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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 1438-A Press Financial
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Dated 24-8- 1874

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Read the following papers :—

No. 181. From E. B. POWELL, Esq., M.A., C.S.I., Director of Public Instruction, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Madras, 17th September 1873, No. 1922.

I have the honor to address you with reference to G.O., Financial Department, No. 1024, of the 18th July last; and, in doing so, I venture to express an earnest hope that no sweeping changes of a nature to effect injuriously Higher and Middle-class education will be carried out. Action of such a stamp would simply undo a great deal of the work of past years, and spread a strong feeling of dissatisfaction throughout the Presidency. At the same time, I am of opinion that some changes are called for in connexion with Higher and Middle class schools; and among the effects of the moves which I consider desirable will be the setting free of funds, a portion of which may be appropriated to the encouragement of Lower-class education.

2. I think that funds may be set free in two ways, (1) by reducing the scale on which aid is given in salary and other ordinary grants, and (2) by remodelling Government Middle-class Schools.

3. The principle upon which the Salary-grant Rules now in force are based is that Government should, in the most favorable cases, bear one-half of the charges in aided schools; I believe the time has come for reducing the assistance given by Government from one-half to one-third.

4. It is a fact that in Higher-class Schools, situated in favorable localities and well-conducted, the sum realized in fees approximates to a moiety of the total charges; in several instances the fees and the Government grant together very nearly meet the total expenditure. A similar state of things exists in the more flourishing Middle-class Schools; and in three instances the Government grant and the fees combined actually exceed the total charges.

5. Originally grants were issued in the Madras Presidency only to the extent of one-third of the charges; but, as education was considered not to be advancing with sufficient rapidity, the proportion of aid was in 1864 raised from one-third to one-half. Now education has made a great advance; and English instruction requires to be rendered sounder rather than to be spread over a larger area. Indeed, in the case of certain portions of the Presidency, such instruction requires restriction, not expansion. It will be seen from the Report on Public Instruction for 1872-73, lately submitted to Government, that several of the so-called Middle-class Schools are really not required, that they are badly conducted, and that the results they afford are very unsatisfactory. I fear that we are now giving a smattering of English instruction, nearly if not quite worthless, to a number of persons who should rest satisfied with a Vernacular education. The children of petty officials, and even those of peons, fishermen, begging brahmins, &c., are all rushing to English-teaching schools.

6. Granting then that the proportion of aid may with propriety be reduced to one-third, which I believe to be the limit in Bengal, it remains to be decided when

and in what manner the reduction should be made. If a very scrupulous view regarding vested rights were adopted, every teacher receiving a half salary-grant should continue to draw it so long as he holds the post in connexion with which it was issued, and a reduction should be made only when a fresh teacher takes his place. I doubt, however, if this course is necessary; and it is evident it would postpone to a very distant date the change contemplated, and prove of little or no use now in setting free funds. I think the change might be carried out, in the case of all fresh applications for grants, from the 1st April 1874, and in the case of teachers now receiving aid from the 1st April 1875. Under fresh applications I include, not merely those on behalf of new teachers, but such as are put forward for increased grants on account of teachers already in receipt of aid. The case of Europeans brought out to India on the strength of the present very liberal rules might be separately considered and disposed of under special orders from Government.

7. Government have already approved of the principle that teachers trained in well-organized Normal Schools and holding recognised certificates should have a preference over untrained men; and in my letter, No. 358, of the 14th February last, still awaiting orders, I made recommendations as to the mode of carrying the wishes of Government into effect. But if the scale of grants is reduced, those recommendations will require to be modified. Perhaps the most satisfactory plan would be to restrict in general one-third salary-grants to passed Normal students and to such teachers as are now in receipt of half salary-grants, and to issue only one-fourth grants to others. Except in special cases, where it is clearly shown that certificated teachers are not procurable, a master who has not passed the Teachers' Certificate Examination should not get a grant at all.

8. Along with the above proposals, I suggest that grants for school contingencies, books of reference, and prizes be discontinued, and that grants for servants be allowed only in the case of Higher-class Schools. The aid given in the directions above specified is small, while in many instances it is difficult to make sure that it is properly used.

9. Beside the measures already noticed, I propose that Government Middle-class Schools should be remodelled. Many of the Taluq Schools are in an unsatisfactory condition; and it is difficult to defend on any approved principle the mode in which these schools are distributed over the Presidency. Originally it may have been intended that each taluq should have a Government Middle-class School; but such a scheme has not been, and could not be carried out. It may be fitting to leave one or two of the Taluq Schools as they stand; but I think the rest should be either totally abolished or converted into improved Anglo-Vernacular Schools. In putting forward this suggestion, I beg to observe that I am far from thinking the Taluq Schools have been useless; I believe that, both as means of diffusing instruction, and as models for schools set on foot by the Native community, they have effected very considerable good. Now, however, I think they may be removed from our educational machinery, and a few Anglo-Vernacular Schools established in their room. Generally one Anglo-Vernacular School should be given to each District; where a school of that grade already exists, a more highly paid and therefore more efficient staff should be provided; where there is no such

school, a new one should be established. Each Collectorate would then, as a rule, have either a Government Zillah School or a private school of that standing, and a Government Anglo-Vernacular School working up to the standard of the fourth class of a Zillah School. It is doubtful if an Anglo-Vernacular School need be given to either the District of Chingleput or that of Tanjore; the former has the benefit of close proximity to Madras, and the latter is extremely well-supplied with the means of education. I consider also that a school should not be set on foot in Tinnevelly, where Government have designedly left education to Missionary and local efforts.

10. The following statement shows roughly the sum which will be immediately available for aiding Lower-class education, if the moves above suggested be approved; of course this sum will be considerably increased when the proposed reduction in salary-grants takes effect. It is to be observed that, while the total Provincial assignment for education is only about nine lakhs, the expenditure in 1872-73 amounted to nearly eight lakhs, and that additional charges to the extent of about Rupees 80,000 will be thrown upon Provincial Funds in 1874-75 in consequence of the entire cost of Deputy Inspectors and existing Normal Schools having to be met from them. It seems clear, therefore, that no large sum will be available for Lower-class instruction:—

	Rs.	A.	P.	Rs.	A.	P.
				9,00,000	0	0
Provincial grant for Education						
Expenditure in 1872-73	8,86,578	0	0			
Deduct school fees carried to the credit of Government	1,01,962	0	0			
	7,84,616	0	0			
Add additional charges on account of Deputy Inspectors and existing Normal Schools ...	80,000	0	0			
				8,64,616	0	0
Amount available for additional expenditure according to above...				35,384	0	0
Amount relieved by abolition of Taluq Schools.	41,000	0	0			
Portion taken up in improving and increasing the number of Anglo-Vernacular Schools ...	32,000	0	0			
				9,000	0	0
Amount available for additional expenditure...						
Total amount immediately available for additional expenditure...				44,384	0	0

11. It is also to be remarked that confusion is likely to be introduced into the working of the Department, if aid to ordinary Lower-class Schools is to be given from both Provincial and Local Funds; it is desirable that any Lower-class expenditure which may be thrown upon Provincial Funds should be of a well-defined and distinct nature. In these circumstances, it may perhaps be held sufficient, for the present at least, if the charges for the new Elementary Training Schools which will have to be established for Lower-class teachers are thrown on Provincial Funds.

12. In carrying out the changes in Government Middle-class Schools, several teachers must necessarily suffer hardship; I trust that, if the proposals made in this letter are adopted, the utmost liberality possible will be shown towards the teachers who may find themselves thrown out of employ.

13. In conclusion, I have the honor to request that no specific orders may be given regarding the proposed changes in Government Middle-class Schools, but merely a general approval or disapproval of the plan expressed. Before preparing detailed arrangements, I consider it essential that I should have an opportunity of personally discussing the matter with the Inspectors of Schools. And, on receiving a general approval from Government, I would call up the Inspectors to a conference at Madras in January next. At present two of the permanent Inspectors are on leave, but those gentlemen will have returned by the close of the year.

No. 181-A. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 30th October 1873.

Letter from the Director of Public Instruction, 17th September 1873, No. 1922.

It seems to me that orders on this letter had better be deferred.

2. I entirely agree with Mr. Powell as regards sweeping reaction in this matter and I venture to think that it will be a subject of early future regret if any step now taken have the effect of checking or discouraging, even in appearance, that higher and middle-class education, to which a very wise policy has been successfully directed for some thirty years. Higher and middle education ought to be further strengthened and steadied in every way we can—with thrift and care of course—for in their advance lies the chance of reaching acceptably the working orders. Efficient progress of elementary instruction depends in a great measure on high educational advance amongst the intelligent and influential orders.

3. But the matter is not ripe for orders. The Government have adopted no general plan of elementary instruction—and until this is elaborated—until we know exactly what we are going to do with it, and what it will cost, it will merely be adding to existing confusion to disturb what is working fairly well now or to displace the funds effectively allotted thereto. Once a plan is adopted these subsidiary things will easily take their proper place.

4. Mr. Powell has not been able to propose any really effective saving, for practically no doubt this important branch of national education has been managed with thrift and judgment.

5. He proposes to make some prospective savings by cutting down the Salary-grants to masters and expects to effect an economy of about Rupees 9,000 in carrying out certain proposals for improving the class of Government Middle-class schools.

6. The first proposal does not commend itself to me at all. Only recently the necessity of raising the grant was usefully recognised and now we are asked to reverse that policy. Schoolmasters are badly paid, I fear, everywhere—fat English Corporations excepted—and certainly the subordinate educational service in this country has little to spare. Fees we know are becoming more and more precarious. It seems to me impolitic and ungracious to inaugurate a popular movement in the direction of elementary education by cutting down salaries and causing discontent amongst those who are not without their influence on the public mind. My remarks of course apply to the principle only. There may be room for some slight economies in individual instances. We must trust the administration to find these out and give effect to it, but I submit that the principle as explained by Mr. Powell may prove detrimental to educational interests at present.

7. Mr. Powell's views, that the principle, on which Government Middle-class schools were established and are working, admits of reconsideration and improvement as a whole, may be, and, I believe, are true. But the matter involves a large and widespread disturbance of existing things and as a necessary consequence a temporary check to progress and uneasiness and uncertainty in the popular mind. I would therefore not commit the Government in any way—least of all to effect an uncertain contingent saving of Rupees 9,000—to the acceptance of Mr. Powell's plans (I think them commendable) without the fullest discussion and mature deliberation. They must be brought into rapport with the programme of elementary instruction yet to be considered.

8. I would direct Mr. Powell to call together his Inspecting Officers as he proposes and submit his plans for deliberation, and I would have the best Natives consulted and likewise our most efficient Local Fund Boards. I would consult Colonel Macdonald, Mr. Porter, &c., and act when we act, on a well-considered plan having improvement—not an insignificant economy—for its object.

(Signed) W. ROBINSON.

No. 182. MINUTE by the Right Hon. the PRESIDENT, dated 4th November 1873.

I approve generally of Mr. Powell's recommendations, and he should now mature them, as soon as possible, in detail.

made from loan-funds, in which case their cost to the existing taxpayer would be immensely lessened. But successive Secretaries of State have decided that this cannot be done; and their reason is (as expressed by the present Under-Secretary of State) that "if we were to borrow for roads we should go on borrowing to the crack of doom." But if this is a reason for not providing for roads by borrowed money, it is certainly also a reason for a very slow and gradual expenditure upon them so as not to burden unduly the present taxpayer. That our "pauper ryots" should pay some £400,000 a-year for the construction and maintenance of roads is entirely inconsistent with the principle thus adopted by the Secretary of State, and indeed with any equitable principle.

4. For these reasons I consider that the annual grant of twelve lakhs from Provincial funds to swell a local expenditure of about forty lakhs upon roads is not justifiable. On the other hand, elementary education is an object open to none of these objections. There is no danger here (under proper regulations) of our not receiving a *quid pro quo*—no danger (for the Government through the Educational Department superintends the work) that Collectors will recklessly or injudiciously incur unprofitable expense. In this case the generation which pays the tax is the generation which reaps the advantage. Moreover, the object itself (as appears to me) is very far the more important of the two. There can be no doubt indeed that any increase in the material prosperity of a country tends indirectly to its social and mental improvement; but we have been long enough in India to see that the development of communications and trade will not avail to bring about that which is now the great want of India—the education of her people. They remain, as a body, in a condition of the most deplorable ignorance.

5. Strongly impressed with these considerations, I should myself have been glad if it had been possible to apply, not only the twelve lakhs now given by Government to Local Funds for roads, but a considerable portion of the proceeds of the "Land-cess," to the purpose of elementary education. But, at the very least I think we are bound to substitute education for roads as the object for which the grant of twelve lakhs is in future to be made.

6. It has been urged as an objection to this proposal, that the twelve lakhs in question are given to the Local Fund Boards by way of compensation for the burden which was thrown upon them by Government of maintaining the Trunk Roads. The answer is that what is now proposed is not to take away anything which we give to them, but to require them to apply what we give them to another object, which I consider more, and which most persons would consider at least equally, beneficial to them. Under the arrangements which I propose, Trunk Roads would be maintained by the proceeds of local taxation; and to provide for this expense, it will be necessary to diminish the expenditure to the same amount (that is, to the amount of twelve lakhs) on local roads. But on the other hand, primary education, which is an object far more important than local roads, will be provided for (so far as twelve lakhs will go) gratuitously by the Government. I may add that as a matter of administration it is very usual in European countries to throw upon local institutions the maintenance of Trunk Roads.

7. I do not of course propose to give at once, and without qualification or exception, the twelve lakhs to the Local Circles, for Education instead of Roads. In

some of them circumstances may be such that it would be impossible, for the year 1874-75, to divert the whole Provincial grant in this manner.* But in most, if not all of them, a great deal may be done in the direction required; and I would address a circular to the Collectors stating clearly and decidedly the intention of the Government that the grant should be applied in the ensuing financial year so far as may be possible, and unless in any particular case strong and exceptional reason can be shown to the contrary, not to roads but to primary education; that their Budgets for 1874-75 must be prepared accordingly; and that in regard to the mode of application, they will have to place themselves in communication with the officers of the Educational Department. By the time we have received replies to this circular, we shall have been informed of the views of the Director of Public Instruction as to the best mode of conducting, under the altered financial circumstances, elementary education throughout the Presidency.

(Signed) HOBART.

No. 184. MINUTE by the Hon. J. D. SIM, C.S.I., dated 13th April 1874.

The abolition of the House-tax (which, it will be remembered, I earnestly deprecated) rendered it necessary to ascertain whether any funds now applied to "higher" education could be diverted to "elementary" education, and on the 18th July last, the Director of Public Instruction was required to report how far this object could be attained. His reply is contained in his letter of the 17th September last.

2. Mr. Powell's opinions are entitled to great respect. He has been connected with the Educational Department for thirty-two years, having been Professor and Principal of the High School and College for twenty-one years, and Director of Public Instruction, or the Head of the Department, for eleven years. He prefaces his report by deprecating "sweeping changes of a nature to affect injuriously higher and middle-class education." He adds that "action of such a stamp would simply undo a great deal of the work of past years, and spread a strong feeling of dissatisfaction throughout the Presidency." I quite concur with Mr. Powell in both respects. I am convinced that the result of such measures would be disastrous to the cause of education and most distasteful to the intelligent and influential classes of the Native community. My own opinion is that our predecessors acted wisely, in the condition of the country and with the limited means at their command, in first taking up the education of the more intelligent classes. I do not think the opposite policy of first endeavouring to educate the masses would have been attended with anything like equal success. I quite recognise the latter obligation, and should indeed be glad to think that higher education had made such progress that we could now devote all our means to its fulfilment, but experience has shown, as I think, that the policy actually adopted was the best under the circumstances.

3. As to feasible reductions Mr. Powell calculates that £4,500 may be held immediately available for lower-class instruction; but of this sum, £3,500 is merely the unexpended portion of the Budget grant of £90,000 for 1872-73, and practically is no reduction at all.

* It would seem that nearly one-half of the whole expenditure on roads is spent in repairs, and there may be cases in which it would be unadvisable to interrupt repairs of a road, even if the road itself is of no great importance. Other such considerations will have to be taken into account, and will no doubt appear in the Collectors' replies.

4. Mr. Powell considers that "Salary-grants" may now be reduced from half to one-third of the Teacher's salary. He states that in several Higher and Middle-class schools the fees approximate to a moiety of the total school-charges; in some the fees and the grant very nearly cover the entire expenses, and in three instances they exceed the latter. Of course in cases like the last, and indeed wherever the fees can be sufficiently raised without unduly restricting attendance, the aid afforded by the State should be reduced, for we have no funds to throw away. Mr. Powell also says that several of the so-called "Middle-class" schools are really not required, and their results are unsatisfactory. In such cases I do not understand how a reduction of the Salary-grants will effect any improvement; indeed, I should apprehend the contrary result by the consequent reduction in the quality of the "teaching power." If the object be to compel the closing of the school, or of particular classes in it, it could be attained, I should suppose, more directly otherwise, without universally reducing the scale of grants. Whether, as Mr. Powell seems to think, the time has arrived when we should seek to curb the marvellous desire evinced by our people to acquire a knowledge of English, however superficial, is an open question. It is much the fashion to decry both the desire and the knowledge acquired; for myself I agree with those who hold that the good vastly preponderates over the evil, and that this desire should be judiciously taken advantage of and properly turned to account, and not stifled. After all I dare say the Indian lad's "smattering" of English is not so very much more superficial or less useful than is the knowledge of Latin and Greek acquired in our schools by most English boys. One very cogent reason for affording every legitimate encouragement to the acquisition of English is that the literature available to a native ignorant of English is very generally of an unedifying and even demoralizing character. Politically too, I think, it is an object of great importance to induce our native subjects to acquire a knowledge of our language; nothing will knit them more closely to us, or make good government more facile. The education of the masses must of course be through the medium of their vernaculars, but I would not damp the ardour of those who aspire to instruction in English. The desire for a sounder education will gradually increase and extend, and manifest abuses may be remedied without withdrawing the great attraction of our schools.

5. As to the time and mode of carrying out any reductions in Salary-grants I strongly advise scrupulous avoidance of anything like breach of faith, either in the schools or with masters. "Pledges express or implied" and expectations fairly entertained should be honourably fulfilled.

6. With the like reservation I agree with Mr. Powell that higher grants should be given for trained and certificated masters than for others. A man who has studied and mastered his profession is justly entitled to this advantage. Mr. Powell's proposals go much beyond this, and before adopting them we should be informed whether our Normal schools have produced a sufficient number of teachers to enable us now to reduce the grant to others to the extent proposed, without seriously retarding education. Under any circumstances I should not anticipate much saving of money; the result I imagine will be merely to induce all, who possibly can do so, to pass the test and earn the certificate, with the higher salary attached to it. The advantage to education by the substitution of trained for untrained agency will however be very great, and the Government may well extend this encouragement to the study of the Art of Education.

Proceedings of the Madras Government, Financial Department,
24th August 1874.

7. The petty grants for contingencies, prizes, &c., alluded to paragraph 8 of Mr. Powell's letter, should be discontinued.

8. As regards the change proposed in Taluq and Middle-class schools it will be prudent, I think, to give Mr. Powell the opportunity he desires of consulting his Inspectors before the Government commit themselves to any expression of opinion. It is most desirable that in a matter of such consequence the Government should have the free and unreserved opinions of the officers consulted, all men of lengthened practical experience in educational matters; the knowledge that Government have approved Mr. Powell's suggestions even generally will only be embarrassing and may restrain freedom of discussion.

9. Mr. Powell does not allude in his report to expenditure on institutions which virtually only compete with each other or with existing Government institutions at the same place. I have always thought that some reduction of expenditure could be effected in regard to rival institutions of this character.

10. On the whole Mr. Powell's report confirms the opinion I expressed in my minute of the 29th March last, that, though economies are practicable in several respects, no material amount can be rendered available for elementary education for many years to come. What is saved in one direction will have to be expended in another, and indeed the very spread of elementary or primary instruction will create a greater demand and necessity for higher education. When we have taught the people to read and to write we may be sure that they will seek *education* in the proper acceptation of the term. English has hardly any place in our scheme of elementary education; but instruction in it will certainly be very generally desired. In "special" instruction also much remains to be done, our Medical College, for instance, does little more than supply army requirements; Normal schools for teachers are needed in greater numbers; Inspection will necessarily entail greater expenditure as schools become more numerous; and thus in various ways, I think, we shall find that the amount ultimately available for primary education will be but small. Nor is this much to be wondered at. The entire Imperial grant for educational purposes is but £90,000 for a population of thirty millions scattered over 140,000 square miles. Even of this comparatively small amount about twelve per cent. is absorbed by Direction and Inspection. The actual expenditure from Imperial funds in 1872-73 was as shown in the margin. It will be seen from this abstract what very little room there is for retrenchment. The grant for primary education is indeed trifling, but the Director of Public Instruction says, that "owing to most Middle and Higher class schools having a large proportion of their scholars in elementary classes, no inconsiderable portion of the expenditure on such schools really belongs to primary instruction," and he estimates the share thus properly debitable to the latter as at

	£.	
Direction	4,151	
Inspection	10,599	14,759
University		1,663
General Instruction, viz.,		
Colleges	7,393	
Higher schools ...	17,466	
Middle-class schools ...	16,506	
Primary do. ...	689	
Miscellaneous ...	312	42,366
Special Instruction.		
Colleges	548	
Schools	9,481	
Normal Schools ...	6,589	16,618
Total...		75,396

From Director, Public Instruction, 16th October 1873, No. 2121.

N.B.—The gross expenditure (excluding Building-grants paid from invested funds) was £88,660, of which £13,260 was recovered by fees, &c.

least one-fourth. Even with this allowance the expenditure is small; but on the other hand the expenditure on the higher branches of education is not, I think, disproportionate to their relative importance. My own conviction is, as I have already said, that the policy adopted by our predecessors of first dealing with the more intelligent classes has done far more for the cause of education than the opposite policy would have accomplished; but this is a point on which opinions differ.

11. The proposed diversion of the Imperial grant for Roads and Communications from that purpose to Elementary Education is open, in my opinion, to fatal objection. In the first place it involves an infraction of the principle that underlies the whole scheme of "Provincial" administration. By that system a number of Departments (Jails, Police, Education, roads, &c.) were made over to us with the grants of Public Revenues assigned to them in the previous year, less an average decrement of about seven per cent. The implied covenant was of course that with these assignments each Department should be maintained in full efficiency and integrity. To appropriate the grant for roads, canals, &c., before these are complete to education is subversive of the system, and dangerous in the extreme, for if one Government can do this, another may do the like. Police may be sacrificed to Jails, or Jails to Police, and important Departments on which the efficiency of our administration depends may suffer serious detriment owing to the varying views of successive Governments as to their relative importance. It has been our constant complaint that the assignment for roads was quite inadequate to the needs of the country, and the Supreme Government will probably be somewhat suprised to learn that, so far from being too small, it is not required at all, and that we purpose applying it to education already endowed by them with its own assignment. In the next place the appropriation will certainly be regarded by our people as a breach of faith and will create much dissatisfaction. The original Road-Cess Act of 1864 drew a distinction between Imperial and District communications; the former were to be made and maintained by the Government out of Imperial taxation, as they were and always had been; the latter were thrown on the people entirely, and for the first time. A reference to the Order of Government will show how carefully the measure was considered and the obligations of the State and the people weighed. When the Provincial system was introduced the distinction between Imperial and Local roads was unnecessary and inconvenient, and it was abandoned in the new law on the understanding that the Government would continue to fulfil its obligation by "lump" grants to the new Local Fund Boards. Even then the change was regarded with apprehension, and it was feared that the increase in the rate of the Land-cess (necessary in order to provide funds for elementary education, sanitation, &c.) was purposely made to admit of the appropriation of the long-standing Imperial grant. I do not think the people will appreciate the argument that the money will continue to be devoted, though in a different way, to their benefit. Next to works of irrigation the ryots esteem roads the most, and education perhaps the least of the advantages our rule confers on them, and I doubt their regarding with satisfaction the neglect of the former for the advancement of the latter. Lastly, I consider that the sum available for communications is really inadequate to the wants of the country, and that the contribution of £120,000 from the Imperial

Treasury—for such the Provincial assignment really is—does not fairly represent the obligations of the State, as co-proprietor of the soil, and in virtue of other Imperial interests. I think it must be admitted that when a Government takes so large a share of the produce of the soil in the form of a direct Land-tax as we do, it ought in equity to contribute proportionately to the construction and maintenance of communications on which its receipts so materially depend. The revised assessments are based on the principle of the Government taking half the *net* produce of the land, so that the interest of the State is equal to that of the proprietor. But the Land Revenue—though four millions sterling annually—is not the only way in which Government are interested in communications. The Salt Revenue £1,300,000 depends very materially on them; indeed it is due to their steady improvement that we have been able to raise the Salt-tax to its present rate. The Customs Revenue £336,000 is also materially influenced by the condition of the roads. Military, Postal and other interests must also be taken into consideration. Under such circumstances I cannot admit that the Government grant is excessive. That this grant and the Land-cess combined are really not more than the proper development of the resources of the country requires does not, I think, admit of a doubt. It must be remembered that owing to the heavy charge on account of the Public Works establishment, maintained even more in Imperial than in Local interests, every £100 of road money represents but £75 actually available for work. The Budget of the current year gives the total expected receipts of the year as £469,684, *inclusive* of the Provincial or Imperial grant of £115,815. The total expenditure of the year is estimated at £418,587, leaving £51,097 as a reserve to meet contingencies, which are serious, because the cess on land is greatly affected by the character of the season, an unfavourable season causing relinquishment of land and *pro rata* diminishing the cess. The entire sum set apart for New Works throughout the Presidency is £133,980. If, therefore, the Provincial grant be withdrawn, there will be no funds for the latter purpose, and all progress will be arrested. At present, even our great Trunk lines are unfinished; the village and minor communications are only being commenced, and we have incomplete canals on both coasts. It is impossible in the compass of a minute to enter into details; but so lately as August last the Government (*vide* G.O., 21st August 1873, Financial Department, No. 1183, paragraph 8) admitted that it would require more than three times the amount annually available to complete the new works actually in hand in 1871-72, leaving out of consideration all new works sanctioned but not then commenced; all works commenced but temporarily held in abeyance; all revisions and concomitant enhancement of estimates; and it should have been added, all those new works which the increasing prosperity of the country will necessitate. It seems to me impossible, in the face of these facts and admissions, to curtail the Provincial grant.

12. I cannot concur with His Lordship that expenditure on roads cannot be as well regulated as expenditure on education. We have exactly the same agency in both cases and no better means of ascertaining the necessity for a school than the necessity for a road. Our Municipal Commissions and Local Fund Boards are yearly increasing in usefulness and independence, and in a few years they will prove most valuable coadjutors to the Government. Their local knowledge and self-interest will prove our best defence against profuse or wasteful expenditure in any

department. On the question whether Roads or Elementary Education are most important I hesitate to enter, for nothing like proof can be adduced either way, and opinions differ widely. My own opinion is that, in the present condition of the great bulk of our people, the advancement of their material prosperity is most important and will most speedily evoke a desire for mental improvement. We are not, however, driven to a choice between the two.

13. For the reasons above stated I am of opinion that we cannot appropriate the assignment for roads to educational purposes.

14. The question now arises whence funds can be procured for "elementary" education. Under the Local Funds Act one-third of the Land-cess is specially reserved for education and certain general purposes, such as sanitation, &c. The income from this source in the current year has been estimated at £113,940, of which about a moiety has been devoted to other purposes than education. The other moiety or about £56,000 is thus available for elementary education, and here we have a sum exceeding that already spent on higher instruction from Provincial funds. Another source of income, which can only be roughly guessed, consists in the fees which will, I presume, be charged. I observe that His Lordship speaks of affording primary or elementary education gratuitously, but I am not certain whether His Lordship means that even school-fees shall not be levied, or merely that there shall for the present be no further resort to taxation specially for educational purposes. The Home Government have repeatedly declared that popular education is a proper subject for local taxation, and it seems to me financially an impossibility to afford the people a "gratuitous" education. In some form or other payment must be required, and, as the House-tax has been abolished, we must, in my judgment, have recourse to school-fees, to supplement our means. But even if the gratuitous education were financially possible, its expediency is questionable. There is hardly a village in the country which has not its village-school, supported by the villagers; the principle of parents providing for the education of their children is thus recognised; it is, I think, a sound principle, and I shall be sorry to see it weakened. Situated as we are, our policy should be to supplement, guide, and improve private exertion, not to supersede it; at all events so radical a change in the principles of our educational system is beyond our competency and requires the sanction of the Supreme and Home Governments, and certainly the gratuitous education of the children of a population of thirty millions involves financial obligations of a magnitude that we should not lightly assume. Moreover if *we* undertake this liability, the other Governments in India can hardly disclaim the like obligation.

15. But comparatively limited as are the funds now at our disposal, some progress may still be made, and valuable experience acquired. We have recently relieved the people of all charges connected with Direction and Inspection; we have also assumed the expense of Female Education and of Normal schools for elementary teachers. I would do the same with a much neglected subject—the encouragement of a Vernacular Literature. At present we are teaching the people to read and giving them scarcely anything to read but school-books. Their own literature is to a great extent of an uninstructive, unedifying character. No greater stimulus to popular education can be afforded than thus to render it an acquirement from which something instructive, useful, and pleasant results. The time has come when

a really systematic course of action should be adopted, and the expense, with proper arrangements, need not be large.

16. If this be done, the only expense falling on the people will be that of actual instruction only, which we may reasonably—indeed must—expect them to bear. The expense of elementary education has been roughly estimated at half a million sterling annually, considerably more than half our Provincial assignment; it is hopeless, therefore, to expect that, by any economy or diversion of funds from other purposes, we can educate the masses without further taxation in some form.

17. But we can make a beginning with the funds we have. The last Census shows that there are 45,000 towns and villages in the Presidency; our available funds from the one-third Land-cess will only allow 12½ Rupees annually for each! We must, therefore, commence on a very small scale and limit our operations for the present to the larger towns and villages. Such a course is open to the objection of being inequitable, as making the many pay for the advantage of the few; but this cannot be helped; wherever all things cannot be done simultaneously, some things must necessarily take precedence of others. The inhabitants of the larger villages will generally be found more anxious for the education of their children, than the inhabitants of the smaller villages. Indeed, it may be questioned whether as regards the great mass of the rural population there is that "hungering and thirsting" after improved education that we imagine, *i.e.*, where that education costs money and does not lead to some tangible result such as employment in the public service. Another plan would be to lay out our limited means in Results grants; but schools thus supported are not so popular with the Native community as they are with us. The objections raised are that practically the aim of the master is to "cram" a few sharp lads as quickly as possible, neglecting them after they have reached the requisite standard, and paying little heed to the instruction of the many whose intellectual capacity renders it unlikely that they will pass the examination. The school thus becomes a kind of scholastic hot-bed for forcing a few, and does not fulfil to the community the proper objects of a school supported out of general taxation. Abuses are also apprehended in the examinations, and the proper supervision and control of such schools except in the larger towns is difficult and expensive. We have already noticed the tendency of the system to lead to the discontinuance of school-fees, thus throwing the almost entire cost of elementary education on the State; and there is reason to believe that in institutions so supported school discipline is at a low ebb. The great difficulty, however, lies in the rapidly increasing expense of the measure. The Educational Report of 1872-73 shows that the Results grants rose from £7,945 in 1871-72 to £11,866 in 1872-73; at this rate our whole funds will soon be absorbed. A third mode of action would be to limit ourselves to encouraging the existing pial teachers of the country to improve themselves by granting certificates of qualification after prescribed training and examination, and attaching a moderate stipend to such certificates, so long as the holder continues a zealous teacher. Some measure of this kind would exercise an excellent effect on the character of elementary education, but its results would be slow of realization. Still, I give it the preference over the others. So long as we are debarred from direct taxation for elementary education.

18. I regret very much that I can suggest nothing better. I am painfully conscious of the utter inadequacy of what I propose; but it is impossible to devise a "scheme" of education, or indeed of anything else, when funds are wanting. The one-third Land-cess, supplemented under Act IV. of 1871 by a House-tax on the establishment of each school, might have permitted the elaboration of a "scheme," but with the abolition of that tax the task has become an impossibility so far as I can see. We may, I think, manage as I have said for a year or two with what we have, but then the difficulty will have to be met, and taxation either in accordance with Act IV. of 1871, or Act VI. of 1865, will, as I believe, be an inevitable necessity. If, however, such measures be absolutely negatived, I must record my conviction that the limited means at the disposal of Government will be more advantageously spent in extending middle and lower-class education than in endeavouring with inadequate funds to teach the masses to read, write, and cipher, as if these were the end, instead of the means, and as if they were absolutely destitute of all means of education, however humble, which certainly is not the case at present. I find it difficult to realize a system of national education in this country which makes the elementary education of the masses the sole or even the main object of the Government. It is, I am aware, said that the people can have the higher education, if they choose to pay for it, but this is just what they cannot do, for this education is expensive inasmuch as it is not indigenous, while elementary instruction being cheaper is within their means. We are in effect giving them what they can afford to buy and in reality do buy, while we withhold from them that which they as yet cannot afford to buy, but which alone really enlightens, improves, and advances them.

(Signed) J. D. SIM.

No. 185. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 27th April 1874.

Despatch of the Secretary of State for India, dated 14th August 1873.

Letter from the Director of Public Instruction, dated 17th September 1873, No. 1922.

His Excellency the Governor's Minute, dated 6th November 1873.

The Hon. Mr. Sim's Minute, dated 13th April 1874.

The virtual suspension of the law for the advancement of elementary Education amongst the rural masses and the abrogation of the policy of the Legislature and of the late Government in this behalf, by G.O., dated 28th March 1873, have in a great measure left both the people and the Government practically without means to fulfil this newly-recognised popular obligation and without any distinct policy or programme—legislative, administrative or financial—in respect to this large undertaking.

2. On the change of policy being intimated to him, under date 20th May 1873, the Secretary of State realized these consequences of the action of this Government, and has made his approval of the abandonment of the House-tax to depend on whether "other means less open to objection can be found for attaining the end for which the tax was imposed." And he takes the opportunity again to affirm that policy which was laid down so far back as 1859 by the first Secretary of State for India (now Earl Derby) and has since guided our administration and legislation, in

the following words:—"I regard the principle of local taxes for the purposes of education as in itself a sound one when carefully and cautiously applied." It is only necessary to refer to Mr. Arbuthnot's review*—in the Legislative Council—of twenty years' endeavours to do without special taxation—in favour of "a liberal system of grants-in-aid coupled with measures for the improvement of the indigenous Schools"—to show the soundness of the decision of the successive Secretaries of State "that the only effective means of providing the requisite funds for establishing a sound system of elementary education throughout the country consisted in a compulsory Education rate."

* *Vide* his speech bringing in the Local Fund Bill, dated 4th February 1870.

3. The object of the Legislature and of the late Government was gradually to establish Village-schools—it is unnecessary to notice the so-called Union-system—in all important villages and to meet their cost by a house-rate levied on the residents of the village or township. At the same time a portion of the general Land-cess of the Circle (of one anna per rupee of assessment) was made available for the general purposes of popular Education—normal schools, inspection, general administration, &c., &c.—and Sanitation—say in equal proportions of one-sixth to each to these objects respectively.

4. This legal self-supported Village-school system is under suspension—G.O., 28th March 1873—and no well-defined programme for the advancement of popular elementary Education has been substituted by the Government or Legislature in its place; while the only remains of the financial provision made by law in that behalf which is not suspended, is that share of the general local Land-cess which education divides with sanitation—a fragment which obviously must prove inadequate for the end in view and one which perhaps cannot legally be applied to the maintenance or aid of individual schools; an object otherwise provided for by the same Law.

5. It is unnecessary at this stage to notice the Provincial grant to education in general. This fund had been in the main wisely and thriftily assigned before the Local Fund law was passed, which is specially designed to supplement State efforts and advance the special purposes of elementary schools for the masses in the adequate and special manner which it probably would do, if allowed to take its course.

6. The one-third of the Land-cess is a very moderate sum for the important general purposes to which it belongs; and—like the Road-cess—it is almost absolutely inelastic, as it is a percentage on the stationary Land-revenue demand. It may be taken in round numbers at about Rupees 11,00,000 for the whole Presidency; so that when equally distributed between the two important objects—Education and Sanitation—to which it belongs by law, from five and a-half to six lakhs only are available for the general and auxiliary purposes of popular elementary Education. To these general purposes only, I submit, this fund is in the main properly and equitably applicable under a law, which provides otherwise for the maintenance of individual schools; and I have little doubt that when an adequate system of popular education of the masses is inaugurated, this one-sixth share of the

Land-cess will but moderately suffice for general purposes. It is obvious therefore that there is nothing here wherewith to inaugurate a system of national elementary Education—nothing which affords a hope of "attaining the end for which the (house) tax was imposed" as expected by the Secretary of State.

7. The letter of the Director of Public Instruction, dated 17th September, and His Excellency's Minute, dated 6th November 1873, have for their object the diversion of, I fear, wholly inadequate means from Imperial grants to other poorly-found Services—Higher and Middle-class Education and Roads and Communications—to be devoted to elementary Schools for the rural masses. I will notice each proposal further on. In the meantime I venture to submit that the first step towards any successful and continued fulfilment of a task at once so great, enduring and increasing as a system of national education of the masses, must be the substitution of some distinct and adequate legislative and administrative policy in this behalf, in place of that which has been set aside. We may then decide as to how the plan may be carried out—or even gradually approached—financially. The result of thus facing the problem before Government must, I am satisfied, convince us that even were it possible to divert otherwise usefully-applied funds, it would prove futile for the object in view to disturb in various small ways the successful policy of the past and other existing dispositions.

8. The Census returns afford the means of roughly calculating the magnitude of the task of inaugurating a moderate but expansive system of popular education of the rural masses of the Presidency. For the present I will eliminate all town populations who are living within legally-constituted Municipalities from the calculation. The rural population of the twenty Provinces of this Presidency are distributed amongst 55,000 villages (in round numbers) with an average population per village of say 560—of a school-going age say 75—persons. The total rural population is 29¾ millions—giving in round numbers 4½ millions of children of a school-going age.

9. I will apply these facts first to the Village-school system—that which in the main had been adopted by the Legislature and the late Government and to which the existing law applies. This system is unquestionably the one which is in accordance with the social conditions of rural family-life in this country—and therefore that system through which alone we can effectually reach the nurseries of the agricultural community. It is the system which under thrifty management may be made the most moderate in cost and most far-reaching, and .. has a healthy municipal ring about it which is capable of useful development.

10. There can be no doubt that there must eventually be one or more village-schools in every village of importance, for the average population of a school-going age in each is—as above shown—large. At the lowest calculation there are 25,000 to 30,000 villages into which it should be the aim of Government progressively to introduce efficient elementary instruction as soon as it can be conveniently effected. The estimated cost of a good village-school according to the numerous budgets, which have been recently submitted to us, ranges from say Rupees 150 to 300 a-year.

Taken, however, at say from Rupees 100 to 150 per school only, it is clear that from twenty-five to thirty-five lakhs of Rupees—irrespective of general charges for Normal schools, Inspection, &c., which must be met from general local taxation—must at the lowest figure be sooner or later raised for the maintenance of even this limited number of cheap village-schools alone.

11. It does not matter at this stage to discuss the proper and varied sources of village income from which the support of village-schools may be derived, nor the local agency through which the requisite means may be collected and the schools managed; nor need we argue whether the system of Salary-grants or combined Salary and Results grants or some other system of distributing the support for their maintenance should be adopted. The fact is that a sum, probably in excess of what I estimate above, will sooner or later be needed in some form or other for the support of even a moderate system of popular instruction by village-schools or in fact by any other system. And I submit that it is sufficiently obvious that this sum cannot be obtained—and I hold that it ought not to be so obtained—either from the Fisc or by further Provincial grants, or by crippling transfers from other Services. Nor do I think that general Local Funds, which are provided by law for purposes common to all taxpayers, should be applied to the maintenance of individual village-schools which are properly chargeable to the residents of the localities in which they are established. I confess that I can see no alternative but that which successive Secretaries of State, the long experience of the past, and the Legislature have recognised—viz., a popular educational rate for the maintenance of local schools.

12. It may not be out of place incidentally to notice that the obligation of parents—and not of the State or communal purse—to support the village-schools or individual elementary Schools of any kind, has ever been an acknowledged condition of Indian social and village life. There are no traces of State grants or endowments for popular education amongst rural masses. The village-schoolmaster—clearly as his privileges and claims on parents have ever been acknowledged and liberally met—has never shared the village rent-free lands (*Manyem*) or been a partaker in the joint contribution of the village community for communal purposes (*Grakurch*). There is therefore nothing new in this country in the sound principle of requiring the people to pay for the education of their children—an obligation has been properly maintained by the Legislature and Government up to this time in respect to primary education of the masses, and which I hold should still be firmly insisted on. For there is in fact nothing more opposed to sound administration as well as to the spirit of the popular policy of the country, than the transfer of those obligations to the general public or local taxpayers; and I believe that any measure or concession by the Government, which tends directly or indirectly to alter the ancient conditions of Indian society in this respect or to introduce *quasi*-gratuitous education will inevitably lead to mischievous embarrassment and popular expectation of immunity from taxation for educational purposes, which the Secretary of State deprecates and which cannot possibly be fulfilled. I entertain anxious fears lest things may be drifting into these grooves already.

13. That a system of village-schools supported by the villagers within their reach under a compulsory rate, may and does work effectively—and not unpopularly—in this Presidency, is proved by the facts of the numerous village-schools established in the Rajahmundry District between 1855 and 1858 and I believe likewise by the condition of *Halbabundy* school system of the North-West Provinces. Indeed the main object of the educational sections of the Local Fund Act is to give a compulsory character to the legislation of 1863, which was enacted in order to maintain and extend the Village-school system of Rajahmundry on a voluntary basis throughout the Presidency. I venture to think that that policy is well worthy of being firmly maintained.

N.B.—Practically the Rajahmundry village-school rate was compulsory, while the joint fiscal system continued.

N.B.—A serious error was, I think, committed in the Local Fund Act in confining the sources of income to the House-tax only and altering the municipal character of collection and management, which characterized the Act of 1863.

14. I submit that some early decision on this point is urgently called for. The Village-school system naturally commends itself to the judgment of the Local Fund Boards of some districts, as it has done to the Legislature on successive occasions and to the late and earlier Governments. But—losing sight of the fact that the law is in suspension, under G.O., 28th March 1873, as respects both the ways and means and the principle of self-supporting management,—these bodies are submitting various proposals to expend the auxiliary general Land-cess rate—which is collected over the whole district for general purposes—on thinly spread, but very costly village-schools in a few (in some cases not one in a hundred) favoured villages of each circle. The proposals, I venture to submit, are as inequitable and wrong in principle as they are futile as projects for the diffusion of popular education with fair equality throughout the rural population of any district.

15. The facts of the Census may, I submit, be usefully applied in another way to show that it is hopeless to grapple with this vast problem otherwise than as desired by successive Secretaries of State and provided for on more than one occasion by the Legislature. There are, as above shown, some $4\frac{1}{2}$ millions of children of a school-going age amongst the rural population of $29\frac{3}{4}$ millions alone—the town population of about $1\frac{1}{2}$ millions comprises upwards of 200,000 children of a school-going age besides, who may be left for the moment to their respective Municipal Commissioners. Suppose then, for the sake of argument, that four millions only be taken as the rural population of a school-going age, and that for the present all girls and one-half of all the boys be left out of the calculation, as not likely at present to avail themselves of educational opportunities, I hold that it should be our aim to endeavour gradually to distribute primary instruction fairly and widely amongst at least one million of children of the agricultural districts. The average cost per boy in lower Government schools (*vide* Report of 1872-73,

N.B.—The matter of primary education in towns is in a scarcely less confused and uncertain state at this moment than that of rural population.

N.B.—Out of some $4\frac{1}{4}$ to five millions of children of a school-going age, some 192,000 only were on the rolls of the department in 1872-73, *and these were mostly Town children.*

page 144) is apparently Rupees 7-5-0 a-year and in lower private schools Rupees 4. I have not been able to gather the average cost under the Results grant system, but I have reason to believe that it falls little—if anything—short of the lower figure. Be this as it may, I submit that these facts clearly show that a much larger sum is required for even this partial extension of popular education than can possibly be raised in any other way than by well-devised measures of local administration and taxation, such as that contemplated by the Secretary of State and Legislature.

16. But here, too, it is indispensable that some systematic plan of administration and finance be now laid down in substitution of the village system, &c., of the late Government and existing Law—if these are to be permanently set aside. This programme is still wanting and is probably not possible under existing conditions.

17. On the whole I conceive that the only reply that can be made to the despatch of the Secretary of State under date 14th August is that the Government has not for the present substituted any defined policy—financial or administrative—for that of the Legislature and of the late Government—and now under suspension.

18. In the meantime I would submit that the despatch of the Secretary of State be referred to the Board of Revenue, to the Director of Public Instruction, and to selected Presidents of Local Fund Boards to advise as to the substitution of any other form of local rate for the House-tax. The law requires, I think, revision and modification—in the direction of the repealed Act VI. of 1863—as regards more varied sources of income, local management and greater precision as to supervision and direction; but the experience of the past will make this change easy of elaboration.

N.B.—The union arrangement clearly ought to be abandoned—wherever the village system prevails—as unsuited to the social condition of the rural masses.

19. As regards proposals to divert funds from other heads of administration, the Director of Public Instruction prefaces his letter, dated 17th September, with an earnest deprecation of any sweeping change in the policy of the Government in respect to higher and middle-class education, with which I most cordially concur. I submit that the invaluable results of the wise policy of the past in respect to higher education are but inadequately stated in paragraph 45 of Colonel Macdonald's remarkable Administration Report of 1871-72, and that it were suicidal to check or discourage in any way whatever the advancement and consolidation of higher education and its extension in directions not yet taken up. It seems to me that measures for the improvement of the higher education—and not such as may possibly lead to its depression—are those which are required at the present stage of intellectual development amongst the educated and intelligent classes of this country, in order to remove those shortcomings which partially justify the hostile criticism to which the educated orders are now exposed. Indeed I think that a cordial acceptance of any popular measure of primary instruction, and the useful diffusion of middle-class education as well as the creation of an indispensable literature, depend in the main on the steady encouragement and advancement of the intellectual development of the higher classes. I believe that higher education is not as a rule fully self-sup-

porting in any country and it certainly cannot be made so in this; but it is remarkable how much is done with the small State aid afforded (five per cent. of the Provincial grant to Education—*vide* Director of Public Instruction's letter, dated 16th October) in this Presidency. I am inclined therefore on the whole to deprecate measures which are likely to threaten with discouragement higher educational efforts—whether in voluntary or Government institutions.

20. Middle-class education is precisely that which is most popular with, and most widely coveted by, the intelligent middle classes, who are our chief rate-payers. It is a remarkable fact that Act VI. of 1863, which was devised to enable the voluntary extension of village or primary education, was almost exclusively availed of to establish central Middle-class schools—by a most wholesome and steadily-progressive voluntary movement, which received a suicidal check by the repeal of that useful enactment. I am therefore inclined to deprecate any retrogressive, depressing or degrading step in respect to this important branch of national education. For I am satisfied that any system of national education, which does not provide effectively for the education of the middle classes—which does not in fact carry the children of the well-to-do orders beyond those rudiments of instruction which suffice for the peasant's or labourer's child—is most seriously defective. I would therefore preserve and utilize more efficiently the moderate assignment from Provincial funds to this object—about fifteen per cent. And I think that it would be well worth while to consider whether the wholesome voluntary action which was raising up a number of Middle-class schools under Act VI. of 1863 might not be restored by the revival of the provisions of that useful enactment in some form or other.

21. I deprecate the sweeping changes proposed by Mr. Powell in paragraph 3 of the letter under consideration, until far more full and accurate information is collected from various sources interested in aided education. A revival of the unsatisfactory conditions, which subsisted prior to 1864, seems to be threatened; and I consider that Mr. Powell's recommendations, which practically direct all retrenchment (and the discouragement consequent thereon) in the main against aided and voluntary schools (the very class of institutions which deserve most encouragement and development at the hands of Government) are both impolitic and unfair. The principle on which Salary-grant rules are now adjusted is on the whole sound and right, and not over-liberal; and the rules cause satisfaction and afford sufficient encouragement to voluntary effort. I am satisfied that the isolated cases pointed to by Mr. Powell as indicating the advisability of change are wholly exceptional and easily explained by special circumstances, while the result of a fair study of averages leads to precisely the opposite conclusions. So far as I can make out, fees do not cover much more than one-tenth of the cost of Government schools, while they cover from one-fourth to one-third of that of aided schools; and it has been satisfactorily shown that the effect of raising the fees two years ago was generally unfavourable to attendance throughout the Presidency. On the whole I believe that the general change proposed would produce very depressing uncertainty amongst the agents of aided voluntary schools throughout the country, and, if it do not absolutely violate pledges, would cause a serious, and I fear, degrading

check on the establishment and maintenance of voluntary schools more especially for the middle classes. I would therefore take no immediate action in accordance with paragraphs 3 and 7 of the Director of Public Instruction's letter, but would call for or await the submission of the views of some of the managers of the principal aided schools in Madras, which I believe to be in course of preparation, before moving in this matter. Mr. Powell might be told that he may deal with the exceptional cases he alludes to, but not go further in this direction until the matter has been more fully discussed.

22. I have no objection to remodelling Middle-class schools in the direction of that improvement of which they are susceptible without increased State expenditure, but in this direction alone. But I admit that I should not expect much retrenchment from the improvement of this most important class of schools. I would therefore call on the Director of Public Instruction to submit a plan for placing these institutions on a thoroughly efficient footing. I think that it is little creditable to the Educational Department to find that several old voluntary rate-schools have declined since the change effected by the Local Fund Act, into lower-class schools.

23. I entirely agree on political as well as educational grounds with what has fallen from Mr. Sim on the subject of the study of the English language in aided schools in this country. The experience of all Governments, who rule over numerous races speaking different languages, is against Mr. Powell's narrow condemnation of the study of his own language; and I can conceive no more short-sighted policy than its repression at the hands of Government. English is the medium of all higher education and its study should form an important part of the curriculum of all Middle-class schools, as earnestly desired by the people. And I would not forbid its study in certain elementary schools.

24. I agree with Mr. Powell as to the confusion which is likely to arise "if aid to lower-class schools is to be given from both Provincial and Local (General) Funds" in a promiscuous manner. The Legislature has provided for the popular elementary instruction, by a special local school rate; and I cannot see how it can be efficiently dealt with, except by letting the law—or some modification of it—take its course. I consider that the cost of elementary training schools for lower-class teachers should be met from the adequate general Local Fund under the Act, *i.e.*, from the one-sixth Land-cess, rather than from Provincial Funds.

25. On the whole I do not see that any useful sum can be diverted from other Educational Services for the important and costly end in view, viz., the elementary instruction of the rural masses.

26. His Lordship's proposal (Minute, dated 6th November 1873) is to withdraw the Imperial grants for the maintenance of Trunk Roads and Communications, so that primary education may be provided for (so far as twelve lakhs will go) gratuitously.

27. It is desirable to analyze the ways and means which are thus brought under discussion and their application. I have therefore abstracted the main

COMMUNICATIONS.

Receipts.	*Regular Establish-ment.*	*Budget.*
	1872-73.	1873-74.
	RS.	RS.
Balance	3,33,600	5,00,000
From Provincial Fund—		
Imperial Grants ...	11,26,000	11,58,150
,, Cess on land ...	22,85,694	22,78,810
,, Tolls	1,34,620	1,44,590
∴ Standard income ...	35,46,314	35,81,950
Add Balance	38,79,914	40,81,950
Expenditure.		
Maintenance Grant and Repair	18,56,710	18,24,500
New Works	14,02,410	13,39,800
Establishment... ...	*9,18,540	*9,50,630
Tools, Plant and Contingencies	39,890	43,850
Total...	42,17,550	41,68,780

* *Establishment.*

	RS.	RS.
General Public Works Department...	7,92,090	8,20,750
Petty Establishment	1,20,680	1,22,120
Tolls and Ferries	5,774	7,460
Total ...	9,18,540	9,50,630

features of the Local Budget of income and expenditure for 1872-73 and 1873-74, under the head "Communications" as shown in the margin. The pressing wants of the country have apparently led in each year to a larger budget of expenditure than the estimated income of the year would cover in view probably to savings from incomplete works, arrears recovered, &c. It is needless to add that far more works are urgently needed and have been sanctioned than can be completed for many years with the diminishing balance available for New Works. The actual income under this head of local administration is and must remain almost absolutely stationary and inelastic; for the Land-revenue—on which the major part (twenty-three lakhs) of the demand is based—advances very slowly; and the State contribution which is a very small percentage of the liberal revenues of the Presidency is not likely to be increased. Tolls will advance but slowly and inadequately. The permanent annual income of the Road Fund may therefore be taken at say thirty-six lakhs a-year.

28. The expenditure side shows that considerably more than one-half of the entire income of the Road Fund is already permanently assigned, in the shape of mileage allowances and repairs, to the maintenance of Trunk, Military and Salt Roads and District Communications already in existence. No part of this assignment—which is rapidly increasing, as works are completed, to the diminution (if not extinction) of the sum available for New Works, Establishment, &c.—is available for bridges, improvements and extension of communications, canals, &c., &c., without causing widespread disaster amongst the results of the labours of many many years past.

	Maintenance and Repairs.	*New Works.*
	RS.	RS.
Share of Establishment say	18,24,500	13,39,800
	5,50,500	4,00,000
Total...	23,74,500	17,39,800

N.B.—For the sake of account, the cost of establishment has been rateably assigned to both heads, but it is obvious that a far larger portion belongs to New Works; were these stopped, probably four-fifths of the charge for establishment would have to be taken off and the Imperial establishment disbanded to that extent.

29. It may be incidentally remarked that a very heavy share of these permanent assignments for maintenance, are the old and established Imperial obligations—mileage grants, &c.—which were transferred (with diminished Provincial grants), together with the charge of Imperial Trunk Roads, &c., &c., under G.O. 7th June 1871

No. 216, Financial Department, to the Local Budget. For all practical purposes therefore the greater part of the sum which His Excellency now proposes to withdraw—viz., the Imperial grant to Roads—has long been permanently assigned by the Imperial Government to purposes to which it is still applied and from which it cannot, I submit, be withdrawn, without defeating the object of the Government of India and leaving Trunk and Military Roads—so far as completed—to go to ruin. A measure of the kind proposed would, I think, no doubt lead to, as it would certainly justify Local Fund Boards in divesting themselves of the responsibilities now laid on them in respect to Military and State Trunk lines, salt roads and the like.

30. Practically then the unassigned Road Fund income is only about 17½ lahks from which Establishment charges (9½ lakhs) and any extension or improvements of communications have to be met over a country of 140,000 square miles and containing thirty millions of people. The diversion therefore of twelve lakhs or any part of the above limited and fast-decreasing* sum would have the disastrous effect of stopping absolutely all further improvements and progress in the country, and would import very serious complications into the Department of Public Works in respect to District establishments; for of course these would have to be simultaneously reduced and disbanded.

	RS.	RS.
Total Standard Income		36,00,000
Less permanent Repair Grants say		18,50,000
		17,50,000
Balance available for Establishment ...	9,50,000	
Do. New Works...	8,00,000	17,50,000

* *N.B.—In 1870 about forty-five per cent. only of the income had been permanently allotted to Maintenance Grants.*

31. Our task in respect to providing sufficient roads is very far from complete. In 1872 about 16,500 miles of road were under the management of Local Fund Boards in various stages of completeness—or little more than one mile of road to nine square miles of country. There is therefore a very great deal to be done ere the country is provided with an efficient system of district roads. And we must not forget the pledge given by the late Government when introducing the Local Fund Bill in respect to village communications. "One object of the Bill," it was explained, "is to provide additional funds for the construction of cheap roads, which shall connect remote villages with the district roads. A common complaint made against the District Road-Cess Act is that the landholders in many villages, who pay the cess, really get no return for their money; that notwithstanding their contributions to the Road Fund, these villages are still connected with the main roads of the district only by rough and, in wet weather, impassable pathways. We hope that this complaint will be to some extent met by the present Bill and that as the Local Funds increase—as they will with the increase of cultivation—considerable progress will be made in connecting remote villages with the district roads. And this is certainly the primary object of the present Bill, in so far as it applies

	Miles.
Completed roads having Maintenance	14,352*
Grants	1,039
Roads completed in 1872	1,147
Do. in progress	
Total ...	16,538

* *N.B.—A large portion of these are unabridged and in a more or less incomplete condition, though probably in the main fit for wheel traffic in fine weather.*

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to the roads."—(Mr. now Sir Alexander Arbuthnot's speech, Legislative Council, 18th February 1870.)

32. These pledges of the Legislature and Government and these popular expectations have been defeated in a great measure by the subsequent transfer of Imperial obligations—with inadequate Provincial assignments (as has been frequently urged on the Government of India)—and of unduly costly Department Public Works establishment to Local Fund Boards. And it is clear that we cannot equitably render it now quite impossible to keep faith either with the Government of India, the local Legislature, or the people, by withdrawing Provincial grants made in part acknowledgment of those obligations and which the Legislature supplemented in full expectation of their continuance.

N.B.—Under the previous Road Rate Act the all-sufficient charge of ten per cent. on the expenditure was charged for the supervision of the Imperial establishment. The charge is now from twenty-five to thirty per cent. and in several districts the contribution levied on the local rates maintains the entire Public Works establishment—Imperial, Provincial and Local.

33. The Board of Revenue have shown in paragraph 11 of their Proceedings, dated 25th June 1873, No. 1111, that the amount saved to the State, at the expense of Local Funds, under the recent financial arrangement approximates to five lakhs of Rupees. This seems to me a further strong argument against the withdrawal of State contribution for this all-important purpose.

	Rs.
Former outlay on Imperial Roads...	11,27,996
Further cost of Department Public Works establishment in excess of ten per cent. for Supervision ...	2,84,310
	14,12,306
Provincial Grant	9,16,990
∴ Saving to the State	4,95,316

34. It is scarcely necessary to urge the long-acknowledged propriety of this moderate assignment of public revenue to a purpose to which the people now so largely contribute. It is practically a small contribution by a great landlord to the maintenance of the public highways and material improvements of his landed estate. This long prescriptive assignment is one of the most reproductive and effective character as respects both the State and the people. It is a Trust for those special purposes, which, I submit, the Local Government are not at liberty to divert to new objects of an entirely different character, however important these may be.

35. Nor is it necessary to argue the relative importance of Communications and elementary Instruction to the well being of the country. Suffice it to say that the Imperial Government has endowed both objects in fairly appreciative proportion, and that the Law has supplemented their respective assignments of public revenue, by fairly sufficient means—if availed of—from distinct sources. Neither therefore can be allowed to invade the resources—provincial or local—of the other. We cannot, I submit, suspend at pleasure the ways and means assigned to one object and legally or equitably appropriate thereto the revenues of the other, whether provincial or local. I will merely add that the deliberate policy of the Legislature and Government for years past in respect to roads has, in my judgment, been eminently sound and successful; and must be maintained and, so far as means can be made available, extended in the interest of the country and of the State.

36. I may notice, with reference to His Excellency's remark, that I have no doubt that the Road Fund is administered with exceptional—though all too costly—

efficiency. The lines of communication and the works to be carried out, are selected by the numerous Circle Boards, on which sit all Collectors (with many of their most efficient and experienced subordinates), all District Engineers and many Range Officers and others who are well acquainted with the requirements of the country, together with some of the most intelligent native gentlemen in each Circle. Their selections are carefully revised by the Board of Revenue and Government, and the works are executed by the trained and skilled staff of the Public Works Department under the same system and control as State works. It would, I submit, be impossible in this country to devise a system combining better guarantees for good judgment in selection and efficiency of execution than these arrangements afford; and—barring great costliness—I consider that in no part of our administration have these guarantees been more efficiently fulfilled and with better results.

37. On the whole I am satisfied that no diversion of the Provincial grants for Communications, &c., to primary instruction can be equitably or advantageously made.

(Signed) W. ROBINSON.

No. 186. MINUTE by His Excellency the COMMANDER-IN-CHIEF, dated 19th May 1874.

I cannot pretend to discuss the present aspect and necessities of the question of Elementary Education in this Presidency with the fulness of knowledge which the Right Honourable the President and my honourable colleagues have brought to bear on the subject. However, a very careful perusal of the Minutes they have recorded, and of the papers which accompany them, leaves me under the impression that, precisely at the moment at which we desire to widen the basis of Government assistance to this branch of education, we have destroyed the source from which funds were properly derivable for that purpose.

2. The House-tax was purely an Educational tax. It may have been, and I believe was, odious in the eyes of the population, and it has been abolished; but it appears to me clear that, if Government assistance is to take the wide range contemplated by His Excellency the President, some special tax will have to be imposed on the people to provide the means. In this case can we find a tax less odious to the people than the House-tax? Is it certain that the unpopularity of this tax was not caused by the fact of its being a tax for education?

3. Our available means are evidently scanty. The sums which Mr. Powell shows can be made available from savings in his department are very small when compared with the magnitude of the demand, and it seems to me that these savings can hardly be made without causing some hardship and discontent amongst the teachers whose emoluments will be lessened, or who will lose their employment. However such savings as can with propriety be made in one branch of the department may well be applied to the other.

4. As regards the proposal to divert the funds now allotted to Roads, from that purpose to Elementary Education or any other purpose, I have never lost an opportunity of expressing my dissent from such a measure. I am firmly of opinion that roads and communications are as yet the primary want of the people of this country,

and that for their construction taxation is submitted to with greater readiness than for any other purpose.

5. Instead of limiting our means of usefulness in this direction, I would desire to see them greatly increased, for to improved roads must be ascribed the increased wealth of the agricultural classes in recent days. To roads we must look for increase of our revenue. From them, too, as feeders of our railways, we must look for relief from the burden which unearned interest on railway capital now imposes on us. The military importance of good and rapid means of communication can hardly be overstated.

6. In considering this subject we may fairly take into consideration the actual state of things in Bengal, where, it is stated with reference to the famine relief operations, that *the difficulty is not rice but roads*. This it is easy to understand, and it should warn us against pausing in the wise course we have adopted in carrying out the construction of these arteries of commerce on a liberal scale, for famine is not unknown to us in this Presidency.

7. I believe our true line of policy is to do all in our power to secure the material welfare of the people, to protect the rural population, as far as may be, from the possibility of actual famine, if not from scarcity, and to this end I believe we have no more potent ally than an abundance of good roads. The ryot benefits immediately from these works and fully appreciates them. We know nothing of any very great desire on his part for education, certainly nothing at all commensurate with that which exists in the large towns.

8. Holding these convictions, I should see with regret the funds now allotted to the construction and maintenance of roads diverted to other purposes.

(Signed) FRED. P. HAINES.

No. 187. MINUTE by the Right Hon. the PRESIDENT, dated 6th June 1874.

I have read with the most careful attention the Minutes of my honourable colleagues on this subject, in reference more especially to the proposal which I submitted with a view to providing this Government with the means of taking some effectual step towards the elementary education of the people—without adding (as it was proposed to add by the imposition of the House-tax) to the burdens inflicted upon the poor. And in the first place it is necessary to observe that I am (as is evident from the Minutes which have been recorded) directly at issue with my honourable colleagues in regard to the relative importance of the object which I have in view. My honourable colleagues would (as I infer) consider that the abandonment, which I need hardly say I have not proposed, of roadmaking (as distinct from road repairing) for the future would be an evil of greater magnitude than acquiescence in the present mental condition of the people. From this proposition I must express the most complete and unqualified dissent. I think, on the contrary, that even if the measure which I had proposed would lead, in a far greater degree than would really be the case, to diminished expenditure upon roads, the evil would be infinitely less thus than the continued disregard by the Government of the absolute and deplorable ignorance of the great majority of the population. This last is an evil of such enormous magnitude that I confess it appears to be somewhat surprising that a proposition to

diminish by about one-fourth the annual amount (little less than half-a-million sterling) which we are now spending on roads in this Presidency, and which it would appear is intended to continue for an indefinite period of time—in favour of an expenditure which would enable us to make some serious inroad upon popular ignorance—should have been the subject of a moment's hesitation.

2. I proceed to reply in detail to the arguments of my honourable colleagues.

3. It is in the first place urged that the resolution of the Government of India by which a permanent aggregate grant was made to each province as a provision for certain specified purposes does not admit of a diversion from one of those purposes of funds devoted to another. It appears to me that the resolution bears no such construction; and that, on the contrary, one of its principal objects was to allow Local Governments full discretion in regard to the appropriation of the grant as between the different objects of expenditure for which it was assigned. Even were it otherwise it is obvious that the objection might be completely met by an application for the assent of the Government of India to the measure.

4. It is next contended that after allowing for maintenance and repairs, only about £175,000 will be available annually for the purpose of making new roads as distinct from that of maintenance and repair—and that this is not sufficient. To this I reply that whether this sum really is or is not "sufficient"—which means merely whether useful employment in the construction of new roads can or cannot be found for it—is not here the question. The question here is—not whether new roads at a cost of £175,000 annually can or cannot be made with advantage to the country; but whether—considering the vast sums already lavished upon roads—considering that the annual expenditure on roads, when diminished as I proposed, would continue for a time to which no limit is contemplated, and would amount at no very distant time to a formidable sum—considering above all the vast and paramount importance of the object in view—the gradual dispersion of popular ignorance—it is not desirable to devote for the future somewhat less than two-thirds of this £175,000 to elementary education rather than to new roads. We have already spent, in the last ten years only, £1,500,000 upon the construction of new roads—roads in addition to those previously existing—in this Presidency; we are now spending about £175,000 upon the same object annually. If my proposal is adopted, we shall still be spending £60,000 a-year, which is the interest, at $4\frac{1}{4}$ per cent., of (nearly) £1,400,000, on the construction of new roads. I submit that this is not a condition of affairs which warrants the determined resistance which has now been made to the very moderate suggestion that, in future, expenditure on roads in this Presidency should not be more than three times as much as that on elementary education.

5. With respect to a remark of my honourable colleague (Mr. Sim) I have to observe that I have no where spoken of "gratuitous" education as a necessary incident of my proposal. I believe that in the "Results Grants" system we have the most powerful instrument for elementary education, but the question as to the best mode of applying the funds at our disposal is evidently distinct from the present question.

6. To the argument used by my honourable colleagues that the $11\frac{1}{2}$ lakhs were given by this Government not for local but for trunk roads, I have already replied in the 6th paragraph of my Minute of the 6th November 1873, which appears to me to afford a complete answer to that objection. I confidently submit that there is no ground for

the statement of my honourable colleague (Mr. Robinson) that this proposal involves any breach of faith with the Government of India, the Local Boards, or the people. With respect to the Government of India, I have already observed that any difficulty which may be felt as to the effect of the Financial Resolution of 1870 may be removed by obtaining its consent; but that I do not believe in the existence of any such difficulty. As regards the Local Boards, while on the one hand we shall under the arrangement which I propose devote a certain portion of the proceeds of local taxation to trunk roads instead of to local roads; on the other hand we shall be to precisely the same extent conferring upon them the far more than equivalent advantage of popular instruction. The Local Fund Boards of the Presidency have shown of late a very strong interest in such instruction; and I believe there is not one of them that would not rejoice in a change so full of advantage to the people. The objection however—supposing it to be valid—is merely formal; and this being the case, there would be no difficulty at all in obviating it. For this purpose we should only have to consider the annual grant of £120,000 as still given for trunk roads, and to instruct the Local Fund Boards that £120,000 of the proceeds of local taxation now applied to local roads should in future be applied to elementary education. The effect would be precisely the same as that of my proposal. The same sum would in each case be expended—

(1.) On local roads.
(2.) On elementary education.
(3.) On trunk roads.

7. The difference would simply be that in the one case the two first objects—local roads and elementary education—would be provided for by Local Funds; and the third object—trunk roads—by Provincial Funds. In the other, the first and third objects—trunk roads and local roads—would be provided for by means of Local Funds; and the second object—elementary education—from Provincial Funds. I should have no objection to the adoption of the first of these alternatives; but I submit that any advantage which it may have in point of form is more than counterbalanced by the greater convenience of the arrangement which I propose.

8. The Hon. Mr. Robinson urges that the requisite funds for elementary education ought to be obtained, not in the manner which I have proposed, but by a renewed resort to local taxation. Upon this I have to observe that the abolition of the House-tax, which was a tax imposed for this purpose three years ago, was cordially approved of by the Government of India, and received also the approval of the Secretary of State qualified only by the observation referred to by my honourable colleague respecting local taxation. It is impossible to infer from that observation (as my honourable colleague appears to have inferred) that the Secretary of State desires to see, in the present circumstances of the people, additional local taxation imposed upon them for this or for any other purpose. In respect to the abolition of the House-tax, both the Government of India and the Secretary of State must be considered to have adopted the view of this Government that local taxation ought not to be increased, but rather diminished, and that it has tended of late to press unduly upon the agricultural population of the country. That this view is justified by the facts of the case I have not myself any kind of doubt; and I shall resolutely oppose all increase of taxation even for such a purpose as popular instruction. Failing this resource, there is no other of any considerable importance open to us except that which I have proposed.

9. I would earnestly press for a reconsideration of this question.

(Signed) HOBART.

No. 188. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 11th June 1874.

I have given the most anxious consideration to His Excellency's further observations on the subject of this discussion.

2. I must warmly disclaim any want of appreciation of the importance of giving wider and better elementary instruction to the masses of this Presidency—indeed there is probably no one now in the service to which I belong who has given more personal attention and pains to this object wherever my influence has extended throughout a long service than I have done. I managed for a time the numerous village-schools in the Rajahmundry District, and largely extended their scope and number, while Sub-Collector there. I have throughout years bestowed much attention on the work and legislation carried on in this Presidency in this behalf and have otherwise advanced the cause of education whenever it lay in my power. I am still, I may add, prepared to give my most cordial support to any well-devised and promising scheme which will promote this object with reasonable aid from the State. But I cannot withal lose sight of the vast importance of likewise providing for and extending the material progress and well-being of the land by maintaining the long-existing policy of the State and the popular pledge given in respect to roads and communications. I am unable, therefore, to join in recommending any departure therefrom to the Government of India, as I am satisfied that the proposal now made is quite impracticable.

3. I am unable—with the experience of thirty-two years' service in the country—to endorse His Excellency's view that vast sums have been lavished on roads in this Presidency and that little or nothing more is indispensable. Good roads, &c., have all along been the acknowledged want of the country, and it is but recently that any real advance has been made in providing even in a moderate degree for its requirements by taxing the people in support of the avowedly inadequate assignment of the State, and I am satisfied that, for the present, a still urgent necessity has not been fulfilled.

4. I am unable altogether to follow His Excellency's figures. It appears to me that the present Road Fund income is under £350,000 a-year all tolled—of which upwards of say £230,000 (share of establishment included) is allotted to maintenance grants for roads in various stages of completion. Of the balance about £40,000 goes to Department Public Works Supervision leaving little more than £80,000 for new works —a sum which, I submit, is quite inadequate for the increasing demands of the country. The transfer proposed would, I venture to fear, simply crush all prospect of improvement.

5. As regards the Imperial allotments to Education and Roads, I observe that they are not disproportioned, being between £90,000 to £100,000 to the former and about £115,000 to the latter. If there be any difference in the funds available from local sources it lies in this that the local taxation for the one object has been placed in abeyance, while that for roads is secured by law and maintained—I venture to think—on sound grounds and certainly with the comparative goodwill and preference of the people.

6. I must further explain with reference to His Excellency's remarks towards the close of his Minute, dated the 6th instant, that my Minute of the 27th April was

directed in the main to show that the position of Government and the country with reference to this new object of administration is not now hopeful or clear—not to urge immediate resort to renewed taxation, which is not the matter at present under discussion—and also to show that there is no room at this time for equitable or useful transfers from other inadequately-provided services.

7. I may, however, add that I do not altogether share His Excellency's strong views as to the educational or material destitution of the people of this Presidency in general.

(Signed) W. ROBINSON.

No. 189. MINUTE by the Hon. J. D. SIM, C.S.I., dated 12th June 1874.

I have very carefully and anxiously considered His Lordship's further Minute, but much regret that I cannot alter the opinion I have already expressed, that the Provincial grant for roads cannot for the present be diverted to other purposes. My reasons for holding this view are given in paragraph 11 of my Minute of the 13th April last, and I cannot usefully add anything to what I have there urged in support of it.

2. In paragraph 3 of his Minute, His Lordship has, I fear, somewhat misapprehended the argument at the commencement of paragraph 11 of my Minute. I do not hold that diversion of funds from one Provincial Service to another is not permissible at all, but that the service for which the assignment was made must be maintained in full efficiency, before that assignment can be applied to other purposes. If I thought that the Provincial assignment for roads was more than that service really required, I should raise no objection to the application of the surplus to education. But unfortunately I cannot come to this conclusion.

3. As to the Land-cess, a portion of it is by law available for education, and no more of it can be applied to that purpose without a change in the law.

4. The Provincial assignment for education is £90,000. The additional charges which we have assumed, and which are mentioned in paragraph 15 of my former Minute, will be heavy, and the total grant from State revenues for education will fully equal the similar assignment for roads. I do not see any hardship or unfairness in expecting the people to contribute what *more* may be required for education just as the agricultural body have to contribute the further sum required for roads.

5. His Lordship urges that "the expenditure on roads in this Presidency should not be more than three times as much as that on elementary education." I submit, however, that this is scarcely a fair way of putting the matter. The share of the general taxes which the State assigns to each of these important objects is, as I have above stated, about equal. All that is spent on roads beyond this is contributed by the agricultural body out of their own pockets, and should, I submit, be excluded from any such comparison, because it is open to the general community to do the like for education if they please. If His Lordship's proposal to divert the Provincial grant from roads to education be adopted, then the State, notwithstanding its direct and indirect interest in roads (*vide* paragraph 11 of my former Minute) will contribute nothing towards them out of the general revenues, and I think the agricultural community will have strong cause of complaint.

6. I beg to explain that my remarks on *gratuitous* education were elicited by the expression in paragraph 6 of His Lordship's Minute, dated the 6th November last,

viz., "primary education * * * * will be provided for (so far as twelve lakhs will go) gratuitously by Government;" and my object was not merely to express my own views on the subject, but to point out that any such policy would require the sanction of the Secretary of State.

7. I disclaim most earnestly and emphatically the inference that I do not appreciate primary education, because I demur to the assignment for another most important object being diverted to it. No one can appreciate it more than I do, though I confess I think that, in the present condition of our people, we are attaching premature importance to it. I believe the experience of every country shows that poverty and ignorance go together, and that the best way to ensure the spread of voluntary education is to improve the material prosperity of the people. We may have erred hitherto in devoting our attention too exclusively to the higher classes of the native community (though here, as elsewhere, it is these who have the most desire for education, and whose influence and example most advance its extension), but I deprecate our running into the opposite extreme as equally mistaken and injurious to the great cause.

(Signed) J. D. SIM.

No. 190. MINUTE by His Excellency the COMMANDER-IN-CHIEF, dated 17th June 1874.

I have perused with great care and attention the further Minutes by His Excellency the President and my honourable colleagues on the proposed transfer of funds now allotted to the construction and maintenance of roads from that purpose, to the furtherance of elementary education.

2. In my Minute of the 19th May I have stated my views on this subject, and to these I have but little to add. I would merely remark that though the sums stated by His Excellency the President as those which have been applied to roadmaking in the course of the last ten years, and the amounts which are now applicable by law to that purpose, may appear large, it has been nowhere shown that they are excessive when the square mileage of our territory, the revenue we derive from it, its vast population, and the scattered villages in which this people is housed, have all been taken into consideration.

3. No doubt these villagers expect, and rightly too, that in time they will be placed in direct and easy communication with the trunk roads; it was probably with this object in view that liberal allotments were originally assigned to this purpose. When this shall have been effected we may fairly say that our work in roadmaking approaches completion, but not until then shall we be justified, in my opinion, in relaxing our efforts to bring it about, or in diminishing our outlay on so important a work.

(Signed) FRED. P. HAINES.

No. 191. MINUTE by the Right Hon. the PRESIDENT, dated 20th June 1874.

I submit that the further Minutes of my honourable colleagues, which I have attentively read, have left my argument in its main features unshaken.

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2. My honourable colleague (Mr. Sim) observes that the total assignment from Provincial Funds for education is fully equal to the amount (about 11½ lakhs) granted from Provincial Funds for roads. This, however, is obviously no answer to my representation that the whole amount *spent in this Presidency* on roads, irrespectively of the Government grant, is about £300,000, whereas the amount spent (not on "education" but) on *elementary* education is so small that to add to this sum of £300,000 a further sum of £115,000 for roads instead of allotting that further sum to elementary education is to lavish our resources upon an object already amply provided for, while there exists an object to say the least as important, imperatively requiring our assistance and for which scarcely any provision at all has been made. My honourable colleague states that he sees no "hardship or unfairness in expecting the people to contribute what more may be required for education," from which I infer that he considers that no further aid ought to be given by Government to elementary education, and that the means for such education (if provided at all) should be provided by increased taxation. I need hardly say that I am resolutely opposed to any suggestion which would increase the taxation of the poorer classes; nor do I believe that such a course would be sanctioned either by the Government of India or by the Secretary of State. My honourable colleague's view would therefore, if adopted, be tantamount to the prevention of any further progress (at least for the present) in elementary education. I trust and believe that no such decision will be taken; and that our best efforts will, on the contrary, be directed to find the means, by diminishing expenditure on unimportant or less-important objects, for effecting some gradual improvement in the mental condition of the people.

3. My honourable colleague urges further that the greater part of the expenditure on roads is contributed by the "agricultural community out of their own pockets;" that the "general community" may "do the like for education if they please;" and further that if the Government gives nothing for roads out of the general revenue, the agricultural community will have "strong cause for complaint." The actual state of the case is this. "Local Fund" taxation falls almost entirely upon the agricultural community, which is therefore, for the purposes of such taxation and of this question, the "general community." The agricultural community has been *compelled by the Government*, which imperatively imposed the Local Fund taxes, to provide about £300,000 a year for roads—the wishes of that community not having been in any way consulted in the matter. If they had been consulted, surely it cannot be said with any confidence that they would have preferred to spend the whole proceeds, even of this £300,000, on roads rather than assign part of it, however small, to elementary education. Most certainly it could never be expected that, in face of this compulsory taxation for roads, they should be prepared (even if they had the power) further to tax themselves for elementary education; and being thus compelled to pay taxes (whether they will or not) for roads, which are thus more than sufficiently provided for, I do not think that they would have—nor do I think that they would feel that they have—"cause" either for "complaint" or surprise, if any grant which might be made to them by Government was made, not for roads, but for primary instruction. If my honourable colleague's meaning is that our cultivators would have a right, in that case, to complain that the £115,000, or £120,000 from Provincial Funds was given for elementary education and not for the purpose of enabling us to reduce the Land-cess to the same amount—I can only say that rather than acquiesce in a continuance of the present state of things I should be prepared at once to remove their ground for complaint by adopting the alternative thus suggested. But I have no idea that my honourable colleague would agree to its adoption.

4. As regards "gratuitous" education, I should explain that in speaking of education as gratuitous "so far as twelve lakhs will go," I had no intention of suggesting that it should be absolutely gratuitous, or any desire to prejudge the question.

5. With regard to the observation of my honourable colleague (Mr. Robinson) that he is unable altogether to follow my figures, I have to explain that the figures which I used were those cited by my honourable colleague in paragraph 6 of his Minute. From those figures it appears that we are spending annually about 23½ lakhs upon maintenance and repair of roads, and about 17¼ lakhs upon constructing new roads and these, with the fact that in the last ten years only we had spent £1,500,000 on the construction of entirely new roads, were the principal facts on which my argument relied.

6. My honourable colleagues appear to be of opinion that after the expenditure since the year 1864 of £1,500,000 on the construction of entirely new roads in this Presidency, which must have been not inconsiderably furnished with them before that year, and in continuing to spend annually (with a determination apparently to resist any proposal, whenever it may be made, to diminish the amount) £175,000 more (the interest of £4,117,600 at 4¼ per cent.) upon the same object, we are doing no more than is justified by the extreme need of the Presidency for this, as compared with any other possible object, of public expenditure. In this opinion I cannot for a moment agree. I believe that there is an object even more important, certainly not less important, *cæteris paribus*, than roads—the elementary education of the people; and that—considering the immense sums already expended on the construction of roads in this Presidency and the large sum which will in any case continue to be annually expended upon it—considering on the other hand the insignificant amount which we have been able to provide for the purposes of elementary education—my proposal to divert to the latter object a part of the annual expenditure upon the former is one the adoption of which is required by a due regard to the interests of the people.

(Signed) HOBART.

No. 192. MINUTE by His Excellency the COMMANDER-IN-CHIEF, dated 23rd June 1874.

I have nothing to add to my previous Minutes but to reiterate my opinion that the funds hitherto allotted to the construction and maintenance of roads should on no account be diverted from that purpose until it can be shown that the wants of the Presidency in this respect have been fully provided.

(Signed) FRED. P. HAINES.

No. 193. MINUTE by the Hon. J. D. SIM, C.S.I., dated 26th June 1874.

I have nothing to add to what I have already written on this subject. My opinion continues unchanged that no portion of the Provincial assignment for roads can, at present, be diverted to other purposes.

(Signed) J. D. SIM.

No. 194. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 27th June 1874.

I have only to observe with regard to His Lordship's Minute, dated the 20th instant, that I have endeavoured to submit the following facts for his consideration; first, that the Road Fund income all told is under £360,000—viz., by popular taxation £230,000 and Imperial grant £115,000; secondly, that £185,000 are appropriated to the indispensable maintenance of existing roads; £95,000 to the support in the main of the Imperial Department of Public Works—£50,000 being a transfer of burden from the State to Local Fund—and that £80,000 only are available for the further development of the country—and, thirdly, that the proposed transfer of £115,000 must produce a ruinous dead-loss by absolutely stopping all progress and improvement present and future and withdrawing from one-fourth to one-third of the whole fund now available for the support of the Public Works Department.

2. I have submitted that the entire income derived from all sources must be maintained, (first) because—after deducting the cost of maintenance—or in other words the working expenses—of roads and of establishment, the balance available for extension and improvement of even the great lines and district roads is utterly inadequate for the task before us, and the fulfilment of pledges given. No doubt considerable progress has been made in advancing the great trunk lines—although the great Northern Trunk Road is still probably not one-half completed. In most districts what may be termed the county roads are commanding most useful attention, but many more are everywhere needed, and of those already in hand many are still partially unbridged, unmetalled and otherwise incomplete—while the lines required for opening up the outlying parts of the country—*e.g.*, in Ganjam, Vizagapatam, Godavery, Kristna, Nellore, Coimbatore and Madura, and the wide cotton soil tracts of the Ceded Districts—have made but very partial progress. The system of railway feeders has had little or no adequate development—and it is scarcely too much to say that—notwithstanding the pledges given and heavy increase of taxation imposed on the rural classes—not a mile of parish or village road has been taken in hand through the length and breadth of the country. A village, which has the misfortune to lie a few miles off a trunk line or one of the sparingly traced district roads, is as inaccessible now as it was fifty years ago. Salt roads and other imperial requirements are awaiting their due development.

N.B.—I observe that His Excellency is under the impression that this vast Presidency was not inconsiderably furnished with made roads before 1864, and that one million and a-half since spent has fairly provided for its material wants in this respect. Those who have known the country for more than quarter of a century can confidently assure His Excellency that the reverse was the condition of the country at the time he names, and that very sad destitution in this respect alone forced on the policy which has been so rich in progressive benefits to the country and its agricultural classes since that time. One-and-a-half million (less far, I believe, than the great trunk road of North India alone cost) has not and could not possibly accomplish since then a task which by the common consensus of official and popular knowledge and observation is only now making moderate and measured progress. The material wants of the country are advancing quite as much as its educational wants, and the progress of the one cannot be sacrificed to the other without serious evil to both.

3. I have shown, secondly, that the maintenance grants are rapidly diminishing the small balance available for the development of the country, and that its extinction —under existing condition—is imminent.

N.B.—I need scarcely recall the smallness of the grant now under discussion from the vast rent-roll of an improving landlord nor the pledges implied by the long-continued policy of the past and taxation-legislation of a more recent period.

4. I am therefore obliged to maintain my conviction that no alienation whatever

of any portion of this fund is practicable or even possible consistently with the interest of the State or the country; and to submit that the discussion of the admitted educational wants of the people and their comparative importance are out of place in connexion with this all-important matter.

5. I have ventured to notice incidentally—with reference to the Despatch of the Secretary of State* of the 14th August 1873, and Mr. Powell's letter, dated the 17th December 1873—some facts and principles which bearing on the matter of the diffusion of popular instruction, which shake my confidence in the course proposed even were it feasible. But these considerations and arguments belong more properly to the discussion of some general plan in that behalf than to the practical matter now before us.

(Signed) W. ROBINSON.

* *N.B.*—I may also draw His Lordship's attention to the Despatch of the Secretary of State under date the 12th May 1870.

No. 195. MINUTE by the Right Hon. the PRESIDENT, dated 25th June 1874.

When my former Minutes on this subject were written, I was unaware of some additional facts which I might have adduced in favor of my proposal. During the discussions which took place in the Legislative Council upon the Local Funds Act of 1871, the proposition that two-thirds of the Land-cess (an impost which produces about £320,000 annually, and is in fact the whole of Local Fund taxation) should be, by a provision in the Act itself, compulsorily allotted to roads—was strenuously opposed. The proposition was indeed startling enough; and it would (there can be little doubt) have been negatived, had it not been for the consideration, strongly urged by its supporters, that, owing to the insufficiency of the aggregate "Provincial Service grant" which (under the new "Decentralization Order") had been assigned to this Presidency, it would be necessary in future greatly to reduce the grant by Government (of about £112,000) hitherto made for roads, in order that the saving might be applied to other Provincial Services. This argument prevailed; and it was on this understanding—*i.e.*, that the Government grant for roads should in future be greatly diminished—that the proposal to apply two-thirds of the Land-cess to roads was carried in the Council. Accordingly, in each of the first two years after the passing of the Act, only £92,500 was given by Government for roads. It will thus be seen that the present grant of about £115,000 a-year for that purpose is in direct conflict with the intention of the Legislative Council in passing the Act, and with the understanding upon which its members were induced to assent to the proposition respecting the Land-cess. It will also be seen that, in opposing any considerable reduction for the purpose of promoting elementary education of the amount now given by Government to roads, my honorable colleagues are acting in opposition to the intention of those by whom the Act was passed: the more so that the claim of elementary education, which was before extremely strong, has been further strengthened by the abolition (dictated by imperative political expediency) of the House-tax, which was imposed for the purposes of such education. It appears to me that, in face of these circumstances, the maintenance at its present amount of the "Provincial Grant" for roads, rather than an application of part of it to elementary education, cannot

possibly be defended. My own opinion, for which it seems to me that I have shown sufficient grounds, is, that the whole of that grant (admitting of course exceptions on due cause proved) is not more than ought to be given by Government to assist elementary education.

2. It would appear, however, that there is no possibility of an agreement between my honorable colleagues and myself upon this question; and, considering on the other hand the extreme importance which I attach to my proposal as affecting the future welfare of this Presidency, it is incumbent on me to neglect no legitimate means which may be at my disposal with a view to its adoption. I have therefore felt it my duty anxiously to consider whether the case was one in which I might properly avail myself of the powers conferred upon the head of the Government by the Act 33, Geo. III., Cap. 52, Sec. 47. I confess it appears to me that this question must be answered in the affirmative; that the proposition which I have submitted is undoubtedly one "of high importance and essentially affecting the public interest and welfare;" and that, looking to the terms and intention of the enactment, I should be justified in acting upon my own opinion, and passing an Order or Resolution accordingly. And if it appeared that the choice lay exclusively between this course and acquiescence in the opinion of the majority upon the question, it is a course which I should not hesitate to adopt. But, having regard more especially to the fact that the case is not one which requires immediate action, there is an alternative which I think preferable and which I have accordingly to propose to my honorable colleagues. It is that the Minutes recorded by the Members of Government on this subject (with any papers necessary to explain them) should at once be submitted to the Secretary of State, for his early decision upon the question at issue. Should the result be unfavorable to my proposal, I shall at least have had the satisfaction of earnestly advocating a measure which I believe to be imperatively required in the interests of the people of this country. Should the decision be wholly or partially in my favor there will be time to prepare the Board of Revenue and the Local Fund Boards, before the submission of their Budgets for 1875-76, for the consequent changes in their estimates of expenditure.

(Signed) HOBART.

No. 196. MINUTE by the Hon. J. D. SIM, C.S.I., dated 30th July 1874.

I readily acquiesce in the proposal of His Lordship that this question be referred to the Secretary of State. Indeed the subject is one of such importance that it would, in the ordinary course, have been reported to the Home Government.

2. As a Member of the Government which introduced and of the Legislative Council which passed the present Local Fund Act (No. IV. of 1871, Madras), I am in a position to assure His Lordship that the proviso (Section 36) requiring two-thirds of the Land-cess to be reserved for roads, was not carried or assented to on the understanding that the Imperial or Provincial grant for roads should be reduced by the Government and applied to some of the other purposes of the Act. It was indeed apprehended that the Provincial assignment for roads made

by the Supreme Government would be (as indeed it proved) less than the Imperial grants under the former system, and this was urged as one reason for increasing the cess; but I can confidently affirm that the Government had no intention of themselves making any reduction in the grant. It will be seen, by the marginal statement, that while in the preceding three years the Imperial grant for roads—exclusive of establishment—averaged 17½ lakhs, the Provincial assignment—also excluding establishment—was only 8½ lakhs.

Grant 1867-68, Rs. 17,93,000 } *Exclusive of*
,, 1868-69, ,, 19,73,200 } Establishment.
,, 1869-70, ,, 15,22,540 }
Provincial Assignment, Rs. 11,42,000. *Inclusive of* Rs. 3,00,000 for Establishment.
Vide G.O., 15th January 1872.

3. When the proviso was discussed in the Council, the Hon. Mr. Ellis proposed that the share of the cess assigned to roads should be reduced from two-thirds to one-half. The whole Council were then* under the impression that the Annual Budgets would be laid before the Legislative Council, for their consideration and sanction, in the form of Annual Appropriation Bills. The Hon. Mr. Macfadyen, considering† that this was quite sufficient to ensure the due application of the proceeds of the cess to the various objects contemplated by the Act, according to the requirements of the country, and their relative importance, proposed that the proviso should be omitted altogether. The motion was put to the Council and lost, six members voting against and four for it. Mr. Ellis' motion, to reduce the limit from two-thirds to one-half, was then formally put to the Council and similarly rejected. Had there been any such understanding or compact, as His Lordship supposes, there would have been no necessity for pressing these motions to a division, nor is it likely that the Government, with a decided majority on its side, would have accepted a compromise, which more or less nullified its policy and neutralized its victory.‡

4. In now laying the question before the Secretary of State, we should forward the Budget of 1874-75, in order that the position of the Road Fund may be clearly seen, and we should also draw especial attention to the fact that the question now at issue really involves the greater question—how funds are to be provided for the education of the masses.

5. The Road Fund Budget shows an expected income in 1874-75 of £448,260, thus composed:—

	£
Opening Balance	42,349
Share of Land-cess	232,846
Additional grant from Land-cess	6,147
Tolls	16,827
Provincial Grant	114,205
Special Funds	27,481
Miscellaneous	8,405
Total ...	448,260

* *Vide* speeches of the Hon. A. J. Arbuthnot. Debate 17th February 1871.
† *Vide* speech in debate, 17th February 1871.
‡ *Vide* debate, 20th February 1871.

6. The Budget of Expenditure, on the other hand, aggregates £442,809, thus distributed:—

	£
New Works	115,923
Repairs	188,778
Establishment	92,080
Tools, &c.	3,200
Contributions	3,285
Reserve	39,543
	442,809
Unappropriated Balance	5,451
Total ...	448,260

7. It is thus apparent that the Provincial grant is practically all that is available for the farther improvement of the country, and consequently that its withdrawal virtually entails the arrest of all progress. For reasons which I have already given I cannot regard £115,000 as an unduly large or liberal contribution by the State, considering how greatly it is interested in, and how large a revenue it receives from, the agricultural prosperity of the country—of most of which it is co-proprietor—and certainly I cannot admit that the wants of the country are yet sufficiently met in the matter of roads and canals, on which its prosperity mainly depends.

8. My second proposition, viz., that the great question really involved in this discussion is how means are to be provided for elementary education, is, I think, self-evident. The Provincial assignment for education is £90,000, which by assuming charges for Inspection, Normal Schools, and Female Education, we have increased to at least as much as the Provincial assignment for roads. No saving worthy of mention is available for elementary education, or can be expected from this source, for middle class and special education need development, and will absorb all possible economies. Hence it follows that elementary education, owing to the abolition of the House-tax, must depend on its share of the Land-cess, and on fees. The first item may be taken at £60,000; no estimate can be formed of the latter, but we have abundant evidence that the people are gradually divesting themselves of the obligation of paying for the education of their children, and that we are drifting by degrees into a system of gratuitous or nearly gratuitous education. At a very moderate computation it will cost at least £400,000 to educate the masses, so that even if the whole Provincial grant of £115,000 be withdrawn from roads and applied to education, a very great deficiency of funds at no distant date is inevitable. The question therefore which we are *really* submitting to the Secretary of State is whether, as has been ordered on several occasions, by successive Secretaries of State since 1859, popular education is to be met by local taxation, and, if not, how the requisite funds are to be provided. This is the point really at issue.

9. I do not wish to say anything here on the question of the propriety or otherwise of the abolition of the House-tax. My Minute on the subject sufficiently explains my views: but in justice to myself and the Members of Lord Napier's

Government who are responsible for the measure, I desire to point out that we guarded carefully against any abuse.

Section 36, Act IV. of 1871.

The law we enacted distinctly declares that the House-tax shall *not* be levied—except where a grant-in-aid school exists, *i.e.*, where a compensatory advantage is enjoyed, or where the people desire to establish a school, or where the Government determine to establish one. A cautious exercise, or the non-exercise of the latter power would, I submit, have amply met every conceivable exigency, and I know that it was the intention of Lord Napier's Government to exercise the power with extreme moderation and caution. As matters stand the people of a village cannot tax themselves, however anxious they may be to do so, and the whole burden of education falls on the Government.

(Signed) J. D. SIM.

No. 197. MINUTE by the Hon. W. ROBINSON, C.S.I., dated 1st August 1874.

The papers must be referred for the consideration of the Secretary of State, as desired by His Lordship; but it seems to me that in several respects the matters at issue are not ripe for the decision by the Home Government. The question of the suitableness of such matters for the exercise of His Excellency the Governor's prerogative, must of course be left to the Secretary of State.

2. The Hon. Mr. Sim has shown that the majority of the Legislative Council —which included also that of the Executive Government—provided very deliberately for increased appropriation to roads, from the additional Land-cess imposed by the Act IV. of 1871 (Madras), and that they did so without intention (on the part of the Local Government) to withdraw the Imperial appropriation to this Service, which now forms that diminished Provincial assignment which is the subject of this discussion.

3. The increase of the local provision for roads was, to use the words of the Government, "certainly a primary object of the Bill." A "District Road Cess" had been levied, at the rate of six pies in the rupee of Land Revenue, since 1864, for the construction and repair of District Roads *only*—Imperial and Trunk lines being at the time the Bill was introduced provided for, as heretofore, by the Government of India by grants from General Revenues. The Hon. Mr. Arbuthnot stated, on behalf of the Government, that the "District Road Fund had been found already to be inadequate to the wants of the country. * * * And before long," he added, "there will be a necessity for an increase of Local Funds for the maintenance of the roads already in existence" (debate of 18th February 1870). "One object of the Bill," he stated, "is to provide additional funds for the construction of cheap roads, which shall connect remote villages with district roads," and were urgently needed. The object of the Government, he stated, was not to diminish the amount available for roads, "on the contrary, our hope is," he assured the Council, "that it will be considerably increased."

4. Thus, then, the necessity of increased support from local taxation was the avowed object and deliberate result of the legislation, as far as roads were concerned. While the very suggestion that the withdrawal of Imperial grants for

Services to be further provided for by local taxation might follow, was resented on all sides in and out of Council.

5. It is true that the possibility of diminished—such was the actual result of the decentralization scheme as respects roads—appropriation by the Government of India for the maintenance of Imperial and Trunk Roads and other objects of the Bill, was suggested under the then existing financial embarrassments; and the apprehension of such a measure so seriously affected the prospects of the Bill at the time that it called forth Lord Napier's eloquent defence of the good faith and impartiality of the late Viceroy and his Council in regard to State contributions to the beneficial objects of increased local taxation under discussion.

N.B.—The absence of a guarantee in this respect, together with the increased Income-tax, practically postponed the discussion of the Bill for a year; and it was only when this guarantee was given—in a modified and reduced form—by the financial decentralization measure, that the discussion of the Bill could be revived in 1871.—(*Vide* the Hon. Mr. Arbuthnot's speech, February 1871.)

6. There can, I think, be no doubt that the Local Government had no intention to alienate *proprio motu* Imperial appropriations from their legitimate objects, and the sense of the Legislature on this score was sufficiently clearly manifested, notwithstanding the temporary confusion which arose, consequent on an erroneous expectation that an Annual Appropriation Bill would transfer to the Legislative Council the power of controlling the appropriations from all sources to the various local Services.

N.B.—With reference to His Excellency's observation that diminished appropriations characterized the first two years, it may be observed that a diminished appropriation occurred during the first year of transition and uncertainty only, as follows:—

1871-72	Roads	6,30,000	
	Establishment..	2,97,490	
			9,27,490
1872-73 As finally settled	Roads	8,26,000	
	Establishment...	3,00,000	
			11,26,000
1873-74	... ...		11,58,000
1874-75	... ...		11,42,050

7. I have no doubt that the Legislative Council would still be found entirely adverse to the proposal under consideration, which, if accepted, will set aside actual and implied pledges and render the *unconsulted* Local Boards of the country powerless *ever* to fulfil their legal obligations, or to meet the vast requirements and serious shortcomings of this Presidency in respect to communications.

8. But I venture to submit that there are various important matters of a practical character, which must be settled between the Local Government and the Government of India before the decision of the Home Authorities can reasonably be invited on the abstract and theoretical questions involved.

9. I have already pointed out that the withdrawal of the Provincial grant to Public Works must cause most serious disorder in Imperial Public Works Establishments, and I conceive that it would be right to ascertain the views of the Government of India on so vital a matter of imperial administration and finance before inviting a decision from Home, which might cause the utmost embarrassment. For instance, the Provincial grant to the Services in question has, during the last two years, been in round numbers 12,00,000 and consists of two items, viz., Rupees 9,00,000 for Works, and Rupees 3,00,000 for Public Works Establishment. The alienation of the Public Works Provincial grant to other purposes will deprive

* *N.B.*—Taking the Local Fund debit for Department Public Works Supervision at 25 per cent. (which it exceeds).

I must remind my honorable colleagues that papers actually before us show that in Malabar probably the whole or nearly the whole cost of the Public Works Department Establishment—Imperial, Provincial, and District—falls on Local Funds; and that in various degrees similar conditions subsist elsewhere. I, therefore, earnestly desire that a matter which is Imperial in its bearings and consequences may not be treated out of hand from a purely local stand-point.

the Imperial Public Works Establishment of, say, Rupees* 2,40,000 to Rupees 3,00,000 now employed on its maintenance—or about one-seventh of the whole charge and establishment. Now, as the gross charge for the Public Works Establishment as well as the sanctioned strength of the Department are fixed and do not vary with expenditure, it becomes obvious that some very serious questions have to be considered between the Local and Supreme Governments, and their solution explained, before inviting a decision by the Secretary of State on the matter at issue.

10. I have carefully considered this feature of the question, and have consulted the two Chief Engineers, who are here at present, and I am satisfied that neither the charge nor the establishment is susceptible of material reduction; so that, if the transfer is to be insisted on, the Government of India must, I submit, be asked whether they will admit an increased charge to this extent on the Imperial Revenue, and their answer should be transmitted to the Secretary of State. For, without it, this reference cannot safely be disposed of by the Home Government.

N.B.—The official report of the Chief Engineers, and of the Board of Revenue, on the probable effect of His Excellency's proposal in this regard might be called for with advantage and safety, and submitted with the minutes. They have not been consulted.

11. Nor only so, if expenditure on new works is to be arrested altogether throughout the Presidency, and Department Public Works Supervision confined to the expenditure of repair (raking in ruts and replacing material) mileages—which will be sooner or later the inevitable consequence of His Excellency's proposals—the wholly unjustifiable debit of 25 to 29 per cent. on expenditure, against the District Funds for Department Public Works Supervision, can no longer be maintained. Its reduction again to 10† per cent. must be effected. But here again the permanent establishment cannot be reduced, and the missing Rupees 1,00,000 to 1,50,000 must be met by increased Imperial grants. This clearly is another practical matter which requires discussion with the Government of India and solution, before a decision of the Secretary of State is sought on the subject in general.

† *N.B.*—In Ireland the charge is between three and four per cent.

12. But, further, it appears from a recent communication that the Government of India are desirous to transfer the whole cost of the Imperial Public Works Establishment to Provincial and Local Funds as a first charge—Imperial and Loan works being debited with the cost of supervision, at a certain percentage on the expenditure. If I am right in this conjecture, the suggestion—which has not even been discussed by the Local Government—clearly contemplates the maintaining this major head of Provincial assignment intact, at the disposal of *that* Government—if not increasing it; for it cannot be intended—it would probably not be legal—to transfer the whole cost of the Imperial Public Works Establishment—amounting to about Rupees 21,00,000—to the District Road-cess Fund, which

would, I conceive, be the only Fund that could survive under this head, were His Excellency's proposals sanctioned by the Secretary of State. I submit that this matter must be settled with the Government of India before the intervention of the Secretary of State is solicited.

13. I have also searched the papers in vain for any clear determination of the Supreme Government to leave Local Governments full discretion to transfer major heads of Provincial grants to Services other than those to which they stand assigned by the decentralization scheme, from time to time according to varying views and policy of different Governments. I foresee serious embarrassment, if this be done without reference to the views of the Government of India; and I conceive that it would be right to invite a clear exposition of their intentions before submitting this reference.

14. On these grounds, if on no other, I venture to think that a matter of such a serious financial and administrative moment cannot safely be referred for the decision of the Home Government without further investigation and fuller explanation. These practical difficulties cannot, I submit, be passed over in silence, or ignored without causing serious complications.

15. Again; as regards the practical consequences of the proposals, I submit that the accompanying statement shows that the annual District Road Fund income —excluding Provincial grant—amounts to about Rupees 24,00,000; of which about Rupees 16,00,000* are required for the maintenance of existing roads alone—leaving about Rupees 8,00,000 (including establishment, &c.) only, for the extension and completion of all communications—numerous railway feeders, salt roads. District lines and cheap country roads—now urgently needed throughout the Presidency, and already sanctioned by the Government, to the amount of about Rupees 42,20,000. It is further to be observed that the pittance so noticed is subject to gradual diminution as appropriations to maintenance are made, *and thus to early extinction* as a means of advancing the development of the country. It is therefore obvious that no change can be made in the existing system without the most disastrous consequences to the progress and material wellbeing of the country. It would, I submit, be well to call for the views of the Board of Revenue (as the general supervisors of the responsible Local Boards) as to whether and how the serious consequences may possibly be averted or mitigated. It may also be noticed that the execution of roads has already suffered seriously by the recent withdrawal of appropriations from the General Fund—in 1873-74 in twenty-three out of thirty-five Circles—to the probable amount of Rupees 2,50,000 to Rupees 3,00,000 a-year. The allotment to New Works, in 1874-75, falls short by Rupees

* *N.B.*—Adding 25 per cent. for D. P. W. Supervision, one per cent. for Tools and Plant, and four per cent. for Petty Establishment,—29 per cent. to the existing mileage assignment for the maintenance of completed Roads.

N.B.—It may be incidentally observed that if His Excellency's proposal be sanctioned—such important Districts as Malabar and Chingleput—at the threshold of the capital—will be utterly unable to maintain even their existing communications.

	Road Fund.	*Cost of Maintenance.*
Chingleput ...	Rs. 66,413	* 1,50,000
Malabar	,, 1,42,347	* 2,26,000

* Round numbers are taken and the cost of supervision, &c., added.

1,80,000 of that of the previous year, in consequence no doubt to the disallowance of this appropriation.

16. I further submit that when inviting the decision of the Secretary of State on a matter involving consequences so serious, it were right to explain any general *principle and plans* for the diffusion of primary instruction amongst the masses, which the Government may have adopted, and in furtherance of which the sacrifices above noticed may be justified. For I venture to think that in the absence of certain and well-defined plans of action and finance, the disposal of larger funds may add to that confusion which I feel sure must arise under existing uncertain treatment of so large a question.

17. I fear that we have not adopted a clear line of policy in substitution of that which was suspended by the Order of March 1873. The important despatch of the Secretary of State of the 11th August 1873 has simply been "recorded," unnoticed and unanswered—a course with which I submit that this reference is scarcely consistent; and I fear that the practical effect of present action is not in accordance with the views enunciated by successive Secretaries of State in this behalf.

18. It is not the intention of Government to adopt a plan of gratuitous instruction of the rural masses; but such is the tendency of this movement, and more or less the result, I fear, of our present action in the distribution of the General Fund and of the balance of the Educational Grant, in respect to primary instruction. The unanimous testimony of those best acquainted with the working of things as they now are, is that parents are steadily withdrawing from the support of their children's teachers, and throwing the cost of their education more or less entirely on the State or general ratepayers; for the customary fees of masters are recovered with increasing uncertainty or not at all in schools of the lower orders, and youths fresh from school are starting temporary classes where they "coach" children as a means of livelihood (pure and simple) from local funds. The voluntary action of the people is paralyzed; and the old voluntary Rate Schools are, I fear, sinking in efficiency and popular support, and are now becoming an exclusive charge on the State or on the general taxpayers: while individual Village Schools (of a too costly character) are increasingly becoming a charge on the General Fund of Local Boards, to the serious detriment of its proper object. No plan for improving local teachers is in hand; and I fear that we are rather bringing the children already under instruction at the cost of their parents, on the ratepayers and State, than really extending the field of instruction. Confusion characterizes the distribution of Results Grants elsewhere (Coimbatore and Tinnevelly); and on the whole our action is too uncertain and devoid of a clearly-defined principle, to justify our assailing in its interest those Services of the country which are in every way beneficial and satisfactory. Then there is the utter inadequacy of the means to the end—an inadequacy which would not be met even by the sacrifice which the proposal under reference must involve.

19. On the whole I conscientiously believe that careful re-examination of the whole question has become incumbent on this Government, in consequence of the action taken in March 1873, and ought to precede the reference to the Home Government which is proposed.

20. As regards His Excellency's remark, that the abolition of the House-tax was "dictated by imperative political expediency," I must venture respectfully to submit my conviction that the carefully debated and long deferred action of the Legislature in 1871, in the direction of the policy laid down by successive Secretaries of State—viz., that the country must (and I will add, can well) pay for the education of its children, under a well-devised and cautiously administered system of compulsory contribution—involves no political danger or anxiety, such as necessarily called for the action taken in March 1873. The conditions of the country have undergone no change, except perhaps for the better, since that educational policy underwent full popular discussion in and out of the Legislature, and was favorably viewed by even the able Native Members of the Council. Reactionary measures have perhaps made the postponement of any movement—financial or legislative—in this direction inexpedient for the moment; but I entertain no doubt that time and deliberation will adjust matters in a reasonable and practical manner, without involving other important Services of the State in the uncertainty and insolvency which more or less affect for the present the question of popular primary education.

N.B.—I have always held that a serious mistake was made in not giving limited compulsory action to Act VI. of 1863, instead of proceeding as in Act IV. of 1871. But the discussion of the form which the requisite contribution and compulsion should take, does not belong to this place.

(Signed) W. ROBINSON.

No. 198. MINUTE by the Right Hon. the PRESIDENT, dated 5th August 1874.

It would appear that my suggestion that this question should be referred for the decision of the Secretary of State may now be acted upon.

2. There are one or two points, however, on which it seems necessary that I should shortly reply to the further representations of my honorable colleagues.

3. In regard to the statement in my last Minute respecting the effect of the discussions in the Legislative Council, I have only to refer to the printed report of the debate in Council, which appears to me fully to confirm that statement.

4. The Hon. Mr. Robinson objects to my proposal, that of the £120,000 (or about that sum) which is the amount of the Provincial grant for roads, and which I propose should in future be given to elementary education, £30,000 is expended on the Imperial Establishment for Public Works, by which, in a great measure, local roads are made and maintained. And his argument appears to be that the interests of Imperial (as distinct from Local) Public Works will suffer seriously by this reduction in the cost of the Imperial Establishment. I am unable to perceive any validity in this argument. One of the two following propositions must inevitably be true. Either (1) this £30,000 allotted to the Imperial Public Works Establishment for the work which it performs for Local Fund Boards is not more than sufficient remuneration for that work, or (2) if it can be shown to be more than sufficient remuneration for that work, then, whether or not my proposal is adopted, it ought to be, and no doubt will be, reduced to the extent of the excess. In either case my proposition cannot possibly be prejudicial to the progress of Imperial Public Works. It is evident that Imperial Public Works cannot suffer by a reduction of expenditure which affects the Public Works Establishment only in so far as it is concerned, not with Imperial, but with Local Public Works. In other words, Imperial Public Works are interested in the matter only on the supposition that the Imperial Public Works Establishment is paid for the execution of work which it does not execute. If that supposition is in accordance with fact, there is certainly a reason for addressing the Government of India. But that reason will exist whether my proposition is maintained or not, and is wholly irrespective of the decision which may be arrived at on the present question.

5. The Hon. Mr. Robinson remarks that expenditure on New Works "will be arrested altogether throughout the Presidency" if my proposal is adopted. It seems hardly necessary to say that no such result, or anything which approaches it, will follow from the adoption of my proposal: and in proof of this (if proof were required) I need only refer to my honorable colleague's own figures. Accepting those figures as accurate, it will be seen, as stated in paragraph 4 of my Minute of 6th June last, that if the course which I advocate is pursued, at least £60,000 (which is the interest at 4½ per cent. of nearly £1,400,000) will still be expended annually in this Presidency upon new roads, in addition to £1,500,000 spent upon them since the year 1864, and to the heavy expenditure upon them which must have been incurred before that year.

6. I trust that the reference to the Secretary of State may now be allowed to proceed without further delay.

(Signed) HOBART.

No. 199. MINUTE by the Hon. J. D. SIM, C.S.I., dated 12th August 1874.

The question should be referred to the Secretary of State, as desired by His Lordship, with the least possible delay. A printed copy of the debates of the Legislative Council at its meetings of the 18th and 20th February 1871, so far as they relate to the second proviso of Section 36 of the Act, should accompany my last Minute.

(Signed) J. D. SIM.

No. 200. *Extracts from the Abstract of the Proceedings of the Council of the Governor of Fort St. George, assembled for the purpose of making Laws and Regulations, under the provisions of the Act of Parliament 24 and 25 Vict., Cap. 67.*

The Council met at the Council Chamber in Fort St. George on Saturday the 18th day of February 1871.

On the second proviso in Section 36 being read, the Hon. Mr. Ellis proposed to alter the words "two-thirds" to "one-half." The result would be to distribute the Local Funds into three portions; the Tolls and half the Land-cess would be applied to roads, the remaining half of the Land-cess would be applied to sanitary purposes, and the House-tax to education.

The Hon. Mir Humayoon Jah Bahadur seconded the motion.

After some discussion it was resolved that the further consideration of this amendment should be postponed till the next meeting of the Council.

The Council met again on Monday the 20th day of February 1871.

LOCAL FUNDS BILL.

The consideration of the Local Funds Bill was resumed.

The Hon. Mr. Ellis moved the following amendment to the second proviso in Section 36 of the Bill as proposed to be amended by the Hon. Mr. Arbuthnot :—

"Provided also that the net proceeds of all tolls and not less than one-half of the rate or cess actually levied on the annual rent value of occupied land shall be applied to the first of the purposes specified in Section 25 of this Act."

He said, it seemed to him, on looking through the returns of the expenditure of cess on roads under the present Act, that it would be perfectly safe if the minimum amount to be expended under the present Bill upon roads were reduced to one-half the cess levied upon land, instead of two-thirds as proposed ; and that the adoption of his amendment would leave greater freedom to the Government in dealing with the fund, without running any risk that the primary object for which the cess was intended would be lost sight of. In some districts they might, if they insisted that not less than two-thirds of the cess be expended upon roads, be tying up money which might be usefully employed ; for if they were unable to expend the amount upon roads, as might turn out to be the result in some cases, it would not be possible, under the proviso in the Section as it then stood, to apply the money for the promotion of other important objects which were also contemplated by the Bill. If the minimum were reduced to one-half, as he proposed, there need not be any apprehension that roadwork would be starved. The Collectors were not usually backward in bringing to notice the requirements of their districts in respect of roads ; the Government would be found to exercise a vigilant supervision in the allotment of funds ; and the fact that such questions would come on for discussion in this Council, all tended to show that it was only in those districts in which funds might be legitimately applied to some of the other purposes specified in Section 25 of the Bill, that the minimum which he proposed would be adopted. His own opinion was, that the proviso might well be omitted from the Bill altogether ; but in deference to his honorable friend Mr. Sim, he did not press this ; and he thought that the adoption of his amendment would not be inconsistent with Mr Sim's views on this subject.

The Hon. Gajapathi Rau thought the amendment very necessary, otherwise there would probably not be funds sufficient to meet the other important objects of the Bill.

The Hon. Mr. Sim said, it was originally proposed that the minimum expenditure upon roads out of the fund to be raised from land should be one-half ; but at that time the Bill contained provisions for levying a tax on professions. That tax had since been abandoned. Further, it was now known that the amount which it was expected would be available from the State Treasury for expenditure on roads would be diminished to the extent of four or five lakhs of Rupees. From the return of the receipts and expenditure under the Road Cess Act for 1868-69, it appeared that the unexpended balance was slightly over nine lakhs. That sum looked large, but in the case of works carried on by the Government, as in the conduct of private business, it was well known that there must be floating balances, and the existence of such was no proof of the annual income being in excess of actual requirements. In some districts there appeared to be a large surplus, because the Engineers had not submitted plans and estimates of work in time. In the Madras District the surplus was only Rupees 1,521 ; North Arcot was minus 40,000 Rupees ; Madura minus Rupees 80,000 ; and the Neilgherries were minus Rupees 40,000. Under these circumstances he did not assent to the proposal to reduce the minimum expenditure upon roads to one-half. Such a measure would necessitate the immediate enhancement of the cess to a considerable extent in every district, or the Road Fund would be materially reduced below its present amount—inadequate as this was admitted to be in the preamble of the Bill.

The Hon. Mr. Brown asked, where did the funds come from, which had been expended upon the districts mentioned in excess of the amount raised by assessment ?

The Hon. Mr. Arbuthnot said, it had been borrowed from, and was due to, the Imperial Treasury.

The Hon. Mr. Brown sympathised with Mr. Sim in regard to the object of the proviso, viz., that the chief purpose to which the funds should be applied should be that which was of most importance to the people who contributed them. But, under the circumstances, he was inclined to think that the choice of the Council would probably lie rather between the two-thirds' proviso and no proviso at all ; leaving it to the judgment of the authorities to spend the sums actually necessary for roads, as, doubtless in some districts, nearly, if not altogether, the whole of the collections would have to be spent on roads, while in others a much smaller sum would suffice. Moreover as circumstances changed, the amounts might be raised. He was, therefore, in favor of the proviso being omitted. He expected to hear some reason as to why the proportion of two-thirds had been fixed upon. It seemed as if it had been taken rather at random than as the result of any careful consideration, and he presumed the intention was simply to secure the expenditure on roads of the chief portion of the collection.

His Excellency the President did not contemplate that, in almost any case, less than two-thirds would be expended upon roads ; but his objection was against fettering the judgment and discretion of the Government in exceptional cases.

The Hon. Mr. Macfadyen said if Mr. Ellis had gone the length of moving the omission of the proviso altogether, he would have supported him. He thought, now that they knew that annual budgets were to be laid before the Council, that it was unnecessary to provide for the various purposes to which the taxes were to be applied, although he held at first a different opinion on this question.

The Hon. Mr. Ellis said, he did not think it necessary to impose any restriction upon the Government in the expenditure of the funds, but it might be a satisfaction to the public and the ratepayers to know that a large portion of the funds to be raised must be expended upon roads.

The Hon. V. Ramiengar thought that the proviso should not be altered.

The Hon. Mr. Arbuthnot wished to explain the reason which led him to propose two-thirds, instead of one-half, which was the proportion at first fixed upon. Under the Resolution of the Government of India, the Madras Government had to supply a deficit of 5½ lakhs of Rupees in round numbers ; and a further deficit would have to be provided for as he would have to explain on a future occasion, by reason of the proposed relief of the Municipalities from the Police contribution at present imposed upon them, which deficit would have to be met by reducing the grant hitherto made from the Imperial Revenues for roads. The grant of late years for roads was twelve lakhs. That was the sum made over to the Madras Government under the Resolution of the Government of India, joined in the Resolution to another small grant for other purposes, which were termed purposes of public improvement. To meet the deficit to which he had alluded, a considerable hole would have to be made in that grant, and the consequence would be that the construction and maintenance of roads, which would otherwise have been constructed and maintained from Imperial funds, would henceforth be thrown upon local funds. It was true that the proportion of two-thirds mentioned in the proviso was rather a random proposal, as had been remarked by Mr. Brown, because it was impossible to ascertain the exact proportion which would be required, but it was deemed safe to adopt the proportion of two-thirds. It was a point upon which the Members of the Executive Government had come to an agreement, and he felt bound to adhere to that agreement ; but he admitted that there was much force in the argument that the new system of laying the annual budgets before the Legislative Council did make a very material difference ; for he had no doubt that on every occasion of the renewal of the annual budget, the Government of the day, if they diminished the proportion of the fund expended for roads in any district, would feel it necessary to justify their action. There was, however, no serious

objection in his opinion to the proviso as it stood at present, although it was just possible that in one or two districts it might be attended with some inconvenience.

The Hon. Mr. Mayne thought that, if in any one district it would not be necessary to expend two-thirds of the cess, that was a sufficient reason for adopting Mr. Ellis' proposal.

The Hon. Mr. Macfadyen proposed and the Hon. Mr. Brown seconded an amendment that the proviso be omitted altogether from the Bill. The amendment (in favor of which the Hon. Mr. Ellis and the Hon. Mir Humayoon Jah Bahadur voted, in addition to the honorable mover and seconder) was declared lost.

The Hon. Mr. Ellis' amendment, which was seconded by the Hon. Mir Humayoon Jah Bahadur, was put to the Council, when the following members voted in favor of the amendment :—

The Hon. R. S. Ellis, C.B.,
The Hon. Mir Humayoon Jah Bahadur,
The Hon. G. N. Gajapathi Rau, and
The Hon. J. D. Mayne.

The amendment was declared by His Excellency the President to be lost.

The section, as proposed to be amended by the Hon. Mr. Arbuthnot, was then read and adopted by the Council.

No. 201. ORDER THEREON, 24th August 1874, No. 1438-A.

Ordered that the following despatch be addressed to the Right Honorable the Secretary of State for India :—

(Here enter 24th August, No. 42 of 1874.)

(True Extract.)

D. F. CARMICHAEL,
Acting Chief Secretary.

Govt. of [illegible] 1874.

FINANCIAL.

Dated August, 24th.

Read.

G.O., 24th August 1874, No. 1436-d.

Read.

AUGUST.
Nos. 181—201.

Elementary Education.—Proposed transfer of funds from Roads to Elementary Education.

15

Fort St. George 24th August 1874

B No 188

I have given the most anxious consideration to His Excellency's further observations on the subject of this discussion.

I must warmly disclaim any want of appreciation of the importance of giving wider and better Elementary instruction to the masses of this Presidency — indeed there is probably no one now in the Service to which I belong, who has

has given more personal
attention and pains
to this object wherever
my influence has
extended throughout
a long service than
I have done. I manage
for a time the numerous
Village Schools in the
Rajahmundry District
and largely extended
their scope and numbers,
while Sub Collector there.
I have throughout years
bestowed much attention
on the work & legislation
carried on in the
Presidency in this
behalf and have
otherwise advanced
the cause of Education
whenever it lay in my

power. I am still,
I may add, prepared
to give my most cordial
support to any
well devised & promising
scheme which will
promote this object
with reasonable aid
from the State. But
I cannot without lose
sight of the vast importance
of likewise providing
for and extending the
material progress and
well-being of the land
by maintaining the
long existing policy of
the State and the popular
pledge given in respect
to roads & Communications
I am unable therefore
to

to join in recommending any departure therefrom by the Government of India, as I am satisfied that the proposal now made is quite impracticable

I am unable - with the experience of 32 years service in the country - to endorse His Excellency's view that vast sums have been lavished on Roads in this Residency and that little or nothing more is indispensable. Good Roads for have all along been the acknowledged want of the country and it is but recently that any real advance has been made in providing

providing even in a moderate degree for its requirements by taxing the people in support of the avowedly inadequate assignment of the State and I am satisfied that for the present a still urgent necessity has not been fulfilled.

I am unable altogether to follow His Excellency's figures. It appears to me that the present Road Fund income is under £30,000 a year all told - of which upwards of say £20,000 (Share of Establishment included) is allotted to maintenance Grants for Roads in

Various

various stages of completion.
of the balance about
£40,000 goes to D.P.W.
Supervision leaving
little more than £30,000
for new Works – a sum
which I submit is quite
inadequate for the
increasing demands
of the country. The
transfer proposed
would, I venture to say,
simply crush all
prospect of improvement.
As regards the Imperial
allotments to Education
and Roads I observe
that they are not
disproportioned, being
between £90,000 & £100,000
to the former and about
£115,000 to the latter.
If there be any difference
in the funds available
from

from local sources
it lies in this that the
local taxation for the
one object has been
placed in abeyance
while that for Roads
is secured by Law
and maintained – I
venture to think on
sound grounds and
certainly with the
comparative good will
and preference of the
people.

I must further
explain with reference
to His Excellency's remarks
towards the close of his
Minute dated 6th Instant
that my Minute of the
27th April was directed
in the main to show
that the position of
Govt.

Government and
the Country with reference
to the re-adjustment of
Administration is
not now hopeful or
clear – not to urge
immediate resort to
renewed taxation, which
is a matter not at
present under discussion
and also to shew that
there is no room at
this time for Equitable
or useful transfers from
other inadequately provided
Services.

I may however
add that I doubt
altogether whether his
Excellency's strong
views as to Educational
or material destitution
of the people of the
Presidency

61 19
Presidency in General
11/6 W Robinson

Fund Doc 2h Vol 7/74

63

B No 186-1

Elementary Education.

19th May 1874

I cannot pretend to discuss the present state and prospects of the Question of Elementary Education in this Province with the full extent of knowledge which the Right Honble the President and my Honble colleagues have brought to bear on the subject. However a very careful perusal of the minutes they have recorded and of the papers which accompany them, leaves me under the impression that precisely at the moment at which we desire to widen the basis of Government assistance to this branch of Education, we have destroyed the source from which funds were properly derivable for that purpose. The House tax was purely an Educational Tax. It may have been and

and I believe was, odious
in the eyes of the population,
and it has been abolished,
but it appears to me clear
that if Government Apprehension
is to take the wide range
contemplated by His
Excellency the President,
some special tax will
have to be imposed on
the people to provide the
means. In this case can
we find a tax less odious
to the people than the
house tax? It it attained
that the unpopularity of
this tax was not caused
by the fact of its being a
tax for Education.

Our available means
are evidently scanty. The
means which Mr Powell
deems can be made available
from savings in his De-
partment are very small
when compared with the
magnitude of the demand.
and it seems to me that
these savings can hardly
be made without causing
some hardship and dis-
content amongst the
teachers

teachers whose emoluments
will be lessened or who will
lose their employment.
However such savings as
can with propriety be made
in one branch of the Depart-
ment may well be applied
to the other.

As regards the proposed
allotment the Funds now
allotted to Roads, from that
purpose to Elementary
Education or any other
purpose, I have never lost
an opportunity of expressing
my dissent from such a
measure. I am firmly of
opinion that Roads and
Communications are as
yet the primary want of
the people of this Country and
that for their Construction
taxation is submitted to
with greater readiness than
for any other purpose

Instead of limiting
our means of usefulness
in this direction, I would
desire to see them greatly
increased, for to improved
roads must be ascribed
the increased wealth of the
Agricultural

agricultural classes in bad
days. In roads we must
look for insurance of our
revenue. From them too,
as feeders of our Railways,
we must look for relief from
the burden which unearned
interest on Railway capital
now imposes on us.
The Military importance
of good and rapid communication can hardly
be overstated

In outlining this
budget we may fairly take
into consideration the actual
state of things in Bengal
where, it is stated with
reference to the famine
relief operations, that the
difficulty is not Rice
but roads. This it is
easy to understand, and
it should warn us against
pausing in the wise course
we have adopted in carrying
out the construction of these
arteries of commerce on a
liberal scale, for famine
is not unknown to us in this
Presidency.

I believe on the
line of policy it is all
we

in our power to insure
the material welfare of
the people, to protect the
rural population as far as
may be from the possibility
of actual famine if not
from scarcity, and to this
end I believe we have
no more potent ally
than an abundance of
good roads. The Govt
benefits immediately from
these works and fully ap-
preciates them. We have
nothing of any any great
extent on this head for Education
certainly nothing at all
commensurate with that
which lies in the College
Fees.

Holding these Con-
victions I should see with
regret, the funds now allotted
to the construction and
maintenance of roads,
diverted to other purposes.

Fred. Lamb

981.185

Elementary Instruction

6

Four copies of the further Minutes (6 & 14) printed and added to the previous Minutes - and sent to the Master Lecy at Corfu on the 15 Sept 74 -

1 Spare proof of the above sent for Mr Robinson - 23-9-74

Mr. Rowe's letter of 17th September 1873 re-circulated with the Minutes thereon, and a letter from Mr Barton giving the views of the Missionary Body on the proposed educational changes

JL 2/5

C 22/5
R 18/5

No 183. — 1873

Minute

With reference to my remarks upon a recent letter from the Director of Public Instruction and to the questions now before the Government respecting Elementary Education, I have a proposal to submit for the serious consideration of my honorable Colleagues.

The House-tax imposed for the purposes of primary instruction having been abolished, it has

become our duty carefully and earnestly to consider in what other manner we can provide funds for that purpose. ~~Especially by diversion~~. We have in fact already given our attention to this question. One of our propositions was to divert if possible, to this object some part of the sum which we now expend on higher and middle class Education, — it being reasonable to infer from existing appearances that the higher and middle class

Education has at length attained a point at which somewhat less exertion on the part of the Government is necessary for its support &c.

From the information which however we now receive from the Director of Public Instruction it would appear that, for the present at least, but little aid can be hoped for from this quarter. No more than £4000 appear to be obtainable in this manner for the year 1874-5; and though there will be a considerable addition to this amount for 1875-6

the total amount to be so provided will (in 1875-6) be very small when considered in relation to the object in view. It is necessary therefore to look elsewhere for that which we require.

I have more than once suggested in Council that ~~it should be supplied~~ a very large part if not the whole (about 12 lacs) of the sum which is now given by Government to the Local Fund Boards ~~for that~~ (in aid of that with

which the local taxes supply them) for Roads, should in future be given to them for primary instruction. I consider that the amount expended in this Presidency upon Roads is, with reference to the general expenditure and to the requirements of the country, excessive. Of a total expenditure by Local Fund Boards (including grants by Government) of about £600,000, about £500,000, or no less than 5/6ths, is spent upon roads. There can be no doubt that road-making is a very

useful and reproductive application of public money. But road-making, as carried on in India, is an object of public expense on which it is peculiarly necessary in the interest of the tax-payer, to impose a strict limit. In the first place, it is obvious that there is no end to the roads which might be made with more or less advantage; that in each case it is very difficult to decide whether the additional expenditure is worth

the increased taxation: and that we have not, and it appears cannot have, under existing circumstances any kind of assurance that this question will in each case be satisfactorily decided. As a matter of fact, the Collector, or the Collector and the Engineer, originate propositions for construction and repair of roads. The Government has no means of ascertaining whether the road is one which ought to be made at the public expence at all, or whether, if it is, the advantage is commensurate with the cost. In the next place, it is not fair to throw upon

any given generation the expense of a road from which future generations will derive an infinitely greater amount of benefit. For this reason it might be supposed that in common justice roads ought to be made from loan-funds, in which case their cost to the existing tax-payer would be immensely lessened; But successive Secretaries of State have decided that this cannot be done; and their reason is (as expressed by the present Under-Secretary of State) that

"if we were to borrow for roads "we should go on borrowing to "the crack of doom". But if this is a reason for not providing for roads by borrowed money, it is certainly also a reason for a very slow and gradual expenditure upon them so as not to burden unduly the present tax-payer. That our 'pauper-ryots' should pay some £400,000 a year for the construction of roads is entirely inconsistent with the principle thus adopted by the Secretary of State,

and indeed with any Equitable principle.

For these reasons I consider that in giving anomally 12 lacs from Provincial Funds to enroll a local expenditure of about 40 lacs upon roads, we are not justifiable. On the other hand, Elementary Education is an object open to none of these objections. There is no danger here (under proper regulations) of our not receiving a 'Quid pro quo', — No danger (from the Government through the Educational Department superintends the work) that Collectors will recklessly or injudiciously incur unprofitable expence. In this case the generation which pays the tax is the generation which reaps the advantage. Moreover, the object itself (as appears to me) is very far the more important of the two. There can be no doubt indeed that any increase in the material prosperity of a country tends indirectly to its Social and mental improvement: but we have been long enough

in India to see that the development of communications and trade will not avail to bring about that which is now the great want of India — the Education of her people. They remain, as a body, in a condition of the most deplorable ignorance.

Strongly impressed with these considerations, I should myself have been glad if it had been possible to apply not only the 12 lacs now given by Government to Local Funds for roads, but a considerable

portion of the proceeds of the 'land cess', to the purpose of Elementary Education — nor do I despair of the ultimate possibility of such a change. But, at the very least I think we are bound to substitute Education for roads as the object for which the grant of 12 lacs is in future to be made.

It has been urged as an objection to this proposal, that the 12 lacs in question are given to the Local Funds

Boards by way of Compensa=
=tion for the burden which
was thrown upon them by
Government of maintaining
the Trunk Roads. The answer
is that what is now proposed
is not to take away anything
which we give to them, but
to require them to apply what we give
them
to another object, which I
Consider more, and which
most persons would Consider
at least Equally, beneficial

to them. Under the arrangements
which I propose, Trunk Roads
would be maintained by the
proceeds of local taxation: and
to provide for this expence, it
will be necessary to diminish
the expenditure to the same
amount (that is, to the amount of £2 lacs)
on local roads. But
on the other hand, primary
education, which is an object
far more important than
local roads, will be provided
for (so far as 12 lacs will go)
gratuitously by the Government.
I may add that as a matter
of administration it is very

usual in European Countries
to throw upon local ~~authorities~~
the maintenance of ~~Local~~ Trunk Roads.

I do not of course propose
to give at once, and without
qualification ~~or~~ exception,
the 12 lacs to the Local Circles,
for Education instead of Roads.
In some of them circumstances
may be such that it would
be impossible, for the year 14-5,
to divert the whole provincial
grant in this manner.* But

* It would seem that nearly one half
of the whole ~~grant~~ expenditure on roads is spent in repairs and

in most, if not all of them,
a great deal may be done
in the direction required: and
I would address a Circular
to the Collectors stating clearly
and decidedly the intention
of the Government that
the grant should be applid
in the ensuing financial year

there may be cases in which it
would be inadvisable to interrupt
repairs of a road, even if the road itself
is of no great importance. ~~Other~~ other such
considerations will have to be taken into
account, and will no doubt appear in the Collector's replies.

So far as may be possible, and unless in any particular Case strong and exceptional reason can be shown to the contrary, not to roads but to primary Education; that their Budgets for 1874-5 must be prepared accordingly; and that in regard to the mode of application, they will have to place themselves in communication with the Officers of the Educational Department. By the time we have received replies to this Circular, we shall have been informed of the views of the Director of Public Instruction as to the best mode of conducting, under the altered financial circumstances, Elementary Education throughout the Presidency.

Hobart

Nov 6/73

I would urge that a decision should be taken without delay upon these proposals, or the Final Budgets for 1874-5 will be soon in question.

Prov. 2d Augt 1874

Financial 1874 Estimates

Minute by the Right Honble the President, dated 6th Nov. 1873.

Recd H. 29/1
Read Lr 5/2

No 183

Fin. Prov. 2d Augt 1874.
No 181 A.

X once - no other words,

whether the new arrangements for elementary instruction shd. take effect for the year 1874-5, or for 1875-6, depends on whether we can in any way to commence considerable & immediate pecuniary provision for it. Ram the higher education we can expect little for until 1875:- but the division of funds from road-making might begin next year or will at any time.

Hr
Nov 4/73

It seems true that orders on this letter had better be deferred.

I entirely agree with Mr Powell as regards sweeping reaction in this matter and I venture to think that it will be a subject of early future regret if any step now taken have the effect of checking or discouraging, even in appearance, that Higher

Higher and Middle Class
Education, to which
a very wise policy
has been successfully
devoted for some
thirty years. Higher
and Middle Education
ought to be further
strengthened and steadied
in Every way we can,
– with thrift and care
of course – for in their
advance lies the chance
of reaching acceptably
the working orders.
Efficient progress
of Elementary instruction
depends in a great measure
on high Educational
advance amongst the

the intelligent and
influential orders.
But the matter is
not ripe for orders.
The Government have
adopted no general
plans of Elementary
instruction – and until
this is elaborated – until
we know Exactly what
we are going to do
with it, and what
it will cost, it will
merely be adding to
Existing Confusion
to disturb what is
working fairly well
now or to displace
the funds Effectively
allotted thereto. Once
a plan is adopted
these

these subsidiary things will easily take their proper place.

Mr. Powell has not been able to propose any really effective saving, for practically no doubt this important branch of National Education has been managed with thrift and judgment.

He proposes to make some prospective savings by cutting down the Salary grants to Masters and hopes to effect an economy of about Rs. 9,000 in carrying out certain proposals

proposals for improving the class of Government Middle class Schools.

The first proposal does not commend itself to me at all. It only recently the necessity of raising the grant was successfully recognized and now we are asked to reverse that policy. Schoolmasters are badly paid, I fear, Everywhere - fat English Corporations excepted - and certainly the Subordinate Educational Service in this Country has little to spare. Fees we know are becoming more & more precarious

precarious. It seems
to me unfortunate and
unpropitious to inaugurate
a popular movement
in the direction of
Elementary Education
by cutting down Salaries
and causing discontent
amongst those who are
not without their influence
on the public mind.
My remarks of course
apply to the principle
only. There may be
room for some slight
Economies in individual
instances. We must
trust the administration
to find these out and
give effect to it; but

I

I submit that the
principle as explained
by Mr Powell may
prove detrimental to
Educational interests
at present.

Mr Powell's views, that
the principle, on which
Government Middle
Class Schools were
established and
are working, admits
of reconsideration
and improvement
as a whole, maybe,
and I believe, are
true. But the matter
involves a large and
wide-spread disturbance
of existing things and
as a necessary consequence
a temporary check

to

to progress and increase
and ascertaining in the
popular mind. I wish
therefore not Commit
the Government in
any way - least of
all to effect an immediate
Contempt Saving of
Rs. 9000 - to the acceptance
of Mr. Powell's plans
(I think them Commendable)
without the fullest
discussion and mature
deliberation. They
must be brought
into rapport with
the programme of
elementary instruction yet
to be considered.
I would direct
Mr. Powell to call
together

No 182

6

Passion remarks
of Mr Powell's recommendations
and he shd. now
state, as soon as
possible, in detail.
There are two questions
now before the Govt. in
reference to Vernacular
education -

(1) By what means
can funds be provided
for the a general &
considerable increase in
primary instruction throughout
the Presidency?

(2) Supposing those funds
to be forthcoming, to under-

together his Inspecting
officers as he proposes
and submit his plans
for deliberation and
I would have the
best Natives Consulted
and likewise our
most efficient Local
Fund Boards. I wish
Consult Sd Macdonald,
Mr. Porter &c and ask
them we ask, on a
well considered plan
having [illegible] improvement
- not an insignificant
Economy for its object

30/10

regulations can they be best applied to the purpose in view?

Mr. Powell's printed letter is a contribution in reply to the first of these questions: and from it we must infer that from the particular source no funds (for elementary education) of any importance will be forthcoming until 1875. But with a view to these funds being at our disposal in 1875, we should now mature his scheme, & ripen his notifications.

But, besides this source we hope (as we have told Mr Powell) to be able to supply for elementary education some part of the sums (per Provincial assignment) which are now applied to other purposes. My own mind is that a considerable part of the 12 lacs which we spend in the shape of grants to Local Boards for Roads

and which I consider excessive, should in future be given to them for Primary instruction: and I have often explained my reasons for this view.

With regard to the 2nd. question, it must be carefully and finally decided when Mr Powell has given us his opinion (for which we have asked in a subsequent D.O.) upon it.

We shall then be in a position to say (1) what are our additional resources for elementary education & (2) on what system we intend to apply them: - in other words, in a position to act. & to better we should act at

No. 2121.

From

THE DIRECTOR OF PUBLIC INSTRUCTION,

To

THE CHIEF SECRETARY TO GOVERNMENT,
Fort Saint George.

Sir,

The statements of expenditure which appear in the Public Instruction Reports of this Presidency are generally those prescribed by the Government of India; and it may be observed that an alteration in the form of accounts, unless strong reasons can be brought forward for such alteration, is much to be deprecated, as it throws difficulties in the way of placing different years in comparison with one another. I think, however, that the ordinary statements do not bring out as clearly as is desirable the expenditure on different great heads; I have the honor therefore to lay before Government the accompanying statements which I think attain that object, and which have been drawn up to a great extent upon the model of statements given in the Bengal Report for 1871-72.

2. The expenditure includes all moneys spent by Government and others on schools connected with the Department, omitting building grants. The major heads are Superintendence, General Instruction and Special Instruction. General Instruction is again subdivided into four minor heads, Superior Instruction, Secondary Instruction, Primary Instruction and Miscellaneous; Superior Instruction standing for what is commonly termed Collegiate, *i. e.* commencing after Matriculation, and Secondary Instruction including the work done in both Higher and Middle class schools.

3. Under Special Instruction the figures for the Medical College are incorrect, but accurate or even fairly approximate figures cannot be given, as the major Professorships, which form the main item of cost in the Instructional department of the institution, are united to appointments in the Medical Service, and their holders receive consolidated salaries. It does seem extraordinary that such an arrangement should have been made as precludes Government from knowing the real cost of one of their most important Colleges.

4. So far as data are available for calculation, the total expenditure in 1872-73 by Government and others in this Presidency was Rupees 20,94,212; and the percentages for major and minor heads, and for individual items, are taken upon this amount.

5. It will be seen that Superintendence was 11·13 per cent. In Bengal, taking the figures for 1871-72, when the total expenditure was Rupees 31,40,539, the percentage for Superintendence was 10·05. For Superior Instruction, Madras has 4·98 against Bengal's percentage of 13·18; from this it will be seen that, in this Presidency, Superior Instruction, so far from carrying off a disproportionately large sum, really takes a peculiarly small percentage. For Secondary Instruction Madras has 45·62 as a percentage against Bengal's 44·71. And for Primary Instruction, in regard to which this Presidency is supposed to be so excessively backward, Madras has 25·57 against Bengal's percentage of 6·91.

6. In making the foregoing comparisons, I must mention that the Bengal figures do not include the cost of female education, which is given separately in the Report for 1871-72, while the Madras figures include that item. The percentage for female education in Bengal is given at 5·59; so that, if the whole of the instruction were taken to be Primary, which cannot well agree with the facts of the case, the percentage of expenditure on Primary education in Bengal would still be only 12·5 against 25·57 for Madras.

7. In estimating the expenditure on Primary education, it should not be forgotten that, owing to most Middle and Higher class schools having a large proportion of their scholars in elementary classes, no inconsiderable portion of the expenditure on such schools

really belongs to Primary instruction. It is impossible to say with accuracy what the portion is, and of course it cannot be assumed to be in a direct ratio to the number of boys receiving elementary instruction in such schools. I think, however, it is well within the limit to take the portion at one-fourth of the total expenditure on Secondary Instruction, or say 11 percent; if then this be added to the percentage belonging directly to Primary instruction, the whole percentage of expenditure on such instruction becomes about 36.

8. Without dwelling upon other points, I may call attention to the excessive sum which is spent in Bengal upon scholarships pertaining to general instruction; the amount is Rupees 1,25,193, or 4 percent of the total expenditure, while the sum expended in this Presidency is only Rupees 4690 or ·22 percent.

9. The following Table affords a comparison between the total expenditure on Public Instruction in Bengal during 1871-72, and in Madras during 1872-73.

Presidency.	Imperial funds.	Fees and fines.	Other local sources	Year.
Bengal.....	18,14,037	7,23,695	6,02,807	1871-72
Madras.....	7,53,986	5,61,231	7,78,995	1872-73

The most noticeable fact is the enormous difference between the Imperial funds allotted to Bengal and those allotted to Madras.

Office of the Director of Public Instruction,
MADRAS, 16*th October* 1873.

I have the honor to be,
Sir,
Your most obedient Servant,

W B Powell

Director of Public Instruction.

Bengal | Area S. M. 248231 | Population 66,856,859 | Revenue (exclusive of Opium & Customs) Estimate 1870-71. 8,705,801

Madras | 141746 | 31,250,000 | 7,264,366

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STATEMENTS OF EXPENDITURE FOR 1872-73.

SOURCE OF CHARGE.	EXPENDITURE					Percentage on total expenditure.	REMARKS.
	From Imperial Funds.	From other Funds.			Total expenditure from Imperial and other Funds.		
		Fees and Fines.	Other Sources.	Total.			
SUPERINTENDENCE.							
Direction	41,513	...	...	...	41,513	1·93	
Inspection	1,05,987	...	85,733	85,733	1,91,720	9·15	
Total...	1,47,500	...	85,733	85,733	2,33,233	11·13	
GENERAL INSTRUCTION.							
Superior Instruction.							
Government Colleges	59,106	10,446	3,034	13,480	72 586	3·46	
Private Colleges	10,142	4,460	17,307	21,767	31,909	1·52	
Total...	69,248	14,906	20,341	35,247	1,04,495	4·98	
Secondary Instruction.							
Higher class Government schools	61,298	54,065	2,244	56 309	1,17,607	5·61	
Do. Private do.	1,13,364	1,09,491	98,535	2,08,026	3,21,390	15·3	
Total ...	1,74,662	1,63,556	1,00,779	2,64,335	4,38,997	20·91	
Middle class Government schools	42 584	26,998	...	26.998	69,582	3·32	
Do. Private do.	1,22,471	90,057	2,35,519	3,25,576	4,48,047	21·39	
Total ...	1,65,055	1,17,055	2,35,519	3,52,574	5,17,629	24·71	
Primary Instruction.							
Government schools	5,803	9	184	193	5,996	·28	
Private do.	1,092	2,28,001	3,00,656	5,28,657	5,29,749	25·29	
Total ...	6,895	2,28,010	3,00,840	5,28,850	5,35,745	25·57	
Miscellaneous.							
Scholarships (Colleges)	4,690	...	...	...	4,690	·22	
Grant to the Madras School Book Society	2,000	...	...	...	2,000	·09	
University of Madras	16,633	22,768	...	22,768	39,401	1·88	
Expenditure on Government Schools abolished during the year	640	...	...	...	640	·03	
Expenditure on Private Schools abolished during the year	477	...	...	...	477	·02	
Total ...	24,440	22,768	...	22,768	47,208	2·24	
Total for General Instruction ...	5,87,800	5,46,295	7,43,212	12,89,507	18,77,307	89·54	

STATEMENTS OF EXPENDITURE FOR 1872-73.—*Continued.*

	EXPENDITURE.						REMARKS.
	From Imperial Funds.	From other Funds.			Total expenditure from Imperial and other sources.	Percentage on total expenditure.	
		Fees and Fines.	Other sources.	Total.			
SPECIAL INSTRUCTION.							
Colleges.							
Medical College	1,184	50	...	50	1,234	·05	The cost of the Medical College cannot be given as the Professors draw consolidated salaries.
Civil Engineering College	2,802	1,216	...	1,216	4,018	·19	
Total	3,986	1,266	...	1,266	5,252	·24	
Schools.							
School in Medicine	38,524	141	...	141	38,665	1·84	
Do. in Civil Engineering	30,237	2,829	180	3,009	33,246	1·58	
Do. of Arts	22,446	174	6,088	6,262	28,708	1·37	
Do. of Ordnance Artificers	3,605	...	...	...	3,605	·17	
Total	94,812	3,144	6,268	9,412	1,04,224	4·96	
Normal Schools.							
Government	42,091	6,028	3,319	9,347	51,438	2·45	
Private	11,938	4,498	26,196	30,694	42,632	2·03	
Total	54,029	10,526	29,515	40,041	94,070	4·48	
Scholarships.							
Medical College	1,500	...	...	...	1,500	·07	
Normal Schools	11,859	...	...	...	11,859	·056	
Total	13,359	..	...	...	13,359	·126	
Total for Special Instruction	1,66,186	14,936	35,783	50,719	2,16,905	9·806	
Grand total including General and Special Instruction	7,53,986	5,61,231	7,78,995	13,40,226	20,94,212		

SUMMARY.

	Total expenditure from Imperial and other funds.	Percentage on total expenditure.
Superintendence	2,33,233	11·13
GENERAL INSTRUCTION.		
Superior Instruction	1,04,495	4·98
Secondary Instruction	9,56,626	45·62
Primary Instruction	5,35,745	25·57
Miscellaneous	47,208	2·24
SPECIAL INSTRUCTION.		
Superior Instruction in Civil Engineering and Medicine	5,252	·24
Secondary Instruction in do Do at School of Arts and of Ordnance Artificers	1,04,224	4·96
Instruction in Normal Schools	94,070	4·48
Scholarships	13,359	·126

No. Minute

I have very care-
fully and anxiously con-
sidered this Lordship's fur-
ther minute, but much
regret that I cannot al-
ter the opinion I have
already expressed, that the
Provincial grant for roads
cannot for the present be
diverted to other purposes
My reasons for holding
this view are given in par
11 of my minute of the
13th April last, and I
cannot usefully add any
thing to what I have
there urged in support
of it.

In para of his
Minute, his Lordship
has,

Educt. Dept. 1873.

From
The Director of Public Instruction,
To
The Chief Secretary to Government
Fort Saint George.

Dated 16th October 1873.
Received 20th do

No. 2121.

No. 2412

Sending certain statements giving expenditure on education in 1872-73, and contrasting therewith Bengal expenditure for 1871-72.

has, I fear, somewhat misapprehended the argument at the commencement of para 11 of my Minute. I do not hold that diversion of funds from one Provincial Service to another is not permissible at all, but that the service for which the assignment was made must be maintained in full efficiency, before that assignment can be applied to other purposes. If I thought that the Provincial assignment for roads was more than that service really required, I should raise no objection to the application of the surplus to Education. But unfortunately I cannot come to this conclusion.

As

As to the Land Cess, a portion of it is by law available for education, and no more of it can be applied to that purpose without a change in the Law.

The Provincial assignment for Education is £90,000. The additional charges which we have assumed and which are mentioned in para 15 of my former Minute will be heavy, and the total grant from State Revenues for Education will fully equal the similar assignment for roads. I do not see any hardship or unfairness in expecting the people to contribute what more may be required for Education just

as

as the Agricultural body have to contribute the further sum required for roads.

His Lordship urges that "the expenditure on roads in this Presidency should not be more than three times as much as that on elementary education". I submit, however, that this is scarcely a fair way of putting the matter. The share of the general taxes which the State assigns to each of these important objects is, as I have above stated, about equal. All that is spent on roads beyond this is contributed by the Agricultural body out of their own pockets, and should, I submit, be excluded from any such comparison because it is open to the general community to do the like for Education if they please. If this Lordship's proposal to divert the Provincial grant from Roads to Education, be adopted, then the State, notwithstanding its direct and indirect interest in roads (vide para 11 of my former minute) will contribute nothing towards them out of the general revenues, and I think the agricultural community will have strong cause of complaint.

I beg to explain that my remarks on gratuitous education were elicited by the expression in para 6 of this Lordship's minute dated 6th Nov. last

last, viz:- "primary education ×××× will be provided for (so far as twelve lacs will go) gratuitously by Government" - and my object was not merely to express my own views on the subject but to point out that any such policy would require the sanction of the Secretary of State.

I disclaim, most earnestly and emphatically the inference that I do not appreciate primary education - because I demur to the assignment for another most important object being diverted to it. No one can appreciate it more than I do - though I confess I think that, in the present condition of our people, we are attaching premature importance to it. I believe the

11723

the experience of every country shows that poverty and ignorance go together, and that the best way to ensure the spread of voluntary education is to improve the material prosperity of the people. We may have erred hitherto in devoting our attention too exclusively to the higher classes of the native community (though here, as elsewhere, it is these who have the most desire for education, and whose influence and example most advance its extension) but I deprecate our running into the opposite extreme, as equally mistaken and injurious to the great cause.

I. D. Shea
12. 6. 74

No 185

Elementary Education

Minutes

Received 24 Nov 24
Secretary and Clerk's Office

Minute by the Rt. Hon. J. D. Rees, M.P. dated 19 Nov 24 Minute

2nd Minute

Elementary Education

I have perused with great care and attention the further Minutes by Their Excellency the President and my Noble Colleagues on the proposed transfer of Funds now allotted to the Construction and Maintenance of Roads from that purpose, to the furtherance of Elementary Education.

In my Minute of the 16th May I have stated my Views on this subject and to them I have but little to add. I should merely remark that the views stated by His Ex. the President are those which have been applied to Road making in the Course of the last ten years, and the amounts which are now appropriated by Law to that purpose, may appear large, it has been so where there Roads are [illegible] when

When the Queens Mile-
ages of our territory, the
Income we derive from
it, the back population
and the scattered villages
in which this people
is housed, have all
been taken into Consider-
ation.

No doubt these
Villagers to put, and keep
by too, that in time they
will be Island in Roads
and easy Communication
with the Trunk Roads,
it has been probably with
this object in view that
liberal allotments were
originally assigned to
this purpose - When this
shall have been Effected
we may fairly say that
our work in Road making
approaches Completion,
but how until then
shall we be justified in
my opinion, in relaxing
our efforts to bring it
about, or in diminishing
our outlay on so important
a work -

I have &c
Geo. Wm. Haines
17th June
1874.

Justice Minute. Nowd v Edwards 123

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I submit that the further Minutes of my Hon'ble Colleagues, which I have attentively read, have left my argument in its main features un-
=shaken.

My Hon'ble Colleague (Mr. Sim) observes that the total assignment from Provincial Funds for Education ~~(which he takes at about £20,000)~~ is fully equal to the (about 11/p last) amount granted from Provincial Funds for roads. This however is obviously no answer to

to my representation that the whole amount spent in this Presidency is on roads, irrespectively of the Govt. grant, is about £300,000, whereas the amount spent (not on "Education" but) on Elementary Education is so small that to add to this sum of £300,000 a further sum of 115,000 for roads instead of allotting that further sum to Elementary Education is to lavish our resources upon an object already amply provided for, while there exists an object

to say the least as important & imperatively requiring our assistance, and for which scarcely any provision at all has been made. My Hon'ble Colleague states that he sees no "hardship or un "unfairness in expecting "the people to contribute "what more may be "required for Educat." from which I infer that he considers that no further aid ought to be given by Govt. to Elementary Education and that the means for such education (if

provided at all) should
be provided by increased
taxation. I need hardly
say that I am re-
-solutely opposed to
any suggestion which
would increase the
taxation of the poorer
classes; nor do I
believe that such a course would
be sanctioned either
by the Govt of India
or by the Secretary
of State. My
Honble Colleague's views
would therefore, if
adopted, be tantamount
to the prevention of any
further progress (at
least in the present) in

Elementary education.
I trust and believe
that no such decision
will be taken: and
that our best efforts
will, on the contrary,
be directed to find
the means, by diminishing
expenditure on unimportant
or less important objects,
for effecting some gradual
improvement in the
mental condition of
the people.

My Honble Colleague urges
further that the greater
part of the expenditure
on roads is contributed
by the "agricultural community
"out

"out of their own pockets"; that the "general community" may "do the like for education if they please"; and further that if the Govt. gives nothing for roads out of the general revenue the agricultural community will have "strong cause for complaint."

The actual state of the case is this. 'Local Fund' taxation falls almost entirely upon the agricultural community which is therefore, for the purposes of such taxation and of this question

question, the "general community". The agricultural community has been compelled by the Govt., which imperatively imposed the fixed local taxes ~~(requiring amongst other things 2/3 of the land esp to be given to roads)~~ to provide about £300,000 a year for roads, — the wishes of that community not having been in any way consulted in the matter. If they had been consulted, surely it cannot be said with any confidence that

that they would have preferred to spend the whole ~~this~~ proceeds, even if this £300,000, on roads rather than assign part of it, however small, to elementary education.

(Most certainly it could never be expected that, in face of this compulsory taxation for roads, they should be prepared (even if they had the power) further to tax themselves for elementary education; and being thus compelled to

to pay taxes (whether they will or no) for roads, which are thus more than sufficiently provided for, I do not think that they would have — nor do I think that they would feel that they have — "cause" either for "complaint" or surprise, if any grant which might be made to them by Govt was made, not for roads, ~~H~~ but for primary instruction. If my Hon'ble Colleague's meaning is that our Cultivators would have a right, in

in that case, to complain that the £115,000 on £120,000 from Provincial Funds was given for elementary education and not for the purpose of enabling us to reduce the land-cess to the same amount, — I can only say that rather than acquiesce in a continuance of the present state of things I should be prepared at once to remove their ground for complaint by adopting the alternative thus suggested. But I have no idea that my Hon'ble Colleague would agree

agree to its adoption.

As regards 'gratuitous' education, — I should explain that in speaking of education as gratuitous "so far as 12 lacs will go", I had no intention of suggesting that it should be absolutely gratuitous, or any desire to prejudge the question.

With regard to the observation of my Hon'ble Colleague (Mr. Robinson) that he is unable altogether to follow my figures, I have to explain that the figures which I used were those cited by my

my Hon'ble Colleague in para: 6 of his Minute. From ~~these~~ figures it appears that we are spending annually about 23½ lacs upon maintenance and repair of roads, and about 17½ lacs upon constructing new roads and these (with the fact that in the last ten years only we had spent £1,500,000 on the construction of entirely new roads) were the principal facts on which my argument relied.

My Hon'ble Colleagues appear to be of opinion that

GOVERNMENT OF INDIA

that after the expenditure since the year 1864 of £1,500,000 on the construction of entirely new roads in this Presidency, which must have been not inconsiderably furnished with them before that year, and in continuing to spend annually (with a determination apparently to resist any proposal, wherever it may be made, to diminish the amount) £175000 more ~~annually~~ (the interest of £4,117,600 at 4¼ per cent) upon the same object, we are doing no more than is justified by the extreme need of

of the Presidency for this, as compared with any other possible object, of public expenditure. In this opinion I cannot for a moment agree. I believe that there is an object even more important, certainly not less important, 'ceteris paribus' than roads — the elementary education of the people: and that, — considering the immense sums already expended on the construction of roads in this Presidency and the large sum which will

will in any case annually be expended upon it — considering on the other hand the insignificant amount which we have been able to provide for the purposes of elementary education, — my proposal to divert to the latter object a part of the annual expenditure upon the former is one the adoption of which is required by a due regard to the interests of the people.

Hobart

June 20/14

No 191

Dublin
Fee

Copy of Letter
Secretary Irish Office
No
Memorial of the Rev. [illegible]
Parish the Trustees of
dated 20th June 1874.

(No 31)
Roads & Elementary
Education

No 192

I have nothing to add to my previous minutes but to reiterate my opinion that the Funds hitherto allotted to the Construction and Maintenance of Roads should not be diverted from that purpose until it has been shown that the wants of the Parishes in this respect have been fully provided for
23-6-74.

No Minute by the Hon. Private Sec. dated 26 June 1874

No 193 I have no thing to add to the above

I have already
written on the
subject. Many
Russian customs
unchanged that
the function of the
Provincial ass.
-sejument for
Roads can, at
present, be di.
verted to other
purposes. I.D.Sin

Thos. 24th August 1874

Financial 1874 Departt

No. 192.—

Minute by His Excellency the Commander-in-chief dated 23d June 1874. —

No. 193.—

Minute by the Hon.ble — S. D. Lein b. S. S. dated 26th June 1874. —

192 & 193

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I have only to observe with regard to His Lordship's Minute dated 20th Instant that I have endeavoured to submit the following facts for his consideration 1st that the Road Fund income all told is under £360,000 — viz by popular taxation £230,000 and Imperial Grant £115,000 2dly that £185,000 are appropriated to the indispensable maintenance of existing Roads; £95,000 to the support in the main of the Imperial Department of

of Public Works - £50,000
being a transfer of burden
from the State to Local
Fund - and that £80,000
only are available for the
further development
of the Country, and
3rdly that the proposed
transfer of £115,000 must
produce a ruinous
deficit - loss by absolutely
stopping all progress
and improvement in
present and future
and withdrawing from
one-fourth to one-third
of the whole fund now
available for the support
of the Public Works Department.

I have submitted
that the entire income
derived from all
sources

N.B. I observe that His Excellency is under the impression that this vast Presidency was not inconsiderately furnished with made roads before 1864 - and that one million and a half since spent has fairly provided for its material wants in this respect. Those who have known the Country for more than quarter of a century can confidently assure His Excellency that the reverse was the condition of the Country at the time he names and that very sad destitution in this respect alone forced on the policy which has been to yield its progressive benefits to the Country and its agricultural classes since that time - One and a half million (less far, I believe, than the great trunk road of North India alone cost) has not could not possibly accomplish since then a task which by the common consensus of official and popular knowledge and observation is only now making moderate but measured progress. The material wants of the Country.

Losses must be maintained (1st) because - after deducting the cost of maintenance - or in other words the working expenses - of roads and of establishment, the balance available for extension and improvement of even the great lines and District Roads is utterly inadequate for the task before us, and the fulfilment of pledges given. No doubt considerable progress has been made in advancing the great trunk lines - although the great Northern Trunk Road is still probably not one-half completed. In most Districts is what may be termed the County roads are commanding most useful attention, but many more are

Everywhere

Everywhere needed,
and of those already in
hand many are still
partially embridged, —
unmetalled and
otherwise incomplete —
while the lines required
for opening up the outlying
parts of the country. E.g.
in Ganjam, Vizagapatam,
Godavery, Kristna, Nellore
Coimbatore & Madura
and the wide Cotton soil
tracts of the ceded Districts
have made but very
partial progress —
The system of Railway
feeders has had little
or no adequate development
— and it is scarcely
too much to say that
— notwithstanding the
pledges given the heavy
increase of taxation
imposed

country are advancing quite
as much as it should and the progress
of the one cannot be sacrificed
to the other without serious
Evil to both.

imposed on the rural
classes — not a mile
of parish or village road
has been taken in hand
through the length and
breadth of the country
a village, which has
the misfortune to lie a
~~four miles~~ — off a trunk
line or one of the sparingly
~~traced~~ district roads,
is as inaccessible now
as it was 50 years ago.
Salt Roads and other
Imperial requirements
are availing their due
development —
— I have shown 2dly that
the maintenance grants
are rapidly diminishing
the small balance available
for the development of the
country, and that its
restrictions — under
existing

existing conditions is imminent

I am therefore obliged to maintain my conviction that no alienation whatever of any portion of this fund is practicable or even possible consistently with the interests of the State or the country; and to submit that the discussion of the admitted Educational wants of the people and their comparative importance are out of place in connection with this important matter.

I have ventured to notice incidentally – with reference to the despatch of the Secretary of State of 14th August 1873 and Mr Powell's letter dated 17th December 1873 – some facts and principles which

N.B. I must scarcely recall the Enclosures of the Govt nor make discussion from the vast rent-roll of an improving Landlord nor the pledges implied by the long continued policy of the past and last legislation of a more recent period.

* N.B. I may also draw Mrs Lordship's attention to the Despatch of the Secretary of State under date 12th May 1870

(149) 37

which see but bleak on the matter of the diffusion of popular instruction, shall shake my confidence in the course proposed even were it feasible – But these considerations and arguments belong more properly to the discussion of some General plan in that behalf than to the practical matter now before us

I have &c
J Robertson

No. 194

151

Respecting transfer of funds from Roads to elementary Education

Section Minute.

When my former Minute on this subject were written, I was in possession of some additional facts which I might have adduced in favor of my proposal. During the discussions which took place in the Legislative Council upon the Local Funds Act of 1871, the proposition that two-thirds of the land-tax (an impost which produces

struck £320,000 annually under
in part the whole of [Road] Local taxation)
should be, by an provision in the
Act itself, compulsorily allotted
to Roads, — was strenuously opposed.
The proposition was indeed startling
enough: and it would (there can be
little doubt) have been negatived,
had it not been for the consideration,
though urged by its supporters, that
owing to the insufficiency of the aggregate
Provincial service grant, which
(under the new "Decentralization Order")
had been assigned to their Residency,
it would be necessary in future greatly
to reduce the grant for [Local] struck
£120,000 hitherto made for Roads,
in order that the saving might be
applied to other Provincial services.
This argument prevailed; and it
was on this understanding, viz. that
the Govt. grant for Roads should in
future be greatly diminished, — that
the proposal to apply 2/3rds of the
land-cess to Roads was carried in the

Council. Accordingly, in each of the first two years after the passing of the Act only £92,500 was given by Govt. for Roads.

It will thus be seen that the present grant of about £115,000 a year for that purpose is in direct conflict with the intention of the Legislative Council in passing the Act, and with the understanding upon which its members were induced to assent to the proposition respecting the land-esp. It will also be seen, that in appropriating any considerable reduction of the amount now given by Govt. to Roads for the purpose of promoting elementary education

~~Secondary~~ education, my hon. colleagues are acting in opposition to the intention of those by whom the Act was passed:- the more so that ~~the~~ claim of ~~the demands of~~ secondary education, which ~~it was in any case~~ was before ~~the~~ this, has been put on the strongest ground by the abolition (~~of~~ dictated by imperative political expediency) of the house-tax, which was imposed for the purposes of such education. It appears to me that, in face of these circumstances ~~the~~ proposed

the maintenance at its present
amount of the Provincial grant
for roads, rather than an application
of part of it to elementary education,
cannot possibly be defended. My own
opinion, for which it seems to me that
I have given sufficient grounds is, that
the whole of that grant (admitting of
some exceptions in due cases provided
for) is not more than adequate to
upon the part to assist elementary
education.

It would appear, however, that there is
no probability of an agreement between
my hon.ble Colleagues and myself
upon this question; and considering
on the other hand the extreme
importance which I attach to any
proposal as affecting the future
welfare of this Residency, it is
incumbent on me to suggest no
legislative means which may be at
my disposal with a view to its
adoption. I have therefore felt
it my duty anxiously to consider
whether the case were one
in which I might properly avail myself of

the powers conferred upon the Board
of Works for? Ulster Act 33 & 34 Vic c. 52.
Sec. 47. And I confess it appears to
me that this question must be
answered in the affirmative:- that
the proposition which I have submitted
is undoubtedly one "of high importance
" and practically affecting the public
" interest and welfare"; and that,
looking to the terms & intention of
the enactment, I should be justified
in acting upon my own opinion, and
proposing an Order or Resolution
accordingly. And if it appeared

that the claim lay exclusively
between this country and ourselves
in the opinion of the majority upon
the question, I think it a course
which I should not hesitate to
adopt. But, having regard
more especially to the fact that
the case is not one which requires
immediate action, there is an
alternative which I think preferable,
and which I have accordingly
to propose to my hon.ble Colleagues.
It is that the Minutes recorded

5)

by the members of Govt. on the subject
but any papers necessary to explain
them should at once be sent
submitted to the Secy of State,
for his early decision upon the
question at issue. Should the
result be unfavorable as may
happen, I shall at least have
had the satisfaction of earnestly
advocating a measure which
I believe to be imperatively
required in the interests of the
people of this country. Should
the decision be wholly or partially
in my favour — there will be time
to prepare the Board of Revenue
and the Local Fund Boards, before
the submission of their Budgets for
1875-6, of the consequent changes
in their estimates of expenditure.

Hubert

June 25/74

Financial 1874 Despatch
Proposed transfer of
Funds from Roads to
Elementary Education
Pros 24th Aug 1/74
Further Minute by
H.E. the Governor

Rd 26-6-74
Encd 27/—

No 195

163

Encl 6

I readily acquiesce in the
Proposal of His Lordship
that this question be referred
to the Law Officers of State - Indeed
if the subject is one of such im-
portance that it would, in
the ordinary course, have been
referred to the Home Govt.
As a Member of the Govt.
which introduced, and of the
Legislative Council which passed

(No. IV of 1871. Mr. Ross)

the present Local Fund Act I am in a position to assure the Legislature that at the period (sect 36 of) requiring 2/3ds of the Land Cess to be reserved for Roads was not carried or assented to, on the understanding that the Imperial or Provincial grant for Roads would be reduced by the first and applied to some of the other functions of the Act. It was indeed afterwards decided that

for Roads 165

the Provincial Assignment to be made by the Supreme Govt would be as far as indeed it

grant 1867/8	Rs 17.93.000	Exclusive of Extraordinary.
" 1868/9	" 19.73.200	proved, (~~to be~~)
1869/70 —	" 15.22.540	less than the
Provincial assignment	" 11.42.000	Imperial Grants
inclusive of Extraordinary	Rs 300.000.	under the former
settlement		system — and
v. fp 15 Jan 72.		this was urged
		as one reason
		for increasing

the Cess. But I can confidently affirm that the first Local Committees in making any reduction in the grant. When the Provincial Cess Rs.

8

-ceeded in the Council, the
Hon.ble Mr. Ellis moved that it
the shares of the Cess assigned to Roads should
be reduced from 2/3d. to 1/2. The
whole Council were then under
the impression that the Annual
Budget would be laid before the
Legislative Council for their con-
sideration & sanction, in the form
of Annual Appropriation Bills.
The Hon.ble Mr. Macfarlane, considering
that this was quite sufficient
to ensure the due publication of

3/ the proceeds of the Cess & the
various objects on them charged
by the act, according to the
requirements of the country &
their relative importance, &c.
moved that the proviso should be omitted
altogether. The motion was
put to the Council & lost. Eight
members voting against & four
for it. Mr. Ellis' motion to re-
duce the limit from 2/3d to 1/2 was

has been formally put to
the ~~County~~ Council and similarly rejected.
Had there been any such understanding or Contract, as this Gentleman suggests, there would have been no necessity for making the motion to a ~~second~~ Division.
How is it likely that the Petitioners would, with a decided majority on its side, would have accepted a Compromise, which more or less nullified its policy and substituted its victory.

In now leaving the Question

3/ before the Local State we should forward the Budget of 1874/5, in order that the petitions of the Road Fund may be clearly seen, and we should also draw Especial attention to the fact that the Question now at issue really involves the greater question - ~~how~~ how funds are to be provided for the education of the masses.

The Road Fund Budget shows an expected income in 1874/5 of

10

£ 448. 260. Items confirmed.

Opening balance.	£.	42.349.
Share of Land Cess	..	232.846
Additional Grant from Land Cess	..	6. 147.
Tolls		16. 827.
Provincial Grant	—	114. 205.
Special funds	—	27. 401
Miscellaneous	—	8.405
		448. 260

The Budget of Expenditure on the other hand. appropriates £ 442.809 thus distributed.

New Works	—	£ 115.923.
Repairs	—	108.778
Establishment		92.080.
Tolls &c	—	3.200.
Contributions	—	3.285
Reserve	—	39. 543
		442.809
Unappropriated balance	—	5.451
		Total £ 448. 260.

It is thus apparent that the Provincial Grant is practically all that is available for the further improvement of the country - and therefore that its withdrawal virtually entails the arrest of all progress. For reasons which I have already given I

cannot exceed £ 115.000 as an annual
- duly large a liberal contribution by
the State ~~for roads~~ considering how vastly
it is interested and how large a revenue
it receives from the agricultural industry
of the country - of course it should it
is co-proprietor - And certainly I
cannot admit that the wants of
the country are yet sufficient by that
in the matter of roads & canals - on
which its prosperity mainly depends.

My second proposition - viz
that the present question really involved
in this discussion is how much are to
be devoted for elementary education &c. for

4/ It is self evident. The Provincial
assignment for Education is £ 90.000 -
which by assuming charges for Inspectors,
Normal Schools & Female Education
be here increased to at least as
much as the Provincial assignment
for Roads. No saving can be made for
Elementary Education can be ex-
pected from this source - for Middle
class & Special Education need de-
velopement. and will absorb also for.
-sible economies - Hence it follows that
Elementary Education, ~~must be~~ ing
& the ability of the State Tax - must de-

173

12

- depend on its share of the Land
Cess - and on fees. The first item
may be taken at £60,000 - No estimate
can be formed of the latter - but we
have abundant evidence that the
people are gradually divesting them-
- selves of the Obligation of paying for
the education of their children - and
that we are drifting by degrees into a
system of practitioners or hereditary
Education - At a very moderate comput-
tation it will cost at least £400,000. to
Educate the Natives - so that even if the
whole Provincial Rent of £115,000. be

5/ with drawn from Roads & Ch.
plied to Education, a deficiency
of friends at no distant date
is inevitable - The question then
for us is what we are really to
writing to the Secy of State
is a letter as has been ordered
on several occasions by successive
Secretaries of State
whether Education is ~~with~~
to be met by local taxation &

13

if not. how the required funds are to be provided - This is the point really at issue.

I do not wish to say any thing on the question of the Abolition of the Irish Law. They emanate on the Subject of Religious Education they claim my vote. but in justice to myself & the Members of Irish Nationality part. who are desirous to put the measure, I desire to point out that we provided carefully against any abuse. The Law distinctly declares that at the time

Sect 36. Act IV of 1871

Tax shall not be levied - Except where a part-in-aid school Exists. i.e. where a Compensatory advantage is enjoyed - where the people desire to establish a school - or where the part. determine to establish one - & contrary exercise - / or the non-exercise of the latter former would.

(14)

Sentiment, have ever fully met every
conceivable Exigency - and if Revi-
sal at it was the intention of Con-
gress fit & Exercise the Power
in it Extreme moderation & caution
as matters stand the bubble of
a Village cannot turn themselves
Powers anticipate they may be to do
it - and the whole burden of Edu-
cation falls on the fort.

L. D. Sewall

20. 7. 74.

Pros-24th August 1874

Financial 1874 & Dept.

Minute by the Hon'ble
S. D. Smith, C. S. I.
dated 30th July 1874.

No. 196.

Both Experience & the Govern-
observation on my proposal that
the Government of India be con-
-sulted before finality the decision
of the Secretary of State on a pro-
posal which threatens to im-
port most serious confusion
into the existing condition &
financial arrangements of
so important a Service of the
State as the P. W. D. Both
demand by Hon: Colleagues that
papers actually before us shall
state in detail the whole -
nearly the whole cost of the Sch-
Imperial Provincial & Municipal
falls on Local Funds, & that
in various degrees similar
conditions subsist elsewhere
and I cannot desire

1871

The papers must be referred for the Consideration of the Secretary of State as desired by His Lordship - but it seems to me that in several respects the matters at issue are not ripe for the decision by the Home Government

2 The Honorable Mr Sim has shown that the majority of the Legislative Council - which includes also that of the Executive Government provided

very

15

very deliberately for
increased appropriations
to Roads from the
additional Land Cess
imposed by the Act IV
of 1871 (Madras) and
that they did so without
intention (on the part
of the local Governments)
to withdraw the Imperial
appropriations to the
Service which never
formed that diminished
Provincial assignment,
which is the subject
of this discussion.

3 The increase of
the local provision
for Roads was, to use
the words of the Government,
"certainly a primary
"object of the Bill". A
"District Road Cess" had
been

~~had~~ been levied at
the rate of 6 pies in the
Rupee of Land Revenue
since 1864 for the construction
and repair of District
Roads only - Imperial
and Trunk lines being
at the time the Bill
was introduced, as heretofore, provided
for by the Government
of India by grants from
General Revenue. The
Hon'ble Mr. Strachey
States, on behalf of the
Government, that the
"District Road Fund
"had been found already
"to be inadequate to the
"wants of the Country
"x x x and before long"
he added, "there will
"be a necessity for an
increased

increase of Local Funds
"for the maintenance
"of the Roads already
"in Existence (Debate
of 18th February 1870). One
"object of the Bill", he
stated, "is to provide
"additional Funds for
"the construction of
"cheap roads, which
"shall connect Remote
"Villages with District
"Roads". And more urgently
needed. The object of
the Government, he stated
was not to diminish
the amount available
for Roads, "on the contrary
"our hope is", he assured
the Council, "that it
"will be considerably
"increased".

4 Thus then, the
necessity

necessity of increased
support from local
taxation was the avowed
object and deliberate
result of the legislation
as far as Roads were
concerned. While the
very suggestion that the
withdrawal of Imperial
grants for services to be
provided for by local
taxation might follow,
was resented on all sides
in and out of Council.

5 It is true that
the possibility of diminished
- Such was the actual
result of the decentralization
scheme - Appropriations
by the Government of
India for the maintenance
of Imperial & Trunk Roads
and other objects of the
Bill

Bill was suggested under the then Existing financial Embarrassments, and the apprehension of such a measure so seriously affected the prospects of the Bill at the time that it called forth Lord Napier's Eloquent defence of the good faith and impartiality of the late Viceroy this Council in regard to State Contributions to beneficial objects of local taxation.

6 There can, I think, be no doubt that the local Government had no intention to alienate *proprio motu* Imperial Appropriations from their legitimate objects, and the sense of the Legislature

N.B. The absence of a guarantee in this respect together with the increased Income Tax is practically postponed the discussion of the Bill for a year and it was only when this guarantee was given — in a modified & reduced form — to the financial decentralization measure that the discussion of the Bill could be resumed in 1871 (vide The Hon'ble Mr Arbuthnot's Speech Febry: 1871)

N.B. With reference to His Excellency's observation that diminished appropriations characterised the first two years, it may be observed that a diminished appropriation occurred during the first 3 years of uncertainty on account as follows:-

1871-72	Roads — 6,30,000 Estabt — 2,97,490	9,27,490	
1872-73 as finally called	Roads — 8,26,000 Estabt — 3,00,000	11,26,000	
1873-74		11,58,000	
1874-75		11,42,050.	

Legislature on this score was sufficiently clearly manifested — Notwithstanding the temporary confusion which arose consequent on an Erroneous Expectation that an annual appropriation bill would transfer to the Legislative Council the powers of controlling the appropriations from all sources to the various local Services

7 I have no doubt that the Legislative Council would still be found entirely adverse to the proposal under consideration, which, if accepted, will set aside actual and implied pledges and render the measures

uncontrolled Local Boards
of the Country powerless
even to fulfil their legal
obligations or to meet
the vast requirements
and serious shortcomings
of this Presidency in
respect to communications.

But I venture
to submit that there
are various important
matters of a practical
character, which must
be settled between the
local Government and
the Government of India
before the decision
of the Home Authorities
can reasonably be
invited on the abstract
and theoretical questions
involved.

I have already pointed
out that the withdrawal of
the

the Provincial grant
to Public Works must
cause serious disorder
in Imperial Public Works
Establishment and
I conceive that it would
be right to ascertain the
views of the Government
of India on so vital a
matter of Imperial
administration and
finance before inviting
a decision, which might
cause the utmost
embarrassment. For
instance the Provincial
grant to the service
in question has during
the last two years been
in round numbers 12,00,000
and consists of two items
viz- Rs: 9,00,000 for Works
& Rs: 3,00,000 for Public Works
Establishment

Establishment. The
elimination of the Public
Works Provincial grant
to other purposes will
deprive the Imperial
Public Works Establish-
ment of say Rs. *2,40,000
to Rs. 3,00,000 now employed
on its maintenance; = to about
one-seventh of the whole
charge Establishment.
Now as the gross charge
for the Public Works
Establishment as well
as the sanctioned strength
of the Department are
fixed and do not
vary with expenditure,
it becomes obvious
that some very serious
questions have to be
considered between
the local & Supreme
Governments and their
solution explained
before

* N.B. Taking the Local Fund debit for D.P.W. Supervision at 25 per cent (which it exceeds).

before inviting a decision
by the Secretary of State
on the matter at issue
I have carefully
considered this feature
of the question and have
consulted the two Chief
Engineers, who are here
at present, and I am
satisfied that neither
the charge nor the
Establishment is susceptible
of material reduction
and, if the transfer
is to be insisted on, the
Government of India
must, I submit, be
asked whether they will
admit an increased
charge to this extent
on the Imperial Revenue
and their answer should
be transmitted by the
Secretary

N.B. The official report of the Chief Engineers and of the Board of Revenue on the probable effect of His Excellency's proposal in this regard might be called for with advantage & safety and submitted with the Minutes.

Secretary of State;
For without it, this
reference cannot
safely be disposed of.

Nor only so - if
Expenditure on Road
Works is to be arrested
altogether throughout
the Presidency and
D.P.W. Supervision
confined to the Expenditure
of repairs (taking in
put & replacing material)
mileage - which is the
inevitable consequence
of His Excellency's proposal
the wholly unjustifiable
debit of 25 to 29 per
cent on Expenditure
against the District
Funds for D.P.W. Supervision
can no longer be
maintained. Moderation
to 10* per cent must
be

* N.B. In Ireland the charge
is between 3 & 4 per cent

be effected. But here
again the permanent
Establishment cannot
be reduced and the
missing Rs. 1,09,000 to
1,50,000 must be met
by Imperial Grants. This
clearly is another practical
matter, which requires
discussion & solution
before a decision is
sought on the subject in Council.

But further it
appears from a recent
Communication that the
Government of India
are desirous to transfer
the whole cost of the
Imperial Public Works
Establishment to Provincial
and Local Funds as a
first charge - Imperial
and loan works being
debited

debited with the Cost of Supervision at a certain percentage on the Expenditure. If I am right in the conjecture, this Suggestion - which has not even been discussed by the local Government - clearly contemplates maintaining this major head of the Provincial Assignment intact at the disposal of that Government - if not of increasing it; for it cannot be intended - it would probably not be legal - to transfer the whole cost of the Imperial Public Works Establishment - amounting to about Rs: 21,00,000 - to the District Road-Cess Fund, which would, I conceive, be all that could

Remain under this head, were His Excellency's proposals sanctioned by the Secretary of State. I hold that this matter must be settled with the Government of India before the intervention of the Secretary of State is solicited.

13 I have also searched the papers in vain for any clear determination of the Supreme Government to leave local Governments full discretion to dispose of the Major Heads of Provincial Grant, to Services other than those to which they stand assigned by the decentralization Scheme. I foresee serious Embarrassments, if this be

be allowed without reference to the views of the Government of India on it. Concerning that it would be right to invite a clear expression of their views before submitting this reference.

4 On these grounds, if none other, I am led to think that a matter of such serious financial & administrative moment cannot safely be referred for the decision of the Home Government without further investigation and fuller explanations. These practical difficulties cannot, I submit, be treated with silence.

5 Again as regards the practical consequences of the proposals, I submit that

that the accompanying statement shows that the annual District Road Fund Income - excluding Provincial Grant - amounts to about Rs: 24,00,000 of which about Rs: 16,00,000 are required for the maintenance of existing Roads alone - leaving about Rs 8,00,000 (including Establishment &c) only for the extension and completion of Roads - Railway feeders, Salt Roads, District lines & the like - now urgently needed throughout the Presidency and have already been sanctioned by the Government to the amount of Rs: 42,20,000 (similar additions being made) I It is therefore obvious

Adding 25 per cent for D. P. W. supervision
1 per cent for Tools & Plant
+4 per cent for Pen. Establt.
29 per cent to the existing mileage assignment for the maintenance of Completed Roads

It is further to be observed that this distance so notified is subject to gradual diminution as appropriations & maintenance are made, & thus & early extinction as a means of advancing the development of the Country.

obvious that no change can be made in the existing System without the most disastrous consequences to the progress & material well-being of the Country. It might however be well to call for the views of the Board of Revenue (as the General Superviseurs of the responsible Local Boards as to Shetters & how the derious Consequences may possibly be averted or mitigated. It may be asked

N.B. It may be incidentally observed that if His Excellency's proposal be sanctioned - such important Districts as Malabar & Chingleput - at the threshold of the Capital - will be utterly unable to maintain even their existing Communications.

	Road Dues	Cost of maintenance
Chingleput	66,413	*1,50,000
Malabar	1,42,347	*2,26,000

* Round numbers are taken
+ the Cost of Superviseurs (per Rd).

16 I further submit that when invoking the decision of the Secretary of State in a matter involving Consequences so serious, it were right to explain any General principle & plans for diffusion

that the execution of Road has suffered a serious blow & this with drawal of appropriation from the general Fund - in 1873/74 in 23 out of 35 Circles - & the probable amt. of Rs. 250000 + Rs 80000 - the allotment for new work - in 1874/75 - falls short of Rs 1,80,000 of that of the previous year, in consequence no doubt - of the disallowance of this appropriation

the diffusion of previous instructions amongst the masses, which the Government may have adopted and in furtherance of which, the sacrifices above noticed may be justified; for I venture to think that in the absence of certain well-defined plans of action & finance the disposal of larger funds may add to that confusion which I feel sure must arise under uncertain & temporary treatment of so large a question.

I fear that we have not yet adopted any clear line of policy in substitution of that set aside by the Orders of March 1873. The

important

important Despatch
of the Secretary of State
of the 11th August 1873 has
been simply "recorded"
– unnoticed & unanswered –
a course with which
I submit that this
reference is scarcely
consistent and I fear
that the practical
Effect of presentation
is not in accordance
with the sound views
enunciated by successive
Secretaries of State in
this behalf.

18 It is
not the deliberate
intention of Government
to adopt a plan of
gratuitous instruction
of the rural masses;
the tendency of this movement, and
but such is I fear
more or less the result
of present action in the
distribution

distribution of the
General Fund and
of the balance of the
Provincial grant in
respect to primary
instruction. The
communications testimony
of those best acquainted
with the working of things
as they now are is that
parents are withdrawing
steadily from the support
of their children's teachers
and throwing the cost
of their Education more
or less entirely on the State
or local rate-payers,
for the fees of masters
are remitted with
increasing frequency
or not at all in Schools
of the lower orders. The
Voluntary action of the
people is paralysed
and the old voluntary
rate

And youth fresh from School
are starting temporary classes
when they "coach" children as a
means of livelihood (pure & simple)
from Local funds.

of the whole question
has become incumbent
on this Government in
consequence of the action
taken in March 1873. and
might usefully precede
the reference to the Home
Government which is
proposed

Lord Carnarvon regrets His
Excellency's remark that
the abolition of the Horse-
Tax was "dictated by
"imperative political
"expediency" I must
venture respectfully
to submit an opinion
that the carefully
debated and long deferred
action of the Legislature
in 1871 in the direction
of the policy laid down
by successive Secretaries
of State - viz - that the
Country must - (and

I

prate Schools are
sinking in Efficiency
and popular support
and are now becoming
an Exclusive charge
on the State or on the
General Taxpayers,
While individual Village
Schools (of a very costly
character) are increasing
becoming a charge
on the General Funds
of Local Boards to the
serious detriment of
its proper object. Then
there is the utter inadequacy
of the means to the end
- an inadequacy which
would not be met even
by the sacrifice which
this proposal under
reference must involve.

19 On the whole I
conscientiously believe
that compulsory examination

of

Hospitals for improving local
teachers is in hand and I
fear that we are rather hurrying
the children already under in-
struction at the cost of their
parents, on the late Forster
& Lake, Town mail extending
the field of instruction for
passive characters the distri-
bution of Grant (Calcu-
lated Immovably) & on the
whole our action is too un-
certain & devoid of the a
clearly defined principle to
justify our assailing in de-
tail any interest in Ireland
that is in every way beneficent

I will add can I well pay for the Education of its children under a well-devised and cautiously administered System of Compulsory Contributions, involves no political danger or anxiety such as necessarily called for the actions taken in March 1873. The Customs of the Country have undergone no change — Except perhaps for the better — since the matter underwent full popular discussion in and out of the Legislature and was favourably viewed by even the able Native Members of the Council. Recent measures have perhaps made the postponement of any action — financial or

N.B. I have always held that a serious mistake was made in not giving limited Compulsory action to Act VII of 1863 instead of proceeding as in Act IV of 1871, but the discussion of the forms which this Contributions and Compulsion should take does not belong to this place.

or legislature — in this direction unexpedient for the present. But I entertain a hope that time and deliberation will adjust matters in a reasonable and practical manner without involving those important services in the uncertainty and insolvency which attends for the present the question of popular primary Education

H. D. Robinson

Mr Robinson's Minute.

Roads v. Education

Rec^d 3/8/44

Rec^d 28 August 1844

Secretary read 15th Sept^r

Minute by the Honble

W. Robinson, C.S.I.

dated 12th August 1844.

1844/97

Justice Minute

215

It would appear that my suggestion that this question should be referred for the decision of the Secretary of State may now be acted upon.

There are one or two points however upon which it seems necessary that I should shortly reply to the further representations of my Hon^ble Colleagues.

In regard to the statements

in my last Minute respecting the
Effect ~~unnecessary expenditure~~,
of the discussions in the Legislative
Council, I have only to refer
to the printed Report of the
Debates in ~~the~~ Council, which
appears to me fully to confirm
that statement.

The Hon^ble W^m Robinson objects
to my proposal that of the
£29,000, (or about that sum)
which is the amount of the
Provincial grant for Roads,

and which I propose should in
future be given to Elementary Education,
£30,000 is expended on the Imperial
Establishment for Public Works, by which,
(in a great measure) local roads
are made and maintained. And
his argument appears to be, that
the interests of Imperial (as distinct
from Local) Public Works will suffer
seriously by this reduction in the
Cost of the Imperial establishment.
I am unable to perceive any
validity in this argument.

One of the two following pro-
=positions must inevitably be true.
Either (1) this £20,000 allotted to
the Imperial Public Works Establish-
=ment for the work which it
performs for Local Fund Boards
is not more than sufficient
remuneration for that work, or
(2) if it can be shown to
be more than sufficient re-
=muneration for that purpose,
then, whether or not any proposal
is adopted, it ought to be, and

no doubt will, be reduced to the
extent of the excess. In either
case any proposition cannot possibly
be prejudicial to the progress
Imperial Public Works. It is evident
that Imperial Public Works cannot
suffer by a reduction of expenditure
which affects the Public Works Estab-
-lishment only in so far as it
is concerned, not with Imperial
but with Local Public Works.

In other words, Imperial Public
Works are interested in the

matter only on the supposition that the Imperial Public Works Establishment is paid for the execution of work which it does not execute. If that supposition is in accordance with fact, there is certainly a reason for addressing the Govt. of India in order that a remedy may be applied. But that reason will exist whether my proposition is acted upon or not, and is wholly irrespective of the decision which may be arrived at in the present question.

The Hon'ble Mr. Robinson remarks that Expenditure on New Works "will be arrested "altogether throughout the Presidency" if my proposal is adopted. It seems hardly necessary to say that no such result, or anything which approaches it, will follow from the adoption of my proposal. And in proof of this (if proof were required) I need only refer to my Hon'ble Colleague's own figures. Accepting those figures as accurate, it will be seen (as stated in para 4 of my Minute of 6 June last) that if the course which I

advocate is pursued at least £60,000 (which is the interest at 4½ per cent of nearly £1,400,000) will still be expended annually in this Presidency upon new Roads, in addition to £1,500,000 spent upon them since the year 1864, and to the heavy expenditure upon them which must have been incurred before that year.

I trust that the reference to the Secretary of State may now be allowed to proceed without further delay.

Robt Aug 5/79

Trans. 4th Augt 1874

Financial 1874 Despt

Minute by the Right
Honble the President,
dated 5th August 1874.—

No. 198.—

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Minute.

The question should be referred
to the Secy of State — as desired
by his Lordship — in the last
paragraph of the despatch. A printed Copy of the
Debates of the Legislative Council
at their its meetings of the 10th to 20th
July 1871. — so far as they relate
to the 2d Proviso of Sect 36 of the Act —
should accompany my last Minute

L. D. Shea

12 August 1874.

Prov. 24th Augt 1874. —

Financial 1874 Despth

Minute by the Honble
I. D. Fin & P. J.
dated 12th August 1874. —

No. 199

(B)

Statement shewing effect of proposed reduction of Government grants to one-third of total Expenditure. — 229

Receipts 1873	Total Expenditure. Rs. a p	Present Grant Rs a p	Reduced Grant Rs a p	Saving to Government Rs a p
Cable High School - College	4031 5 3	1,288 4 "		
Do — School	10,944 10 11	2,444 10 5		
Dovetow College - College	9,408 13 "	3,045 " "		
Do — School	17,946 6 1	5,563 3 9		
Free Church Institn - College	8,720 " "	3,540 " "		
Do — School	17,949 10 5	6,507 " "	5,983 3 6	523 12 6
Sullivan's Gardens - College	4,197 2 "	900 " "		
Tanjore High School - College	1,572 " "	786 " "		
Do — School	10,170 5 6	4,932 13 6	3390 1 10	1,542 11 8
St. Joseph's College, Depth - College	1,080 " "	360 " "		
Do — School	7,740 " "	2,640 " "	2,580 " "	60 " "
Coimbatore High School - College	97 " 3	44 8 "		
Do — School	9,365 14 10	4,324 10 7	3,121 15 7	1,182 11 "
				3309 3 2

Higher Class Schools

Vizagapatam - Hindu School	5,195 14 2	2,062 " "	1,731 15 4	
Do London Mission School -	4,134 4 4	1,380 " "	1378 " "	2 " "
Vizianagaram - High School	5,545 10 1	Not aided		
Cocanada - Hindu School	5,903 2 10	2,373 3 4	1,967 11 7	405 7 9
Ellore - C. M. S. School -	7,495 " "	2,688 " "	2,498 5 4	189 10 8
Nursapore - Central School -	3,350 " 4	2,160 " "	1116 10 9	1,043 5 3
Masulipatam - Hindu School -	4,394 12 5	1,630 11 5	1,464 14 9	165 12 8
Bellary - London Miss. S. Institn	6,175 15 2	1,042 10 5		
Nellore - Free Church Institn	9,009 12 1	3,696 6 9	3003 4 "	693 2 9
Madras - Bishop Carrie's S. School	12,795 3 1	4,434 " "	4,265 1 "	168 15 "
—"— Free Church School	5,482 3 11	1,223 5 5		
—"— Wesleyan School	8,947 14 10	3,250 4 "	2,982 10 3	267 9 9
—"— S. P. G. Tepary School	11,446 " 2	4,320 14 8	3,815 5 4	510 9 4
—"— C. M. Society's School	11,839 5 "	5,428 " 5	3,946 7 "	1,476 9 5
—"— Patchcappah High School	24,222 13 5	9,149 14 5	8,074 6 "	1,075 9 11
—"— Hindu Proprietary School	6,934 15 2	2,415 11 4	2,011 10 4	404 1 "
—"— St. Mary's R. C. Seminary	5,861 6 "	1312 " "		
—"— Church of Scotland Miss. Institn	19,157 " 5	5,732 8 "		
—"— Harris School	5,597 " "	552 " "		
		Carried over Rs		6,402 13 6

(A)

Return of Higher and Middle Class Mission Schools for the year ending 31st March 1873

Name of Institution		No. on Rolls	aver. attendance	Government Grant	Fees	Other Sources	Total Expenditure	Percentage to total Expenditure Gov. Grant	Fees
Free Church Institution College		73	64	3531 12 "	2425 2 "	8178 2 "	14135 " "	24.9	17.1
Do School	Black	697	636	6,447 4 "	9852 4 "	2391 12 2	18,691 4 2	34.4	52.7
London Mission Institution	Town	432	348	4460 13 4	4,541 14 "	834 2 9	10,198 3 1	43.7	44.6
Church of Scotland Institution		418	319	5394 " "	3665 7 "	6,468 " 10	14,527 7 10	37.1	25.2
Wesleyan Mission Institution	Royapettah	368	320	2924 " "	3,909 2 6	3601 4 11	10,434 4 11	28.	37.4
Gospel Propagation Society's School	Pepery	358	304	5379 13 3	3,696 10 "	3608 9 6	12,685 0 9	42.	29.
London Mission School	Bellary	304		2,089 " 9	3169 7 "	2502 9 3	7,916 1 "	26.	40.
London Mission School	Coimbatore	116	98	558 " "	4205 4 "	350 1 6	1,353 5 6	41.	33
Gospel Propagation Society's School	Ramnad	134	100	1410 7 9	964 14 "	2,318 13 1	4,694 2 10	30	20
Do Do	Tanjore	574	424	6039 8 "	2841 5 "	1,221 6 9	12,102 3 9	49	40.
								Average 37.5	33.5

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Church Missionary Society.

Madras. 20th April 1874.

My dear Mr. Carmichael,

In compliance with the wish conveyed to me by your predecessor Mr. Sudleston, I now forward for the consideration of Government the views of the Missionary body on the subject of the educational changes proposed in Mr. Powell's letter of the 17th September last.

While agreeing in the main to the principles on which those changes are based, we think he has been too hasty in drawing general conclusions from a few particular instances. We are also much surprised to see that in a letter dealing with the subject of Education" generally his proposals for reduction of expenditure, in the case of Higher class Schools at any rate, should have been confined to aided Schools only instead of

Low. Dept. of Eastern

the fee being sure to be followed by a corresponding diminution in the number of the Scholars.

With regard to the suggestion we have made that the grants to Higher Class and Collegiate Institutions shall in future be made in the lump, and proportioned to the total expenditure, instead of being given as now in augmentation of particular salaries, we are but proposing the extension to this Presidency of a practice which prevails we believe almost without exception in other parts of India, and which has been found to work well. It seems to us so simple and easy a mode of securing the end desired, that we trust it may be adopted. Of course care would have to be taken that the total expenditure in each School receiving aid from Government is restricted within proper limits, and fairly proportioned to the number of Scholars under instruction. I enclose a second Table (B) shewing approximately the effect of

of being made applicable to all classes of Schools alike. If the principle advocated by Mr Powell is a sound one, viz. that Higher Education may be made more self-supporting than at present, it must surely hold good no less for Schools directly connected with this Department than for those which receive only grants in aid.

With regard to the point on which Mr Powell lays so much stress, viz. that the fees in most well conducted Schools now approximate to a moiety of the total charges the enclosed table (A) will shew that this is very far from being the case in the Schools connected with us, whatever may be the case with others, the proportion being as nearly as possible 33 per cent or one-third. Mission Schools are as a rule resorted to by the less well-to-do classes of the community, and we are persuaded that it is not practicable at present to increase the income derived from fees, any increase in the

of such a change as we have proposed in the grants to existing Schools, the entire annual saving to Government being no less than Rs. 15,000 all of which would be available for the extension of primary education to say nothing of what might be obtained by a further application of the same principles to the Schools directly connected with Government.

I remain,
Yours very faithfully
J Barton
Secretary
Church Missionary Society.

The Hon^ble D. F. Carmichael
Off^g Chief Secretary to Govt
Fort St George

(R)

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No. 1922.

From

THE DIRECTOR OF PUBLIC INSTRUCTION,

To

THE CHIEF SECRETARY TO GOVERNMENT,

Fort Saint George.

Sir,

I have the honor to address you with reference to Government Order, Financial Department, No. 1024 of the 18th July last; and, in doing so, I venture to express an earnest hope that no sweeping changes of a nature to affect injuriously Higher and Middle class education will be carried out. Action of such a stamp would simply undo a great deal of the work of past years, and spread a strong feeling of dissatisfaction throughout the Presidency. At the same time, I am of opinion that some changes are called for in connexion with Higher and Middle class schools; and among the effects of the moves which I consider desirable will be the setting free of funds, a portion of which may be appropriated to the encouragement of Lower class education.

2. I think that funds may be set free in two ways, (1) by reducing the scale on which aid is given in salary and other ordinary grants, and (2) by remodelling Government Middle class schools.

3. The principle upon which the salary grant rules now in force are based is that Government should, in the most favorable cases, bear one half of the charges in aided schools; I believe the time has come for reducing the assistance given by Government from one-half to one-third.

4. It is a fact that in Higher class schools situated in favorable localities and well conducted, the sum realized in fees approximates to a moiety of the total charges; in several instances the fees and the Government grant together very nearly meet the total expenditure. A similar state of things exists in the more flourishing Middle class schools; and in three instances the Government grant and the fees combined actually exceed the total charges.

5. Originally grants were issued in the Madras Presidency only to the extent of one-third of the charges; but, as education was considered not to be advancing with sufficient rapidity, the proportion of aid was in 1864 raised from one-third to one-half. Now education has made a great advance; and English instruction requires to be rendered sounder rather than to be spread over a larger area. Indeed, in the case of certain portions of the Presidency, such instruction requires restriction not expansion. It will be seen from the Report on Public Instruction for 1872-73, lately submitted to Government, that several of the so called Middle class schools are really not required, that they are badly conducted and that the results they afford are very unsatisfactory. I fear that we are now giving a smattering of English instruction, nearly if not quite worthless, to a number of persons who should rest satisfied with a Vernacular education. The children of petty officials, and even those of peons, fishermen, begging brahmins, &c., are all rushing to English teaching schools.

6. Granting then that the proportion of aid may with propriety be reduced to one-third, which I believe to be the limit in Bengal, it remains to be decided when and in what manner the reduction should be made. If a very scrupulous view regarding vested rights were adopted, every teacher receiving a half salary grant should continue to draw it so long as he holds the post in connexion with which it was issued, and a reduction should be made only when a fresh teacher takes his place. I doubt, however, if this course is necessary; and it is evident it would postpone to a very distant date the change contemplated,

and prove of little or no use now in setting free funds. I think the change might be carried out, in the case of all fresh applications for grants, from the 1st April 1874, and in the case of teachers now receiving aid from the 1st April 1875. Under fresh applications I include, not merely those on behalf of new teachers, but such as are put forward for increased grants on account of teachers already in receipt of aid. The case of Europeans brought out to India on the strength of the present very liberal rules might be separately considered and disposed of under special orders from Government.

7. Government have already approved of the principle that teachers trained in well organized Normal schools and holding recognized certificates should have a preference over untrained men; and in my letter No. 358 of the 14th February last, still awaiting orders, I made recommendations as to the mode of carrying the wishes of Government into effect. But if the scale of grants is reduced, those recommendations will require to be modified. Perhaps the most satisfactory plan would be to restrict in general one-third salary grants to passed Normal students and to such teachers as are now in receipt of half salary grants, and to issue only one-fourth grants to others. Except in special cases, where it is clearly shewn that certificated teachers are not procurable, a master who has not passed the Teachers' Certificate examination should not get a grant at all.

8. Along with the above proposals, I suggest that grants for school contingencies, books of reference, and prizes be discontinued, and that grants for servants be allowed only in the case of Higher class schools. The aid given in the directions above specified is small, while in many instances it is difficult to make sure that it is properly used.

9. Beside the measures already noticed, I propose that Government Middle class schools should be remodelled. Many of the Taluq Schools are in an unsatisfactory condition; and it is difficult to defend on any approved principle the mode in which these schools are distributed over the Presidency. Originally it may have been intended that each Taluq should have a Government Middle class school; but such a scheme has not been, and could not be carried out. It may be fitting to leave one or two of the Taluq schools as they stand; but I think the rest should be either totally abolished or converted into improved Anglo-Vernacular schools. In putting forward this suggestion, I beg to observe that I am far from thinking the Taluq schools have been useless; I believe that, both as means of diffusing instruction, and as models for schools set on foot by the Native community, they have effected very considerable good. Now, however, I think they may be removed from our educational machinery, and a few Anglo-Vernacular schools established in their room. Generally one Anglo-Vernacular School should be given to each District; where a school of that grade already exists, a more highly paid and therefore more efficient staff should be provided; where there is no such school, a new one should be established. Each Collectorate would then, as a rule, have either a Government Zillah school or a private school of that standing, and a Government Anglo-Vernacular school working up to the standard of the IVth class of a Zillah school. It is doubtful if an Anglo-Vernacular school need be given to either the District of Chingleput or that of Tanjore; the former has the benefit of close proximity to Madras, and the latter is extremely well supplied with the means of education. I consider also that a school should not be set on foot in Tinnevelly, where Government have designedly left education to Missionary and local efforts.

10. The following statement shows roughly the sum which will be immediately available for aiding Lower class education, if the moves above suggested be approved; of course this sum will be considerably increased when the proposed reduction in salary grants takes effect. It is to be observed that, while the total Provincial assignment for education is only about 9 lakhs, the expenditure in 1872-73 amounted to nearly 8 lakhs, and that additional charges to the extent of about Rupees 80,000 will be thrown upon Provincial funds in 1874-75 in consequence of the entire cost of Deputy Inspectors and existing Normal schools having to be met from them. It seems clear therefore that no large sum will be available for Lower class instruction.

Provincial grant for Education			9,00,000 0 0
Expenditure in 1872-73	8,86,578 0 0		
Deduct school fees carried to the credit of Government	1,01,962 0 0		
	7,84,616 0 0		
Add additional charges on account of Deputy Inspectors and existing Normal schools ...	80,000 0 0		8,64,616 0 0
Amount available for additional expenditure according to above			35,384 0 0
Amount relieved by abolition of Taluq schools	41,000 0 0		
Portion taken up in improving and increasing the number of Anglo-Vernacular Schools...	32,000 0 0		
Amount available for additional expenditure			9,000 0 0
Total amount immediately available for additional expenditure			44,384 0 0

11. It is also to be remarked that confusion is likely to be introduced into the working of the Department, if aid to ordinary Lower class schools is to be given from both Provincial and Local funds; it is desirable that any Lower class expenditure which may be thrown upon Provincial funds should be of a well defined and distinct nature. In these circumstances, it may perhaps be held sufficient, for the present at least, if the charges for the new elementary Training schools, which will have to be established for Lower class teachers, are thrown on Provincial funds.

12. In carrying out the changes in Government Middle class schools, several teachers must necessarily suffer hardship; I trust that, if the proposals made in this letter are adopted, the utmost liberality possible will be shewn towards the teachers who may find themselves thrown out of employ.

13. In conclusion I have the honor to request that no specific orders may be given regarding the proposed changes in Government Middle class schools, but merely a general approval or disapproval of the plan expressed. Before preparing detailed arrangements, I consider it essential that I should have an opportunity of personally discussing the matter with the Inspectors of Schools. And, on receiving a general approval from Government, I would call up the Inspectors to a conference at Madras in January next. At present two of the permanent Inspectors are on leave, but those gentlemen will have returned by the close of the year.

Office of the Director of Public Instruction,
MADRAS, 17*th September* 1873.

I have the honor to be,
Sir,
Your most obedient Servant,

Director of Public Instruction.

Extracts from the Abstract of the Proceedings of the Council of the Governor of Fort St. George, assembled for the purpose of making Laws and Regulations, under the provisions of the Act of Parliament 24 and 25 Victoria, Cap. 67.

The Council met at the Council Chamber in Fort St. George, on Saturday the 18th day of February 1871.

On the 2nd proviso in Section 36 being read, the Hon'ble Mr. Ellis proposed to alter the words "two-thirds" to "one-half." The result would be to distribute the Local Funds into three portions ; the Tolls and half the land-cess would be applied to roads, the remaining half of the land-cess would be applied to sanitary purposes, and the house-tax to education.

The Hon'ble Mir Hoomayoon Jah Bahadur seconded the motion.

After some discussion it was resolved that the further consideration of this amendment should be postponed till the next Meeting of the Council.

The Council met again on Monday the 20th day of February 1871.

LOCAL FUNDS' BILL.

The consideration of the Local Funds' Bill was resumed.

The Hon'ble Mr. ELLIS moved the following amendment to the second proviso in Section 36 of the Bill as proposed to be amended by the Hon'ble Mr. Arbuthnot :

"Provided also that the net proceeds of all tolls and not less than one half of the rate or cess actually levied on the annual rent value of occupied land shall be applied to the first of the purposes specified in Section 25 of this Act."

He said, it seemed to him, on looking through the returns of the expenditure of cess on roads under the present Act, that it would be perfectly safe if the minimum amount to be expended under the present Bill upon roads were reduced to one half the cess levied upon land, instead of two-thirds as proposed; and that the adoption of his amendment would leave greater freedom to the Government in dealing with the fund, without running any risk that the primary object for which the cess was intended would be lost sight of. In some Districts they might, if they insisted that not less than two-thirds of the cess be expended upon roads, be tying up money which might be usefully employed ; for if they were unable to expend the amount upon roads, as might turn out to be the result in some cases, it would not be possible, under the proviso in the Section as it then stood, to apply the money for the promotion of other important objects which were also contemplated by the Bill. If the minimum were reduced to one-half, as he proposed, there need not be any apprehension that road-work would be starved. The Collectors were not usually backward in bringing to notice the requirements of their Districts in respect of roads ; the Government would be found to exercise a vigilant supervision in the allotment of funds ; and the fact that such questions would come on for discussion in this Council, all tended to show that it was only in those Districts in which funds might be legitimately applied to some of the other purposes specified in Section 25 of the Bill, that the minimum which he proposed would be adopted. His own opinion was, that the proviso might well be omitted from the Bill altogether ; but in deference to his Hon'ble friend Mr. Sim, he did not press this ; and he thought that the adoption of his amendment would not be inconsistent with Mr. Sim's views on this subject.

The Hon'ble GAJAPATHI RAU thought the amendment very necessary, otherwise there would probably not be funds sufficient to meet the other important objects of the Bill.

The Hon'ble Mr. SIM said, it was originally proposed that the minimum expenditure upon roads out of the fund to be raised from land should be one-half ; but at that time the Bill contained provisions for levying a tax on professions. That tax had since been abandoned. Further, it was now known that the amount which it was expected would be available from the State Treasury for expenditure on roads would be diminished to the extent of four or five lacs of Rupees. From the return of the receipts and expenditure under the Road Cess Act for 1868-69, it appeared that the unexpended balance was slightly over nine lacs. That sum looked large, but in the case of works carried on by the Government, as in the conduct of private business, it was well known that there must be floating balances, and the existence of such was no proof of the annual income being in excess of actual requirements. In some Districts there appeared to be

From
The Director of Public Instruction,
To
The Chief Secretary to Government,
Fort Saint George.

Dated 17th September 1873.
Received.

No. 1922.

No. 1701

Recommendations with reference to Government Order, No. 1024 dated 18th July last.

a large surplus, because the Engineers had not submitted plans and estimates of work in time. In the Madras District the surplus was only Rupees 1,521; North Arcot was minus 40,000 Rupees; Madura minus Rupees 80,000; and the Neilgherries were minus Rupees 40,000. Under these circumstances, he did not assent to the proposal to reduce the minimum expenditure upon roads to one-half. Such a measure would necessitate the immediate enhancement of the cess to a considerable extent in every District, or the road fund would be materially reduced below its present amount—inadequate as this was admitted to be in the preamble of the Bill.

The Hon'ble Mr. BROWN asked, where did the funds come from, which had been expended upon the Districts mentioned in excess of the amount raised by assessment?

The Hon'ble Mr. ARBUTHNOT said, it had been borrowed from, and was due to the Imperial Treasury.

The Hon'ble Mr. BROWN sympathised with Mr. Sim in regard to the object of the proviso, viz., that the chief purpose to which the funds should be applied should be that which was of most importance to the people who contributed them. But, under the circumstances, he was inclined to think that the choice of the Council would probably lie rather between the two-thirds' proviso and no proviso at all; leaving it to the judgment of the authorities to spend the sums actually necessary for roads, as, doubtless, in some Districts, nearly, if not altogether, the whole of the collections would have to be spent on roads, while in others a much smaller sum would suffice. Moreover as circumstances changed, the amounts might be raised. He was, therefore, in favor of the proviso being omitted. He expected to hear some reason as to why the proportion of two-thirds had been fixed upon. It seemed as if it had been taken rather at random than as the result of any careful consideration, and he presumed the intention was simply to secure the expenditure on roads of the chief portion of the collection.

HIS EXCELLENCY THE PRESIDENT did not contemplate that, in almost any case, less than two-thirds would be expended upon roads; but his objection was against fettering the judgment and discretion of the Government in exceptional cases.

The Hon'ble Mr. MACFADYEN said, if Mr. Ellis had gone the length of moving the omission of the proviso altogether, he would have supported him. He thought, now that they knew that annual budgets were to be laid before the Council, that it was unnecessary to provide for the various purposes to which the taxes were to be applied, although he held at first a different opinion on this question.

The Hon'ble Mr. ELLIS said, he did not think it necessary to impose any restriction upon the Government in the expenditure of the funds, but it might be a satisfaction to the public and the rate-payers to know that a large portion of the funds to be raised must be expended upon roads.

The Hon'ble V. RAMIENGAR thought that the proviso should not be altered.

The Hon'ble Mr. ARBUTHNOT wished to explain the reason which led him to propose two-thirds, instead of one-half, which was the proportion at first fixed upon. Under the Resolution of the Government of India, the Madras Government had to supply a deficit of 5½ lacs of Rupees in round numbers; and a further deficit would have to be provided for as he would have to explain on a future occasion, by reason of the proposed relief of the Municipalities from the Police contribution at present imposed upon them, which deficit would have to be met by reducing the grant hitherto made from the Imperial Revenues for roads. The grant of late years for roads was twelve lacs. That was the sum made over to the Madras Government under the Resolution of the Government of India, joined in the Resolution to another small grant for other purposes, which were termed purposes of public improvement. To meet the deficit to which he had alluded, a considerable hole would have to be made in that grant, and the consequence would be, that the construction and maintenance of roads, which would otherwise have been constructed and maintained from Imperial funds, would henceforth be thrown upon local funds. It was true that the proportion of two-thirds mentioned in the proviso was rather a random proposal, as had been remarked by Mr. Brown, because it was impossible to ascertain the exact proportion which would be required, but it was deemed safe to adopt the proportion of two-thirds. It was a point upon which the Members of the Executive Government had come to an agreement, and he felt bound to adhere to that agreement; but he admitted that there was much force in the argument that the new system of laying the annual budgets before the Legislative Council did make a very material difference; for he had no doubt that on every occasion of the renewal of the annual budget, the Government of the day, if they diminished the proportion of the fund expended for roads in any District, would feel it necessary to justify their action. There was, however, no serious objection in his opinion to the proviso as it stood at present, although it was just possible that in one or two Districts it might be attended with some inconvenience.

The Hon'ble Mr. MAYNE thought that, if in any one District it would not be necessary to expend two-thirds of the cess, that was a sufficient reason for adopting Mr. Ellis's proposal.

The Hon'ble Mr. MACFADYEN proposed and the Hon'ble Mr. BROWN seconded an amendment that the proviso be omitted altogether from the Bill. The amendment (in favour of which the Hon'ble Mr. ELLIS and the Hon'ble MIR HUMAYOON JAH BAHADUR voted, in addition to the Hon'ble Mover and Seconder) was declared lost.

The Hon'ble Mr. ELLIS' amendment, which was seconded by the Hon'ble MIR HUMAYOON JAH BAHADUR, was put to the Council, when the following Members voted in favor of the amendment:—

The Hon'ble R. S. Ellis, C. B.

The Hon'ble Mir Humayoon Jah Bahadur.

The Hon'ble G. N. Gajapathi Rau, and

The Hon'ble J. D. Mayne.

The amendment was declared by HIS EXCELLENCY THE PRESIDENT to be lost.

The section as proposed to be amended by the Hon'ble Mr. Arbuthnot, was then read and adopted by the Council.

(True Extracts.)

Acting Chief Secretary.

Extracts from the Abstract of the Proceedings of the Council of the Governor of Fort St. George, assembled for the purpose of making Laws and Regulations, under the provisions of the Act of Parliament 24 and 25 Victoria, Cap. 67.

The Council met at the Council Chamber in Fort St. George, on Saturday the 18th day of February 1871.

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The Hon'ble Mir Hoomayoon Jah Bahadur seconded the motion.

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The Hon'ble Mr. ELLIS moved the following amendment to the second proviso in Section 36 of the Bill as proposed to be amended by the Hon'ble Mr. Arbuthnot :

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He said, it seemed to him, on looking through the returns of the expenditure of cess on roads under the present Act, that it would be perfectly safe if the minimum amount to be expended under the present Bill upon roads were reduced to one half the cess levied upon land, instead of two-thirds as proposed; and that the adoption of his amendment would leave greater freedom to the Government in dealing with the fund, without running any risk that the primary object for which the cess was intended would be lost sight of. In some Districts they might, if they insisted that not less than two-thirds of the cess be expended upon roads, be tying up money which might be usefully employed ; for if they were unable to expend the amount upon roads, as might turn out to be the result in some cases, it would not be possible, under the proviso in the Section as it then stood, to apply the money for the promotion of other important objects which were also contemplated by the Bill. If the minimum were reduced to one-half, as he proposed, there need not be any apprehension that road-work would be starved. The Collectors were not usually backward in bringing to notice the requirements of their Districts in respect of roads ; the Government would be found to exercise a vigilant supervision in the allotment of funds ; and the fact that such questions would come on for discussion in this Council, all tended to show that it was only in those Districts in which funds might be legitimately applied to some of the other purposes specified in Section 25 of the Bill, that the minimum which he proposed would be adopted. His own opinion was, that the proviso might well be omitted from the Bill altogether ; but in deference to his Hon'ble friend Mr. Sim, he did not press this ; and he thought that the adoption of his amendment would not be inconsistent with Mr. Sim's views on this subject.

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The Hon'ble Mr. ARBUTHNOT said, it had been borrowed from, and was due to the Imperial Treasury.

The Hon'ble Mr. BROWN sympathised with Mr. Sim in regard to the object of the proviso, viz., that the chief purpose to which the funds should be applied should be that which was of most importance to the people who contributed them. But, under the circumstances, he was inclined to think that the choice of the Council would probably lie rather between the two-thirds' proviso and no proviso at all; leaving it to the judgment of the authorities to spend the sums actually necessary for roads, as, doubtless, in some Districts, nearly, if not altogether, the whole of the collections would have to be spent on roads, while in others a much smaller sum would suffice. Moreover as circumstances changed, the amounts might be raised. He was, therefore, in favor of the proviso being omitted. He expected to hear some reason as to why the proportion of two-thirds had been fixed upon. It seemed as if it had been taken rather at random than as the result of any careful consideration, and he presumed the intention was simply to secure the expenditure on roads of the chief portion of the collection.

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The Hon'ble Mr. ELLIS said, he did not think it necessary to impose any restriction upon the Government in the expenditure of the funds, but it might be a satisfaction to the public and the rate-payers to know that a large portion of the funds to be raised must be expended upon roads.

The Hon'ble V. RAMIENGAR thought that the proviso should not be altered.

The Hon'ble Mr. ARBUTHNOT wished to explain the reason which led him to propose two-thirds, instead of one-half, which was the proportion at first fixed upon. Under the Resolution of the Government of India, the Madras Government had to supply a deficit of 5½ lacs of Rupees in round numbers; and a further deficit would have to be provided for as he would have to explain on a future occasion, by reason of the proposed relief of the Municipalities from the Police contribution at present imposed upon them, which deficit would have to be met by reducing the grant hitherto made from the Imperial Revenues for roads. The grant of late years for roads was twelve lacs. That was the sum made over to the Madras Government under the Resolution of the Government of India, joined in the Resolution to another small grant for other purposes, which were termed purposes of public improvement. To meet the deficit to which he had alluded, a considerable hole would have to be made in that grant, and the consequence would be, that the construction and maintenance of roads, which would otherwise have been constructed and maintained from Imperial funds, would henceforth be thrown upon local funds. It was true that the proportion of two-thirds mentioned in the proviso was rather a random proposal, as had been remarked by Mr. Brown, because it was impossible to ascertain the exact proportion which would be required, but it was deemed safe to adopt the proportion of two-thirds. It was a point upon which the Members of the Executive Government had come to an agreement, and he felt bound to adhere to that agreement; but he admitted that there was much force in the argument that the new system of laying the annual budgets before the Legislative Council did make a very material difference; for he had no doubt that on every occasion of the renewal of the annual budget, the Government of the day, if they diminished the proportion of the fund expended for roads in any District, would feel it necessary to justify their action. There was, however, no serious objection in his opinion to the proviso as it stood at present, although it was just possible that in one or two Districts it might be attended with some inconvenience.

The Hon'ble Mr. MAYNE thought that, if in any one District it would not be necessary to expend two-thirds of the cess, that was a sufficient reason for adopting Mr. Ellis's proposal.

The Hon'ble Mr. MACFADYEN proposed and the Hon'ble Mr. BROWN seconded an amendment that the proviso be omitted altogether from the Bill. The amendment (in favour of which the Hon'ble Mr. ELLIS and the Hon'ble MIR HUMAYOON JAH BAHADUR voted, in addition to the Hon'ble Mover and Seconder) was declared lost.

The Hon'ble Mr. ELLIS' amendment, which was seconded by the Hon'ble MIR HUMAYOON JAH BAHADUR, was put to the Council, when the following Members voted in favor of the amendment:—

The Hon'ble R. S. Ellis, C. B.

The Hon'ble Mir Humayoon Jah Bahadur.

The Hon'ble G. N. Gajapathi Rau, and

The Hon'ble J. D. Mayne.

The amendment was declared by HIS EXCELLENCY THE PRESIDENT to be lost.

The section as proposed to be amended by the Hon'ble Mr. Arbuthnot, was then read and adopted by the Council.

(True Extracts.)

Acting Chief Secretary.

PROPOSED TRANSFER OF FUNDS FROM ROADS TO ELEMENTARY EDUCATION.

When my former Minutes on this subject were written, I was unaware of some additional facts which I might have adduced in favour of my proposal. During the discussions which took place in the Legislative Council upon the Local Funds Act of 1871, the proposition that two-thirds of the land-cess (an impost which produces about £320,000 annually, and is in fact the whole of Local Fund taxation) should be, by a provision in the Act itself, compulsorily allotted to roads,—was strenuously opposed. The proposition was indeed startling enough; and it would (there can be little doubt) have been negatived, had it not been for the consideration, strongly urged by its supporters, that owing to the insufficiency of the aggregate "Provincial Service Grant" which (under the new "Decentralization Order") had been assigned to this Presidency, it would be necessary in future greatly to reduce the grant by Government (of about £112,000) hitherto made for Roads, in order that the saving might be applied to other Provincial Services. This argument prevailed; and it was on this understanding, *i.e.*, that the Government grant for Roads should in future be greatly diminished,—that the proposal to apply two-thirds of the land-cess to Roads was carried in the Council. Accordingly, in each of the first two years after the passing of the Act only £92,500 was given by Government for Roads. It will thus be seen that the present grant of about £115,000 a year for that purpose is in direct conflict with the intention of the Legislative Council in passing the Act, and with the understanding upon which its members were induced to assent to the proposition respecting the land-cess. It will also be seen, that in opposing any considerable reduction for thepurpose of promoting Elementary Education of the amount now given by Government to Roads, my honorable Colleagues are acting in opposition to the intention of those by whom the Act was passed: the more so that the claim of Elementary Education, which was before extremely strong, has been further strengthened by the abolition (dictated by imperative political expediency) of the house-tax, which was imposed for the purposes of such education. It appears to me that in face of these circumstances, the maintenance at its present amount of the "Provincial Grant" for roads, rather than an application of part of it to elementary education, cannot possibly be defended. My own opinion, for which it seems to me that I have shown sufficient grounds, is, that the whole of that grant (admitting of course exceptions on due cause proved) is not more than ought to be given by Government to assist Elementary Education.

It would appear, however, that there is no possibility of an agreement between my honorable Colleagues and myself upon this question; and considering on the other hand the extreme importance which I attach to my proposal as affecting the future welfare of this Presidency, it is incumbent on me to neglect no legitimate means which may be at my disposal with a view to its adoption. I have therefore felt it my duty anxiously to consider whether the case was one in which I might properly avail myself of the powers conferred upon the head of the Government by the Act 33 Geo. III, c. 52, Section 47. I confess it appears to me that this question must be answered in the affirmative:—that the proposition which I have submitted is undoubtedly one "of high importance and essentially affecting the public interest and welfare;" and that, looking to the terms and intention of the enactment, I should be justified in acting upon my own opinion, and passing an Order or Resolution accordingly. And if it appeared that the choice lay exclusively between this course and acquiescence in the opinion of the majority upon the question, it is a course which I should not

hesitate to adopt. But, having regard more especially to the fact that the case is not one which requires immediate action, there is an alternative which I think preferable and which I have accordingly to propose to my honorable Colleagues. It is that the Minutes recorded by the Members of Government on this subject (with any papers necessary to explain them) should at once be submitted to the Secretary of State, for his early decision upon the question at issue. Should the result be unfavorable to my proposal, I shall at least have had the satisfaction of earnestly advocating a measure which I believe to be imperatively required in the interests of the people of this country. Should the decision be wholly or partially in my favour there will be time to prepare the Board of Revenue and the Local Fund Boards, before the submission of their Budgets for 1875-6, for the consequent changes in their estimates of expenditure.

25th June, 1874.

HOBART.

I readily acquiesce in the proposal of His Lordship that this question be referred to the Secretary of State. Indeed the subject is one of such importance that it would, in the ordinary course, have been reported to the Home Government.

As a Member of the Government which introduced and of the Legislative Council which passed the present Local Fund Act (No. IV of 1871, Madras) I am in a position to assure His Lordship that the proviso (Sec. 36) requiring two-thirds of the land-cess to be reserved for roads, was not carried or assented to on the understanding that the Imperial or Provincial grant for roads should be reduced by the Government and applied to some of the other purposes of the Act. It was indeed apprehended that the Provincial assignment for roads made by the Supreme Government would be (as indeed it proved,) less than the Imperial grants under the former system, and this was urged as one reason for increasing the cess; but I can confidently affirm that the Government had no intention of themselves making any reduction in the grant. It will be seen, by the marginal statement, that while in the preceding three years the Imperial Grant for Roads—exclusive of Establishment—averaged 17½ lacs, the Provincial assignment—also excluding Establishment—was only 8½ lacs.

Grant	1867-8	Rs.17,93,000	Exclusive of Establishment
„	1868-9	„ 19,73,200	
„	1869-70	„ 15,22,540	

Provincial Assignment Rs.11,42,000. *Inclusive* of Rs.3,00,000 for Establishment.
Vide G. O. 15th January 1872.

When the proviso was discussed in the Council, the Hon'ble Mr. Ellis proposed that the share of the cess assigned to Roads should be reduced from two-thirds to one-half. The whole Council were then* under the impression that the annual Budgets would be laid before the Legislative Council, for their consideration and sanction, in the form of annual appropriation Bills. The Hon'ble Mr. McFadyan, considering† that this was quite sufficient to ensure the due application of the proceeds of the Cess to the various objects contemplated by the Act, according to the requirements of the country, and their relative importance, proposed that the proviso should be omitted altogether. The motion was put to the Council and lost, six Members voting against and four for it. Mr. Ellis's motion, to reduce the limit from two-thirds to one-half, was then formally put to the Council and similarly rejected. Had there been any such understanding or compact as His Lordship supposes, there would have been no necessity for pressing these motions to a division, nor is it likely that the

* *Vide* Speeches of the Hon'ble A. J. Arbuthnot. Debate 17th February, 1871.
† *Vide* Speech in Debate, 17th February, 1871.

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Government, with a decided majority on its side, would have accepted a compromise, which more or less nullified its policy and neutralized its victory.*

In now laying the question before the Secretary of State, we should forward the Budget of 1874-5, in order that the position of the Road Fund may be clearly seen, and we should also draw especial attention to the fact that the question now at issue really involves the greater question—how funds are to be provided for the education of the masses.

The Road Fund Budget shows an expected income in 1874-5 of £448,260, thus composed:—

Opening Balance	£	42,349
Share of Land Cess	„	232,846
Additional Grant from Land Cess	„	6,147
Tolls	„	16,827
Provincial Grant	„	114,205
Special Funds	„	27,481
Miscellaneous	„	8,405
		£448,260

The Budget of Expenditure, on the other hand, aggregates £442,809, thus distributed:

New Works	£	115,923
Repairs	„	188,778
Establishment	„	92,080
Tools, &c.	„	3,200
Contributions	„	3,285
Reserve	„	39,543
		442,809
Unappropriated Balance	„	5,451
		Total £448,260

It is thus apparent that the Provincial Grant is practically all that is available for the further improvement of the country, and consequently that its withdrawal virtually entails the arrest of all progress. For reasons which I have already given I cannot regard £115,000 as an unduly large or liberal contribution by the State, considering how greatly it is interested in and how large a revenue it receives from the agricultural prosperity of the country,—of most of which it is co-proprietor,—and certainly I cannot admit that the wants of the country are yet sufficiently met in the matter of roads and canals, on which its prosperity mainly depends.

My second proposition, *viz.*, that the great question really involved in this discussion is how means are to be provided for elementary education, is, I think, self-evident. The Provincial assignment for education is £90,000, which by assuming charges for Inspection, Normal Schools, and Female Education, we have increased to at least as much as the Provincial assignment for roads. No saving worthy of mention is available for elementary education, or can be expected from this source, for middle class and special education need development, and will absorb all possible economies. Hence it follows that elementary education, owing to the abolition of the house-tax, must depend on its share of the Land Cess, and on fees. The first item may be taken at £60,000; no estimate can be formed of the latter, but we have abundant evidence that the

* *Vide* Debate 20th February, 1871.

people are gradually divesting themselves of the obligation of paying for the education of their children, and that we are drifting by degrees into a system of gratuitous or nearly gratuitous education. At a very moderate computation it will cost at least £400,000 to educate the masses, so that even if the whole Provincial grant of £115,000 be withdrawn from Roads and applied to Education, a very great deficiency of funds at no distant date is inevitable. The question therefore which we are *really* submitting to the Secretary of State is whether, as has been ordered on several occasions, by successive Secretaries of State, since 1859, popular Education is to be met by local taxation, and, if not, how the requisite funds are to be provided. This is the point really at issue.

I do not wish to say anything here on the question of the propriety or otherwise of the abolition of the House Tax. My minute on the subject sufficiently explains my views: but in justice to myself and the members of Lord Napier's Government who are responsible for the measure, I desire to point out that we guarded carefully against any abuse.

Section 36, Act IV of 1871.

The Law we enacted distinctly declares that the House Tax shall *not* be levied—except where a grant-in-aid school exists, *i.e.*, where a compensatory advantage is enjoyed or where the people desire to establish a school, or where the Government determine to establish one. A cautious exercise, or the non-exercise of the latter power would, I submit, have amply met every conceivable exigency, and I know that it was the intention of Lord Napier's Government to exercise the power with extreme moderation and caution. As matters stand the people of a village cannot tax themselves, however anxious they may be to do so, and the whole burden of Education falls on the Government.

30th July, 1874.

J. D. SIM.

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1. The papers must be referred for the consideration of the Secretary of State, as desired by His Lordship; but it seems to me that in several respects the matters at issue are not ripe for the decision by the Home Government. The question of the suitableness of such matters for the exercise of H. E. the Governor's prerogative, must of course be left to the Secretary of State.

2. The Honorable Mr. Sim has shown that the majority of the Legislative Council—which included also that of the Executive Government—provided very deliberately for increased appropriation to roads, from the additional land-cess imposed by the Act IV of 1871 (Madras), and that they did so without intention (on the part of the local Government) to withdraw the Imperial appropriation to this Service, which now forms that diminished Provincial assignment which is the subject of this discussion.

3. The increase of the local provision for roads was, to use the words of the Government, "certainly a primary object of the Bill." A "District Road Cess" had been levied, at the rate of six pies in the rupee of Land Revenue, since 1864, for the construction and repair of District Roads *only*—Imperial and Trunk lines being at the time the Bill was introduced provided for, as heretofore, by the Government of India by grants from General Revenues. The Hon'ble Mr. Arbuthnot stated, on behalf of the Government, that the "District Road Fund had been found already to be inadequate to the wants of the "country. * * * And before long," he added, "there will be "a necessity for an increase of Local Funds for the maintenance of the roads "already in existence" (Debate of 18th February 1870). "One object of the Bill," he stated, "is to provide additional Funds for the construction of cheap roads "which shall connect remote villages with district roads," and were urgently

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needed. The object of the Government, he stated, was not to diminish the amount available for Roads, "on the contrary, our hope is," he assured the Council, "that it will be considerably increased."

4. Thus, then, the necessity of increased support from local taxation was the avowed object and deliberate result of the legislation, as far as Roads were concerned. While the very suggestion that the withdrawal of Imperial Grants for Services to be further provided for by local taxation might follow, was resented on all sides in and out of Council.

5. It is true that the possibility of diminished—such was the actual result of the decentralization scheme as respects roads—appropriation by the Government of India for the maintenance of Imperial and Trunk Roads and other objects of the Bill, was suggested under the then existing financial embarrasments; and the apprehension of such a measure so seriously affected the prospects of the Bill at the time that it called forth Lord Napier's eloquent defence of the good faith and impartiality of the late Viceroy and his Council in regard to State contributions to the beneficial objects of increased local taxation under discussion.

N.B.—The absence of a guarantee in this respect, together with the increased Income Tax practically postponed the discussion of the Bill for a year; and it was only when this guarantee was given—in a modified and reduced form—by the financial decentralization measure, that the discussion of the Bill could be revived in 1871. (Vide the Hon'ble Mr. Arbuthnot's speech, February 1871.)

6. There can, I think, be no doubt that the Local Government had no intention to alienate *proprio motu* Imperial appropriations from their legitimate objects, and the sense of the Legislature on this score was sufficiently clearly manifested, notwithstanding the temporary confusion which arose, consequent on an erroneous expectation that an annual Appropriation Bill would transfer to the Legislative Council the power of controlling the appropriations from all sources to the various local Services.

N.B.—With reference to His Excellency's observation that diminished appropriations characterised the first two years, it may be observed that a diminished appropriation occurred during the first year of transition and uncertainty only, as follows:—

1871-72	Roads	6,30,000	
	Establishment ...	2,97,490	
			9,27,490
1872-73 As finally settled	Roads	8,26,000	
	Establishment ...	3,00,000	
			11,26,000
1873-74	... ...		11,58,000
1874-75	... ...		11,42,050

7. I have no doubt that the Legislative Council would still be found entirely adverse to the proposal under consideration, which, if accepted, will set aside actual and implied pledges and render the *unconsulted* Local Boards of the country powerless *ever* to fulfil their legal obligations, or to meet the vast requirements and serious shortcomings of this Presidency in respect to communications.

8. But I venture to submit that there are various important matters of a practical character, which must be settled between the local Government and the Government of India before the decision of the Home Authorities can reasonably be invited on the abstract and theoretical questions involved.

9. I have already pointed out that the withdrawal of the Provincial Grant to Public Works must cause most serious disorder in Imperial Public Works Establishments, and I conceive that it would be right to ascertain the views of the Government of India on so vital a matter of imperial administration and finance before inviting a decision from Home, which might cause the utmost embarrassment. For instance, the Provincial Grant to the Services in question has, during the last two years, been in round numbers 12,00,000 and consists of two items, viz., Rs.9,00,000 for Works, and Rs.3,00,000 for Public Works Establishment. The alienation of the Public Works

Provincial Grant to other purposes, will deprive the Imperial Public Works Establishment of say Rs.*2,40,000 to Rs.3,00,000 now employed on its maintenance—or about one-seventh of the whole charge and Establishment. Now as the gross charge for the Public Works Establishment as well as the sanctioned strength of the Department, are fixed and do not vary with expenditure, it becomes obvious that some very serious questions have to be considered between the Local and Supreme Governments, and their solution explained, before inviting a decision by the Secretary of State on the matter at issue.

* *N.B.*—Taking the Local Fund debit for D. P. W. Supervision at 25 per cent. (which it exceeds.)

I must remind my honourable Colleagues that papers actually before us show that in Malabar probably the whole or nearly the whole cost of the P.W.D. Establishment,—Imperial, Provincial and District,—falls on Local Funds; and that in various degrees similar conditions subsist elsewhere. I therefore earnestly desire that a matter which is Imperial in its bearings and consequences, may not be treated out of hand from a purely local stand-point.

10. I have carefully considered this feature of the question, and have consulted the two Chief Engineers, who are here at present, and I am satisfied that neither the charge nor the Establishment is susceptible of material reduction; so that if the transfer is to be insisted on, the Government of India must, I submit, be asked whether they will admit an increased charge to this extent on the Imperial Revenue, and their answer should be transmitted to the Secretary of State. For, without it, this reference cannot safely be disposed of by the Home Government.

N.B.—The official report of the Chief Engineers, and of the Board of Revenue, on the probable effect of His Excellency's proposal in this regard might be called for with advantage and safety, and submitted with the minutes. They have not been consulted.

11. Nor only so, if expenditure on new works is to be arrested altogether throughout the Presidency, and D. P. W. supervision confined to the expenditure of repair (raking in ruts and replacing material) mileages,—which will be sooner or later the inevitable consequence of His Excellency's proposals—the wholly unjustifiable debit of 25 to 29 per cent. on expenditure, against the District Funds for D. P. W. Supervision, can no longer be maintained. Its reduction again to 10* per cent must be effected. But here again the permanent establishment cannot be reduced, and the missing Rs.1,00,000 to 1,50,000 must be met by increased Imperial Grants. This clearly is another practical matter which requires discussion with the Government of India and solution, before a decision of the Secretary of State is sought on the subject in general.

* *N.B.*—In Ireland the charge is between 3 and 4 per cent.

12. But further, it appears from a recent communication that the Government of India are desirous to transfer the whole cost of the Imperial Public Works Establishment to Provincial and Local Funds as a first charge—Imperial and Loan works being debited with the cost of supervision, at a certain per-centage on the expenditure. If I am right in this conjecture, the suggestion —which has not even been discussed by the Local Government—clearly contemplates the maintaining this major head of Provincial assignment intact, at the disposal of *that* Government—if not increasing it; for it cannot be intended—it would probably not be legal—to transfer the whole cost of the Imperial Public Works Establishment—amounting to about Rs.21,00,000—to the District Road-Cess Fund, which would, I conceive be the only Fund that could survive under this head, were His Excellency's proposals sanctioned by the Secretary of the State. I submit that this matter must be settled with the Government of India before the intervention of the Secretary of State is solicited.

13. I have also searched the papers in vain for any clear determination of the Supreme Government to leave Local Governments full discretion to transfer major heads of Provincial Grants to Services other than those to which they

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assand assigned by the decentralization scheme, from time to time according to varying views and policy of different Governments. I forsee serious embarrassment, if this be done without reference to the views of the Government of India; and I conceive that it would be right to invite a clear exposition of their intentions before submitting this reference.

14. On these grounds, if on no other, I venture to think that a matter of such a serious financial and administrative moment cannot safely be referred for the decision of the Home Government without further investigation and fuller explanation. These practical difficulties cannot, I submit, be passed over in silence, or ignored without causing serious complications.

15. Again; as regards the practical consequences of the proposals, I submit that the accompanying statement shows that the annual District Road Fund Income —excluding Provincial Grant—amounts to about Rupees 24,00,000; of which about Rupees 16,00,000* are required for the maintenance of existing Roads alone—leaving about Rupees 8,00,000 (including Establishment, &c.) only, for the extension and completion of all communications —numerous Railway feeders, Salt Roads. District lines and cheap Country roads—now urgently needed throughout the Presidency, and already sanctioned by the Government, to the amount of about Rupees 42,20,000. It is further to be observed that the pittance so noticed is subject to gradual diminution as appropriations to maintenance are made, *and thus to early extinction* as a means of advancing the development of the country. It is therefore obvious that no change can be made in the existing system without the most disastrous consequences to the progress and material well-being of the country. It would, I submit, be well to call for the views of the Board of Revenue (as the general supervisors of the responsible Local Boards) as to whether and how the serious consequences may possibly be averted or mitigated. It may also be noticed that the execution of Roads has already suffered seriously by the recent withdrawal of appropriations from the General Fund—in 1873-74 in 23 out of 35 Circles—to the probable amount of Rupees 2,50,000 to Rupees 3,00,000 a year. The allotment to new works, in 1874-75, falls short by Rupees 1,80,000 of that of the previous year, in consequence no doubt to the disallowance of this appropriation.

* *N.B.*—Adding 25 per cent. for D. P. W. supervision, 1 per cent. for Tools and Plant, and 4 per cent. for Petty Establishment, = 29 per cent to the existing mileage assignment for the maintenance of completed Roads.

N.B.—It may be incidentally observed that if His Excellency's proposal be sanctioned—such important Districts as Malabar and Chingleput at the threshold of the capital—will be utterly unable to maintain even their existing communications.

	Road Fund.	*Cost of Maintenance.*
Chingleput.....	Rs. 66,413	* 1,50,000
Malabar.....	,, 1,42,347	* 2,26,000

* Round numbers are taken and the cost of supervision, &c., added.

16. I further submit that when inviting the decision of the Secretary of State on a matter involving consequences so serious, it were right to explain any general *principle and plans* for the diffusion of primary instruction amongst the masses, which the Government may have adopted, and in furtherance of which the sacrifices above noticed may be justified. For I venture to think that in the absence of certain and well-defined plans of action and finance, the disposal of larger funds may add to that confusion which I feel sure must arise under existing uncertain treatment of so large a question.

17. I fear that we have not adopted a clear line of policy in substitution of that which was suspended by the Order of March 1873. The important despatch of the Secretary of State of the 11th August, 1873, has simply been "recorded," unnoticed and unanswered—a course with which I submit that this reference is scarcely consistent; and I fear that the practical effect of present

action is not in accordance with the views enunciated by successive Secretaries of State in this behalf.

18. It is not the intention of Government to adopt a plan of gratuitous instruction of the rural masses; but such is the tendency of this movement, and more or less the result, I fear, of our present action in the distribution of the General Fund and of the balance of the Educational Grant, in respect to primary instruction. The unanimous testimony of those best acquainted with the working of things as they now are, is that parents are steadily withdrawing from the support of their children's teachers, and throwing the cost of their education more or less entirely on the State or general rate-payers; for the customary fees of masters are recovered with increasing uncertainty or not at all in schools of the lower orders, and youths fresh from school are starting temporary classes where they "coach" children as a means of livelihood (pure and simple) from local funds. The voluntary action of the people is paralysed; and the old voluntary rate schools are, I fear, sinking in efficiency and popular support, and are now becoming an exclusive charge on the State or on the general tax-payers: while individual Village Schools (of a too costly character) are increasingly becoming a charge on the General Fund of Local Boards, to the serious detriment of its proper object. No plan for improving local teachers is in hand; and I fear that we are rather bringing the children already under instruction at the cost of their parents, on the rate-payers and State, than really extending the field of instruction. Confusion characterizes the distribution of results grants elsewhere (Coimbatore and Tinnevelly); and on the whole our action is too uncertain and devoid of a clearly defined principle, to justify our assailing in its interest those Services of the country which are in every way beneficial and satisfactory. Then there is the utter inadequacy of the means to the end—an inadequacy which would not be met even by the sacrifice which the proposal under reference must involve.

19. On the whole I conscientiously believe that careful re-examination of the whole question has become incumbent on this Government, in consequence of the action taken in March, 1873, and ought to precede the reference to the Home Government which is proposed.

20. As regards His Excellency's remark, that the abolition of the House-tax was "dictated by imperative political expediency," I must venture respectfully to submit my conviction that the carefully debated and long deferred action of the Legislature in 1871, in the direction of the policy laid down by successive Secretaries of State,—viz., that the country must (and I will add, can well) pay for the education of its children, under a well-devised and cautiously administered system of compulsory contribution—involves no political danger or anxiety, such as necessarily called for the action taken in March 1873. The conditions of the country have undergone no change, except perhaps for the better, since that educational policy underwent full popular discussion in and out of the Legislature, and was favourably viewed by even the able Native Members of the Council. Re-actionary measures have perhaps made the postponement of any movement,—financial or legislative—in this direction inexpedient for the moment; but I entertain no doubt that time and deliberation will adjust matters in a reasonable and practical manner, without involving other important Services of the State in the uncertainty and insolvency which more or less affect for the present the question of popular primary education.

N.B.—I have always held that a serious mistake was made in not giving limited compulsory action to Act VI of 1863, instead of proceeding as in Act IV of 1871. But the discussion of the form which the requisite contribution and compulsion should take, does not belong to this place.

1st August, 1874.

W. ROBINSON.

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It would appear that my suggestion that this question should be referred for the decision of the Secretary of State may now be acted upon.

There are one or two points, however, on which it seems necessary that I should shortly reply to the further representations of my honorable Colleagues.

In regard to the statement in my last Minute respecting the effect of the discussions in the Legislative Council, I have only to refer to the printed report of the Debate in Council, which appears to me fully to confirm that statement.

The Hon'ble Mr. Robinson objects to my proposal, that of the £120,000, (or about that sum) which is the amount of the Provincial Grant for Roads, and which I propose should in future be given to elementary education, £30,000 is expended on the Imperial Establishment for Public Works, by which, in a great measure local roads are made and maintained. And his argument appears to be, that the interests of Imperial (as distinct from Local) Public Works will suffer seriously by this reduction in the cost of the Imperial Establishment. I am unable to perceive any validity in this argument. One of the two following propositions must inevitably be true. Either (1) this £30,000 allotted to the Imperial Public Works Establishment for the work which it performs for Local Fund Boards, is not more than sufficient remuneration for that work, or (2) if it can be shown to be more than sufficient remuneration for that work, then, whether or not my proposal is adopted, it ought to be, and no doubt will, be reduced to the extent of the excess. In either case my proposition cannot possibly be prejudicial to the progress of Imperial Public Works. It is evident that Imperial Public Works cannot suffer by a reduction of expenditure which affects the Public Works Establishment only in so far as it is concerned, not with Imperial, but with Local Public Works. In other words, Imperial Public Works are interested in the matter only on the supposition that the Imperial Public Works Establishment is paid for the execution of work which it does not execute. If that supposition is in accordance with fact, there is certainly a reason for addressing the Government of India. But that reason will exist whether my proposition is maintained or not, and is wholly irrespective of the decision which may be arrived at on the present question.

The Honorable Mr. Robinson remarks that expenditure on New Works "will be arrested altogether throughout the Presidency," if my proposal is adopted. It seems hardly necessary to say that no such result, or anything which approaches it, will follow from the adoption of my proposal: and in proof of this (if proof were required) I need only refer to my honorable Colleague's own figures. Accepting those figures as accurate, it will be seen, as stated in para. 4 of my Minute of 6th June last, that if the course which I advocate is pursued, at least £60,000) which is the interest at 4½ per cent. of nearly £1,400,000) will still be expended annually in this Presidency upon New Roads, in addition to £1,500,000 spent upon them since the year 1864, and to the heavy expenditure upon them which must have been incurred before that year.

I trust that the reference to the Secretary of State may now be allowed to proceed without further delay.

August 5, 1874.

HOBART.

The question should be referred to the Secretary of State, as desired by His Lordship, with the least possible delay. A printed copy of the Debates of the Legislative Council at its meetings of the 18th and 20th February, 1871, so far as they relate to the 2nd proviso of Sec. 36 of the Act, should accompany my last Minute.

12th August, 1874.

J. D. SIM.

26 Blank Sheets

Read in Meeting of Education 28th

Further Minute

First Broadsheet 28th August 1871

B No 187-

I have read with the
most careful attention the
Minutes of my Hon'ble Colleagues
reference
on this subject, in ~~reply~~
more especially to the proposal which
I submitted
I ~~made~~ with a view to
providing this Government
with the means of taking
some effectual step towards
the elementary education
of the people, - without
adding, (as it was pro-
posed to add by the
imposition of the house-tax)
intolerable ~~taxes~~,
to the burdens ~~imposed~~
inflicted upon the poor. And

in the first place it is
necessary to observe that
I am (as is evident
from the Minutes which
have been recorded)
directly at issue with
my Colleagues in regard
relative
to the importance of the
object which I have
in view. My
Honble Colleagues would
(as I infer)
consider that the abandonment
(which I need
hardly say I have not
proposed) of road-making (as distinct from road-repairing)
for the future would
be an evil of greater
magnitude than the
acquiescence in the

present mental condition
of the people. From this
proposition I must express
the most complete and
unqualified dissent.
I think, on the contrary,
that even if the measure
which I had proposed
would lead, in a
far greater degree
would really be the
than
case, to diminish Ex-
=penditure upon roads,
the evil would be
infinitely less than
than the continued
disregard by the
Government of the
absolute and deplorable

ignorance of the great majority of the population.

This last is an evil of such enormous magnitude that I confess it appears to be somewhat surprising that a proposition to diminish by at least one fourth the annual amount (no less than half a million sterling) which we are now spending on roads in this Presidency, and which it would appear intended to continue for an indefinite period of time, in favour of an expenditure

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enable us to which would make some serious inroad upon popular ignorance – should have been the subject of a moments' hesitation.

I proceed to reply in detail to the arguments of my Honble Colleagues.

It is in the first place urged that the Resolution of the Govt. of India by which a permanent aggregate grant was made to each Province as a provision for certain specified purposes does not admit of a

diversion from one of those purposes of funds devoted to another. It appears to me that the Resolution bears no such construction: and that on the contrary, one of its principal objects was to allow Local Governments full discretion in regard to the appropriation of the grant as between the different objects of expenditure for which it was assigned.

It is next contended that after allowing for maintenance and repairs, only about £175000 will be available annually for the purpose of making new roads as distinct from that of maintenance & repair — and that this is not sufficient. To this I reply that whether this sum really is or is not 'sufficient' — which means merely whether useful employment in the construction of new roads can or cannot be found for it — is not here the question. The question

Even were it shewn it is shewn that the objects might be completely met by an application for this purpose of the [illegible] of the measure

2938

there is – not whether new roads at a cost of £175000 annually can or cannot be made with advantage to the country: but Whether, – considering the vast Sums already lavished upon roads, – considering that the annual Expenditure on roads, when diminished, as I proposed, would continue for a time to which no limit is contemplated, and would amount at no very distant time to a formidable Sum, – Considering above all the vast and paramount importance of the object in view – the gradual dispersion of popular ignorance; – it is not desirable to devote for the future somewhat less than two-thirds of £175,000 to Elementary Education rather than to new roads. We have already in the last ten years only, spent £1,500,000 upon the construction of new roads – roads in addition to those previously existing in this Presidency; we are still spending about 175,000 the same object upon annually

future years to diminish this expenditure (which ~~will not~~ ~~be more than a~~ ~~approximation~~).

I submit that this is not a condition of affairs which warrants the determined resistance which has now been made to any moderate suggestion that, in future, expenditure on roads in this Presidency should not be more than three times as much as that on Elementary Education.

If my proposal is adopted an annual sum of £60,000 a year will be spent on the construction of new roads — which is the interest, at 4½ per cent, of £1,400,000.

with respect to a remark of my Hon'ble Colleague (Mr. Sim) I have to observe that I have not spoken of 'gratuitous' education as a necessary accompaniment of my proposal. I believe that in the 'Results grants' system we have the most powerful instrument for Elementary Education, but the question as to the best mode of applying the funds at our disposal is evidently distinct from the present question,

To the argument used by my Hon'ble Colleagues that the 12½ lacs was given by this Government not for local but for Trunk roads, I have already replied in the 6th para of my Minute of the 6th Nov. 1875: and I still appears to me to afford a complete answer to that objection. I confidently submit that there is no ground for the statement of my Hon'ble Colleague (Mr. Robertson) that this proposal involves any breach of faith with the Govt of India, the Local Boards, or the people. With respect to the Govt of India, I have already observed that any difficulty which may be felt as to the effect of the Financial Resolution of 1870 may be removed by obtaining its consent: but that I do not believe in the existence of any such difficulty.

As regards the Local Boards, while on the one hand we think the arrangement which I propose shall devote a certain portion of the proceeds of local taxation to trunk roads instead of to local roads: on the other hand we shall

be to precisely the same
extent conferring upon
them ~~that~~ the Mr. Jan
more than the equivalent
advantage of popular
instruction. The Local
Fund Boards of the
Presidency have shown
of late a very strong
interest in such
instruction; and I believe
there is not one of
them that would not
rejoice in a change
so full of advantage
to the people.

The objection however
— supposing it to be
valid — is merely formal.

and this being the
case, there would be
no difficulty at
all in obviating it.
For this purpose we
should only have to
consider the annual
grant of £120,000 as
still given for trunk
roads, and to instruct
the Local Fund Boards
that £120,000 of the
proceeds of local
taxation now applied
to local roads
should in future be
applied to Elementary
Education. The effect
would be precisely

the same as that of my proposal. The same sum would in each case be expended

(1) on local roads
(2) on Elementary Education
(3) on trunk roads

The difference would simply be that in the one case the two first objects — local roads and Elementary Education, — would be provided ~~for~~ by Local Funds, — ~~and~~ the third object — trunk roads, by Provincial Funds. In the other, the first and third objects —

trunk roads and local roads, — would be provided ~~for~~ by means of local Funds; ~~and~~ the second object, — Elementary Education — from Provincial Funds. I should have no objection to the adoption of the first of these alterations: but I submit that any advantage which it may have in point of form is more than counterbalanced by the greater convenience of the arrangement which

I propose.

The Hon'ble Mr. Robinson urges that the requisite funds for elementary education ought to be obtained, not in the manner which I have proposed, but by a renewed resort to local taxation. Upon this I have to observe that the abolition of the house-tax which was a tax imposed for this purpose three years ago, was cordially approved of by the Govt. of India, and received also the approval of the Secretary of State, qualified only by the observation referred to by my Hon'ble Colleague respecting local taxation. It is impossible to infer from that observation (as my Hon'ble Colleague appears to have inferred) that the Secy. of State desires to see, in the present circumstances of the people, additional local taxation imposed upon them for this or any other purpose

In respect to the abolition of the House Tax, both the Govt. of India and the Secy. of State must be considered to have adopted the views of this Govt. that local taxation ought not to be increased, but rather diminished, ~~in~~ during, and that it has tended of late to press unduly upon the agricultural population of the country. That this ~~mistaken~~ view is ~~mistaken~~ I have not myself any kind of doubt; and I shall resolutely oppose all increase of taxation even for such a purpose as ~~this~~ popular misconception. Failing this resource, there is no other of any considerable importance open to us except that which I have proposed.

I would earnestly press for a reconsideration of this question.

Ripon

June 6/74

No. 628.

OFFICE OF THE DIRECTOR OF
PUBLIC INSTRUCTION.
MADRAS, 15th April 1874

OFFICIAL MEMORANDUM.

Referring to Official memo dated the 14th April, from the Under Secretary to Government, Educational Department, the undersigned requests that he may be favoured with a copy of the memo of the 15th November regarding the expenditure on elementary education. There does not appear to be any record of the latter memo in the office of the undersigned.

S. B. Gould
Director of Public Instn.

To
The Hy. Under Secretary to Govt.
Educational Dept.

313

Sir,

I have the honor to forward herewith the Cost of Local Expenditure in 1872-73 (in Sterling) as follows:

	£
In Local Funds Circles.	369,440.
In Municipalities	50,697
	£. 420,137

I have the honor to be Sir, Your most obedient servant,

[illegible]

311

Education Despr

No. 149 1874

From

The Director of Public Instruction,

To

Dated 15th April 1874

Received 20. 10. 1874

Enclosures

Requesting to be favored with a copy of the Minutes of the 15th November regarding the expenditure on elementary education.

District	Municipalities	Expenditure on Education in 1872/73	Remark
	Adoni	890	
	Anantapore	725	
Bellary	Bellary	2,110	The figures in red ink show the
	Ghooty	756	estimated expenditure for the Munici-
	Coimbatore	1,834	palities concerned. the reports from
Coimbatore	Errode	90	them for 1872-73 being either not yet
Cuddapah	Cuddapah	248	received or sent in circulation among
	Berhampore	980	the members of Government:
Ganjam	Chicacole	1200	
	Cocanada	250	
Godavery	Ellore	1000	
	Rajahmundry	1350	
	Guntoor	1,352	
Kistna	Masulipatam	1700	
	Cumbum	876	
Kurnool	Kurnool	369	
Chingleput	Conjeveram	1,127	
	Dindigul	458	
Madura	Madura	2,022	
	Calicut	1,340	
	Cannanore	539	
Malabar	Cochin	1000	
	Palghaut	2560	
	Tellicherry	2090	
	Coonoor	270	
Nilgherry Hills	Cotacamund	402	
Nellore	Nellore	2,465	
	Tellore	1488	
North Arcot	Wallajahpett	760	
Salem	Salem	2408	
South Arcot	Cuddalore	691	
South Canara	Mangalore	1488	
	Combaconum	2000	
	Mayaveram	318	
	Mannarguedi	1351	
Tanjore	Negapatam	1556	
	Tanjore	2448	
	Palamcottah	1083	
Tinnevelly	Tinnevelly	790	
	Tuticorin	13	
	Srirungum	"	
Trichinopoly	Trichinopoly	770	
	Bimlipatam	641	
	Palcondah	491	
Vizagapatam	Vizagapatam	1762	
	Vizianagaram	636	
		50697	

10-11-73

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Director of Public Instruction. d/ 16 Oct. 1873. No 212

Order thereon:

The above letter and its accompaniments show that the whole expenditure, public and private, on Education in the Madras Presidency in 1872-3 was about 21 lacs of Rs, distributed in the following proportions

		Percentage.
Direction		1·93
Inspection		9·15
Colleges	General (above Matriculation standard)	4·98
Do	Medical	·05
Do	Civil Engineering	·19
Schools	Higher Class	20·91
Do	Middle	24·71
Do	Primary	25·57
Do	Medical	1·84
Do	Civil Engineering	1·58
Do	Industrial	1·37
Do	Ordnance Artificers	·17
Do	Normal	4·48

The calculation as regards the Medical College is vitiated by the fact that the salaries of the Professors are consolidated for their College & ordinary Medical duties, so that the cost cannot be stated.

2. The Director institutes certain comparisons with Bengal tending to show the expenditure on Superintendence in about the same proportion in both. That on Colleges Bengal spends about 3 times the proportion that Madras does – that on Higher and Middle Class Education the proportion is about equal; but that on Primary instruction including Female Education, the proportion of expenditure in Madras is more than twice what it is in Bengal.

3. In both cases it is to be remembered that in both Higher and Middle Class Schools Elementary Classes are included; so that the proportion of expenditure on Primary instruction should be increased about 11 per cent on this account, making the total for Madras about 36 per cent against about 17 per cent for Bengal.

4. In Bengal 4 per cent of the total expenditure is devoted to Scholarships, while in Madras only .22 per cent is so allotted.

5 The Director remarks on the contrast between the Imperial Grant for Education in Bengal and Madras, being upwards of 18 lacs to the former and about 7½ lacs to the latter.

It is, however, to be remembered that in area and population Bengal is about twice the extent of Madras.

Cuy.

Note In regard to the State Expenditure on Elementary Educn. in 72/3. it must be borne in mind that the whole charge for Grants in aid had been treated as Local Funds. It should appear in this Statement as Estates

6. Copy of these Proceedings will be forwarded to the Secretary of State for his information.

7. The Govt. are much obliged to the Director for his letter.

Draw to Work

Govt. of 187 } Memorandum.

To

Dated
Recd. } 187 , No.

Nos.

(11)

Sent to Director of Public Instruction — 15/4/73
Remembrance sent 15/4/73

Case

Comm. to be

This order remains not to have been issued, being delayed for want of information from the Director

Ltr
1st. Feb. 76

C 20.10 R 28-10-73

B N°184 - Fiche 3238

The attention of the Hon^{ble} Colonial Sec^{ry} it will be remembered, I recently drew attention / considered it necessary to ascertain whether any funds now applied to "higher" education could be diverted to "elementary" education. and the letter of the 18 July last, the Director of Public Instruction was requested to submit how far this object could be attained. His reply is contained in his letter of the 17 Sept last.

Mr Powell's opinion on

entitled to great respect. He has been connected with the Educational Dept. for 32 years. having been a Professor & Principal of the High School & College for 21 years. - and Director of Public Instruction - or the head of the Dept - for 11 years. He has preceded his report by deprecating "sweeping changes of a nature to abolish in principle Higher & Middle Class Education". He adds that "a system of such a standing could

hardly undo a great deal of the evil
work of last year, and shared a
strong feeling of distrust pervaded
the Province. I spoke to every
one to whom I could in both sections -
I am convinced that the result
of the measures would be disastrous,
to the cause of Education and
most distasteful to the intelligent
& influential classes of the Province
Community - My own opinion is
that our predecessors acted wisely -
in the condition of the country & with
the limited means at their com-
mand. in first taking up the Edu-

cation of the more intelligent classes.
I do not think the debate before
Parliament ought to educate the masses
should have been attended with
any thing like equal success. I
fear to express the latter opinion.
~~I do not think that it is necessary~~
~~that this opinion should be~~
and I should indeed be glad
to think that at present education had
made such progress that we could
now devote all our means to its
fulfilment. But experience has
shown, as I think, that the feeling
actually existed in the last under

if the circumstances.

As to finish the Session.

I should calculate that £4500
may be held immediately available
for lower class instruction - but
of the sum, £3500 is merely the
unexpended portion of the Budget
grant of £90.000. for 1872/3 - and
practically is no reduction at
all. ~~I cannot~~

I would consider that
'Salary grant" may now be reduced
from 1/2 to 1/3. of the Teachers salary. He

States that in several Higher
& Middle class schools the fees do
not amount to a moiety of the total
school charges - in these the fees & the
grant may nearly cover the entire
expenses - and in these in stances
they exceed the latter - Of course in
cases like the last - and indeed
wherever the fees can be sufficiently
raised without unduly restricting
attendance, the aid afforded by
the State should be reduced - for
we have no funds to throw away -
Mr Powell also says that several

of the so called "Middle class" schools
are really not so paid and their
results are unsatisfactory - In
such cases I do not understand
how a reduction of the salary of
parents will affect any improvement - indeed, I should
expect the contrary would
be the consequent reduction
in the quality of the "teaching
power" - If the object be to combat
the closing of the school or of particular
classes in it, the it could be attained
I should suppose, more directly either.
by: without universally reducing

the scale of grants. Whether, as Mr Macaulay seems to think, the time has arrived when we should seek to curb the marvellous desire evinced by our people to acquire a knowledge of English - however superficial, is an open question. It is much the fashion to decry both the desire & the knowledge acquired. For my self I agree with the Hon'ble Member that the word vernacular should be jealously guarded - and that at this desire to

[illegible] advantage of should
write be freely turned to account,
and not stifled. Otherwise I dare

3/ I say the Indian cry "knowledge
of English is not so very much
more beneficial or less useful than is the
knowledge of Native Literature."
Granted in an absolute sense, but must
boys. But very great reason for
attaching very high estimate en-
-couragement to the acquisition
of English is that the literature
accessible to us natives of
-wledge of English is very unequally
of an enlightening & liberalizing

- moralising character. Politically too I think, it is an object of great importance to induce our native subjects to acquire a knowledge of our language - nothing will knit them more closely to us - or make them permanent more faithful - The education of the masses must of course be given through the medium of their vernaculars, but I would not disturb the order of those who are now in course to instruct in English. The desire for a sounder education will undoubtedly increase and extend, and manifest itself in that which may be remedied in the best way by drawing the great attraction of our schools.

As to the time I would of carrying out any reduction in salary grants I strongly advise scrupulous avoidance of any thing like breach of faith, either in the schools or with the masters. "Pledges & bonds or unbelief" and &c.

= pectations fairly entertained should be honorably fulfilled.

With the like reservation I appeal to the Public that higher grants should be given for trained & certificated Masters than for others. A man who has studied & mastered his profession is fully entitled to this advantage. Mr Powell's bare words go much beyond this - and before advising them, we should be informed whether our Normal Schools have produced a sufficient number of Teachers to enable us now to reduce the grants to them to

4 the extent proposed. without to
services by retarding & Education.
Under any circumstances I
should not anticipate much
saving of money - the result I
am sure will be merely to
induce all, who have by any
do so, to pass the test to earn
the certificate, with the
higher salary attached to it.
The advantage to Education
by the substitution of trained
for untrained agency will be very

opinion. It is most desirable that in a matter of such importance the Pat. should have the per[illegible] of the Officers concerned. All experience in Educational matters. The knowledge that Pat. have of suggestions even proved Mr. Parelli [illegible] cannot only be embarrassing & hamper restrain freedom of discussion.

Mr. Parelli does not allude in his report to Expenditure on individuals, which virtually only

he very [illegible] the Pat. may
take extended thus encouragement
to the study of the Art of Education.

The letter wants for contingencies,
brings to allended in town & often
Parelli letter should be discontinued

As regards the changes here.
- Asked in Galway & Middle
Class schools it will be prudent
I think to give the Vice Pres. Power
to [illegible] he desires
of [illegible] & cancelling his
Inspectors before the Pat. Commit
the candidates to any Expenditure of

conducte with Exch other or with Existing pub. institutions. I have always thought that some reduction of Expenditure could be effected in regard to rival institutions of this character.

On the whole the Results sent confirm the opinion I Expressed in my Minute of the 24th March last - that though economies can be effected in several details, no material amount can be realized

5/ available for elementary education for many years to come. What is saved in one direction will have to be expended in another - and indeed the very spread of elementary instruction will be a primary cause to create a greater demand and necessity for higher Education. When we have taught the people to read & to write they

we may be sure that
they will seek education
in the Public accelerative
of the term. English has hardly any
place in our scheme of elementary
education. Yet in the election in
it will certainly be very heavily
declined. In "Special" instruction
also much remains to be done -
on Medical College, for instance,
does little more than scratch the
army requirements - Normal
schools for teachers are needed in

perfect numbers - Inspection
will necessarily entail greater
Expenditure as schools become more
numerous - and then in various
ways. I think we should find
that the amount ultimately
available for primary education
will be but small. Nor is this
much to be wondered at - The
entire Imperial Grant for Educational
purposes is but £900,000 - for a
population of 30 millions scattered
over 140,000 square miles - Even of
this Scotland already touches amounts.

about 12/- is absorbed by Director & Inspectors - The actual Expenditure £ 4157. Expenditure from Imperial Funds in 1872/3 - 10.599. 14.756

University ——— 1.663 Loan on Shares in Grant by Inspectors

General Instruction viz

Colleges	7.393	
Higher Schools	17.466.	
Middle class.	16.506.	
Primary Do	689.	
Miscellaneous	312	42.366

Special Instruction.

Colleges	— 548.	
Schools	— 9481.	
Normal school	6589	16.618
		75.396

NB. The Gross Expenditure (excluding Building grants paid from invested funds) was £88660 - of which £13260 was recovered by fees &c.

Inspectors Report that "owing to most Middle & Higher class schools having a large Inspection of their scholars in elementary classes, as in considerable portion of the Expenditure in such schools really belongs to Primary Instruction" and he estimates that these items fairly debitable to the latter is at least ⅓ of the whole. Even with this allowance the Expenditure is small - but on the other hand the Expenditure

Dr Pub. Ins: 16 Oct 73. N° 2121.

343 30

on the higher branches of
Education is not, I think,
so fortunate as their relations
in Scotland are. My own conviction is,
as I have already said, that the
policy avowed by our predecessors
of first dealing with the more intelligent classes has done for them
for the cause of Education that
the opposite policy would have
accomplished - but this is a
point on which diversity of opinion
may exist.

The principal direction of
the Imperial grant for Books and
Communications from that Board to

Elementary Education is, then,
in my opinion to the great detriment
of the first class it misdirects and
in practice to the principle that
underlies the whole scheme of
Provincial administration - they
that by stimulating a number of Depart-
ments (Jails - Police - Education -
Roads &c) more than to us
in to the grants of Public Revenue obtained otherwise
less an average decrement of
about 7 per cent. The inevitable
result was to make that in the

these assignments [illegible] Department should be maintained in full Efficiency & integrity. To appropriate the grant for Education before these are complete Cannot be to Education is rel. Version of the system - and dangerous in the Extreme - for if one fact can be this, and the other may be the like - Police may be sacrificed to fill - & fill to Police - and important Departments in which Efficiency & administration should [illegible] be sacrificed

7/ ment owing to the varying views of successive [illegible] as to their relative importance. It has been an constant complaint that the assignment for Roads was quite inadequate to the needs of the country - and the Income Tax while partially [illegible] borne without [illegible] to fall, it is not required at all - and that we have just abolishing it to Education

already endowed by them with
its own assignment. In the case
where the above principles will
certainly be regarded by the
Public as a breach of faith & will
create much dissatisfaction - The
Original Road Case Act of 1861
drew a distinction between Im-
perial & District Communications.
the former were to be made &
maintained by the Govt. out of
Imperial taxation - as they were
& always had been - the Colonies were

thrown on the public entirely ~~3/4~~ for the
first time - A reference to the order
of Govt will show how carefully the
measure was considered & the Mi-
nisters of the State & the Public weighed
before the Provincial Legislature was
introduced the distinction between
Imperial & Local Roads was ma-
terial & necessary & in consequence
it was abandoned in the understanding
on the understanding that the
Govt would continue to fulfil
its obligation by "Loans" grants to
the Local Funds & Boards. Even
then the change was regarded with

a Libre ken Lin. and it was feared that the sale increase in the rate of the Land Cess - / necessary in order to provide funds for Elementary Education, Sanitation &c / was probably made to admit of the abolition of the long standing Imperial grant. I do not think the bubba will appreciate the argument that the money is to be contributed to be devoted - the next in a different way - to their benefit. Next to works of irrigation - roads the best esteem roads the worst - and Education bears the least to

8/ of the advantages our rule confers on them and I trust them by adding in the satisfaction the highest of the former for the advancement of the latter. Lastly I contribute that the same available for the communications, is really made grants to the wants of the Country and that the contributions of £120.000 from the Imperial Treasury - for such the Provincial Assignment really is - does not fairly be brought the Obligations of the State - on Co-partnership of the

soil. and in virtue of the Landed Interests. I think it must be admitted that when a pct takes so large a share of the produce of the soil in the form of a Direct Land Tax as we do. it ought in equity to contribute largely to the construction & maintenance of Communications on which its receipts so materially depend. The revised assessment are based on the principle of the pct taking half the net produce of the land. so that the interest of the State is equal to that of the pr.

proprietor. But the Land Rental - that is four millions sterling annually - is not the only way in which pct are interested in communications. The Salt revenue depends very materially on them - it does not it is true entirely on them - it depends also on the steady enjoyment that we have been able to give the Customs Tax to its present rate - & the Excise revenue is also materially influenced by the condition of the roads. Military & Postal & other interests must also be taken into consideration. But I do not consider circumstances I do cannot admit

9/

of the Provincial or Imperial
Plant of £115.815. The
total expenditure of the year
is estimated at £ 418.587
leaving £ 57.097 - as a balance
of which contingencies - which
on Lands is partly attributable
by the character of the Season -
an unfavorable season the

Omit that the Pol. Plant is
Excessive. That this Plant and
the Land Cess combined are really
less than the burden described.
ment of the Revenue of the country
a pairs does not, I think, admit
of a Doubt. It must be remembered
that owing to the heavy charge on
account of the Public Works Es-
tablishment, maintained even
more for Imperial than in Local
interests, every 100 £ of Land money
to be spent but £ 75. actually available
for work. The Budget of the current
year fixes the total Estimated Receipts
of the Year as £ 464.684. including

Counting relinquishments of land & possible diminishing the case. - The entire sum set apart for new works throughout the Presidency is £133.980. & therefore the Provincial Grant be little drawn, there will be no funds for the better pur-
-pose - and the Ryots will be arrested. At present, even on part Trunk line are unfinished. The village & minor communications are only being commenced & the Irrigation Canals on both coasts. So

quite impossible in the compass of a minute to enter into details. Lately an August last the Govt. G.O. 21 Sept 73. Fin: Dept. No 1183. p. 87 admitted that it would require more than ~~Twenty~~ three times the amount annually available to complete the new works actually in hand. in 1871/2 - leaving out of consideration all new works ~~sanctioned~~ sanctioned but not then commenced - all works commenced but temporarily held in abeyance - all contingencies & concomitant enhancement

of Estimates - and it should
have been added, all those
new works which the increasing
prosperity of the country will
necessitate. It seems to me
important, in the face of those
facts and admissions, to ensure
that the Provincial Grant

I cannot conceive in the
this Estimate that Expenditure
on Roads cannot be as well regu
lated as Expenditure on Educa
tion - We have exactly the same

35-9/38

of agency in both cases the
latter means of ascertaining
the necessity for a select than
the necessity for a road - Our
Municipal Commissioners &
Local Funds Boards are yearly
increasing in intelligence &
independence and in a few
years they will have most to
value as adjuncts to the
Pt. - Their local knowledge
& self interest will be more an
effectual safeguard against profuse
Estimates or unnecessary Expenditure in

any Dept. On the Question whether Roads or Elementary Education are most important & entitled to Grants - for both things Either Roads can be advanced either ways & persons differ widely. My own opinion is that in the present condition of the great Body of the people the advancement of their Material Prosperity is most important & will most speedily evince a desire for mental improvement. We are not

however driven to a choice between the two -

In the meantime I think I am of opinion that we can not appropriate the assignment for Roads to any other purpose.

The question now arises when funds can be provided for "elementary" education - Under the Local Funds Act 1/3d of the Land Tax is specially reserved for Education and certain Grants to Institutions, such as Sanitation &c. The

11

income from this source in the
Current year has been estimated
at £ 113.940. of which about a
Ninety has been devoted to other purposes
than Education - The other Ninety
or about £ 56. 000. is then available
for elementary Education - and has
to have a sum equal to that al-
ready spent in Instruction from
Provincial Funds. Another source
of Income - which can only be
very slightly increased - consists in the fees
which will, I presume, be charged.
I observe that this Lordship speaks

of a Working Primary & Ele-
mentary Education Pecuni-
-arily. But I am not certain
whether his Lordship means that
even school fees shall not be levied
or merely that there shall be no
the Grant to be no further Grant
to Taxation Specially for Edu-
-cational Purposes. The Home
Rule Parliament repeatedly declared
that Public Education is a
proper subject for local taxa-
-tion - and it seems to me
financially an impossibility
to withhold the Power of Taxation

education - In some form
or other the payment must be
required - and, as the Grade
Tax has been established, we must,
in my judgment, have recourse to
a school tax. to supplement its
means - But even if the Graded
Free Education were financially
feasible, its expediency is questionable.
There is hardly a village in the
Country which has not its village
school, substantially by the villagers - the
principle of parent bearing for

the education of their children -
thus recognised - it is, I think,
a sound principle - and I
shall be sorry to see it weakened.
Situated as we are, our policy
should be to supplement - Grade
I am sure private exertion -
but to take it - at all
events a radical change in
the principles of our Educa-
tional system by steam is beyond
our competency and requires
the sanction of the Government

pt. - and certainly the Education of the children of a Population of 30 millions involves financial Obligations of a magnitude that we should not lightly assume. Moreover if we undertake this liability, the other pts in India can hardly be disclaim the like Obligation.

But our pecuniarily limited as the funds now at our disposal

~~Attempts~~ Steps to ~~many~~ this be and valuable experience acquired. made. ~~Whatever~~

12/

We have recently devised the scheme of all changes connected with Direction & Inspection - We have also assumed the charge of Female Education and of Normal schools for elementary Teachers. I would be the same in the a much needed subject. the encouragement of a vernacular literature

at present we are teaching
the people to read and
pity them scarcely any thing to
read but school books. Their
own literature is, to a great ex-
tent of an uninstructive, un-
-edifying character. No pastor
stimulus to laborious exertion
can be afforded them than to
render it an acquirement es-
sential which something instructive, use-
-ful & pleasing results. The time
has come when a really lay literature

course of action should be adopted
and the example, in the further
arrangements, need not be large-
If this be true, the only ex-
-pedient falling on the public mind
is that of actual instruction,
in which the many relative advan-
-tages which the new system of
education has been roughly esti-
-mated at half a million sterling
annually. Considerably more than
half on Provincial assignment-
it is believed. Whether or not

by any economy or diversion
of funds from other purposes, we
can educate the masses without
further taxation in some parts.

What we can do is a
beginning in the two Provinces we
have. The last Census shows
that there are 45,000 Town & Village
in the Presidency - we can with
funds from the 1/3rd Land Cess
will only allow 12½ Rs annually
for each! We must therefore com-
mence on a very small scale
and limit our operations for

13/

the present to the larger Towns
& Villages. - In such a course is
open to the objection of having
inspiriting the many
hope for the advantage of the
few - but this cannot be
helped - whenever all things
cannot be done simultaneously - some things must
necessarily take precedence
of others - The inhabitants of the

larger villages will usually
be found more advanced
and more anxious for the
education of their children, than
the inhabitants of smaller
villages. Indeed, if it may
be postulated whether or no beyonds
the great heads of the rural labourer
there is that "hungering & thirsting"
after improved education that
he imagine - i.e. have that effect.
- then does not lead to some tangible
result such as an embodiment in
the Public Service. [illegible]

[illegible]
[illegible]
[illegible]

standard and being unfitted
heed to the instruction of
the many whose intellectual
capacity renders it unlikely
that they will pass the Exami-
nation. The school then becomes
a kind of scholastic hot-bed
for forcing a few - and does not
fulfil to the community the
burden duties of a school insti-
tuted out of general taxation.
Children are also withdrawn
in the examination - and the

for burdensome & contrary
to school interest in the longer
run school is difficult & burden-
some it is already restricted the ten-
dency of the system to lead to
the discontinuance of school fees,
thus throwing almost the cost of
Elementary education on the
State. And there is reason to believe
in some instances to be deducted
school discipline is at a low

The
eld. One fee at difficulty
however lies in the 2d Liddle
in creating exhibits of the Mus-
ture. The Educational Reports
of 1872/3 shows that the Results
Grants rose from £7,945 in
1871/2 & £11,866 in
1872/3 - at this rate the whole
funds will soon be absorbed.
A third mode of action would
be to limit our taken to giving Gra
couraging the Existing finial Teacher

of the country to increase their value
by granting certificates of qualifi-
cation after the prescribed training
& Examination - and attach
ing a number at the head of
such certificates, so long as the
holder continues a Public Teacher.
Same mode of this kind
would exercise an excellent
effect on the character of
elementary education but
its results would be slow of
Estb. I would give it the preference.
I repeat my Lord that

I can suggest nothing better -
I am painfully conscious
of the utter inadequacy of
what I propose - but it is
impossible to devise a "scheme"
of education or indeed do
any thing else - when the
funds are wanting - The 1/3d
Land Cess - so fulminated
under Act IV of 1871 by a House
Tax on the establishment of
each School - might have
permitted the elaboration of

15] a "scheme" - but in the the
abolition of that Tax the
tax has become an impossibility
so far as I can see - the
way I think, I manage as I
have said for a year or two
with what we have - but
then the difficulty
the Question like have to
be met - and taxation either
in accordance of Act IV of
1871 - or of Act VI of 1865 will, a

I believe, be an inevitable necessity.
If however such measures
be absolutely rejected, I
must record my conviction that
the limited means at their
disposal of put into the more
advantageously spent in extending
Middle & Lower Class education
than in endeavouring in the inade-
quate funds to teach the masses
to read, write & cypher - as if
that were their end. instead
of the means - and as if they

were absolutely destitute of all
means of Education. however humble.
which certainly is not the case
at present. I find it difficult to realise a system of
National Education in this
country which makes the elementary education of the masses
the sole or at least the main object
of the gift. It is. I am aware, said
that they can have the higher
education - if they choose to pay
for it - but this is just what they

cannot do - for the education
is of two kinds, instinct as it is
not indigenous - while Elementary
being clearly is evil in their means
We are in effect, giving them
what they can afford to buy & in
reality do buy - while we withhold
from them what they yet cannot
afford buy - but which alone
really enlightens - improves &
advances them.

J. D. Lewis

No 184-

Pros. 24 Aug. 1874

Financial 1874 Despe

Minute by the Hon'ble
J. D. Sim, C. S. I.
dated 13th April 1874. –

No. 184.

C 1

Pros. 24 Aug. 1874

No. 185 – 27 April 74

Despatch of the Secretary of
State for India of 14th August 1873.
Letter from the Director of
Public Instruction of 17th September
1873 & No. 1922.
His Excellency the Governor's
Minute of 6th November 1873.

The Hon'ble Writers do – entertain

The virtual Suspension
of the Law for the advancement
of Elementary Education amongst
the rural masses and the
abrogation of the policy of the
Legislature and of the late
Government in this behalf,
by G. O. dated 28th March 1873 –
have in a great measure left
the people and the Government
practically without means
to fulfil this newly recognized
popular

popular obligation and without
any distinct policy or programme
of Law or Government – admini-
-strative or financial – in respect
to this large undertaking.

On the change of policy
being intimated to him, dated 20th
May 1875, the Secretary of State
realized these consequences
of the action of this Government,
and has made his approval
of the abandonment of the
House-tax to depend on whether
"other means less open to objection
"can be found for attaining the
"end for which the tax was imposed"
And he takes the opportunity
again to affirm that policy which
was laid down so far back as
1859 by the first Secretary of State
for India (now Earl Derby) and
has since guided our adminis-
-tration and legislation, in the
following words – "I regard the
principle of local taxes for the
purposes

"purposes of Education as in itself
"a sound one when carefully
"and cautiously applied". It
is only necessary to refer to
Mr. Arbuthnot's speech* in the
late Legislative Council of
20 years' endeavours to do without
Special taxation – in favor
of "a liberal System of Grants-in-aid
"coupled with measures for the
"improvement of the indigenous Schools"
to show the soundness of the
decision of the successive Secretaries
of State "that the only effective
"means of providing the requisite
"funds for Establishing a sound
"System of Elementary Education
"throughout the country consisted
"in a Compulsory Education rate"

The object of the legislature
and of the late Government was
gradually to establish Village-Schools
– it is unnecessary to notice the
so-called Union System – in all
important Villages and to meet
their cost by a house-rate levied
on the residents of the Villages or
townships

* Vide his Speech bringing in the Local Boards Bill 4th Feby. 1870.

township. At the same time a portion — say one-sixth — of the General Land-Cess of the Circle (of one anna per rupee of assessment) was made available for the General purposes of popular Education — Normal Schools, Inspection, General Administration &c &c — and Sanitation — say in Equal in proportions of one-sixth to Each to these objects respectively.

The legal Self-supported Village-School System is under suspension. G.O. 25th March 1873. and no well-defined programme for the advancement of popular Elementary Education has been substituted by the Government or Legislature in its place; while the only remains of the financial provision made by Law in that behalf which is not suspended is that share of the General local land-Cess, in which Education

divides with Sanitation — a fragment which obviously must prove inadequate for the end in view and one which perhaps cannot legally be applied to the maintenance or aid of individual Schools.

It is unnecessary at this stage to notice the Provincial Grant to Education in General. This fund had been on the main wisely and thriftily assigned before that Law was passed, which is specially designed to supplement State Efforts and advance the special purposes of Elementary Education of the masses in an adequate and Special manner.

N.B. I think that the Law requires a modification in some respects, but it is sound in principle

The one-third of the Land-Cess is a very moderate sum for the important purposes to which it belongs and — like the road-cess — it is almost absolutely inelastic — being a percentage on the stationary land-revenue demand.

Sh

It may be taken in pounds
(numbers at about Rs: 11,00,000
for the whole Presidency - and
when Equally distributed between
the two important objects - Education
and Sanitation - to which it
belongs by Law; from 5½ to 6 lakhs
only are available for the general
and auxiliary purposes of
popular Elementary Education,
and to these purposes only, I
submit, this fund is in the
main properly and Equitably
applicable under the Law which
provides otherwise for the
maintenance of individual
schools and other direct aid
to primary Education. I have
little doubt that when an
adequate system of popular
Education of the masses is
inaugurated, this one-Sixth
share of the land-Cess will
but moderately suffice for
these general purposes. It is
obvious that there is nothing
here

here wherewith to inaugurate
a system of Rational Elementary
Education or which offers a
hope of "attaining the end for
"which the (Hawal) tax was imposed"
as directed by the Secretary of
State.

The letter of the Director
of Public Instruction dated
17th September and His Excellency's
Minute dated 6th November 873
have for their object the diversion
of, I fear, wholly inadequate means
from Imperial grants to other
poorly-found services - Higher
and Middle Class Education
and Roads and Communications -
to the devoted of this Elementary
Education. I will notice Each
proposal further on. In the
meantime I venture to submit
that the first step towards
any successful and Continued
fulfilment of a task stones
so great, Enduring and increasing
as a System of Rational Education
of the masses, must be the
substitution of some distinct
and

and adequate policy of the Legislature and Government in this behalf, for that which has been set aside. We may then decide as to how the plan may be carried out - or even gradually approached - financially. The result of thus facing the problem before Government must soon satisfy ourselves that even were it possible to divert otherwise usefully applied funds, it would prove futile for the object in view to disturb in various small ways the successful arrangement of the past and existing dispositions.

The Census returns afford the means of roughly calculating the magnitude of the task of inaugurating a moderate but expansive System of popular Education of the rural masses of the Presidency. For the present I will eliminate all Town population living within legally constituted

constituted Municipalities from the Calculation. The rural population of the 20 Provinces of the Presidency are distributed amongst 53,000 Villages (in round numbers) with an average population per Village of say 560 - of a School-going-age say 80 - persons, and the total rural population is 29 3/4 millions - giving in round numbers 4 1/2 millions of Children of a School-going-age

I will apply these facts first to the Village School System - that which in the main has been adopted by the Legislature and the late Government and to which the Law applies. This System is unquestionably the one which is in accordance with the Social Condition of rural family life in this Country - and therefore that through which alone we can effectually reach the nurseries of the Agricultural Community. It is a System which under thrifty management may

may be made the most moderate in cost and most far reaching, and it has a healthy Municipal ring about it, which is capable of useful development.

There can be no doubt that there must Eventually be one or more Village Schools in Every Village of importance, for the average population of a School-going age in Each is - as above shewn - large. At the lowest Calculation there are 25000 to 30,000 Villages into which it should be the aim of Government progressively to introduce Efficient Elementary instruction as soon as it can be conveniently effected. The Estimated Cost of a good Village School according to the numerous Budgets, which have been recently submitted, runs, on an average from say Rs: 150 to 500 a year. Taken however, at say from Rs: 100 to 150 per School only, it is clear that from 25 to 35 lakhs of Rupees - irrespective of General charges for Normal Schools, Inspection &c - be met from General local taxation - must at the lowest figures be sooner or later raised for the maintenance of Even this limited number of Cheap Village Schools alone.

It does not matter at this stage to discuss the proper and varied sources of Village income from which the support of Village Schools should be derived, nor the means or local agency through which it should be collected - nor need we argue whether the System of Salary grants or Combined Salary and Result grants or some other system is should be adopted for their maintenance. The fact is that a sum, probably in excess of what I estimate above, will sooner or later be needed in some form or other for the support of even a moderate System of popular

popular instruction by Village Schools or in fact by any other system. And I submit that it is sufficiently obvious that this sum cannot be obtained — and I hold ought not to be so obtained — either from the Fisc or by further Provincial grants, or by a system of crippling transfers from other Services, or from General Local Funds provided by Law for purposes common to all taxpayers.

I confess that I can see no alternative but that which successive Secretaries of State, the long experience of the past, and the Legislature have recognized viz — a popular Educational rate of the character now legalized by Law.

It may not be out of place incidentally to notice that the obligation of parents

— and not of the State or Communal purse — to support the Village School or individual Elementary Schools of any kind has ever been an acknowledged Condition of Indian Social and Village life. There are no traces of State grants or Endowments for popular Education amongst rural masses. The Village School master-clerk as his privileges and claims on parents have ever been acknowledged and liberally met — has never shared the Village (Mauyam) rent-free lands or been a partaker in the (Gramakurch) joint Contributions of the Village Community for Communal purposes. There is therefore nothing new in this Country in the sound principle of requiring the people to pay for the Education of their Children

And

and this obligation has been properly maintained by the Legislature and Government up to this time in respect to primary Education of the masses and I hold should be firmly persisted in. For there is in fact nothing more opposed to sound Administration as well as to the spirit of the popular policy of the Country than the transfer of those obligations to the general public or local tax-payers; and I believe that any measure or concession by the Government which tends directly or indirectly to alter the ancient Conditions of Indian Society in this respect or introduce grass=-gratuitous aid will inevitably lead to mischievous embarrass=ment and popular hopes

of immunity from taxation for Educational purposes, which the Secretary of State deprecates and which cannot possibly be met. I entertain anxious fears that things may be drifting into these grooves.

That a System of Village Schools supported by the Villagers within their reach under a compulsory rate under a compulsory rate may and does work effectively - and not unpopularly - in this Presidency is proved by the facts of the numerous Village Schools of the Ryatwaree Districts established between 1853 and 1858 and I believe likewise by the Condition of Mallabundy School System of the North-West Provinces. Indeed the main object of the Educational Sections of the Local Fund Act is to give Compulsory Character to the legislation of 1863 enacted to

N.B. Practically the Ryatwaree Village School-rate was Compulsory, while the Joint Fiscal System Continued

to maintain and Extend the Village School-System of Rajahmundry on a voluntary basis throughout the Presidency and that policy is well worthy of being firmly maintained

I submit that some early decision on this point is urgently called for. The Village School System naturally commends itself to the judgment of the Local Fund Boards of some Districts, as it has done to the legislature on successive occasions and to the late and prior Governments But losing sight of the fact that the Law is in suspension under G.O. 18th March 1875 as respects both ways and means and the principle of self-supporting management these bodies are submitting from various Districts proposals to expend the auxiliary Local Land-Cess rate

N.B. A serious error was, I think, committed in confining the sources of income in the latter to the House-tax only and altering the Municipal character of the Constitution and management, which characterised the Act of 1865.

role, which is collected over the whole District for General purposes on thinly-spread, but very costly Village Schools in a few - in some cases not one in a hundred - favored Villages of each Circle. The proposals, I submit, are obviously inequitable and wrong in principle as they are futile as a project for the diffusion of popular Education with fair Equality throughout the rural population of any District. I personally hold that Government cannot legally permit the diversion of General local taxation to these Special purposes - e.g. the maintenance or aid of Village or other individual Schools and the like - from which the Law otherwise Specially provides - to the detriment of Common rights & interests of the whole rate payers.

The facts of the Census may, I submit, be usefully applied

applied in anothes way to show that it is hopeless to grapple with this vast problem otherwise than as desired by successive Secretaries of State and provided for on more than one occasion by the legislature. There are as above shewn some 4¼ million of children of a school going age amongst the rural populations of 29¾ millions alone – the Town population of about 1½ million comprises upwards of 200,000 children of a school going age besides, who maybe left for the moment to their respectable Municipal Commissioners. – Suppose then, for the sake of argument that 4 millions only be taken as the rural population of a school going age, and that for the present all girls and one-half of all the boys be left out of the calculation, as not likely at present to avail themselves of Educational opportunities, I hold that it should be our aim to endeavour gradually to distribute primary instruction fairly and widely amongst at least one million of children of the agricultural districts. The average cost per boy in lower Government Schools (vide Report of 1872-73 p. 144) is apparently Rs: 7-5 a year and in lower private Schools Rs: 4. I have not been able to gather the average cost under the results grant System, but I have reason to believe that it falls little – if anything – short of the lower figure. Be this as it may, I submit that these facts clearly show that a much larger sum is required for even this partial extension of popular Education than can possibly be raised in any other way than by well-devised measures of local taxation such as contemplated by the Secretary of State & Legislature

Dost

N.B. Of those some 4¾ to 5 millions of Children of a School going age. Some 192000 only were on the rolls of the Department in 1872-73.

N.B. The matter of Primary Education in Towns is in a scarcely less confused and uncertain State at the moment than that of rural population

But here too it is indispensable that some Systematic plan of administration and finance must be laid down by the Legislature and Government in substitution of the Village System &c. of the late Government and Existing Law, if these are to be permanently set aside. This is still wanting and is probably not possible under Existing Conditions.

I must admit that I entertain – as above stated – serious doubts whether – as the Law now stands – any important part of the Civil Local Fund, which is available for general purposes connected with Elementary Education – viz the one-sixth of the General Land-Cess or say 5½ to 6 Lakhs can be legally devoted to the direct

maintenance

maintenance of Village Schools or payment of salary or results grants in behalf of primary Education and the like at least until its more legitimate and general objects are adequately met. This fund is provided by Law for such general purposes as administration, local Inspection, Normal Schools for the instruction of Elementary teachers and the like in the interests of all rate-payers while Schools are otherwise and adequately provided for. And if the popular Education of the masses is to be effectively taken in hand, as was intended by the late Government and the Legislature, the moderate provision thus made by Law for general purposes will probably not more than meet these charges.

Administration & inspection

on

on a large and Effective Scale are Costly and many Normal Schools are needed Everywhere for the instruction of Village and Pial-School teachers, and no doubt will prove Costly.—
The Government Normal Schools — 9 in number — Cost about Rs: 65,000 or Rs: 7,052 Each, giving an average cost of Rs: 65 a year for Each Student on the rolls in 1872-73 (Vide Report P. 144).
Private Normal Schools — 8 in number — Cost Rs: 42,600 or about Rs: 5,310 Each and R545 for Each Student on the rolls.
It will no doubt be eventually found necessary to have more or less one thoroughly Efficient Normal School in Each Local Fund Circle (probably in this respect the Towns would make Common Cause with Rural Districts) at

N.B. The Estimate for the revised Nursapur Normal School is between Rs: 3000 and 3500 a year

-at a cost of 1¼ to 1½ Lakhs of Rupees, for Pupils Salaries are high— I believe that the institution of Normal Schools is the mainspring of a large System of Rational Education in any Country. In this Country Especially So, when outside regular Normal Schools the Science of teaching is unknown. But this matter is unregulated as yet and Local Fund Budgets are being passed, which Contain no provisions in this respect, but are designed to divert General funds to Special Schools.

On the whole I conceive that the only reply that can be made to the Despatch of the Secretary of State under date 4th August is that the Government has not for the present Substituted any defined policy — financial

or

or administrative – for that of the Legislature and of the late Government – and now under suspension

In the meantime I would submit that the Despatch of the Secretary of State be referred to the Board of Revenue, to the Director of Public Instruction, and to selected Presidents of Local Fund Boards to advise as to the substitution of any other form of local rate for the House-tax. The Law may, I think, require revision and modification – in the direction of the repealed Act VII of 1863 – as regards more varied sources of income, local management and greater precision as to supervision and direction. This the Experience of the past will make Easy of Elaboration. But I am satisfied that the great question as will also others under the Local Fund Act cannot be dealt with Equitably or harmoniously without legislative regulation such as exists or (if this be unsatisfactory) may be devised

As regards proposals to divert funds from other heads of administration, the Director of Public Instruction prefaces his letter dated 17th September with an earnest deprecation of any sweeping change of policy of the Government in respect to Higher and Middle Class Education, with which I most cordially concur. I Submit that the invaluable results

N.B. The Union arrangement should on no account be abandoned – wherever the Village System prevails – as suited to the social condition of the rural masses

results of the wise policy of the past in respect to Higher Education are but inadequately stated in Para 45 of Colonel Macdonald's remarkable Administration Report of 1871-72, and that it were suicidal to check or discourage in any way whatever — in the country unfortunately who is not foreus is against us — the advancement & consolidation of Higher Education and its Extension in directions not yet taken up. It seems to me that measures for the improvement — not measures which may possibly lead to the depression of the Higher Education — are those which are urgently required at the present stage of intellectual development amongst the Educated and intelligent classes of this country in order to remove those shortcomings which partially justify the hostile criticisms to which the Educated orders are now exposed. Indeed the cordial acceptance of any popular measure of primary instruction and the useful diffusion of middle class Education as well as the creation of an indispensable literature depend on the steady encouragement and advancement of the intellectual development of the higher classes. I believe that Higher Education is not as a rule fully self-supporting in any country and it cannot be made so in this, but it is remarkable how much is done with the small State aid afforded (5 per cent of

of the Provincial Grant to Education. Vide Director of Public Instruction's letter dated 16th October) in the Presidency. I would therefore on the whole Earnestly deprecate any measure or policy which should threaten with discouragement higher Educational Efforts - whether in Voluntary or Government institutions -

Middle Class Education is precisely that which is most popular with, and most widely courted by, the intelligent Middle Classes, who are our chief tax and rate payers - whether for Imperial or Local objects. It is a remarkable fact that Act VI of 1865 which was devised to enable the

to Voluntary Extension of Village or primary Education was almost Exclusively availed of to establish Central Middle Class Schools - by a most wholesome and steadily progressive Voluntary movement which retained a Salutary check by the repeal of that useful Enactment. I would most Earnestly deprecate any retrogressive, depressing or degrading Step in respect of this important branch of National Education. For I am satisfied that any System of National Education, which does not provide - as one of its most important objects - effectively for the Education of the Middle Classes - which does not in fact carry the children of the well-to-do orders beyond

beyond these rudiments of instruction which suffice for the peasants' or laborers' child is most seriously defective. I would preserve & utilize more efficiently the moderate assign= =ment from Provincial funds to this object — about 15 per cent — and I think that it would be well worth while to consider whether the wholesome action which was raising up a number of Voluntary Middle class Schools under Act VI of 1863 might not be restored by the revival of that useful Enactment in some form or other — a fairly adequate provision for the present would probably be made by the Establishment — under aided Voluntary move= =ment — of one or more thoroughly Efficient Middle class Schools in

in Every Local Fund Circle. But Eventually probably Each Taluq should have one — a Taluq Comprises on the average 350 Villages and nearly 200,000 rural inhabitants.

I deprecate strongly the General change proposed by Mr Powell in para 3 of the letter under consideration in without for more full and accurate information from various sources interested in aided Education than is now before Government. A revival of the unsatisfactory Condition, which subsisted prior to 1864 seems to be threatened. I consider Mr Powell's recommendations, which practically direct all retrenchment and the dis= =Couragement consequent thereon in the main against aided and Voluntary Schools (the very class of

of institutions which deserve most Encouragement and development at the hands of Government) both unpolitic and unfair. The principle on which Salary Grant rules are now adjusted is on the whole sound and right and not over-liberal. The rules cause Satisfaction and afford sufficient Encouragement to Voluntary Effort. The isolated Cases pointed to by Mr Powell as indicating the advisability of change are, I believe, wholly Exceptional and Easily Explained by Special Circumstances, & while the result of a fair Study of Averages leads to precisely the opposite Conclusion So far as I can make out Fees do not Cover much more than one-tenth of the Cost

Cost of Government Schools, while they Cover from one-fourth to one-third of that of aided Schools and it has been Satisfactorily Shown that the Effect of Raising the fees two years ago was generally unfavorable to attendance throughout the Presidency. On the whole I believe that the General change proposed would produce a very depressing uncertainty amongst the Agents of aided Schools throughout the Country, and, if it do not absolutely Violate pledges, would cause a serious fear, degrading Check on the Establishment and maintenance of Voluntary Schools more especially for the Middle Classes. I would therefore take no immediate Action in accordance with Paras 8 to 9 of the Director of Public

Public Instruction's letter,
but would call for or await
the submission of the views of
some of the Managers of the
principal aided Schools
in Madras, which I believe
to be in course of preparation
before moving in this matter.
Mr Powell might be told that
he may deal with the exceptional
cases he alludes to, but not
go further in this direction until
the matter has been more fully
discussed.

I have no objection to
remodelling Middle Class
Schools in the direction of
that improvement of which
they are susceptible without
increased State Expenditure,
but in this direction alone.
But I admit that I should
not expect much retrenchment
from
the improvement — not
degradation — of this most
important class of Schools.
I would therefore call on the
Director of Public Instruction
to submit a plan for placing
these institutions on a thorough
Efficient footing. I think that
it is little creditable to the
Educational Department to
find that several old &
Voluntary rate-Schools have
declined since the change
into lower class Schools.

I entirely agree on political
as well as Educational grounds
with what has fallen from
Mr Linn on the subject of the
Study of the English language
in aided Schools in this
Country. The Experience of
all Governments, who rule
over numerous races speaking
different

different languages is against
Mr. Powell's narrow Confirmation
of the Study of his own language;
and I can conceive no more
short-sighted policy than
its repression at the hands of
Government. English is the
medium of all Higher Education
and its Study should form
an important part of the
Curriculum of all Middle
Class Schools as Earnestly
desired by the people.

I agree with Mr. Powell
as to the Confusion which is
likely to arise if aid to
lower class schools is to be
"given from both Provincial
and Local Funds" in a
promiscuous manner. The
Legislature has provided
for the popular Elementary
instruction

and I cannot
see how it can be Efficiently
dealt with except by letting
the law – or some modification
of it – take its course. I
Consider as above stated
that Elementary training Schools
for lower class teachers should
be met from the adequate Grant
Local Funds under the Act
i.e. from one-Sixth Land-Cess
rather than from Provincial
Funds.

On the whole I do not
see that any useful Line for
the important and costly End
in Views can be diverted
from other Educational Services.

His Lordship's proposal
(Minute dated 6th November 1873)
is to withdraw the Imperial
Grants for the maintenance
of Trunk Roads & Communications

&c

So that primary Education may be provided for (so far as 12 lakhs will go) gratuitously.

It is desirable to analyse the ways and means which are thus brought under discussion and their application. I have therefore abstracted the main features of the Local Budget of income and Expenditure for 1872-73 & 1873-74 under the head "Communications" as shewn in the margin. The pressing wants of the Country have apparently led in Each year to a larger Budget of Expenditure than the Estimated income of the Year

Communications	Regular Estab.t — 1872-73.	Budget 1873-74
Receipts —		
Balance —	3,33,600 —	6,00,000
From Provincial Fund-Imperial Grants	11,26,000 —	11,58,150
" Cess on Land —	22,85,694 —	22,78,810
" Tolls —	1,34,620 —	1,44,590
" Standard Income —	35,46,314 —	35,81,950
Add Balance —	38,79,914 —	40,81,950.
Expenditure		
Maintenance Grants & Repairs	18,56,710 —	18,24,500
New Works —	14,02,410 —	13,39,800
Establishment * —	9,18,540 —	*9,50,630
Tools, plant and Contingencies —	39,890 —	43,850
	42,17,530	41,58,780
* Establishment		
General P.W. Dep.t —	7,92,090 —	8,20,750
Petty Establishment —	1,20,680 —	1,22,420
Toll & Ferries —	5,774 —	7,460
	9,18,540 —	9,50,630

year would cover in view probably to savings from incomplete works, arrears received &c. It is needless to add that more works are urgently needed and have been sanctioned than can be completed for many years with the diminishing balance available for new Works. The Actual income under this head of local administration is and must remain almost absolutely Stationary and inelastic; for the Land Revenue — on which the major part — 2/3 lakhs — of the demand is based — advances very slowly and the State Contribution — the very small percentage of the Literal revenues of the Presidency is not likely to be increased. Tolls will advance but slowly and inadequately. The permanent annual Income of the Road Fund may therefore be taken at

at say £6 lakhs a year.

The Expenditure side shows that Considerably more than one-half of the Entire income of the Road Fund is already permanently allotted in the shape of mileage allowances & repairs to the maintenance of Trunk, Military and Salt Roads and Postal District Communications already in existence. So portion of this assignment - which is rapidly increasing, as works are completed, to the diminution (if not extinction) of the sum available for new works, or Establishment &c — is available for Bridges, improvements and extension of Communications, Canals &c &c without causing wide-spread dissatisfaction amongst the results of the labors of many many years past.

	Maintenance & Repairs	—	New Works
	18,24,500	—	15,39,800
Share of Establishment say	5,50,500	—	4,00,000
	23,74,500	—	17,39,800

N.B. For the sake of accounting the cost of Establishment has been rateably assigned to both heads, but it is obvious that a far larger portion belongs to new Works, were these stopped in probably four-fifths of the charge for Establishment would have to be taken off and the Imperial Establishment disbanded to that extent.

It may be incidentally remarked that the heaviest share of these permanent assignments for maintenance, are the old and established Imperial obligations - mileage grants &c - which were transferred, with diminished Provincial grants, together with the charge of Imperial Trunk Roads &c &c under G.O. 7th June 1871 No 216 F.D. to the Local Budget. For all practical purposes therefore a greater part of the sum which His Excellency now proposes to withdraw - viz. the Imperial Grant to Roads - has long been permanently assigned by the Imperial Government to purposes to which it is still applied and

and from which it cannot, I submit, be withdrawn, without defeating the object of the Government of India and leaving Trunk and District Roads — so far as completed — to go to ruin. A measure of the kind proposed would, I think, no doubt lead to, as it would certainly justify Local Fund Boards in diverting themselves of the responsibilities now laid on them in respect to Military and State Trunk lines, Salt roads and the like.

Practically then the assigned Road Fund income is only about 17½ lakhs — from which Establishment charges — 9½ lakhs and any

Total Standard Income —		£6,00,000
Less permanent Repair Grants &c say	—	18,50,000
		17,50,000
Balance available from Establishment	— 9,50,000	
" New Works	— 8,00,000	17,50,000

Extension or improvements of Communications have to be met over a country of 140,000 Sq miles and containing 30 millions of people. The diversion therefrom of 12 lakhs or of any part of the above limited and fast decreasing sum would have the disastrous Effect of stopping pro tanto all further improvements and progress in the Country and would import very serious Complications into the Department of Public Works in respect to District Establishments; for of course these would have to be simultaneously reduced

Our task in respect to providing sufficient roads is very far from complete. In 1872 about 16,500 miles of Road were under the management of Local Fund Boards in various States

Roads having maintenance funds	—	miles 14,357*
" Completed in 1872	—	1,089
" In progress	—	1,147
		16,538

* N.B. In 1870 about 45 per cent only of the mileage had been permanently allotted to Maintenance Grants

* N.B. a large portion of these are unbridged and in a more or less

stages of completeness - or little more than one mile of road to 9 sq: miles of Country. There is therefore a great deal to be done ere the Country is provided with Efficient District roads, and we must not forget the pledge given by the late Government when introducing the Bill. "One object of the Bill "is to provide additional funds "for the Construction of Cheap "roads, which shall connect "remote villages with the "District Roads. A common "Complaint made against "the District Road Cess Act "is that the landholders in "many villages, who pay the "Cess, really get no return for "their money; that notwithstanding "their contributions to the Road "Fund, these villages are still connected

less incomplete Condition - though probably in the main fit for wheel traffic in fine weather.

"connected with the main "roads of the District only by "rough and, in wet weather, "impassable pathways. We "hope that this complaint will "be to some extent met by the "present Bill and that as "the Local Funds increase - as "they will with the increase of "Cultivation - Considerable progress "will be made in connecting "remote Villages with the District "Roads. And this is certainly the "primary object of the present Bill, "in so far as it applies to the Roads." (Extract from Sir Alexander Arbuthnot's Speech - Legislative Council 18th February 1870)

These pledges of the Legislature and Government and these popular Expectations have been defeated in a great measure by the subsequent transfer of Imperial obligations with

—with inadequate Provincial assignments (as has been so frequently urged on the Government of India) and of undue cost of P.W. Establishment — to Local Funds Boards.

And it is clear that we cannot Equitably render it now quite impossible to keep faith in the with the Government of India, the local legislation, or the people by withdrawing Provincial grants made in part acknowledgment of those obligations and which the Legislature supplemented in expectation of the continuance.

The Board of Revenue have shewn in Para 11 of their Proceedings, dated 25th June 1878 No 1111 that the amount saved to the State at the expense of Local Funds under recent financial

N.B. Under the previous Road Rule but the all sufficient charge of 10 per cent on the Estimate was charged for the Supervision of the Imperial Establishment. The charge is now from 25 to 30 per cent and in several Districts the Contribution levied on the Local rates maintains the entire P.W. Establishments — Imperial, Provincial & Local —;

financial arrangement is approximately — as per margin — to 5 lakhs of Rupees. This seems to me a further strong argument against the withdrawal of State Contributions for this all important purpose. It is surely necessary to urge the long acknowledged propriety of this moderate assignment of public revenue to a purpose to which the people now so largely contribute. It is practically a small contribution by a great landlord to the maintenance of the Public Highways and material improvements of his landed Estate. The long prescriptive assignment is of the most reproductive — to the State as well as the people — and of

	Rs.
Former outlay on Imperial Roads	11,27,996
Further cost of P.W. Establishment in excess of 10 per cent for supervision	2,84,310
	14,12,306
Provincial Grant	9,16,990
∴ Saving to the State	4,95,316.

Effective character, and is a Trust with the Local Government for these special purposes, which, I submit, they are not at liberty to divert to new objects of an entirely different character, however important these may be.

Now is it necessary to argue the relative importance of Communications and Elementary instruction to the well-being of the Country? — Suffice it to say that the Government has endowed both in fairly appreciative proportion and the Law has supplemented their respective assignments of public revenue by fairly sufficient means — if available — from

from distinct sources. Neither therefore can be allowed to invade the resources — provincial or local — of the other. We cannot, I submit, suspend at pleasure the ways and means assigned to one object and legally or equitably appropriate thereto the revenues of the other, whether provincial or local.

I will merely add that the deliberate policy of the Legislature and Government for years past in respect to Roads has in my judgment been sound and successful. Be this as it may, I am satisfied that before any change of the kind proposed in His Lordships minute is made, Local Boards and District Officers should be

be deliberately and fully consulted.

I have no doubt that the Road Fund is administered with Exceptional — though altogether costly — Efficiency. The lines of Communication and the works to be carried out, are selected by the numerous Circle Boards, on which sit all Collectors together with the many of their most efficient and Experienced Subordinates Commanded and Others, all District Engineers and many Range Officers and Others who are well acquainted with the requirements of the Country, together with some of the most intelligent Native Gentlemen in Each Circle. Their Selections are carefully revised

revised by the Board of Revenue and Government, and the Works are Executed by the trained and Skilled Staff of the P.W. Department under the same System and Control as State Works. It would, I submit, be impossible in this Country to devise a System combining better Guarantees for good judgment in Selection and Efficiency of Execution than these arrangements afford and — barring great costliness in respect of our Administration have these Guarantees been more efficiently fulfilled as results amply prove.

On the whole I am satisfied that no diversion of the Provincial Grants for Communications &c to primary

primary

nistmetin can be Equitably
or advantageously made

2/14 B Robinson

FINANCIAL DEPARTMENT.

No. 42 of 1874.

To

THE RIGHT HONORABLE THE SECRETARY OF STATE FOR INDIA.

MY LORD MARQUIS,

A difference of opinion having arisen between us on the matter detailed below, which involves an important principle, and His Excellency the President being unwilling to accept the decision of the majority, and at the same time considering that the necessity for *immediate* action is not so great as to call for the exercise of the powers conferred upon him by Act 33, Geo. III. c. 52, Section 47, it has been determined to refer the papers for your Lordship's consideration and orders.

2. Under Section 36 Madras Act IV. of 1871, the Government are authorized to levy a cess upon land not exceeding one anna in each rupee of rent or revenue, whereof one-third is devoted to Education, Sanitation, &c.; and, further, under certain conditions, a tax on houses for Education operations alone, to be carried out by Local Fund Boards. This provision was brought into partial operation in various districts of the Presidency in the years 1871-72 and 1872-73, but from various reports received, the Governor in Council deemed it necessary, on political grounds, to discontinue the levy of the tax from the end of the latter year.

3. In acknowledging receipt of a letter reporting the step which had been taken, the Government of India expressed their satisfaction that this Government had been able to place the tax in abeyance; and in Despatch No. 13, dated 14th August 1873, His Grace the Duke of Argyll stated that he should regard the abandonment of the house-tax as satisfactory if other means less open to objection could be found for attaining the end for which that tax was imposed.

4. In the order of this Government placing the tax in abeyance, a sum of £65,000 was made available for the educational work of the Local Boards

28th March 1873, No. 200.

by disallowing a contribution of £57,500 which had previously been made to the Road fund from other Local Funds which might by law be devoted to Education, and by undertaking to meet from Provincial Funds certain charges estimated at £7,500 previously defrayed from Local Funds. The Government at the same time expressed the hope that hereafter means might be found for affording far more extended encouragement to elementary education from State Funds than had hitherto been given. Since then we have assumed as charges on the Provincial Fund the expences of Inspection, Normal Schools and Female Elementary Education, previously debitable to Local Funds.

5. In the discussion of the manner in which further funds could be made available there has arisen the difference of opinion between us which forms the subject of this reference.

6. Since the introduction in 1871 of the Financial scheme by which permanent assignments were made to Local Governments for Provincial Services, it has been the practice in this Presidency to entrust the execution of all road work previously carried out from Imperial Funds (with a few minor exceptions) to the Local Fund Boards engaged in the administration of the Road funds locally raised, a lump grant from Provincial Funds being assigned to each Local Fund Board for the purpose, the aggregate of these grants for works and establishment having amounted for the last two or three years, in round numbers, to £115,000, the actual amount assigned for Roads* by the Supreme Government being £120,000.

(* Exclusive of establishment.)

7. This sum His Excellency the President now proposes to withdraw from the Road Fund and assign it to the Local Fund Boards for educational purposes. This proposal is opposed by the other Members of the Council, and the various Minutes recorded on the subject are herewith forwarded for your Lordship's perusal and decision upon that proposal.

We have the honor to be,
My Lord Marquis,
Your Lordship's most obedient,
humble servants,

(Signed) HOBART.
(„) FRED. P. HAINES.
(„) J. D. SIM.
(„) W. ROBINSON.

OOTACAMUND,
24th August 1874.

FORT SAINT GEORGE.

FINANCIAL (1874) *DEPARTMENT.*

Letter to the Right Honorable the Secretary of State for India.

Dated 24th August.

No. 42 of 1874.

Submitting for decision a proposal made by His Excellency the President, opposed by the other Members of Council, to withdraw the grant made from Provincial Funds to Local Fund Boards on account of Roads and to assign it for Educational purposes.

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Extracts from the Abstract of the Proceedings of the Council of the Governor of Fort St. George, assembled for the purpose of making Laws and Regulations, under the provisions of the Act of Parliament 24 and 25 Victoria, Cap. 67.

The Council met at the Council Chamber in Fort St. George, on Saturday the 18th day of February 1871.

On the 2nd proviso in Section 36 being read, the Hon'ble Mr. Ellis proposed to alter the words "two-thirds" to "one-half." The result would be to distribute the Local Funds into three portions ; the Tolls and half the land-cess would be applied to roads, the remaining half of the land-cess would be applied to sanitary purposes, and the house-tax to education.

The Hon'ble Mir Hcomayoon Jah Bahadur seconded the motion.

After some discussion it was resolved that the further consideration of this amendment should be postponed till the next Meeting of the Council.

The Council met again on Monday the 20th day of February 1871.

LOCAL FUNDS' BILL.

The consideration of the Local Funds' Bill was resumed.

The Hon'ble Mr. ELLIS moved the following amendment to the second proviso in Section 36 of the Bill as proposed to be amended by the Hon'ble Mr. Arbuthnot:

"Provided also that the net proceeds of all tolls and not less than one half of the rate or cess actually levied on the annual rent value of occupied land shall be applied to the first of the purposes specified in Section 25 of this Act."

He said, it seemed to him, on looking through the returns of the expenditure of cess on roads under the present Act, that it would be perfectly safe if the minimum amount to be expended under the present Bill upon roads were reduced to one half the cess levied upon land, instead of two-thirds as proposed; and that the adoption of his amendment would leave greater freedom to the Government in dealing with the fund, without running any risk that the primary object for which the cess was intended would be lost sight of. In some Districts they might, if they insisted that not less than two-thirds of the cess be expended upon roads, be tying up money which might be usefully employed; for if they were unable to expend the amount upon roads, as might turn out to be the result in some cases, it would not be possible, under the proviso in the Section as it then stood, to apply the money for the promotion of other important objects which were also contemplated by the Bill. If the minimum were reduced to one-half, as he proposed, there need not be any apprehension that road-work would be starved. The Collectors were not usually backward in bringing to notice the requirements of their Districts in respect of roads; the Government would be found to exercise a vigilant supervision in the allotment of funds; and the fact that such questions would come on for discussion in this Council, all tended to show that it was only in those Districts in which funds might be legitimately applied to some of the other purposes specified in Section 25 of the Bill, that the minimum which he proposed would be adopted. His own opinion was, that the proviso might well be omitted from the Bill altogether; but in deference to his Hon'ble friend Mr. Sim, he did not press this; and he thought that the adoption of his amendment would not be inconsistent with Mr. Sim's views on this subject.

GAJAPATHI RAU thought the amendment very necessary, otherwise there would probably not be funds sufficient to meet the other important objects of the Bill.

The Hon'ble Mr. SIM said, it was originally proposed that the minimum expenditure upon roads out of the fund to be raised from land should be one-half; but at that time the Bill contained provisions for levying a tax on professions. That tax had since been abandoned. Further, it was now known that the amount which it was expected would be available from the State Treasury for expenditure on roads would be diminished to the extent of four or five lacs of Rupees. From the return of the receipts and expenditure under the Road Cess Act for 1868-69, it appeared that the unexpended balance was slightly over nine lacs. That sum looked large, but in the case of works carried on by the Government, as in the conduct of private business, it was well known that there must be floating balances, and the existence of such was no proof of the annual income being in excess of actual requirements. In some Districts there appeared to be

a large surplus, because the Engineers had not submitted plans and estimates of work in time. In the Madras District the surplus was only Rupees 1,521; North Arcot was minus 40,000 Rupees; Madura minus Rupees 80,000; and the Neilgherries were minus Rupees 40,000. Under these circumstances, he did not assent to the proposal to reduce the minimum expenditure upon roads to one-half. Such a measure would necessitate the immediate enhancement of the cess to a considerable extent in every District, or the road fund would be materially reduced below its present amount—inadequate as this was admitted to be in the preamble of the Bill.

The Hon'ble Mr. BROWN asked, where did the funds come from, which had been expended upon the Districts mentioned in excess of the amount raised by assessment?

The Hon'ble Mr. ARBUTHNOT said, it had been borrowed from, and was due to the Imperial Treasury.

The Hon'ble Mr. BROWN sympathised with Mr. Sim in regard to the object of the proviso, viz., that the chief purpose to which the funds should be applied should be that which was of most importance to the people who contributed them. But, under the circumstances, he was inclined to think that the choice of the Council would probably lie rather between the two-thirds' proviso and no proviso at all; leaving it to the judgment of the authorities to spend the sums actually necessary for roads, as, doubtless, in some Districts, nearly, if not altogether, the whole of the collections would have to be spent on roads, while in others a much smaller sum would suffice. Moreover as circumstances changed, the amounts might be raised. He was, therefore, in favor of the proviso being omitted. He expected to hear some reason as to why the proportion of two-thirds had been fixed upon. It seemed as if it had been taken rather at random than as the result of any careful consideration, and he presumed the intention was simply to secure the expenditure on roads of the chief portion of the collection.

HIS EXCELLENCY THE PRESIDENT did not contemplate that, in almost any case, less than two-thirds would be expended upon roads; but his objection was against fettering the judgment and discretion of the Government in exceptional cases.

The Hon'ble Mr. MACFADYEN said, if Mr. Ellis had gone the length of moving the omission of the proviso altogether, he would have supported him. He thought, now that they knew that annual budgets were to be laid before the Council, that it was unnecessary to provide for the various purposes to which the taxes were to be applied, although he held at first a different opinion on this question.

The Hon'ble Mr. ELLIS said, he did not think it necessary to impose any restriction upon the Government in the expenditure of the funds, but it might be a satisfaction to the public and the rate-payers to know that a large portion of the funds to be raised must be expended upon roads.

The Hon'ble V. RAMIENGAR thought that the proviso should not be altered.

The Hon'ble Mr. ARBUTHNOT wished to explain the reason which led him to propose two-thirds, instead of one-half, which was the proportion at first fixed upon. Under the Resolution of the Government of India, the Madras Government had to supply a deficit of 5½ lacs of Rupees in round numbers; and a further deficit would have to be provided for as he would have to explain on a future occasion, by reason of the proposed relief of the Municipalities from the Police contribution at present imposed upon them, which deficit would have to be met by reducing the grant hitherto made from the Imperial Revenues for roads. The grant of late years for roads was twelve lacs. That was the sum made over to the Madras Government under the Resolution of the Government of India, joined in the Resolution to another similar grant for other purposes, which were termed purposes of public improvement. To meet the deficit to which he had alluded, a considerable hole would have to be made in that grant, and the consequence would be, that the construction and maintenance of roads would otherwise have been constructed and maintained from Imperial funds, would henceforth be thrown upon local funds. It was true that the proportion of two-thirds mentioned in the proviso was rather a random proposal, as had been remarked by Mr. Brown, because it was impossible to ascertain the exact proportion which would be required, but it was deemed safe to adopt the proportion of two-thirds. It was a point upon which the Members of the Executive Government had come to an agreement, and he felt bound to adhere to that agreement; but he admitted that there was much force in the argument that the new system of laying the annual budgets before the Legislative Council did make a very material difference; for he had no doubt that on every occasion of the renewal of the annual budget, the Government of the day, if they diminished the proportion of the fund expended for roads in any District, would feel it necessary to justify their action. There was, however, no serious objection in his opinion to the proviso as it stood at present, although it was just possible that in one or two Districts it might be attended with some inconvenience.

The Hon'ble Mr. MAYNE thought that, if in any one District it would not be necessary to expend two-thirds of the cess, that was a sufficient reason for adopting Mr. Ellis's proposal.

The Hon'ble Mr. MACFADYEN proposed and the Hon'ble Mr. BROWN seconded an amendment that the proviso be omitted altogether from the Bill. The amendment (in favour of which the Hon'ble Mr. ELLIS and the Hon'ble MIR HUMAYOON JAH BAHADUR voted, in addition to the Hon'ble Mover and Seconder) was declared lost.

The Hon'ble Mr. ELLIS' amendment, which was seconded by the Hon'ble MIR HUMAYOON JAH BAHADUR, was put to the Council, when the following Members voted in favor of the amendment:—

The Hon'ble R. S. Ellis, C. B.

The Hon'ble Mir Humayoon Jah Bahadur.

The Hon'ble G. N. Gajapathi Rau, and

The Hon'ble J. D. Mayne.

The amendment was declared by HIS EXCELLENCY THE PRESIDENT to be lost.

The section as proposed to be amended by the Hon'ble Mr. Arbuthnot, was then read and adopted by the Council.

(True Extracts.)

Acting Chief Secretary.

7-2-14. B I

Pros: 26th Augt 1874

Financial 1874 Dft

Extracts from the Abstract of the Pros of the Council of the Govr of Fort St George, assembled for the purpose of making Laws & Regulations under the provisions of the Act of Parliament 24 & 25 Vict. cap. 67. ——

201

Order thereon 26 Aug 1874 No 11381.

Ordered that the following Despatch be addressed to the Right Hon the Secy of State for India—

(Here enter 26 Aug No 42 of 1874).

No 200. —

181 to 201