

CHAPTER III

GROWTH OF EDUCATIONAL EXPENDITURE ON HIGHER EDUCATION IN TAMIL NADU 1960-61 - 1975-76

In this chapter we discuss the growth of expenditure on Higher Education in India in general, and in Tamil Nadu, in particular Education is a State-subject in India. Therefore, we examine the expenditure on education in different States in India.

Table III-(1) gives the States' Net Domestic Product (SNDP), Expenditure on education as percentage of States' total budget, the percentage of coverage of education at Primary, Middle, High/Higher Secondary Schools and College General Education levels to the relevant age group of population and the per pupil cost on education of 16 major States in India for the year 1975-76.

It may be argued that the higher the per capita SNDP of a State, the greater the proportion of its expenditure on

social services, like education. What we, however, find is as follows: we see, for example, Punjab with the highest per capita SNDP of Rs.1,688/- spends only 23.29% of its budget on education and has a lesser coverage of education at the Primary, Middle and High/Higher Secondary School levels to their corresponding age-group of population than Kerala, with only Rs.1,000/- as per capita SNDP and 36.62% of its budget being spent on education, occupying the first position in its coverage of school education as a whole, and in particular, at the Middle and High/Higher Secondary School levels to their relevant age-group of population. Tamil Nadu occupies the 8th rank in per capita SNDP and the 11th in expenditure on education as percentage of the State's total budget.

To test in a more precise manner the relationship between per capita SNDP and the percentage of states' Budget expenditure on education, we have worked out the rank correlation coefficient between the per capita SNDP and the proportion of the budget expenditure on education. Surprisingly, we find a negative correlation of - 0.297, not significant, though. This means no generalisation can be made about the relationship between the per capita SNDP and the percentage devoted to education.

Similarly, we have worked out the rank correlation co-efficient between the per capita SNDP and the enrolment in Primary, Middle and Secondary Schools and College general education as percentage coverage of their corresponding age-group of population. We find that there is no correlation between the per capita SNDP and the enrolment in Primary education as percentage coverage of age-group 6-11, the rank correlation coefficient being only 0.394. We also find that there is significant correlation between the SNDP and the enrolment in Middle and Secondary Schools as percentage coverage of their corresponding age-group 11-14 and 14-17.

TABLE - III (1)

STATES NET DOMESTIC PRODUCT (SNDP), PERCENTAGE OF EDUCATIONAL EXPENDITURE
TO STATES' BUDGET, ENROLMENT AT DIFFERENT STAGES OF EDUCATION AS PERCENTAGE
COVERAGE OF CORRESPONDING AGE - GROUP OF POPULATION AND COST PER PUPIL

1975 - 76

Serial No.	States	States' Net domestic product (SNDP) at current prices in Rupees	States' Edu- cational Ex- penditure as % of total State Budget	Enrolment in Primary Edu- cation as % coverage of age group 6-11	Enrolment in Middle School Edu- cation as % coverage of Age Group 11-14
1	2	3	4	5	6
1.	Andhra	897	23.37	70.4	26.5
2.	Assam	848	24.68	70.7	31.5
3.	Bihar	669	26.69	62.0	24.9
4.	Gujarat	1236	23.26	86.0	40.3
5.	Haryana	1514	18.72	69.2	44.4
6.	Jammu & Kashmir	825	13.16	61.5	39.4
7.	Karnataka	1038	21.71	88.3	36.9
8.	Kerala	1000	36.62	104.5	84.5

Contd

Serial No.	States	Enrolment in High/Higher Secondary Schools as percentage coverage of age group 14-17	Enrolment in the University stage general education classes as % coverage of age group 17-23	Cost per pupil (Direct expenditure on all educational institutions) in Rupees
1	2	7	8	9
1.	Andhra	11.2	3.8	199.3
2.	Assam	15.3	3.6	159.6
3.	Bihar	13.7	2.5	132.4
4.	Gujarat	26.3	3.6	194.9
5.	Haryana	26.2	5.2	191.9
6.	Jammu & Kashmir	20.3	4.4	231.4
7.	Karnataka	15.5	5.6	177.5
8.	Kerala	33.1	5.8	238.1

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1	2	3	4	5	6
9.	Madhya Pradesh	790	23.14	67.4	24.9
10.	Maharashtra	1455	20.56	94.5	42.5
11.	Orissa	834	21.44	78.7	23.2
12.	Punjab	1688	23.29	90.8	46.8
13.	Rajasthan	873	22.56	59.4	25.5
14.	<u>Tamil Nadu</u>	997	21.96	115.9	46.3
15.	Uttar Pradesh	727	25.0	97.9	36.5
16.	West Bengal	1100	22.32	83.9	35.6
	INDIA	-	-	83.8	36.7

Rank correlation between

17.	SNDP and	-	-0.297	0.394	0.685**
18.	Cost per pupil and	0.532*	-0.206	0.112*	0.567

Note: * Significant at 5 per cent level of significance

** Significant at 1 per cent level of significance

Source: 1) National Accounts Statistics, 1970-71 - 1976-77, Central Statistical Organization, Department of Statistics, Ministry of Planning, Government of India.

2) Combined Finance and Revenue Account, Union and State Governments in India, Comptroller and Auditor.

3) Education in India, Ministry of Education and Social Welfare, Government of India, 1975-76.

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1	2	7	8	9
9.	Madhya Pradesh	11.4	2.1	189.1
10.	Maharashtra	22.7	4.3	242.2
11.	Orissa	13.8	2.5	171.9
12.	Punjab	24.9	6.5	254.0
13.	Rajasthan	14.0	1.7	231.0
14.	<u>Tamil Nadu</u>	26.0	<u>3.5</u>	192.1
15.	Uttar Pradesh	15.3	7.4	121.6
16.	West Bengal	17.2	5.0	133.5
	INDIA	18.3	4.5	188.1

Rank correlation between

17.	SNDP and	0.683**	0.423	0.532*
18.	Cost per pupil and	0.499..	0.126	-

The rank correlation is 0.685 and 0.683, respectively, which is significant even at 1 per cent level of significance. At the college general education level of enrolment as percentage coverage of the relevant age-group of population, we do not find any correlation existing.

We next proceeded to work out the rank correlation between SNDP and the cost per pupil. The rank correlation is 0.532, which is significant at 5 per cent level of significance.

Keeping cost per pupil as the constant factor, the rank correlation between it and the other 6 variables was also calculated. The co-efficient of rank correlation between cost per pupil and educational expenditure as percentage of the States' total budget is 0.206. There is no correlation.

The coefficient of rank correlation between the cost per pupil and enrolment in Middle School as percentage coverage of age-group 11-14 is 0.567. This is significant at 5 per cent level of significance.

The coefficients of rank correlation between the cost per pupil and enrolment in Primary, Secondary and University Stage general education as percentage coverage of their corresponding age-groups are : 0.112, 0.499 and 0.126, respectively. That is, the correlation is either nil or negligible.

Summing up:

- 1) there is significant rank correlation even at 1 per cent level of significance between the per capita SNDP and the percentage coverage of enrolment at the Middle and Secondary School levels corresponding to their respective age-groups of population;
- 2) there is significant rank correlation at 5 per cent

level of significance between SNDP and cost per pupil;

- 3) there is significant rank correlation at 5 per cent level of significance between cost per pupil and the percentage coverage of enrolment at the Middle School stage of education corresponding to the age-group 11-14;
- 4) there is negligible correlation between SNDP and enrolment in the University stage General Education as percentage coverage of age-group 17-23;
- 5) there is no correlation either between SNDP and the expenditure on education as percentage of the States' Total Budget or between SNDP and the enrolment in Primary education as percentage coverage of age-group 6-11;
- 6) the rank correlation between cost per pupil and enrolment in Secondary School education as percentage coverage of age-group 14-17 is negligible;
- 7) there is no correlation between cost per pupil and educational expenditure as percentage of the States' Total Budget;
- 8) there is no correlation between cost per pupil and enrolment at Primary and University General Education stages as percentage coverage of their respective age-groups of population.

The above analysis shows the urgent need for a more rational allocation of resources meant for education at the States' level. Priorities should be clearly spelt out. The Primary stage of Education should be given the pride of place in educational expenditure.

ENROLMENT, DIRECT EXPENDITURE AND PER PUPIL COST

1960-61 - 1975-76

The stages of education in India can be neatly divided into a four-tier system. At the bottom rung of the ladder we have the Primary stage from class I to V for the age-group 6 to 11. At the second tier, we have the Middle level from class VI to VIII for the age-group 11 to 14. At the third stage, we have the High/Higher Secondary School Education from class IX to XI or IX to XII for the age-group 14-17. At the fourth and final stage, we have Higher Education at the College and University level for General and Professional Education for the age-group 17-23.

Examining the enrolment figures of education at these 4 levels during the 15 years' period from 1960-61 to 1975-76, for Tamil Nadu and India, we find that the higher stages of education have grown at a faster rate than the lower ones. The higher the stage, the faster has been the growth. Thus during 1960-61 to 1975-76, Higher education at the College and University level increased by 263% and 265% respectively, in Tamil Nadu and India, as against 137% and 154% with regard to High/Higher Secondary enrolment. Middle School enrolment increased by 92% in Tamil Nadu and 123% in India, while Primary School enrolment increased by only 48% and 76% each. This phenomenon of the higher rates of growth of higher stages is termed as elitist development in India Education. The following summary figures bring out the growth rates at various stages:

Another thing brought out by the above figures is the sharp slackening in the growth rates of enrolment at all stages in India and Tamil Nadu, after 1965.

TABLE III - (2)

QUINQUENNIAL GROWTH RATES IN ENROLMENT (PERCENTAGE-WISE)1960-61 - 1975-76

Year	Primary Education		Middle School Education		High/Higher Secondary School Education		Higher Education (University and College)	
	Tamil Nadu	India	Tamil Nadu	India	Tamil Nadu	India	Tamil Nadu	India
1	2	3	4	5	6	7	8	9
1960-61 to 1965-66	27.1	39.7	71.4	57.6	89.3	65.0	120.8	61.6
1965-66 to 1970-71	9.1	10.6	9.5	20.4	10.3	29.2	45.7	68.6
1970-71 to 1976-76	6.8	13.6	2.3	17.4	13.4	19.8	12.9	34.0
15 years period	48.2	75.5	92.1	122.8	136.7	155.4	263.1	265.3

Source: Prepared from relevant volumes of Education in India 1960-61 to 1975-76, Ministry of Education and Social Welfare, Government of India.

Table III (3) and III (4) analyse the trends in enrolment, direct expenditure and per pupil cost at different stages of education for selected years from 1960-61 to 1975-76.

ENROLMENT

The quinquennial percentage growth rate was given in Table III (2).

A closer look at Table III (3) shows the following:

- 1) in Tamil Nadu between 1960-61 to 1975-76 there was a decline in the share of the Primary stage in total enrolment at all stages. The percentage of enrolment to total enrolment at the primary stage declined from 57 to 48 per cent;
- 2) between 1960-61 to 1970-71, the Middle school enrolment increased, but declined slightly between 1970-71 to 1975-76;
- 3) there has been a steady increase in the share in total enrolment at the High/Higher Secondary level. The share of the High/Higher Secondary School stage in total enrolment increased from 15.8 to 21.2 per cent; and
- 4) the percentage of enrolment at the Higher Educational level shows that Higher Education still continues to cater only to a tiny proportion of the population. In spite of the phenomenal expansion of University and College education, in 1975-76, college students constituted only 3.5 per cent of the relevant age group 17-23 years.

The decline in the enrolment growth rate at the Primary stage can be explained from the fact that Tamil Nadu has already succeeded in extending primary education to almost the entire range of the age-group 6-11. The enrolment in Primary education as percentage coverage of this age-group is 116. This is

TABLE III - (3)

ENROLMENT, DIRECT EXPENDITURE AND COST PER PUPIL
TAMIL NADU - 1960-61 - 1975-76

Year	Enrolment in '000					Total Number
	Primary Number	Middle School Number	High/Higher Secondary School Number	Higher Edu- cation(Uni- versity) Number		
1	2	3	4	5		6
1960-61	2496 (57.2)	1108 (25.4)	689 (15.8)	69.7 (1.6)		4862.7 (100)
1965-66	3173 (48.6)	1899 (29.1)	1304 (20.0)	153.9 (2.3)		6529.9 (100)
1970-71	3463 (48.1)	2080 (28.9)	1438 (20.0)	224.2 (3.1)		7205.2 (100)
1975-76	3698 (48.0)	2128 (27.6)	1631 (21.2)	253.2 (3.3)		7710.2 (100)

Note: Numbers in brackets denote percentages.

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TABLE III - (3) (CONTD....)

Year	Direct Expenditure in Rs. '000					Total Amount in Rupees
	Primary Amount in Rupees	Middle School Amount in rupees	High/Higher Secondary School Amount in Rupees	Higher Education (University Amount in Rupees		
1	7	8	9	10	11	
1960-61	72,802.5 (33.0)	41,715.9 (19.2)	62,093.8 (28.5)	41,007.9 (18.8)	2,17,620.1 (100)	
1965-66	1,53,121.1 (29.9)	96,601.8 (18.8)	1,49,687.3 (29.2)	1,13,551.2 (22.1)	5,12,961.4 (100)	
1970-71	2,51,016.0 (30.2)	1,54,782.6 (18.6)	2,27,138.3 (27.3)	1,99,150.8 (23.9)	8,32,087.7 (1.00)	
1975-76	4,34,499.6 (29.7)	2,58,286.3 (17.6)	4,22,274.6 (28.9)	3,49,393.00 (23.8)	14,64,453.5 (100)	

TABLE III - (3) (CONTD..)

Year	Cost per pupil in Rupees			
	Primary Rupees	Middle School Rupees	High/Higher Secondary Rupees	Higher Education (University) Rupees
1	12	13	14	15
1960-61	29.2	37.6	90.1	588.3
1965-66	48.3	50.9	114.8	506.5
1970-71	72.5	74.4	158.0	888.3
1975-76	117.5	121.4	258.9	1379.9

TABLE - III (4)

ENROLMENT, DIRECT EXPENDITURE AND COST PER PUPIL

INDIA - 1960-61 - 1975-76

Year	Enrolment in '000					Total Number
	Primary Number	Middle School Number	High/Higher Secondary School Number	Higher Education (University) Number		
1	2	3	4	5	6	
1960-61	26,642.3 (57.9)	10,610.9 (23.1)	7,511.5 (16.3)	1,215.3 (2.6)	45,980 (100)	
1965-66	37,219.1 (54.5)	16,724.7 (24.5)	12,393.9 (18.1)	1,963.5 (2.9)	68,301.2 (100)	
1970-71	41,153.3 (51.0)	20,145.4 (25.0)	16,018.2 (19.9)	3,311.8 (4.1)	80,628.7 (100)	
1975-76	46,751.0 (49.7)	23,642.2 (25.1)	19,185.9 (20.4)	4,439.3 (4.7)	94,018.44 (100)	

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TABLE - III (4) CONTD...

Direct Expenditure in Rs. '000					
Year	Primary Amount in Rupees	Middle School Amount in Rupees	High/Higher Secondary School Amount in Rupees	Higher Edu- cation (Uni- versity Amo- unt in Rupees	Total Amount in Rupees
1	7	8	9	10	11
1960-61	7,34,461.3 (30.3)	4,29,219.8 (17.7)	6,89,117.4 (28.5)	5,68,826.8 (23.5)	24,21,625.3 (100)
1965-66	12,87,230.6 (26.7)	8,42,826.8 (17.5)	13,76,925.9 (28.5)	13,18,482.0 (27.3)	48,25,465.3 (100)
1970-71	23,45,663.4 (24.8)	17,09,368.0 (18.1)	27,00,000.6 (28.5)	27,08,669.6 (28.6)	94,63,701.6 (100)
1975-76	44,63,148.1 (25.2)	34,09,671.8 (19.3)	49,35,621.6 (27.9)	48,77,984.9 (27.6)	1,76,86,426.4 (100)

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TABLE - III (4)

Year	Cost per pupil in Rupees			
	Primary Rupees	Middle School Rupees	High/Higher Secondary Rupees	Higher Education (University) Rupees
1	12	13	14	15
1960-61	27.6	40.4	91.7	468.1
1965-66	34.6	50.4	111.1	671.3
1970-71	57.0	84.9	168.6	817.9
1975-76	95.5	144.2	257.3	1,098.8

Note: Numbers in brackets denote percentages

Source: Education in India, 1960-61 to 1975-76, relevant volumes
Ministry of Education and Social Welfare, Government of India.

because at the primary stage are to be found many who are below 6 and above 11 years of age. It does not mean that the target of universal enrolment for the children 6-11 has been attained in Tamil Nadu.

Table III-(4) shows similar trends in enrolment at different levels of education for India, as for Tamil Nadu, namely,

- a) the percentage of enrolment at the Primary stage has declined from 58 to 50 per cent;
- b) both at the Middle and High/Higher Secondary School levels the enrolment rates have increased; and
- c) that Higher Education, still constitutes a small fraction of total enrolment.

While one can understand the reason for the decline in the rate of enrolment at the primary stage for Tamil Nadu, the same argument cannot be extended in the case of India. Primary education in India has not yet reached all the children of the age-group 6-11. The average coverage for India is only 84%. Therefore, the growth in the enrolment rates at the middle and secondary school stages has been at the expense of the primary stage of enrolment.

DIRECT EXPENDITURE

In India, public expenditure on education is broadly divided into two heads, namely, Direct and Indirect Expenditure.

Under Direct Expenditure we have:

- 1) Salaries of Teaching Staff,
- 2) Salaries of other staff,
- 3) Expenditure on Equipment and other appliances (recurring), and
- 4) Expenditure on other items.

Indirect Expenditure includes:

- 1) Expenditure on Direction and Inspection of Educational institutions,
- 2) Expenditure on Buildings,
- 3) Expenditure on Hostels,
- 4) Scholarships, stipend, and other financial concessions granted to students,
- 5) Expenditure on Equipment and other appliances (nonrecurring), and
- 6) Expenditure on other items.

Our analysis deals with Direct Expenditure only since it constituted 91% in Tamil Nadu, and 85% in India, of total expenditure on educational institutions, in 1975-76. Direct expenditure on education is given stage-wise. Thus over the 15 years' period - 1960-61 to 1975-76, we observe that Direct Expenditure on Primary education as percentage of total Direct Expenditure on Education in Tamil Nadu, has declined from 33% in 1960-61 to 29.7% in 1975-76. Similar is the case with Direct Expenditure on Middle School Education. The percentage of expenditure decreased from 19.2% in 1960-61 to 17.6% in 1975-76. Direct Expenditure on Secondary Education has increased from 28.5% to 28.9% between 1960-61 to 1975-76. The appreciable increase in Direct Expenditure has been in the case of Higher Education from 18.8 per cent in 1960-61 to 23.8% in 1975-76. It may, here be recalled, that while in terms of enrolment, the share of higher education is only 3.5%, in terms of its share in total direct expenditure it is as high as 23.8%. We further observe that as much as 52.7% of expenditure is incurred on the two higher stages of education, namely, Secondary and Higher Education as against 47.3% of expenditure for Primary and Middle School Education in 1975-76. It was the other way round in 1960-61 when 52.2 per cent of expenditure was spent on Primary and Middle

School Education, as against 47.7 per cent for Secondary and Higher Education. The change in the pattern of expenditure is a reflection of the change in the enrolment pattern.

Similar trends in the pattern of Direct Expenditure are also visible in the case of India. The Direct Expenditure on Primary Education has declined from 30.3% in 1960-61 to 25.2% in 1975-76, while that of Middle School Education has risen from 17.7% to 19.3% during the same period. The Direct expenditure on Secondary Education has declined by 0.6 per cent, from 28.5 per cent to 27.9 per cent during 1960-61 to 1975-76. Higher Education has registered an increase of 4.1 per cent, from 23.5% to 27.6% between 1960-61 to 1975-76.

The combined expenditure on the final two stages of education, namely, Secondary and Higher Education is 55.6% in 1975-76 as against 44.5% on Primary and Middle School Education. The relevant figures for 1960-61 were 52 and 48 per cent, respectively. Again, the increase in Direct Expenditure at Secondary School and Higher Education levels reflects the trends in the enrolment pattern of education.

PER PUPIL COST

The Direct expenditure on per pupil has been worked out at 1970-71 constant prices for different stages of education for the period 1960-61 to 1975-76. By taking the Net National Product (NNP) at current and at 1970-71 constant prices, the Index number for the 15 years' period has been calculated by introducing the implicit price Deflator (Base Year, 1970-71). Tables III (5) and III (6) give the relevant figures of Tamil Nadu and India, respectively.

Thus we observe that though at current prices the per pupil cost for Primary Education in Tamil Nadu, has increased from Rs.29.2 to Rs.117.5, that is, by 302% between 1960-61 to 1975-76, at constant prices the increase has been by 52 per cent only. The increase in per pupil cost for

TABLE - III (5)
TAMIL NADU - 1960-61 - 1975-76
DIRECT EXPENDITURE PER PUPIL AT 1970-71 CONSTANT PRICES
AT DIFFERENT STAGES OF EDUCATION

Year	Direct Expenditure in Rs.100 Crores				Index Number
	MNP at current prices	NP at 1970-71 prices	Implicit price deflator		
1	2	3	4	5	
1060-61	141.4	242.5	58.3		58
1965-66	205.9	271.0	75.9		76
1970-71	343.7	343.7	100		100
1975-76	616.1	398.5	154.6		155

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Per pupil cost in Rupees at different stages of education										
Year	Total Higher Education	At 1970-71 prices	Secondary Education	At 1970-71 prices	Middle School Education	At 1970-71 Prices	Primary Education	At 1970-71 Prices	At 1970-71 prices	
1	6	7	8	9	10	11	12	13		
1960-61	588.3	1014	90.1	155	37.6	65	29.2	50		
1965-66	506.5	666	114.8	151	50.9	67	48.3	64		
1970-71	888.3	888	158.0	158	74.4	74	72.5	73		
1975-76	1379.9	890	258.9	167	121.4	78	117.5	76		

TABLE - III (6)

INDIA - 1960-61 - 1975-76
DIRECT EXPENDITURE PER PUPIL AT 1970-71 CONSTANT PRICES
AT DIFFERENT STAGES OF EDUCATION

Year	Direct Expenditure in Rs. 100 crores				Index Number
	NP at Current prices	NP at 1970-71 prices	Implicit price deflator		
1	2	3	4	5	
1960-61	141.4	242.5	58.3		58
1965-66	205.9	271.0	75.9		76
1970-71	343.7	343.7	100		100
1975-76	616.1	398.5	154.6		155

- Source:
- 1) Prepared from relevant volumes of Education in India, 1960-61 to 1975-76, Ministry of Education and Social Welfare, Government of India.
 - 2) National Accounts Statistics, relevant volumes from 1960-61 to 1975-76, Central Statistical Organization, Department of Statistics, Ministry of Planning, Government of India.

TABLE - III (6) (CONTD..)

Per pupil cost in Rupees at different stages of Education										
Year	Total Higher Education	At 1970-71 prices	Secondary Education	At 1970-71 prices	Middle School Education	At 1970-71 prices	Primary Education	At 1970-71 prices	At 1970-71 prices	
1	6	7	8	9	10	11	12	13		
1960-61	468.1	807	91.7	158	40.4	70	27.6	48		
1965-66	671.3	883	111.1	146	50.4	66.3	34.6	46		
1970-71	817.9	818	168.6	169	84.9	85	57.0	57		
1975-76	1098.8	709	257.3	166	144.2	93	95.5	62		

Middle and Secondary School Education at current prices has been of the order of 223 and 187 per cent respectively, between 1960-61 to 1975-76. At 1970-71 constant prices, the actual increase has been only of the order of 20 and 7.7 per cent each. In the case of Higher Education between 1960-61 to 1975-76, the per pupil cost increased by 135 per cent at current prices. At 1970-71 constant prices there was an actual decline of 12 per cent.

During the same period, the per pupil cost of Primary Education increased by 246 per cent at the all India level, while at 1970-71 constant prices the increase was by 33 per cent only. The per pupil cost of Middle and Secondary School Education increased by 257 and 181 per cent, respectively, at current prices. At 1970-71 constant prices, the increase was of the order of 33 and 5 per cent, respectively. In the case of Higher Education, the percentage increase in per pupil cost at current prices was 134 as against a fall of 12.0 per cent at 1970-71 constant prices.

Here then we have a clue to the paradox of falling standards of Higher Education inspite of the higher stages being allocated larger and larger shares of educational budgets of the states. The increase in numbers has been, so rapid that the same levels of facilities at Colleges and Universities would have absorbed even larger chunks of the educational budgets. Thus through dilution of standards, larger numbers are accomodated.

This contention of our can further be corroborated by comparing the per pupil cost on Higher Education in real terms in 1960-61 and 1975-76 and also the corresponding percentage of expenditure on Higher Education as share of the total Direct Expenditure with the actual percentage of expenditure in 1975-76.

In Tamil Nadu, at 1970-71 constant prices, the expenditure on Higher Education per pupil in 1960-61 was Rs.1,014/-.

In 1975-76 it was Rs.890/-. If the same level of expenditure per pupil in real terms was to be incurred in 1975-76 as was done in 1960-61, the expenditure per pupil on Higher Education should have been Rs.1,573/- as against the actual expenditure of Rs.1,380/-, at 1975-76 current prices. Similarly, in India, at 1970-71 constant prices, the expenditure on Higher Education per pupil in 1960-61 was Rs.807/-. In 1975-76, it was Rs.709/-. If the same level of expenditure per pupil in real terms was to be incurred in 1975-76 as was done in 1960-61, the expenditure per pupil on Higher Education should have been Rs.1,253/- as against the actual expenditure of Rs.1,099/-, at 1975-76 current prices.

Again, in Tamil Nadu in 1975-76, the total Direct Expenditure on Higher Education was Rs.3,49,393,000. This accounted for 23.8% of total Direct Expenditure on education. The per pupil cost was Rs.1,380/-. The total enrolment was 2,53,200 students. At the calculated expenditure of Rs.1,573/ per pupil on Higher Education at 1975-76 current prices, the total Direct Expenditure ought to have been of the order of Rs.3,98,283,600. That is, an expenditure of 27.1% on Higher Education of the total Direct Expenditure on education, as against the actual expenditure of 23.8% on Higher Education of the total Direct Expenditure. Similarly in India, in 1975-76 the total Direct Expenditure on Higher Education was Rs.4,87,79,84,900. This accounted for 27.6% of total Direct Expenditure on education. The per pupil cost was Rs.1,099. The total enrolment was 44,39,300 students. At the calculated expenditure of Rs.1,253/- per pupil on Higher Education at 1975-76 current prices, the total Direct Expenditure ought to have been of the order of Rs.5,56,24,42,900. That is, an expenditure of 31.5% on Higher Education of the total Direct Expenditure on education, as against the actual expenditure of 27.6% on Higher Education of the total Direct Expenditure on Education. We can thus see that at the College and University levels rapid increases in enrolment have been accommodated through a larger share of the

total educational budget being allocated to it and through a decline in resources devoted per pupil.

To sum^{up}, at current prices educational expenditure per pupil between 1960-61 to 1975-76 at different stages of school education, shows significant increases both for Tamil Nadu and India. At 1970-71 constant prices, the increase has been significant for Primary and Middle School Education and only marginal for Secondary School Education. The Direct Expenditure per pupil increased by 135% each at current prices for both Tamil Nadu and India for Higher Education, while it decreased by 12 per cent each at 1970-71 constant prices. This means that while both at the State and all India levels, the enrolment figures of Higher Education show an increase during 1960-61 to 1975-76, the allocation of resources per pupil has been declining.

SOURCES OF FINANCE FOR EXPENDITURE ON EDUCATION

The sources of finance for expenditure in education are grouped under five heads, namely;

- 1) Government Funds,
- 2) University or District Board Funds,
- 3) Local or Municipal Board Funds,
- 4) Fees, and
- 5) Endowments and other sources.

Government Funds

In Tamil Nadu, Government funds accounted for 61.8 per cent of the total direct expenditure on education in 1960-61 as against 10.5% by district board funds, 5.9% by local/municipal funds, 14.6% by fees and 7.2% by other sources. By 1970-71, the dependence on government funds increased to 71.5%. The share of district board funds also increased

to 17.1%, while that of local/municipal funds, fees and other sources declined to 0.1%, 7.2% and 4.0%, respectively. The dependence on government funds further increased to 79.2% by 1975-76 with a corresponding decrease in the share from other sources.

In India, too, we find the same pattern of development. The share of government funds increased from 63.8% in 1960-61 to 76.0% in 1970-71 and 81.9% in 1975-76. There has been a marginal increase in the share from district board funds from 4.4 to 5.4% between 1960-61 to 1970-71. In the case of local or municipal funds, fees, and other sources has declined from 3.7, 21.2 and 6.9 per cent to 0.2, 13.4 and 5.0 per cent, respectively, between 1960-61 to 1970-71.

Table III (7) gives the Direct Expenditure by sources for the years 1960-61, 1970-71 and 1975-76.

The total direct and indirect expenditure on educational institutions and the share met from Government funds in Tamil Nadu and India, for the year 1975-76, is given in Table III-(8).

Looking at the different stages of education, we observe that in Tamil Nadu, between 1960-61 to 1975-76, there has been an increase in the share from Government funds at all stages of education, except the primary stage. The drop in the government's contribution to primary education can be explained from the fact that, since Tamil Nadu is well on the way to universal enrolment of children of the age-group 6-11, its resources are being channelised to the higher stages of education. The sharp increase in the share of the government towards secondary education from 41.5% in 1960-61 to 86.3% in 1975-76 is explained from the fact that during the sixties of this century, the Tamil Nadu Govern-

TABLE-III (7)

DIRECT EXPENDITURE BY SOURCES AT DIFFERENT STAGES OF EDUCATION
1960-61, 1970-71 AND 1975-76
TAMIL NADU AND INDIA

		Direct Expenditure - percentage met from							
	Stages of Education	Government funds				University/District Board funds			
		year				year			
		1960-61	1970-71	1975-76	1960-61	1970-71	1975-76	1970-71	1975-76
1	2	3	4	5	6	7	8		
Tamil	Primary	78.7	66.8	76.9	9.7	32.3	-		
	Middle	73.7	73.2	93.0	9.2	25.4	-		
	Secondary	41.5	83.3	86.3	19.4	7.2	-		
	Higher Education (Gen. & Prof. Educ.)	50.2	62.6	-	-	2.8	-		
	Total	61.8	71.5	79.2	10.5	17.1	-		
India	Primary	80.5	87.3	88.2	8.2	9.4	-		
	Middle	74.1	85.3	88.5	5.1	8.0	-		
	Secondary	48.0	74.6	86.7	3.2	1.3	-		
	Higher Education (Gen. & Prof. Educ.)	53.1	62.0	-	0.4	4.3	-		
	Total	63.8	76.0	81.9	4.4	5.4	-		

CONTD

TABLE - III (7) (CONTD...)

		Direct Expenditure - percentage met from						
		Local Municipal Funds			Fees year			
		Year						
		1960-61	1970-71	1975-76	1960-61	1970-71	1975-76	
1	2	9	10	11	12	13	14	
Tamil Nadu	Primary	8.3	-	-	0.3	0.04	-	-
	Middle	10.8	-	-	1.6	0.07	-	-
	Secondary	3.8	-	-	26.6	6.1	-	-
	Higher Education (Gen. & Prof. Educ).	-	0.6	-	34.9	23.2	-	-
Total		5.9	0.1	-	14.6	7.2	-	-
India	Primary	6.3	-	-	2.3	2.0	-	-
	Middle	7.5	0.001	-	7.4	4.0	-	-
	Secondary	1.5	0.02	-	39.2	18.5	-	-
	Higher Education (Gen. & Prof. Educ).	-	0.4	-	34.7	24.1	-	-
Total		3.7	0.2	-	21.2	13.4	-	-

CONTD ...

TABLE - III (7) (CONTD.....)

		Direct Expenditure - percentage met from		
		Other sources		
		Year		
		1960-61	1970-71	1975-76
1	2	15	16	17
Tamil Nadu	Primary	3.0	0.9	-
	Middle	4.7	1.3	-
	Secondary	8.7	3.4	-
	Higher Education (Gen. & Prof. Educ).	14.9	10.8	-
Total		7.2	4.0	-
India	Primary	2.7	1.3	-
	Middle	5.9	2.7	-
	Secondary	8.1	5.6	-
	Higher Education (Gen. & Prof. Educ).	11.8	9.2	-
Total		6.9	5.0	-

Source: Education in India, 1960-61, 1970-71 and 1975-76

Ministry of Education and Social Welfare, Govt. of India, New Delhi.

CONTD....

TABLE III - (7) (CONTD ...)

		Total Direct Expenditure Rupees in Lakhs Year		
Stages of Education		1960-61	1970-71	1975-76
1	2	18	19	20
Tamil Nadu	Primary	728	2,510.2	4,345.0
	Middle	417.2	1,547.8	2,582.9
	Secondary	620.9	2,271.4	4,222.7
	Higher Education (Gen. & Prof.Educ).	410.0	1,991.6	2,748.9
Total		2,176.1	8,321.0	13,899.5
India	Primary	7,345.0	23,456.6	44,631.5
	Middle	4,292.2	17,093.7	34,096.7
	Secondary	6,891.0	27,000.00	49,356.2
	Higher Education (Gen.&Prof.Educ).	5,447.0	27,086.7	32,647.2
Total		2,397.5	94,637.0	1,60,731.6

Source: Education in India, 1960-61, 1970-71 and 1975-76.
Ministry of Education and Social Welfare, Govt. of India, New Delhi.

TABLE - III (8)

1975-76 - TAMIL NADU AND INDIA

TOTAL DIRECT AND INDIRECT EXPENDITURE ON EDUCATIONAL INSTITUTIONS AND SHARE MET FROM GOVERNMENT FUNDS (RUPEES IN LAKHS)

	Direct Expenditure	Indirect Expenditure	Total (Direct and Indirect Expenditure)	Per capita Expenditure in Rupees	Met from Govt. Funds Direct (Rs. in lakhs)	Met from Govt. funds Indirect (Rs. in lakhs)	Total Govt. funds Direct and Indirect (Rs. in lakh
1	2	3	4	5	6	7	8
Tamil Nadu	14,868.7	1,439.6	16,308.3	36.2	11,774.1 (77.2)	1,108.5 (77.1)	12,882.6 (77.0)
India	1,79,251.8	31,218.5	2,10,470.3	34.8	1,46,878.7 (81.9)	18,351.7 (58.8)	1,65,230.6 (78.5)

Note: Numbers in brackets denote percentages

Source: Education in India, 1975-76, Ministry of Education and Social Welfare, Government of India, New Delhi.

ment made education free of cost upto the higher secondary stage (inclusive).

We observe similar trends in the allocation of government funds to the different stages of education at the all India level during 1960-61 to 1975-76. At all stages of education, the share of the government towards financing education shows a rising trend.

University/District Board Funds

The contribution from this is more significant at the State level than at the all-India level. Except at the secondary school stage, the contribution from university/district Board funds, has increased both in Tamil Nadu and at the all-India level. Next to government funds, this is an important source of income for Primary and Middle School Education at the State level, as is seen from the increase of 9.7% and 9.2% to 32.3% and 25.4%, respectively in the case of Primary and Middle School education in Tamil Nadu, between 1960-61 and 1970-71.

Local/Municipal Board Funds

1960-61, both at the State and at the all-India levels, this formed an important source of income, especially at the Primary and Middle stages of education. Over the years, the contribution from this source has practically disappeared or is insignificant. This may be explained from the fact that in most cases the responsibilities of the local/municipal boards were either taken over by the Government or by the District Boards.

Fees

Both at the State level and at the all India level, the percentage of fees collected from students has shown a definitely declining trend at all stages of education.

This is markedly significant in the case of secondary school education where the percentages have declined from 26.6% and 39.2% in 1960-61 to 6.1% and 18.5% in 1970-71, respectively for Tamil Nadu and India. In the case of higher education the percentages have declined from 34.9% and 34.7% in 1960-61 to 23.2% and 24.1% in 1970-71, respectively for Tamil Nadu and India. The reason for the decline in the contribution from fees at the secondary and pre-university stages of education, as stated above, is the extension of free education in Tamil Nadu upto the pre-university (higher secondary) stage.

This declining trend in the contribution of the scholars towards their education may be explained by the Government's avowed principle of making the benefits of universal education available to all sections of the population. Here one may be permitted to make the observation that while the government's policy to make education easily available to all at no cost or at the minimum cost is praiseworthy, one feels that at the higher stages of education, both at the secondary and university levels, the recipients should be made to contribute proportionately to their income. This becomes all the more incumbent since even this limited contribution to higher levels of education from the part of the beneficiaries assumes still smaller proportions, when we consider that a good percentage of the scholars are also enjoying state or central government scholarships to pay their fees.

Endowment and other sources

The income from this source has declined at all stages of education, both in Tamil Nadu and in India, over the years. Endowment and other sources used to form a relatively dependable source of finance, especially at the Secondary School and Higher Education stages. In 1960-61 it contributed 8.7% and 8.1% and 14.9% and 11.8% each to Secondary and Higher

Education in Tamil Nadu and India, respectively. That this proportion has declined to 3.4% and 5.6% and 10.8% and 9.2% each, in 1970-71, can be explained from the fact that in earlier years Higher education, both at the School and University levels, depended on the philanthropy of individuals and well-wishers. With the passage of time, the Government began to assume more and more of these responsibilities.

In conclusion, we observe that over the years the dependence on Government for financing expenditure on education is steadily increasing. This is bound to be so in a developing economy like India. The question is whether the Government should allocate more resources to education to bring about a quantitative increase in enrolment at all stages or limit its scarce resources to improve the quality of the education imparted at different stages of education.