

**MONOGRAPH—VI**

**Task Force on  
Educational Finance**

**CENTRAL ASSISTANCE FOR GENERAL  
EDUCATION—EXISTING  
AND PROPOSED**



**EDUCATION COMMISSION**

**University Grants Commission Building**

**Bahadur Shah Zafar Marg**

**NEW DELHI—1965**

MONOGRAPH VI  
Task Force on  
Educational Finance

CENTRAL ASSISTANCE FOR EDUCATION

EDUCATION COMMISSION  
University Grants Commission Building  
Bahadur Shah Zafar Marg  
NEW DELHI - 1965

C O N T E N T S

	<u>Page No.</u>
I. First Plan	2 - 3
II. Second Plan	3 - 4
III. Third Plan	5 - 6
IV. Central Grants for Educational Expenditure ; Plan and Committed	7
V. Increase in the Central Sector	8
VI. Increase of the Centrally-sponsored Sector	9 - 11
VII. Expansion of the Central Sector	11 - 16
VIII. Secondary Education	16 - 18
IX. Elementary Education	18 - 21
X. <u>Annexure - I</u> Pattern of Central Assistance during the First Five Year Plan.	22 - 23
XI. <u>Annexure - II</u> Pattern of Central Assistance on State Schemes in the Second Five Year Plan	23 - 24
XII. <u>Annexure - III</u> Pattern of Central Assistance on Centrally Sponsored Schemes implemented through the State Governments during the Second Five Year Plan.	25 - 27
XIII. <u>Annexure IV</u> List of Centrally Sponsored Schemes proposed to be included in the Third Five Year Plan.	27 - 28
XIV. <u>Annexure V</u> Pattern of Central Assistance for Schemes included in State Plans in the Third Five Year Plan.	28
XV. <u>Annexure VI</u> Programme for the improvement of University Departments of Education.	29

## CENTRAL ASSISTANCE FOR EDUCATION

The problem of Central assistance for educational developments, which was always important, will assume far greater significance in the Fourth Plan. On the one hand, size of the total educational effort to be made in the Fourth Plan will be larger than in the first three Plans; on the other, the capacity of the States to raise additional resources will be severely limited, partly because of the large increase in committed expenditure and partly because of the restrictions indirectly imposed upon their tax-raising capacities by the increase in Central taxation. The measure of Central assistance which will have to be given to the States in the Fourth Plan would, therefore, be much larger than in the Third. Moreover, the experience of the first three plans, and particularly of the Third Plan, has shown that the Centre has very little effective control on the manner in which its grants-in-aid for educational development are actually utilised by the States in practice. There is, therefore, a general feeling that the Centre should now control, more effectively than in the past, both the direction and pace of educational development by earmarking Central grants for specific programmes which are of great significance and by creating a suitable machinery to watch over the utilisation of Central grants. The object of this paper is to suggest some concrete proposals regarding the manner in which these two objectives can be secured in the Fourth Five Year Plan.

### Historical

2. It may not be out of place to give a brief resume of the pattern of Central financial assistance to State Governments for educational development during the first three Plans.

#### The First Plan

3. In the first Five-Year Plan, the system of specific-purpose grants was adopted as a basis of Central aid. This form of grant-in-aid has two unique advantages: (i) It promotes activity on pre-determined lines in desirable sectors of educational development; and (ii) it <sup>is</sup> also the simplest and the most convenient form of grant-in-aid to administer. From the historical and comparative point of view, also, there was ample justification for this choice. In U.S.A., the earliest federal grants for education were of this type; and even today, all federal grants for education are given for specific purposes. In India, the Despatch of 1854, the first document on grant-in-aid, recommended the adoption of the same principle. When Central grants for education were revived on a large-scale between 1900 and 1921, they were also given on the same basis. We, therefore, stand in good company and on firm ground in so far as the choice of this method was concerned.

4. The actual pattern of Central assistance for schemes included in the State Plans during the first Five-Year Plan is given in Annexure I. It will be seen therefrom that there were as many as sixteen different programmes for which Central financial assistance was made available. The rate of grant-in-aid generally changed from year to year; they also changed from scheme to scheme; and, even within the same scheme, they

were different for recurring and non-recurring expenditure. Taken all in all, it was a rather complicated structure which needed a good deal of careful accounting work, both at the Centre and in the States. Administration; it kept a few officers quite busy and cases involving adjustments of grant-in-aid dragged on for years before a final settlement could take place. It was mainly for these reasons that the pattern of Central assistance for educational development was changed in the second Five-Year Plan.

#### The Second Plan

5. Three main changes were made in the second Five Year Plan with regard to the pattern of Central grant-in-aid for educational development.
6. The first was to simplify the pattern of Central assistance on schemes included in the State Plans. The rate of grant-in-aid was now fixed for the Plan period as a whole and did not change from year to year. Similarly, no difference in rates of grant-in-aid was usually made between the recurring and non-recurring expenditure of a given scheme. The actual rates of grant-in-aid approved for this Plan period are given in Annexure II.
6. The second important change introduced was to abandon the system of giving Central grants separately for each scheme included in the State sector. As pointed out earlier, this system, adopted in the first Plan, was found to be administratively very inconvenient. It was, therefore, decided to give Central grants for schemes included in the State plans by grouping them together under four sectors - elementary education, secondary education, higher

education and other educational programmes. This simplified the administrative and financial procedures no doubt; but to that extent the power of the Government of India to direct educational development in pre-determined directions was also reduced.

7. The third important change was to evolve the concept of Centrally-sponsored sector. The programmes included in this sector were selected on the basis of their significance. By and large, it may be said that programmes of high priority, which the Government of India wanted every State to adopt, were included in the Centrally-sponsored sector. A broad outline of each such programme was also finalised by the Centre; but each State had some freedom to modify it, in view of local conditions, subject to approval of the Government of India. Theoretically, it was open to a State Government to accept or to reject a programme included in the Centrally-sponsored sector. But sooner or later, every State Government accepted these programmes for two considerations: (i) the rate of Central grant-in-aid for these programmes was higher than that for State schemes; and (ii) the Central grant-in-aid for these programmes was received outside the State Plan ceilings. The Centrally-sponsored programmes, therefore, generally became 'national programmes' which were in simultaneous operation in all the States.

8. The pattern of Central assistance on Centrally-sponsored schemes in the second Five-Year Plan is given in Annexure III. It may be pointed out, however, that in the last years of the Plan the matching contribution expected from the State Governments was either considerably reduced or waived altogether so that these programmes came to be almost wholly financed from Central revenues.

The Third Plan

9. The process of simplification of Central grants-in-aid started in the second Plan was continued further in the third Plan and two major changes were introduced.
10. The first was to reduce the number of Centrally-sponsored schemes to the minimum. This was advocated on two grounds: (i) the Centrally-sponsored schemes tend to distort the education policy of the State Governments and tempt them to accept even weak schemes by promising larger financial assistance; and (ii) A large Centrally-sponsored sector would undermine the Constitutional responsibility of State Governments for educational development. It was, therefore, decided that the Centrally-sponsored sector should include schemes of research, evaluation or pilot projects or should be related to matters for which the Centre has a Constitutional responsibility. The list of Centrally-sponsored schemes selected finally for the third Plan is given in Annexure IV. For all these schemes, Central assistance was available, on a 100 per cent basis, outside the State Plans.
11. The second important change made in the third Plan was to give a grant-in-aid for the Plan as a whole, with the object of giving the largest freedom possible to the State Governments to relate their development plans to local conditions. As may be easily anticipated, this decision reduced the authority of the Centre to secure educational development on pre-determined lines almost to a minimum, especially in view of the simultaneous reduction of the Centrally-sponsored sector.
12. It may be stated that a pattern of financial assistance



has been sanctioned, even in the third Five Year Plan, for certain schemes included in the State sector (see Annexure V). It must be pointed out, however, that this pattern does not mean much in actual practice. The Central assistance is given for the plan as a whole and if there is any shortfall in the educational sector, either in individual schemes or in the sector as a whole, the State could always make up for it in other sectors and still claim the entire grant-in-aid promised by the Government of India. In short, under this system, the State Governments have full authority to plan educational development just as they like without any reference to the Centre. They have also lost all interest in grants-in-aid for individual schemes included in the State plans. For instance, the idea that the scheme of girls' education earns 100 per cent Central assistance does not make any impression on the States who are sure that they will always get the entire promised Central assistance irrespective of what they do or not do for this individual programme. The only thing that matters to the States under the present system is grants under the Centrally-sponsored sector which are given outside the State plans. But as stated above, this sector has now been reduced to the minimum.

#### Issues at Stake

13. It will be seen from an analysis of the foregoing review of historical developments that a number of significant issues have now arisen with regard to the pattern of Central assistance for educational development in the States and these need an early decision, at any rate before the fourth Five-Year Plan is finalised in 1965-66. These have been briefly stated below:

Central Grants for Educational Expenditure : Plan and Committed:

14. In all the first three plans, Central assistance for educational development has been restricted only to 'Plan' expenditure and there is no direct grant for the 'non-Plan' or 'committed' educational expenditure which is not reflected in the educational plans of the States. It is true that the Finance Commission reviews the entire committed expenditure of the State Governments at the end of each Plan period and allocates larger revenues to them so as to enable them to balance their budgets. In this process, the committed expenditure on education in the States also receives some financial assistance from the Centre. But it is not earmarked. Such a situation has certain disadvantages and there is a group of thinkers who feel that, in so important and fundamental a subject like education, it would be better to provide Central assistance to the States for all educational expenditure - both Plan and committed. They point out that the committed expenditure of the States in education is very large - about four times as much as Plan expenditure and that it is growing rapidly from year to year. The principle of Central grants for Plan expenditure alone is, they argue, quite good in the case of projects like irrigation works where, once the project is completed and transferred to the non-Plan sector, there is no addition to recurring expenditure and there is also a recurring income. It may also be good in the case of projects like construction of roads and bridges where the recurring expenditure involved is comparatively meagre. But in programmes like education, where the

recurring expenditure is very heavy, a system of Central assistance for educational development should be based on both the plan and committed expenditure on education and should be given outside the Central block grant fixed for the Plan as a whole.

#### Increase in the Central Sector

15. This suggestion of allowing central group for both plan and committed expenditure is very radical and cuts right across the present system of Central grants to State Governments. Since the chances of such a proposal being accepted are comparatively less, two other suggestions are put forward which will secure the desired results without altering the basis of the present system of Central grants. The first pleads for a very large increase in the Central sector, i.e. in programmes which are directly operated under the Government of India and which are, therefore, planned, implemented and financed exclusively by the Centre. Such an increase of direct Central activity will have two advantages. Firstly, it will provide an indirect financial assistance to the State Governments in the sense that their own responsibility for educational development would be reduced to that extent. The example of the Regional Colleges of Education is an illustration in point. These institutions are established and maintained by the Centre, and to the extent they provide facilities for training in education, the responsibility of the States to provide similar facilities in their own areas is reduced. Moreover, these institutions can also serve as 'leaders' in breaking new ground and maintaining high standards which will ultimately help in raising standards all-round. The programmes implemented under the U.C.C. provide another example. To the extent larger funds are made available to the U.C.C., the liability of the State

Governments to spend on higher education is lightened. It is, therefore, suggested that, in the fourth Plan, there should be a very large expansion of the Central sector, particularly in higher education and research so that the State Governments will get an indirect financial assistance. It may be pointed out, however, that the main argument underlying this programme, is not so much the indirect reduction of the financial responsibilities of the State Governments, but the possibility of raising standards of education through the direct enterprise of the Centre.

#### Increase of the Centrally-sponsored Sector

16. The second alternative proposal put forward is to increase the Centrally-sponsored sector very largely. It is readily granted that the existing system of assistance to State Governments (for their committed expenditure through the Finance Commission and for their developmental expenditure, for the Plan as a whole, through the Planning Commission) may continue. This should, it is suggested, be supplemented by a very large Centrally-sponsored sector under which Central grants on a 100 per cent basis would be given to State Governments for specific schemes and outside their Plan ceilings. This plan, it is argued, will have all the advantages of the specific-purpose grants, that is to say, it can secure educational developments on pre-determined lines and assist in the organisation of 'national' programmes of education without interfering with the freedom and autonomy of the States in working out the details of their own educational plans under a Block grant from the Centre.

#### Third Plan Policies to Go

17. Before considering merits of these alternative

proposals, it is necessary to raise one preliminary issue:

why should we not continue the policies adopted in the third Five-Year Plan, with some marginal adjustments, if necessary?

A closer examination of the problem will show that this policy will have several undesirable consequences. For instance, <sup>under</sup> such a policy, it will be hardly possible for the Centre to channelise educational developments in certain desirable directions. The Government of India will have to place the funds at the disposal of State Governments and leave them to decide the priorities and details of educational development. As in the past, therefore, the bulk of the resources available will again be utilised for quantitative expansion and the development of quality will again be driven to the wall. This is not because the State Governments do not appreciate the advantages of qualitative improvement; but because, being nearer to the scene, they are not in a position to resist the demands of expansion which are generated at the local and State levels. For instance, in a democratic set-up of the present type, it is next to impossible for the State Governments to refuse the demands to open new colleges, new secondary schools or new middle or primary schools. They will not be in a position to insist on selective admissions to educational institutions. They will also find it difficult to raise fees or to withdraw any concessions which have once been provided. The States will, therefore, have to be protected against themselves and enabled to provide funds for qualitative improvement, in spite of the immense pressures for quantitative expansion which they, and not the Government of India have, to face. In a system of Central block grants for the Plan as a whole, the quantitative pressures, which are generated at the local and the State levels are allowed to climb up to the Government of India. But

fortunately, the Centre is comparatively more immune to these pressures of expansion and can take deliberate steps to preserve quality. This can be done only if Central grants are provided outside the State Plans and are earmarked for these programmes which are vital qualitative improvement.

18. The same argument also applies to the short-term and the long-term or the national and the local values in education. Being situated nearer to the field, the States generally tend to emphasise the short-term and local needs of education. On the other hand, the Centre is in a favourable position to attend to the long-term and national needs of education. Under the financial policies adopted in the third Plan, where most of the available funds are placed at the disposal of the State Governments in the form of block grants, the short-term and local interests of education tend to be emphasised in preference to the long-term and the national. If this situation were to continue over a longer interval, the consequences can only be disastrous. It is, therefore, necessary to increase the funds allocated to the Central sector and to provide earmarked funds to State Governments which can be utilised only for the long-term and the national interests of education. Even from this point of view, therefore, it would not be desirable to continue the policies of Central grants-in-aid adopted in the third Plan.

#### Expansion of the Central Sector

19. Assuming that the financial policies adopted in the third Plan have to be modified, the question arises: which of the three proposals mentioned above, either separately or in combination, shall we adopt for the fourth Five-Year

Plan?

20. Probably, the least controversial of these proposals is the expansion of the Central sector. The establishment of the U.G.C. and the attempts now being made, through it, to secure a qualitative improvement of higher education are two of the finest achievements of the post-independence period and have met with universal approval. A programme of expanding the sphere of the influence of the U.G.C. by placing larger funds at its disposal, for development as well as the recurring expenditure, should, therefore, be welcomed in all sectors. In the second and the third Plans, the U.G.C. has not received its due share of financial allocations. In the second Plan, its total allocation was only Rs 21 crores and in the third Plan, it has received only Rs 37 crores. In the fourth Plan, it will have to be given a much larger allocation, probably of the order of about Rs 300 crores. This is of course only a tentative estimate and the exact amount needed will depend upon the type and extent of programmes to be operated. From this point of view, the following suggestions are put forward:-

(1) Assistance to Selected Affiliated Colleges: Owing to limitations of funds, the assistance of the U.G.C. has so far been limited to Universities and their constituent colleges. By and large, it has not been able to improve the conditions in the affiliated colleges to any appreciable extent. The bulk of our university students, however, read in the affiliated colleges. It is, therefore, necessary to extend the influence of the UGC to the affiliated colleges also. For this purpose, it is suggested that, in the fourth Plan, the U.G.C. should be authorised to select, for intensive development, one college in every district. The selection should be made on the basis

of the largest potential for growth. A definite blue-print should be prepared of what such a good college should be and these selected institutions should be assisted, through recurring and non-recurring grants, to be developed into good institutions which will not fall below a minimum standard and which will ever try to raise their standards higher. The expenditure needed for this programme may be shared between the U.G.C. and the State Governments on an agreed basis. This programme will obviously come as a great relief to the State Governments. It will save them considerable expenditure and yet meet an important need of the present educational situation in their own areas.

(2) Post-graduate Stage: At present, the post-graduate stage is limited in capacity, and its qualitative standards leave much to be desired. It is at the post-graduate stage that we create an elite which is not only national but of an international character. It is also the persons coming out of the post-graduate stage that will ultimately determine the standards at the other stages of education, in administration and in all walks of life. The need for expanding the post-graduate stage and of maintaining the highest standards therein is, therefore, paramount. It would, therefore, be very desirable, in the fourth Plan, to place a much larger grant at the disposal of the U.G.C. than in the second or the third Plan and to authorise it to assist the development of post-graduate education, without expecting any matching funds, either from the Universities or the State Governments. The State Governments may be consulted in these programmes because they will have to bear the committed expenditure at the end of the



Plan period. But this will not present any difficulty and the decision to expand and improve post-graduate education, at the entire cost of the Centre, will come as a great relief to the strained finances of the State Governments.

(3) Centres of Advanced Study: The programmes of establishing Centres of Advanced Study which has been started by the U.C.C. is of very great significance. It has to be continued and expanded. It would, therefore, be desirable to take a decision, once and for all, that all expenditure on the Centres of Advanced Study, both developmental and committed, shall continue to be borne by the Centre, through the U.G.C., on a 100 per cent basis. In other words, the financial basis of all the Centres of Advanced Study will be the same as that of the Central Universities. This is the only way in which to maintain a continuity and quality in the programme.

(4) Assistance to State Universities: At the moment, the UGC gives grants for committed expenditure only to four Central Universities. It is necessary to extend this principle to selected Departments of State Universities also. The U.G.C. should have an authority to select Departments of State Universities where the best potential for development exists and to assist them, on a continuing and a 100 per cent basis, for all their expenditure. This will secure qualitative improvement and lesson the burden on the State Governments to a corresponding extent.

(5) Colleges of Education: The training of teachers for secondary and elementary schools is of the highest significance. At present, due merely to lack of finances, the U.G.C. is doing very little to help the Colleges of Education to grow. It would be a very great service to education if the necessary funds are

placed at the disposal of the U.G.C. in order to enable it to develop a programme of qualitative improvement of University Departments of Education or selected constituent and affiliated training colleges. The details of a programme, which may be developed for this purpose, are given in Annexure VI.

(6) Scholarships in Higher Education: One interesting development of the post-independence period is the large programme of scholarships at the post-matriculation stage which has been developed by the Government of India. This began in a humble way with the grant of a few scholarships to the students of Scheduled Castes and Scheduled Tribes at the university stage. It has since developed into a very big programme under which a scholarship is given to every student of the scheduled castes and scheduled tribes at the university stage and more than 60,000 scholarships are thus awarded every year. In addition, the Government of India introduced, in the Third Plan, a scheme of national scholarships, under which about 2,400 scholarships are awarded annually to deserving students and a scheme of loan scholarships, estimated to cost Rs 9 crores in the Plan period, under which 18,000 loan scholarships are awarded to deserving students every year. There is also a small scheme under which scholarships are given, at the university stage, to deserving children of primary and secondary school teachers. As compared with this large-scale programme of scholarships at the university stage operated upon by the Government of India, the number and amount of scholarships given by the State Governments at the same stage appear to be insignificant. It is, therefore, suggested that it would

be better to have a fairly clear-cut division of responsibility in so far as scholarships are concerned: the Government of India may assume total and direct responsibility for grant of scholarships at the university stage and the responsibility of the State Governments may be restricted to the grant of scholarships at the elementary and secondary stages only.

21. The Government of India has already assumed direct responsibility for certain significant educational programmes, such as (1) cultural relations with other countries, (2) programme of exchange scholarships with other countries, (3) development of Hindi and Sanskrit, (4) development of other Indian languages, and (5) development of research. The Central sector will expand as these programmes develop in depth and extent.

#### Secondary Education

22. In the field of higher education, the Central sector can easily be expanded through the U.G.C. which is a statutory, autonomous organisation already established and which has been able to secure the goodwill of all concerned, through its programmes developed during the last eight years. In secondary education, however, there is no such organisation. The Central Board of Secondary Education, which has been established recently, is doing a useful job and may help in developing standards in secondary education by affiliating good secondary schools in all parts of the country. The scheme of Central Schools for the Central Government employees, which has been recently initiated and which is proposed to be expanded largely in the near future, will also create a net-work of good secondary schools which might assist in raising standards all-round. But

what is needed, is a larger program than either of these. The following proposals are, therefore, made from this point of view:

- (1) A Secondary Grants Commission may be established, on the lines of the University Grants Commission, for qualitative improvement of secondary education. It should be authorised to select secondary schools and to assist them to raise their standards through grant-in-aid for recurring and capital expenditure. The immediate attempt in the fourth Plan should be to select one secondary school in each Community Development Block and to help it to raise itself to a certain minimum standard. The entire expenditure on this programme, both capital and recurring, may be shared by the Centre and the States on an agreed basis.
- (2) National Council of Educational Research and Training: This is a Central organisation whose objective is to improve standards of school education. Its programmes and activities may be considerably expanded in the Fourth Five Year Plan.
- (3) Vocational Education: A major weakness of our system of secondary education is the failure to diversify it adequately and to introduce vocational courses which will prepare students for different walks of life rather than for entrance to universities. Of the total enrolment at the secondary stage, only about 12 percent is in courses of vocational education. In advanced countries, the vast bulk of students at the secondary stage study in vocational courses. In Germany, for instance, the secondary students taking vocational courses form about 70 per cent of the total enrolment and in Japan, about 60 per cent. The proportion of students at the secondary stage taking to

vocational courses in India is probably the lowest in the world. For the next three plans, therefore, it is absolutely essential to emphasise the expansion of vocational courses at the secondary stage. It is, therefore, proposed that it would be a very good financial policy for the Government of India to offer grants-in-aid, to State Governments, for the introduction of vocational courses. The grants offered should be fairly liberal and about three-fourths of the expenditure - both recurring and capital - may be shared by the Government of India. This will be in keeping with the policy adopted in U.S.A. where federal grants are available for providing vocational education in secondary schools.

#### Elementary Education

23. So far as elementary education is concerned, there is hardly any need for direct Central action.

#### Expansion of the Centrally-sponsored Sector

24. The second proposal, namely, to expand the Centrally-sponsored Sector has a slightly different purpose to serve. There is no intention here of developing any programmes under the direct control of the Centre. On the other hand, the essential objective is to identify some crucial programmes which fall within the responsibilities of the States and place earmarked funds at their disposal with a view to enabling them to do justice to these programmes, especially because they generally tend to suffer in the ordinary course of events. The suggestion, in short, is that educational programmes which have a seed value, a multiplying effect, or a very high potential for qualitative improvement should be identified and placed in the Centrally-sponsored Sector.

25. An important question to be decided in this context is to identify programmes which can be included in the Centrally-sponsored Sector. In so far as higher education is concerned, it may not be necessary to include any scheme in the Centrally-sponsored sector. On the other hand, the policy with regard to the financing of higher education should be to divide the programme into two sectors only - the Central and the State and to enlarge the Central sector to cover a group of significant programmes as suggested above in paragraph 7. The concept of the Centrally-sponsored sector would, therefore, be applicable only in respect of secondary and elementary education. In this field, the following programmes may be suggested for inclusion in the Centrally-sponsored sector:

- (i) Training of teachers of elementary and secondary schools;
- (ii) Strengthening the teaching of Science at the school stage;
- (iii) Strengthening the teaching of English;
- (iv) Introduction of productive work or teaching of crafts in elementary and secondary schools;
- (v) Introduction of new ideas and programmes such as vocational guidance, examination reform, etc;
- (vi) Programmes of physical education and school health services (including school meals); and
- (vii) Production of educational literature for children and teachers.

26. One important administrative issue will arise in this context; how are the funds provided by the Government of India in the Centrally-sponsored Sector to be distributed among the different States? The ideal solution would of course be to ascertain the needs of the programmes included in the Centrally-sponsored Sector separately in each State for the Plan period and to make the entire amount thus

-20-

determined available to the States. This formula may not, however, work in practice because the total needs of the States for the Centrally-sponsored schemes would be much larger than any funds which the Government of India may be able to provide in the Centrally-sponsored Sector. Some alternative methods would, therefore, have to be found. One suggestion would be that, of the total funds available in the Centrally-sponsored Sector, 20 per cent should be set aside for special assistance to the less advanced States and the remaining 80 per cent should be distributed among all the States on some equitable basis, such as the total population or enrolment in schools. Alternatively, we may make grants available to the different States on the basis of their needs and their capacity to spend the amount usefully. It is obvious, however, that the problem will not be <sup>of</sup> very difficult solution and that it would be possible for the Government of India to find out some equitable basis for distribution of grants-in-aid under the Centrally-sponsored Sector.

#### Elementary Education

27. Elementary education will continue to be essentially a responsibility of the States and it may not be possible to solve the problems to be faced at this stage by an expansion of the Central or Centrally-sponsored Sectors. The best solution of the problem would, therefore, be to accept the first proposal made above in paragraph 3 and to institute a separate grant for elementary education. This should cover all expenditure on elementary education - both committed and developmental and be given on the basis of equalisation. The problem is rather complicated and is, therefore, dealt with in a separate paper.

28. The main objection that may be raised against these proposals is that they increase considerably the financial liability of the Government of India which will now have to find the finances

for (1) a very large and expanded Central Sector, (2) a considerably expanded Centrally-sponsored Sector, and (3) an earmarked specific purpose grant for elementary education to cover all expenditure - both developmental and committed. It may be stated that this is precisely the objective of these proposals. A large increase in the investment on education is needed in the fourth and the subsequent plans. In the present financial situation, it is obvious that the bulk of this additional investment will have to come from the Government of India. The Kher Committee recommended that the Government of India should spend about 10 per cent of its total budget on education and that the State Governments should spend about 20 per cent of their budgets on education. In so far as this target is concerned, the State Governments, taken together, have risen to the occasion; and, in the State sector, the total public expenditure on education is about 20 per cent of the total revenues of the State Governments. It is true that there is still some scope for expansion, in the sense that no every State Government is spending 20 per cent of its budget on education. But the scope is comparatively limited. On the other hand, the Government of India is now spending only about 3 per cent of its budget on education as against a target of 10 per cent recommended by the Kher Committee. It is, therefore, obvious that much greater effort has to be made by the Centre to finance the educational development in the fourth and the subsequent plans. The above proposals are based on this fundamental assumption and they merely indicate the manner in which the additional resources which the Central Government would now be required to find may be channelised in the best interests of education and the country.



Annexure I

PATTERN OF CENTRAL ASSISTANCE, DURING THE FIRST FIVE YEAR PLAN, FOR EDUCATIONAL SCHEMES INCLUDED IN THE STATE PLANS

<u>Scheme</u>	<u>Year</u>	<u>Ratio of Central Assistance (Recurring)</u>	
Propagation of Hindi	1954-55	66% of approved expenditure on approved schemes.	
	1955-56	66% of approved expenditure on new approved schemes and also the schemes for which central assistance was sanctioned in the year 1954-55 but were not started in that year. 50% of those schemes which were started in 1954-55.	
<u>Elementary (including Basic Education)</u>		<u>Recurring Expenditure</u>	<u>Non-Recurring Expenditure</u>
(i) Post-graduate basic training colleges	1952-53 ) 1953-54 )	60%	66%
(ii) Basic Training Colleges	1954-55	50%	66%
(iii) Community Centres	1955-56	33 $\frac{1}{3}$ %	66%
(iv) Integrated Library Service			
(v) Janta Colleges			
(vi) Improvement of Primary Schools			
(vii) Pre-primary Schools	1952-53 ) 1953-54 )	60%	66%
(viii) Urban Basic Schools	1954-55 ) 1955-56 )	50% 33-1/3%	" "
<u>Secondary Education</u>			
Development of Schools			
(i) Cum-Community Centres	1952-53 ) 1953-54 )	60%	66%
(ii) Improvement of Secondary Schools	1954-55	50%	"
(iii) Improvement of Library Service	1955-56	33-1/3%	"

Social Education

(i) Training of Social Education Workers	1952-53 ) 1953-54 )	60%	66%
	1954-55	50%	"
	1955-56	33-1/3%	"
(ii) Appointment of District Social Education Organisers	1955-56	50%	50%
(iii) Production of Literature	1955-56	50%	50%
(iv) Educational unemployed relief scheme	( 1953-54 ) ( 1954-55 ) ( 1955-56 )	75% 50% 25%	75% 50% 25%

Annexure II

PATTERN OF CENTRAL ASSISTANCE ON STATE SCHEMES IN THE SECOND FIVE YEAR PLAN

<u>Scheme</u>	<u>Pattern of Assistance (Percentage)</u>
<u>Elementary Education</u>	
(i) Pre-Primary Education	50
(ii) Education of girls - ) (a) Basic Schools ) (b) Non-Basic Schools )	60
(iii) Basic Education (including Training of Basic Teachers)	60
(iv) Improvement of Salaries of Primary School Teachers	50
(v) Relief to Educated Unemployed and Expansion of Primary Education	100
(vi) Additional Inspectorate	50
(vii) Staff Quarters for Teachers	50
(viii) Other Schemes (Except Scholarships, Administrative Staff/Building)	50
<u>Secondary Education</u>	
(i) Conversion of High Schools into Multipurpose Higher Secondary Schools	60
(ii) Conversion of High Schools into Higher Secondary Schools	60

(iii) Training of Teachers for Multipurpose Higher Secondary Schools	60
(iv) Improvement of Teaching Facilities in existing Secondary Schools (Non-Recurring only)	50
(v) Improvement of Teaching Science in existing Secondary Schools (Non-Recurring only)	50
(vi) Improvement of Libraries (Non-Recurring only)	50
(vii) Improvement of Salaries of Secondary School Teachers	50
(viii) Additional Inspectorate	50
(ix) Staff Quarters for Teachers	50
(x) Educational and Vocational Guidance Bureaux	50
(xi) Seminars for Teachers and Inspectors	50
(xii) Other Schemes (except Scholarships, Public Schools and Administrative Staff/Buildings)	50
<u>University Education</u>	
Women's Education	50
<u>Social Education</u>	
(i) State District Branch and Children's Libraries	50
(ii) Appointment of District Social Education Organisers	50
(iii) Janta Colleges	50
(iv) Other Schemes (except schemes covered under the programmes of the Ministry of Community Development)	50
<u>Audio-Visual Education</u>	
Audio-Visual Education Schemes	50
<u>Education of the Handicapped</u>	
Schemes for the Education of the Handicapped	50
<u>Promotion of Hindi</u>	
Schemes for the Promotion of Hindi	60
<u>Miscellaneous</u>	
Planning and Statistical Units	60

Annexure III

PATTERN OF CENTRAL ASSISTANCE ON CENTRALLY SPONSORED  
SCHEMES IMPLEMENTED THROUGH THE STATE GOVERNMENTS  
DURING THE SECOND FIVE YEAR PLAN

<u>Scheme</u>	<u>Pattern of Assistance (Percentage)</u>
<u>Elementary Education</u>	
(i) Expansion of Girls' Education and Training of Women Teachers	75
(ii) Post-Basic Schools	100 (Assistance is also given to Voluntary Organisations on 60% basis).
(iii) Organisation of Literary Workshops for the Production of Literature for Children	100
(iv) Travel Concession to Elementary School Teachers	100
(v) Pilot Project for Improved Science Teaching in Elementary Schools	100
(vi) Teacher's Training Facilities for Implementing Scheme on Free & Compulsory Education during the Third Plan	100
(vii) Educational Survey	66 $\frac{2}{3}$ (The scheme has since been completed)
<u>Secondary Education</u>	
Introduction of Agriculture	60 (The scheme has been dropped with effect from 1959-60)
<u>University and Higher Education</u>	
(i) Improvement and Development of Educational Institutions at Collegiate Level (Three-Year Degree Course)	50 (Assistance is also given to Universities)
(ii) Rural Institutes	75 N.R. (Assistance is given to Voluntary Organisations)
<u>Physical Education and Youth Welfare Activities</u>	
(i) Physical Education Training Colleges	100 (Assistance is also given to Voluntary Organisations on 75 per cent basis)

- (ii) National Physical Efficiency Drive 50
- (iii) Seminars on Physical Education 50
- (iv) Grants to Vyayamshalas 75 (Subject to a maximum of Rs 2,500)
- (v) Stadia and Guest Houses 50 (Assistance is also given to Voluntary Organisations)
- (vi) Labour and Social Service Camps 100 (Assistance is also given to Voluntary Organisations)
- (vii) Campus Work Projects 75 (Voluntary Organisations are also entitled to assistance. Under the scheme assistance is given on the actual cost of these projects without taking into consideration the cost of land and that of skilled and unskilled labour rendered by students & teachers and subject to the ceiling prescribed for the different types of projects detailed below:

	Rs
(a) Swimming Pool	30,000
(b) Open Air Theatre	15,000
(c) Small Stadium	25,000
(d) Pavilion	10,000
(e) Recreation Hall-cum-Auditorium	35,000
(f) Gymnasium	25,000
(g) Preparation of 400 Metres Oval Cinder Track	10,000

- (viii) Development of Sports and Games - Acquisition of Play Fields 100 (Subject to a maximum of Rs 5,000)
- (ix) Youth Hostels 100 (Subject to a maximum of Rs 4,000 per Hostel)
- (x) Students' Tours 100 (Third Class Railway/ Bus fare at students concessional rates)
- (xi) Non-Student Youth Clubs 50 (Subject to a maximum of Rs 5,000)

Social Education

Organisation of Literary Workshops for  
the Production of Literature for Neo-  
Literates 100

Promotion of Hindi and Sanskrit

Appointment of Hindi Teachers 60

Annexure IV

LIST OF CENTRALLY SPONSORED SCHEMES PROPOSED TO BE  
INCLUDED IN THE THIRD FIVE YEAR PLAN

--

Sl. No.

Scheme

A. Elementary and Basic Education

1. Pilot Project for the Intensive Development of  
Primary Education in selected Areas.

B. Secondary Education

2. Examination Reform - Setting up of State Evaluation  
Units.

3. Educational and Vocational Guidance Programme for States

4. Strengthening of Multi-purpose Schools

5. Loan and Grants for the Construction of Hostels

C. University and Higher Education

7. National Physical Efficiency Drive

8. Implementation of Syllabuses of Physical Education  
and Health Education.

9.\*Youth Hostels

10.\*Youth Welfare Boards and Committees

11. Non-Student Youth Clubs and Centres

12. Holiday Camps

13. Camp Sites

14. Children's Museums

15. Student's Tours

16. Assistance for Construction of Stadia and Utility Stadia

\* Grants under the scheme are given to Voluntary Organisations  
also

17. \*Labour and Social Service Camps
18. \*Campus Work Projects
- E. Development and Propagation of Hindi And Sanskrit
19. Appointment of Hindi Teachers
20. Grants to non-Hindi Speaking States for Propagation of Hindi
21. Revision of Pay Scales of Hindi Teachers

Sanskrit

22. Grants to State Governments
23. Providing facilities for the Teaching of Sanskrit in Secondary Schools.

F. Education of the Handicapped

24. Establishment of the Training Centre for the Adult Deaf
25. Establishment of Special Employment Offices for the Physically Handicapped.

G. Evaluation, Research and Publication

26. Establishment of Evaluation and Research Bureaux in the States.

\*

Grants under the scheme are given to Voluntary Organisations also

Annexure V

PATTERN OF CENTRAL ASSISTANCE FOR SCHEMES INCLUDED IN STATE PLANS IN THE THIRD FIVE YEAR PLAN

<u>Scheme</u>	<u>Pattern of assistance</u>
1. Special Schemes relating to girls' education	- Grant - 100%
2. Teachers' Training	- Grant - 100%
3. Appointment of Additional teachers for primary schools	- Grant - 50%
4. Conversion of high schools into higher secondary schools	- Grant - 50%
5. Improvement of science teaching in secondary schools	- Grant - 75%
6. Scholarships for primary and secondary school students	- Grant - 75%
7. Improvement in emoluments of teachers	- Grant - 50%

Annexure VI

PROGRAMME FOR THE IMPROVEMENT OF UNIVERSITY DEPARTMENTS  
OF EDUCATION AND SELECTED CONSTITUENT AND AFFILIATED  
TRAINING COLLEGE

--

The original idea in establishing University Departments of Education was that they should become centres of research and assist the country in solving its complex and difficult educational problems. For several reasons, this development has not yet taken place and most University Departments of Education concentrate all their energies on the training of teachers for secondary schools. It is necessary to improve this situation and to develop University Departments of Education (and where these do not exist, selected constituent or affiliated colleges) into really high-level and progressive institutions.

The following programme of action is suggested for this purpose:

- (1) About 20 University Departments of Education, one in each State and more than one in the bigger States or in places where there is a good promise of potential growth, should be selected for intensive development.
- (2) In each Department, adequate provision should be made for building up a strong programme of research and post-graduate teaching.
- (3) Steps should also be taken to develop a composite programme for the training of teachers - both for the elementary and secondary stages - by opening sections for the training of elementary teachers and establishing experimental elementary schools.
- (4) Where conditions are favourable, integrated courses of general and professional education should be organised for secondary teachers, on the lines of the courses being developed



in the Regional Colleges of Education, by the collaborative effort of the different Faculties of the Universities in Arts and Sciences.

(5) These selected Departments would also organise correspondence courses for the in-service education of teachers.

(6) The programme will need a considerable amount of recurring and capital expenditure and can be operated through the University Grants Commission if adequate funds are placed at its disposal. The details of the costs involved can be worked out only at a later stage after the institutions to be developed are tentatively selected and some outline of their possible development has been determined.