aid, have applied for examination.

4. One hundred and ten Unions have been separately mapped showing the distance of each village from the central school; taluq maps have been prepared showing how the Union boundaries fit into each other, and the houses have been classified for taxation ; all, in fact, is ready for the submission of an application to Government to

constitute such and such villages Unions, but one great bar presents itself. The Missionaries, as the Board of Revenue are aware, originally located themselves in the sandy desert among the tree-climbing population, and, though they have since extended their operations into more fertile tracts, the bulk of their schools lie among the huts of the Shanars in villages that could not by any possibility support one Union School, much less the 2, 3, 6, 9, and even 12 Mission Schools that have been established within the given radius of 2½ miles from some centre.

5. The Mission School has naturally followed the Catechist, and as each little hamlet has come over to Christianity the children have been placed under instruction; thus it frequently happens that each collection of huts has a small school of its own, and most of these have grants-in-aid formerly paid by Government but now paid by the Local Fund Board. It is true all these schools are not needed for education only and would not now be established under the Union system; but as they are already established it seems a pity to give them up, though many must be given up if left solely dependant on their Union Funds. It is generally felt by the Missionaries that the new system will cripple the progress of education in the sandy desert at all events, and in the 64 villages known as the Palmyra Forest alone there is a population of 77,500 souls. Dr. Caldwell has, therefore, as the exponent of these views, submitted the paper enclosed in the accompanying letter from the Vice-President of the Local Fund Circle of which Dr. Caldwell is a Member, deprecating the imposition of the House-tax and the institution of Unions, and suggesting instead an increase of the road-cess and the subsidy from that cess of such elementary schools as come up to a certain standard.

6. I can endorse Dr. Caldwell's opinion that any new tax is unpopular, and that the Union system will diminish the number of schools in the particular tract of country of which he writes; but I do not wish to see the road-cess increased, and I am not at all sure but that a few large schools centrally situated would not attract those who really need a good elementary education almost as certainly as the small classes now formed in the hamlet schools so thickly clustered together.

7. The difficulty anticipated might be overcome perhaps (even if the Union system is adhered to) by treating the school already selected as a centre as the Union School, and all others, in the Union of which that school is the centre, as Pyal Schools, to be paid by examination results as far as the Union Funds *plus* 25 per cent. from General Funds will admit; but I cannot help thinking that *the* imposition of the House-tax and the formation of Unions may well be deferred for the present, and that a fair trial may be made of the system already proposed to be adopted by this Local Fund Board, as per resolution annexed, viz., that any elementary school that educates up to the vernacular fifth grade may claim to be examined annually and to receive from the General Local Funds of the Circle the Government capitation grant for each scholar who attains the required standard. This would be fair to all alike by putting Mission and Pyal Schools on precisely the same footing, and I think it very probable that by thus encouraging educational rivalry we shall gain better results in this peculiarly-circumstanced district than if we continue grants-in-aid to certain schools only, or attempt to directly educate through the agency of Union Schools.

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21st June 1873.

8. The Board of Revenue inquire in their Proceedings under reply—

(1.) How best tiled houses were distinguished from ordinary tiled houses in the classification? I reply by their size alone. A house of more than ordinary pretensions is classed as "best," but the classification is liberal and revision was freely made on appeal. Anyone who rides through a village can distinguish between best and ordinary tiled houses, so there is no practical difficulty on this score, and, should the house-tax be imposed in this district, a further revision can be easily made wherever needed by a responsible officer.

(2.) Whether the Unions have been laid out so as to fit into each other? This has been done, and some taluqs have been completely laid out in this manner, as per taluq map furnished with my letter of 26th February 1872, No. 72.

9. As the Board suppose, though the boundaries of certain villages do slightly exceed the 2½ miles radius, still the village sites are not necessarily on the boundaries, but are usually much more centrally situated, and may be accepted generally as well within the limit. The maps are all drawn to scale and the village boundaries are correct, as per Revenue survey.

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Enclosure No. 1.

From F. BRANDT, Esq., Vice-President, to the President of the Local Fund Boards, Tinnevelly District, dated Shermadevi, 11th November 1872, No. 60.

In forwarding the accompanying copy of a letter from the Rev. Dr. Caldwell, Member of this Local Fund Circle, on the subject of School Unions and introduction of the House-tax, I have the honour to request that you will submit it, together with this covering letter, for the consideration of Government, together with any remarks you may think fit to add.

2. This is the letter to which reference is made in my reply of the 10th ultimo, No. 191, to the letter from the Under Secretary to Government in the Financial Department, dated 9th September 1872, No. 1195.

3. You will see that Dr. Caldwell thinks generally that the carrying out of the wishes of Government in regard to the formation of School Unions in the Nangunery Taluq will not conduce to the maintenance of existing schools, still less to the diffusion of education. On the contrary that it will lead to the abandonment of schools established by himself and other Missionaries among the poorer classes, and that "much real discontent is sure to be felt (and will perhaps be angrily expressed) in the numerous class of poor villages" when the house-tax is introduced.

4. Coming from a gentleman of the position and experience of Dr. Caldwell such an expression of opinion cannot but meet with due consideration.

5. Two alternatives are suggested by Dr. Caldwell as a means of preventing the very undesirable result anticipated by him—

(1.) To impose an additional Pie or 2 Pies or 3 Pies in the Rupee on land-cess, such additional collections to be devoted generally throughout the Circle to educational purposes, and to defer altogether for the present the imposition of the house-tax; or

(2.) To proceed with the collection of the house-tax, but to allow the Local Fund Board to distribute it in such proportion to schools and in such places throughout the Circle as may be decided upon by the Board.

6. I do not think it would be becoming in me to criticise the policy deliberately resolved upon by the Government and embodied in the Act in regard to the house-tax or the subsidiary measures connected therewith; but I think the exceptional character of the Nangunery Taluq in regard to the unusually large number of elementary schools, almost all of which are under Mission

management, renders it very difficult to apply arrangements which may possibly be well suited to other districts. There is little or no doubt that if the money raised by the house-tax alone is to be applied to educational purposes in that taluq, and the money raised in each Union is to be spent in that Union alone, then if the funds are distributed impartially so that all castes and classes may really be able to attend schools of which they approve, the results anticipated by Dr. Caldwell will undoubtedly follow.

7. But I see from the Proceedings of the Board of Revenue, dated 3rd July 1872, No. 1188, that difficulties somewhat analogous are appearing elsewhere, and that out of 81 Unions in the Kanigiri Taluq, in Nellore District, "37 are so poor that they must be aided from the General Fund," while "72 are in too miserable a condition to be included in Unions."

The Board go on to say: "It is necessary to have *aided* Unions, and the idea of demarcating the face of the Presidency into a complete scheme of Unions, so that each village may have its school 'at no distant date,' must be given up."

8. If these propositions are accepted by Government the difficulties apprehended (not without reason) will be in a great measure met in a manner which I had little expected, and there will, I hope, be no necessity for adopting the first of Dr. Caldwell's suggestion, while the second will be to a modified extent acted upon by the concurrent raising of the house-tax and grants-in-aid from General Funds to be disposed of conjointly by the Local Fund Boards.

From the Rev. Dr. R. CALDWELL, Member of the Local Fund Board, Shermadevi Circle, to the Vice-President of the Local Fund Board, Sub-Division Circle, Tinnevelly, dated Edayengudi, 26th October 1872.

I beg to submit to you, according to my promise, a few remarks on the difficulties that appear to me to stand in the way of the carrying out of the educational objects of the Local Funds Act on the plan of requiring each Union to provide for its own educational expenditure out of the amount realized by the tax on houses within its own limits.

2. I need not say anything to an officer who has been engaged in plotting out School Unions respecting the difficulties that must be encountered in plotting them out in such a manner as that no rule respecting distance or accessibility be violated, and that no school which now exists, or which ought to be established, be omitted.

3. As soon as this difficulty has been overcome and the proposed Unions have been approved by Government, and an order has been issued for the collection of the house-tax, it appears to me that new difficulties of a still more serious nature will be experienced. I confess I did not anticipate those difficulties myself, but they have come to light on an estimate being made of the amount likely to be realized by the house-tax in the various Unions.

4. In a few exceptionally-wealthy villages where most of the people occupy large houses the house-tax will probably realize an amount which will quite suffice for all the educational requirements of the place. Probably indeed the amount raised in some of those villages will be more than is at present required, the means of education hitherto provided by the people for their children not being in proportion to their wealth. In a much larger number of villages, however, especially in the Nangunery Taluq, with which I am best acquainted, the people are mostly very poor, and the houses they live in are consequently so poor and mean that many of them will have to be exempted from the tax altogether, and most of those that come under the operation of the tax will have to be rated at so low a figure that the amount which it is estimated is capable of being realized has been found to be totally inadequate for the maintenance of the existing Grants-in-aid and Results System Schools, to say nothing of the "diffusion" of education, which is one of the objects contemplated by the Local Funds Act.

5. If the School Unions are to be kept separate and independent as is proposed, and each Union is to be self-supporting, I do not see how it will be possible to provide for the existing educational expenditure in the poorer but more thickly-peopled Unions in which the largest number of schools are found, or to avert the calamity of the abandonment of many of the existing

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schools. I understand it is your own opinion, founded on the calculations you have made, that it will not be found to be possible to provide on this plan for existing expenditure.

6. The deficiency in particular Unions might be met for a time, with the consent of Government, by grants made from the General Fund created by the Local Funds Cess, commonly called the "Road-Cess," but this would prove, I believe, a very precarious, and would certainly be a very unpopular mode of providing for the deficiency. The Local Funds Boards would naturally wish to expend on roads, village improvements, and sanitation the whole of the proceeds of the general cess, leaving it to the house-tax alone to bear the expenditure on education, whatever its inability in particular Unions to bear the load. Probably also if this plan of subsidizing poor Unions were carried to any great extent people would complain that it compelled them to pay three times over for one and the same article, viz., first by school-fees; secondly, by the house-tax; and, thirdly, by means of the subsidy to poor Unions paid out of the general cess.

7. I have always been desirous of hoping for the best regarding the successful working of the Act in each department of its work, and I should be very sorry to find myself disappointed by seeing it break down in so important a department as that of education. I have a personal interest in the education of the people, whether rich or poor, and I see no reason for concealing the fact that I should deplore the necessity for abandoning the schools established by myself and other Missionaries amongst the poorer classes. I should deplore this result, not because they are Mission Schools, but because they are the only schools in this part of the country which the children of the poorer classes can attend. I do not think the elementary schools established by the Missions in the rural districts of any particular importance from a Missionary point of view, but I consider them very valuable for other reasons. They are the only elementary schools amongst the agricultural classes in which anything like an efficient education is imparted. They are the only schools so situated that are taught by Certificated Masters and duly inspected by Government Inspectors. They are the only schools for the support of which foreign money comes into the country (to the extent of half the amount required); their establishment is, therefore, a pecuniary benefit to the country. They are open to the rich, but they are also open to the poor. They bring the elements of education, which the system of payment by results secures shall be sound as far as it goes, and a little medium of mental enlightenment within the reach of classes that would otherwise have to remain wholly uninstructed. They are the only elementary schools in this part of the country that have hitherto proved themselves, by the test of examinations, worthy of Grants-in-aid and Result system grants from Government funds. I consider, therefore, that it would be a great discouragement to the education of the masses, and a lamentable break-down in the working of the Local Funds Act, if it should prove that one of the first results of the mapping out of the country into Unions and the imposition of the house-tax was that a large number of schools in poor neighbourhoods, formerly aided out of Provincial Funds, had to be abandoned.

8. It would not, I conceive, be a satisfactory reply to say that the people who would suffer by the abandonment of the schools in question are mostly people of the poorer classes, and that the abandonment of schools intended for their benefit on the first pressure of pecuniary difficulty is only one of the many evils the poor are heir to. On the contrary the poor are the very class of people who most require educational help, the rich being able, though not always willing, to provide education for themselves, and I have no doubt that the main object the Government had in view in the educational clauses of the Local Funds Act was to diffuse education amongst this very class. Mr. Lowe said, in a speech of his I read a few days ago, "The primary object of State education, supported in part by State funds and administered by public bodies, is to educate the poor." The undoubted duty of those who administer its funds is to look first to the education of the poor. There can be no doubt, I conceive, that this is quite in accordance with the views of the Government by which the Local Funds Act was introduced and enacted. In the "Statement of Objects and Reasons" which accompanied the draft Bill it is distinctly stated in the very first sentence that "the primary reason for the introduction of the Bill is the necessity for providing sound elementary instruction *for the mass of the population* which is chiefly agricultural." Also in paragraph 3 of the same statement it is argued that the efforts of the State

should not be *confined* to the measures now in progress, that any "very considerable *extension* of those measures at the expense of the Imperial Exchequer is out of the question," and that "if any *adequate development* of popular education is to be effected" its cost must be provided by means of local taxation. The language of the Act is quite in accordance with the introductory statement. According to the Act itself the second of the objects it has in view is "the *diffusion* of education." I feel sure, therefore, Government would deprecate the idea of the further extension and diffusion of popular education being rendered impossible by the operation of the Act, and would still more strongly deprecate the withdrawal of State aid to schools already established amongst the poorer classes, and the abandonment of such schools in consequence of the introduction of a measure by which it was intended that education should be still more widely "diffused." I feel sure that if such a result were ascertained to be unavoidable without some modification of the Local Funds Rules Government would consent to their modification. A modification of the Act itself would not in any case, I believe, be found necessary.

9. Supposing such a result as I have anticipated were ascertained to be unavoidable without some modification of the existing rules the question would arise, what modification of the rules would best meet the circumstances of the case? I would express myself on this part of the subject with diffidence, as I am not acquainted with all the difficulties that will have to be met, but I beg to submit for your consideration two plans which suggest themselves to me.

10. What commends itself to my mind as the best course for Government to take is to suspend the imposition of the house-tax and to substitute for it an addition to the Local Fund Cess (which now stands at 9 Pies per Rupee of land assessment) to the extent of two or three Pies per Rupee over the whole area of the Circle, the amount realized thereby to be kept separate as far as possible from the fund raised by means of the 9 Pies per Rupee for roads and sanitation, and devoted exclusively to the promotion of the educational objects of the Act.

11. One advantage of this plan would be that the increased cess could be collected without trouble, without the employment of an additional writer, and without the expenditure of an additional sheet of paper. I believe also that every Native taxpayer would greatly prefer this slightly increased addition to the burden he already bears to the imposition of a totally new burden like the tax on houses. I have ascertained so far as I could by inquiry that this would really be the case. Another advantage would be that it would prevent, or postpone for a time, the discontent and irritation which are likely to arise from the imposition of the house-tax. In a few wealthy villages the house-tax may be patiently submitted to, possibly even welcomed, for the sake of the object for which it is collected; but in a far more numerous class of poor villages much real discontent is sure to be felt (and perhaps will be angrily expressed) when the people find that the new tax, which has for sometime been threatened, has at last been actually imposed. The tax will be disliked not only as an additional tax, pressing on the heels of the Income-tax and the Local Fund Cess, but especially on account of the inequalities that will inevitably arise in its apportionment to the different classes of houses, and the difficulty that will be felt in preventing the collectors of the tax from abusing their power amongst the poor and ignorant. Even the very poorest class, whom it is proposed to exempt from the operation of the tax, will not feel themselves exempt when they find themselves called upon by the Village Curnam (as they probably will be, and as in all similar cases they have hitherto been) to purchase exemption.

12. When the Local Funds Act was under consideration at the outset I approved on the whole of the house-tax which was then proposed. But that house-tax differed in two important particulars from the one which is now on the eve of being imposed. First, the amount realized by the tax on houses was not to be devoted to education alone (unfortunately the least popular of the objects of the Act in the estimate of the agricultural classes), but was to be added to the General Fund created by the Local Fund Cess, out of which not education only but roads, village improvements, and sanitation were to be provided for; but, secondly, there was another and still more important difference. The house-tax in question was to be imposed, not on all houses indiscriminately, but only on the houses of persons who did not pay a certain small amount per annum in

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21st June 1873.

the shape of the Local Fund Cess charged on the total of their land assessment. It was, therefore, a tax which the people might have been expected at least to tolerate.

13. I am unable to say whether the amount realized by the increased cess of 2 or 3 Pies per Rupee which I have ventured to propose would be greater or less than the amount realized over the whole Circle by the proposed house-tax, supposing such amount were collected into one total not portioned out, according to collection, among the different Unions, but my impression is that it would be larger. Even supposing, however, that it were somewhat smaller the ease with which this plan of providing for popular education could be worked would, I think, entitle it to the preference, and the cess might be slightly increased from time to time, if necessary, with the consent of the authority by which the Act was passed.

14. The only objection I am able to anticipate is that on this plan the whole of the expense of State education in the district would fall on the shoulders of one class of people, the holders of land, whilst all householders, who were not also landholders, would go free. I might reply that this is only what already takes place with regard to the other objects aimed at by the Local Funds Act. The whole of the expenditure for roads, village improvements, etc., is provided for by the cess which landholders alone are called upon to pay. It is the fate of the Indian farmer to "pay for all." A little acquaintance, however, with the rural districts, to which alone this Act applies, provides us I think with a reply which really nullifies the objection. It is only in name that the holder of land is the only person that pays. There is scarcely an individual to be found in the rural districts who is not directly interested in land. If he is not a holder of land in the sense of being a Zemindar or a Puttadar he is either an under-tenant or occupier of land, or as an "undivided Hindoo" he holds a share in the rights and interests of those who are holders or occupiers of land, or at least he is a labourer on the land. Hence, as it appears to me, whatever burden is imposed on land the weight of it is borne in equitable proportions by the whole rural populations.

15. The alternative plan which I take the liberty of suggesting is that of collecting into one aggregate the proceeds of the house-tax in all the Unions in the Circle, whether poor or rich, and forming therewith a general School Fund, to be expended, not by Union Committees, but by the Local Fund Board. This plan would not I fear be so easily worked as the previous one, and it would involve the perpetuation of the disadvantages, whatever they may be found to be, which the collection of the house-tax seems likely to entail; but if the Union scheme is to be retained, and yet the schools in poor Unions are not to be abandoned, this mode of meeting the difficulty seems worthy of consideration.

16. It will doubtless appear to Government a serious objection to both the suggestions I have now made, that they are inconsistent with the object for which it was determined that the School Unions should be instituted. Each of the plans I have suggested postpones the time when the Unions shall be made self-supporting, and one of the two postpones also the collection of the house-tax from which the revenue of the Unions is to be derived.

17. I quite feel the force of this objection, but I venture to suggest in reply that the time appears not yet to have arrived when it may be expected that the School Union scheme shall be successfully worked. The scheme is doubtless an excellent one in theory, but I think Government must ere this have begun to suspect that the agricultural classes, by whom it will have to be worked out, are not yet quite ripe for it, and that the attempt now being made to introduce it is somewhat premature.

18. Though the village system has well nigh disappeared from this part of India its influence survives to a sufficient extent to enable the ryots of a village to combine for the purpose of carrying into effect, at the common expense, measures in which all have an equal interest. But the measures they may be expected to combine to effect are measures they thoroughly comprehend and appreciate. I fear it cannot yet be said of the agricultural classes in this part of the country that they thoroughly comprehend or appreciate education. Instead of saying that they have an equal interest in it, it would be more correct to describe them as being equally uninterested in it. I speak now of the agricultural classes in what may be called the rural districts.

19. There are a few large villages or rather towns inhabited almost exclusively by people who would be ranked elsewhere as belonging to the agricultural classes, but who in virtue of their greater wealth, and the intellectual activity characteristic of large communities, might be expected to appreciate education and to work School Unions successfully. Such places indeed might be made Municipalities with some prospect of advantage. The greater number of agricultural villages, however, throughout the district may be regarded as isolated hamlets, the people who live in which may be said to exist rather than to live, and amongst whom intelligence, desire for education, and public spirit are almost wholly unknown. They will have to be educated before they care for education. These are the people who are meant by the phrase the agricultural masses, and it would not be surprising if the attempt to form amongst such people Unions for educational purposes —each of them independent and self-supporting—should prove to be premature.

20. If it were proposed to form groups of contiguous villages into Tank and Channel Repair Unions, or even Road and Dispensary Unions, I should have better hopes of such Unions being successfully worked, but the repairing of tanks and channels is only in a very insignificant degree committed to the people who are most directly interested in it; and all questions affecting roads and communications, and even village improvements, are entrusted, not to Committees of Village Unions, but to the Local Fund Board, representing the inhabitants of the whole Circle and administering the funds collected from the whole Circle; whilst education, which of all the purposes aimed at by the Act must be admitted to that in which the mass of agricultural classes are least interested, and least prepared at present to take interest, is the one purpose for which they are expected to combine, and for the promotion of which contiguous villages are to be formed into Unions. School Unions efficiently conducted and self-supporting may naturally be developed in time in the more progressive sort of villages out of the educational work of the Local Funds Board, and when thus developed the rules drawn up by Government for the management of the Unions that are now being plotted out will no longer seem premature.

(True Copies.)

(Signed) R. K. PUCKLE,
President.

Enclosure No. 2.—Extract from Proceedings of Local Fund Board, Tinnevelly Circle, dated 1st November 1871.

The scheme of Unions to which this letter refers was submitted for the orders of Government in Board's Proceedings, dated 3rd April 1872, No. 515. It extended only to the formation of Unions to recoup the Local Funds for the salary grants-in-aid enjoyed by elementary schools under the management of Missionaries. The question will become one of great importance when the formation of Unions and the collection of house-tax now in abeyance are resumed.

2. In paragraph 2 of G. O., dated 23rd March 1872, No. 359, Government stated that they entertained some doubt whether the Union scheme is applicable without modification to these schools, but deferred final orders pending the receipt of the report which was submitted with the Proceedings of the Board above cited. The house-tax proceeds entered in the budgets were struck out, and special grants amounting to Rupees 12,000 were assigned to enable the Local Funds to meet the salary grants in question, aggregating Rupees 13,250, of which Rupees 920 appear to represent new grants (G. O., dated 23rd March 1872, No. 359).

3. The President now submits a letter from the Rev. Dr. Caldwell, whence it appears that these schools are for the most part situated in very poor tracts, and

that, in Dr. Caldwell's opinion, if the Union system requiring the conjoined villages to support their own schools be introduced the schools must collapse owing to insufficiency of the proceeds of the tax. The President concurs in this opinion, but suggests a doubt whether equally good results might not be obtained by centralizing these small schools, the outlying ones being amalgamated with that in the most important village of those comprised in the Union.

4. There appears to be some misconception. Each of the Unions for which proposals have been made is not to find the whole cost of its school, but only the amount of the grant-in-aid of the salaries of the Masters; and the Board can scarcely believe that if the schools were amalgamated as suggested by Mr. Puckle, and the cost of education thus diminished, the house-tax would not suffice to meet the salary grants-in-aid. Grants on the Results system are chargeable to General Funds, and there should be no question of raising house-tax to meet them.

5. The circumstances of these Salary Grant Mission Schools are, however, so peculiar that the Board deprecate the imposition of the house-tax for the levy of the amount of the grants. The present plan of making special assignments to Local Funds on account of the grants might be continued for a time. Pyal Schools and Elementary Mission Schools not receiving salary grants should be aided from general Local Funds on the Results Grant system in strict accordance with the Government rules, leaving the question of the formation of Unions hereafter, should the non-Mission Schools become sufficiently well-founded, to be decided on the merits of each case. Should the demand for Results grants increase so as to hamper the Local Funds materially the enhancement of the land-cess, which is now at 9 Pies, will provide ample money.

(True Copies and Extract.)

(Signed) H. Sr. A. GOODRICH,
Acting Sub-Secretary.

No. 157. Order thereon, 21st June 1873, No. 876.

The Governor in Council presumes that these Proceedings of the Board of Revenue, though dated 19th April 1873, must have been passed and sent to press prior to the issue of G. O., dated 28th March 1873, No. 426, Financial, which places the House-tax everywhere in abeyance indefinitely.

2. The Government are glad to find that the opinion of so high an authority as Dr. Caldwell is identical with the policy which, in that G. O., the Government deliberately resolved to adopt. The scheme for aiding education in the district will of course need to be thoroughly reconsidered, now that the House-tax will no longer be available to meet the cost, and the Union system may be said to lapse with the tax.

(True Extract.)

Chief Secretary.

To the Board of Revenue.

Exd. J. Wright.

REVENUE BOARD OFFICE,
Madras,
Dated 28th *April* 1873.

No. 545.

OFFICIAL MEMORANDUM.

At the Board have resolved to modify their Proceedings of 19th April 1873 No. 602, the undersigned is directed to request that the Chief Secretary to Government Financial Department will be good enough to cause the return of the same to this Office.

(By order.)

J Grote
Secretary

To
The Chief Secretary to Government
Financial Department.

E Vaughan
Coyd Meerasawmy

Govt. of Madras
1873
FINANCIAL.
To
THE BOARD OF REVENUE.
Dated June, 21st
Read.
G. O., 21st June 1873, No. 676.

JUNE
Nos. 166-157.

Making certain observations, with reference to the Proceedings of the Board of Revenue, regarding Local Fund School Unions in the Tinnevelly District.

1873

Financial Depart.

G 02 1/2 June 53 b 188-15

OFFICIAL MEMORANDUM.

From

The ~~Sub~~-Secretary to the

Board of Revenue,

To

The Collector of

Chief Secretary
to Government
Financial Dept.

Dated 28th
~~Day~~ 28th } April 1873
Received 1st May

Rep with Bd No 779
12 June 73 - Ept

No.

Requesting return of Bds
Pro: 719 19th April 1873 No 602
regarding Local Fund
School Unions in
Tinnevelly District.

Stad - [illegible]

Financial Department.

Pending Council
as altered L. [illegible]
20. 6. 73.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following ~~letter~~ Proceedings of the Board of Revenue, dated 19th April 1873, No. 602.

Order thereon. Postponement ~~9 June~~ 21st June 1873. No. ~~621~~ 876.

The Governor in Council presumes that these Proceedings of the Board of Revenue, though dated 19th April 1873, must have been passed and sent to press prior to the issue of G. O. dated 28th March 1873, No. 426, Financial, which places the House tax

tax everywhere in abeyance indefinitely.

2. The Govt are glad to find that the opinion of so high an authority as Dr Caldwell is identical with the policy which, in that G. O, the Government deliberately resolved to adopt.

~~3. It is for the Local Fund Board to consider how far it may be necessary to raise the daily rate in Singerelly ~~to~~ the maximum of 1 Anna in the Rupee, which is in force in other districts.~~ The scheme for

I would not close the Note to raise the land-cess by an order abolishing the house-tax until indications of receiving the sanction of the Secretary of State to the proposal

for aiding education in the district will of course need to be thoroughly reconsidered, now that the House tax will no longer be available to meet the cost, and the Union system may be said to lapse with the tax.

(1)

~~I propound that~~ (while postponing any decision on the question) the Board should have before them the facts of the house-tax, both as to the check which the full levy of the tax imposes on the development of the Union system, and as to the possibility of its abolition in any degree rendered necessary by famine. And I should wish the Board to be in possession of these facts before they express any opinion on the proposal to abolish the house-tax.

I do not know what grant from Pro. Funds the proposal involves. The Govt draft might be brought into Council.

12

Govt. of {187 } Madras.

To

Dated
Recd. } 187 , No.

Nos.

Govt. of {1873} Madras.

Financial

To Board of Revenue

Dated 27 June
Rcvd.

Encl.

G. O. 27 June, 1873, No. 876

Nos. 156-157

Making certain observations on the reference to the Proceedings of the Board of Revenue regarding Cooly Fund Labour Cheeky in the Vizagapatam District.