CABINET.

EDUCATIONAL POLICY COMMITTEE.

SECOND REPORT.

In pursuance of the conclusions reached by the Cabinet on the 6th February, 1935, (Cabinet 8 (35) Conclusion 9) the President of the Board of Education has submitted to the Committee a Memorandum (E. (34) 6) embodying the complete scheme of an educational policy. A copy of this Memorandum is attached to this Report.

After careful consideration the Committee recommend the Cabinet to adopt for inclusion in their Election programme the various proposals of the President of the Board of Education, a summary of which will be found at the end of his Memorandum.

The Chancellor of the Exchequer has reserved his right to intervene again on the questions of the provision for finance for the scheme and the date of its provision. It has been pointed out on his behalf that it will be necessary for him to weigh the claims of education against the competing claims of other subjects involving the provision of finance, desired to be included in the General Election programme.

Signed on behalf of the Committee.

J. RAMSAY MACDONALD.
Chairman.

2, Whitehall Gardens, S.W.1.
15th July, 1935.
CABINET:
EDUCATIONAL POLICY COMMITTEE.
COMPULSORY EDUCATION BEYOND 14.
MEMORANDUM BY THE PRESIDENT OF THE BOARD OF EDUCATION.

1. It will be remembered that in February 1934 Lord Halifax submitted a memorandum on future educational policy (C.P. 37 (34)) and that a Cabinet Committee was set up to consider educational policy on that basis (Cabinet 5 (34) Conclusion 5). The Committee presented its first report (C.P. 32 (35)) on February 1st, 1935, and this was approved by the Cabinet on February 6th, 1935, (Cabinet 8 (35) Conclusion 9). In accordance with the Cabinet decision Lord Halifax subsequently held confidential consultations with the interests involved. I have been informed of the upshot of those consultations, and now submit the conclusions which I have reached after consultation with my departmental advisers.

Present Position: Demand for Educational Advance.

2. It has for some time been apparent that there is uncertainty and some measure of discontent in some quarters as regards the Government's educational policy. The last great educational advance, that of 1918, with its development in the Hadow Report of 1924 and the subsequent widespread adoption of the system of reorganisation on Hadow lines for Public Elementary Schools, has been consolidated, and there is a general feeling that the ground is now ready for a further move forward. The aspect of this feeling which has
been most conspicuous has been the demand for the raising of the school leaving age. Educationally, it is urged that this would complete the general scheme of Hadow reorganisation by ensuring that the older Elementary School children shall have a full four years' course in the reorganised schools. It is also supported for other reasons. Under the stress of increased international competition, and of the general financial and economic difficulties, a demand has been growing for some further educational training of adolescents which should serve to improve the character and equipment of the new recruits to industry. On the economic side action has been demanded as a means of reducing the burden of unemployment by withdrawing one whole age group from the labour market.

3. This agitation culminated in the deputation from the School Leaving Age Council, headed by Colonel John Buchan, to the Prime Minister on February 21st, 1935. The Prime Minister then expressed himself as much impressed by the arguments of the deputation, and promised that the Government would consider afresh the various possible solutions of the problem. In accordance with that promise, and with the views expressed by the Cabinet, confidential discussions were entered into with the various interests involved.

Building Grants for Voluntary Schools.

4. One of the primary points considered in these discussions has naturally been the part to be played by the Voluntary Schools in any raising of the school leaving age. It has been made abundantly clear that, unless they could be assisted by building grants, the denominations would not be able to play their proper part. It would
not, however, be possible, with anything like general assent, to obtain building grants for purposes of reorganisation alone. They would only be generally accepted if given in connexion with some form of raising of the school leaving age also. In the first place, the Free Churches, while they have indicated both by resolutions at the recent General Assembly and in discussion that they would be prepared to accept the principle of building grants as an emergency measure to meet the demand for fresh accommodation necessitated by the raising of the age, would strongly oppose such grants for the sole purpose of reorganisation. Building grants given for this limited purpose would inevitably involve a demand for further grants of the same kind when the age was raised, and this procedure, besides embittering the Free Churches, would mean taking two bites at the cherry.

Four main alternative proposals for continuing compulsory education.

5. There have been four main alternative proposals canvassed in the press and in educational discussions:

(i) A flat raising of the age from 14 to 15, without exemptions and with maintenance allowances;

This is the simplest and most widely supported form.

(ii) A raising of the age from 14 to 15, with exemptions for beneficial employment;

(iii) A raising of the age from 14 to 15, with exemptions for beneficial employment and a requirement that the exempted children should attend for, say, the equivalent of one day a week at Day Continuation Classes up to the age of 16;

(iv) The retention of the present leaving age supplemented by compulsory attendance at Day Continuation Schools from 14 to 16 or even 18;

This is virtually a revival of the Day Continuation Classes of the Fisher Act of 1918.
6. It may be convenient to deal first with the two latter proposals, which I shall propose to reject for the reasons set out below:

(a) Proposal (iii) has certain educational attractions. It bridges the gap between full time schooling and full time employment, and secures a rough equivalence between the measure of education enjoyed by those who secure exemption and those who do not. I find however that it receives no support, either from Local Authorities or from employers generally. The Authorities dislike it on two main grounds: first, the administrative difficulty of making Day Continuation School provision for an uncertain number of children; and, secondly, the disproportionate expense which such provision would entail in the more sparsely populated districts. Employers dislike it on account of the disorganisation in their works arrangements resulting from periodic absences of their young employees, and also because the small employer would find the scheme virtually unworkable, and would therefore be unable to recruit labour between the ages of 14 and 15. I am clear therefore that we cannot contemplate any mandatory provisions as to the part-time instruction of exempted children: the possibility of empowering Authorities to make such a requirement is referred to in paragraph 13.

(b) The Day Continuation School solution (iv) has the support of several enlightened employers who are heads of large firms. I have, however, been unable to find any support for it in any other quarter. It is regarded as expensive and administratively difficult by the Local Education Authorities, and even the largest employers generally complain that it would have a seriously disorganising effect on the labour arrangements in their works, besides adding appreciably to their working costs. When it is remembered that a very large proportion of employers, both in industry and in the retail trades, do not employ more than 25 workers, the practical difficulties of this solution and the embarrassments which it would inflict on industry generally will be realised.

7. I have, therefore, been driven back to the consideration of the first two proposals set out in paragraph 5. Before considering them, however, I should make it clear that whichever is adopted I am advised that
an interval of not less than two or three years would be necessary between the passing of legislation and the Appointed Day, in order to allow Local Authorities and the Managers of Voluntary Schools time for the necessary negotiations and subsequently for the actual preparation and building. This means that any scheme would probably not come into operation before 1939 or 1940, by which time the number of children in the age group from 14 to 15 would be approaching stability.

8. It is quite clear from the discussions which have taken place that there is a strong trend of opinion - educational and other - in favour of the first solution - raising the age of 15 without exemptions. If money were no object, I should not improbably, in spite of the objections that may be taken to it, have felt bound to recommend this course.

9. It is impossible, however, to resist the conclusion, with which all the advocates of this proposal agree, that on economic and political grounds it would necessitate the giving of maintenance allowances to the children thus compulsorily attending school for an extra year, and that these maintenance allowances could not well be on a scale lower than the 5/- a week proposed by Sir Charles Trevelyan in the Labour Party's Bill of 1930, or be based on income limits for the parents lower than those which he then suggested.

10. If such allowances were to be given, the cost to the Exchequer on the Trevelyan scale, with the Trevelyan limits, would be at least £2,500,000 a year for England and Wales.
alone (though under the Trevelyan proposals the Exchequer would have borne a larger amount than this). Serious as the annual payment of this sum (which, it must be remembered, would be for a non effective service) might be to the Exchequer, the addition of an equal sum to the budgets of Local Authorities would be an unwelcome addition to their obligations. Indeed, the advocacy of maintenance allowances by Local Authorities is usually qualified by a declaration that the Exchequer should bear the whole cost.

11. Moreover, the additional annual cost (including Scotland) of the whole proposal would thus be of the order of £9,500,000 of which £5,500,000 would fall on the Exchequer and £4,000,000 upon local funds. This means that in the distressed areas the cost of the whole proposal would often be the equivalent of a 1/- rate, which would certainly cause a demand for further relief from the Government, and even in the more prosperous districts it would place a serious additional burden upon industry.

12. Among a certain proportion of the Government's supporters the principle of maintenance allowances during any period of compulsory education is regarded with hostility. Furthermore, the introduction of maintenance allowances would mean the introduction into politics of a new bargaining counter, in using which the various parties would inevitably be tempted to overbid each other for popular support; the existence of 5/- a week might soon mean the promise of 7/6 a week. In any case the additional cost involved in granting these allowances would absorb a sum which could not be regarded as serving any direct educational purpose, whereas for a fraction of that sum
very substantial educational progress, as I hope to show below, could be secured in directions where there is a popular as well as instructed demand for advance.

13. If, therefore, on financial or other grounds the Cabinet should decide that this alternative is undesirable, I suggest that the proper method of dealing with the problem would be to adopt the second alternative and to raise the school leaving age to 15 with exemptions for beneficial employment. Although for the reasons which I have given I feel bound to reject the proposal that a duty should be placed on Local Authorities to provide instruction at Day Continuation Classes for children exempted from school attendance between 14 and 15, and a corresponding duty placed on the exempted children to attend such classes, yet I think there is something to be said both on educational and political grounds for empowering Authorities in granting exemptions to attach thereto such conditions as they think fit as to the further education, instruction and vocational training of the exempted children up to the age of 16. I should not anticipate that many, if indeed any, Authorities would have recourse to this power in the earlier years after the Act comes into operation, but it might well be that experience of the working of a system of exemptions might lead some of them to do so later on. There is a precedent in the Education (Scotland) Act, 1908, for attaching to exemption from school attendance conditions as to further part time instruction up to the age of 16.

14. The total annual cost of this proposal (including Scotland) is estimated at rather less than £2,500,000 of which rather more than £1,500,000 would fall on the Exchequer. I must add a warning that it is unlikely that this proposal would get a good press. Its popularity would rather be among
the less vocal but electorally more important sections of the community, such as working-class parents and employers of labour, who would quickly voice their disapproval if presented with the alternative policy, by which no exemptions were allowed.

15. I should also add that the adoption of this alternative would not automatically dispose of the question of maintenance allowances owing to the precedent of Caernarvonshire, to which Mr. Lloyd George referred when he appeared before the General Purposes Committee of the Cabinet on May 30th last. It is true, as he then pointed out, that maintenance allowances are given in that county to children between 14 and 15, though the school leaving age has been raised to 15 by bye-law, and that the expenditure is recognised for grant by the Board. It must, however, be remembered that the decision to pay grant was given by Lord Eustace Percy in 1927, when the bye-law procedure was still novel. Since that date the Board have uniformly refused to recognise for grant any expenditure on maintenance allowances which was not intended to assist the pupil to pursue a suitable course of instruction for a suitable and definite period beyond the school leaving age in the area. Moreover, the Caernarvonshire allowances are very strictly, indeed penuriously, administered. They amount to 3/- a week and are given on a very severe income limit, about 50 per cent, lower than the Trevelyan scale. If we were to adopt a similar scale, we should not begin to satisfy the parents whose children were refused exemption and should merely be giving the Labour Party the opportunity to overbid us by repeating their previous offer. In these circumstances I think that we
should not allow the single and anomalous instance of Caernarvonshire to govern our policy for the country as a whole, and that that policy should be that grant will not be paid on expenditure incurred by Local Education Authorities on maintenance allowances to pupils below the new leaving age of 15.

16. If it were made clear that the first alternative was unacceptable to the Government on the ground that it was only by dropping maintenance allowances that we should be enabled to initiate other educational reforms which we regard as indispensable, but which we could not hope to carry out if our available funds were absorbed by the expenditure on maintenance allowances, I should be reasonably confident that the alternative which I have outlined above would be accepted by public opinion generally. It would then be presented, together with the other proposals mentioned in paragraph 26 below, as a comprehensive policy covering the whole field of education, and we should be able to claim that so far from "starving" education, we were spending money on more directly educational objects, and therefore, more prudently.

17. At the same time, although I put forward the proposal on the primary ground that it has the advantage of rendering maintenance allowances unnecessary, it can also be advocated for educational reasons as being a development of the existing system, (i.e., of raising the school leaving age by bye-law which, under the present Education Act, involves the giving of exemptions), and so, therefore, in accordance with the general English tradition of progressing gradually on the lines of existing administration. The adoption of the proposal would also reduce the capital
expenditure required by Local Authorities in providing the necessary accommodation, since it would not involve building for the whole of the age group in question, owing to the fact that a considerable number of children would obtain exemptions, especially in areas where juvenile employment was good.

18. The probable reactions on the principal interests involved may be summarised as follows:

(a) The Local Authorities will not view the principle of exemptions with favour. They express themselves as apprehensive that it will not secure that the children who would most benefit by the additional year of school life are retained in the schools. They also urge on educational grounds, not indeed without some reason, that the release of the exempted children will tend to break up the courses of instruction planned for the additional year, leaving only dwindling and therefore expensive classes at the top of the senior schools. Much of their opposition would, however, in fact be based on the labour involved in local administration of exemptions, and on the fear of local odium in the task of endeavouring to secure a fair and consistent application of the principle.

(b) Parents generally, especially in areas where employment is good, will be in favour of the scheme when they discover that their children are not to be debarred from accepting the offer of a good job which would at once start them on a wage-earning career and bring some needed help to the family budget.

(c) Employers generally will be in favour of the proposal as mitigating the interference with their present recruitment of juvenile labour, which is bound to arise
from any raising of the school leaving age.

(d) The agricultural interest would warmly support the scheme. The giving of exemptions is the one condition on which farmers would be prepared to consider the raising of the age.

e) The teachers would prefer the flat raising of the age. They have expressed themselves in favour of that solution on educational grounds. It also carries with it the maximum advantages to the teaching profession. They have, however, indicated that they would be prepared to accept some such solution as that which I have proposed, if they cannot get the alternative which they would prefer.

(f) Educationists also would prefer the flat raising of the age. It is more symmetrical and has the advantage of being the obvious solution which has held the field for several years, having in fact become an article of faith, which is accepted without undue scrutiny. They might, however, be placated by assurances as to the methods proposed to secure that exemptions should be given for beneficial employment and by the other educational advances proposed in paragraph 26.

g) The Labour Party and the Opposition Liberals are already committed to the flat raising of the age and would, therefore, oppose the suggested solution on principle. The supporters of the Government would probably be pleased at the prospect of avoiding maintenance allowances and would tend to be influenced by the favourable reactions of parents and employers, who form the bulk of the electorate.
19. On the economic side the proposal will make no direct contributions towards relieving the problem of unemployment. On the other hand, there are certain steps that we can take which will enable us to secure some counterbalancing social advantages, and thus to conciliate the opposition of that section of opinion which advocates the flat raising of the school leaving age on social rather than educational grounds. I should contemplate that we should lay on Local Education Authorities the statutory duty of only giving exemptions after consultation with the existing local committees for dealing with juvenile employment, whether they are under the Local Authority or the Ministry of Labour. We can also emphasise the desirability of taking into close consideration the existing school and medical records of children seeking exemption. In this way we shall do something to direct the activities of the existing machinery towards securing that exempted children should only be released for employment which is both suitable to them and likely to offer prospects of permanence and advancement.

Building Grants to Voluntary Schools.

20. I think that, even with a system of exemptions, the raising of the school leaving age on the lines which I have advocated in paragraphs 13 to 19 would be generally regarded as justifying building grants to Voluntary Schools for reorganisation and raising the school leaving age. Indeed, the resolution passed last April by the National Council of Free Churches specifically advocated the giving of exemptions for beneficial employment.
21. As regards Building Grants, I should propose to adopt, in the main, the scheme proposed in connection with Sir Charles Trevelyan's abortive Bill of 1930. Under that scheme

(a) Power was given to Authorities to make grants, for purposes of reorganisation and of raising the school leaving age, of not less than 50 per cent or more than 75 per cent of the cost of necessary improvements or reconditioning of existing voluntary schools.

(b) The Managers' duty to keep the school house in repair was unaffected.

(c) Teachers in schools thus aided were transferred to the employment of the Authority, who had the power of appointing and dismissing them.

(d) A proportion, however, of the teachers, to be agreed in each case between the Authority and the Managers, were to be "reserved", as having religious qualifications, and were to be appointed by the Authority after the Managers were satisfied as to their fitness and competence to give the required religious instruction.

(e) Provision was to be made for religious teaching on an agreed syllabus in cases where children were transferred from provided to voluntary schools, or where there was no effective choice of school.

22. I should, however, propose to make two important additions to those proposals. The first is the imposition of a time limit for the grants. This is introduced in order to accentuate the emergency character of the grants and as a concession to the Non-conformist opposition. The second is the extension of the grants to new schools. In 1930, the
proposed grants were limited to existing schools. Since that date, however, the process of reorganisation on the lines of the Hadow Report has made immense progress and it is generally realised that in very many cases not only the best educational solution, but also the most economical solution, is to be found in the building of new schools for senior children rather than in attempts to patch up an existing school so as to provide a makeshift type of accommodation for these older children. This aspect of the problem has been further accentuated by the great progress in housing development during those years. In new housing areas, the building of new senior schools is a virtual necessity if the educational provision for the area is to be made on modern lines. If, therefore, the Free Churches are offered the quid pro quo of a time limit on the grant, which also was not included in the Trevelyan proposals I should consider that the Government were justified in permitting the giving of such grants to new senior schools, although the actual wording of the formula will require great care.

23. It was generally agreed at the recent discussions that these building grants should be indirect, i.e. given by the Local Authorities, and also voluntary, i.e. their giving should be a power of the Authority and not a duty imposed upon it. Indirect grants would be consistent with the Board's present method of administering educational grants and would also be considerably cheaper to the Exchequer, since they would involve, not the immediate disbursement of a capital sum, which would be required if the whole grant were given directly by the State, but only the payment of loan charges on, say, half the amount of capital expenditure incurred in this way by the Authorities.
The proposal that the grants should be voluntary on the part of Authorities was accepted by the Denominations in the 1930 discussions, although at that time it was quite probable that some Authorities might not be favourably disposed to applications for such grants. It is clear, however, from the discussions which have taken place, that there has been a considerable change in this respect, and there now seem fair grounds for hoping that a reasonable attitude will be adopted, even in parts of Wales, where this feeling has always been strongest.

24. Any scheme of this kind is always liable to be twice cursed, by him who gives and him who takes, and for that reason I think that we need not be deterred from proceeding with these proposals, even if they met with some criticism from the parties concerned. I should expect that such criticism would be based less on the demerits of the scheme than on unwillingness to abandon an established position. I feel fairly confident that, generally speaking, the parties to the discussion would be prepared to accept any reasonable scheme which was put forward by a National Government, provided that they did not have to take the responsibility for it. I may recall also that the Trevelyan proposals secured general agreement at the time on the part of the Local Authorities, the Church of England and the Roman Catholics, and I believe that they would still be regarded by these three major parties to the discussion as a not unacceptable compromise. Moreover, the principle of these building grants has now been accepted by the Free Churches, whose opposition was the main factor in wrecking the negotiations of 1930.
General educational advance inevitable: only to be obtained if combined with proposal set out in paragraph 5(ii).

25. As I indicated at the beginning of this memorandum, some further general educational development must be regarded as not only desirable but inevitable, and I believe that in present financial circumstances we can only formulate a comprehensive general policy of such development if we are relieved from the incubus of maintenance allowances. For this reason I suggest that the proposal to raise the school leaving age with exemptions and without maintenance allowances can be justified on the ground that education has not been starved by it but that the avoidance of maintenance allowances has enabled the Government to allocate an adequate sum to the other proposals which will round off such a policy and enable us to present it in a politically attractive form.

Outline of general policy proposed.

26. This policy should, as I see it, cover the whole field of State aided education. Beginning with the youngest children, we can secure at a relatively small annual cost a real development which should make a wide popular appeal.

Nursery Schools. (a) We should encourage the provision of Nursery Schools in those areas where the social conditions render them desirable and justifiable.

(b) We should promote an energetic development of Physical Training, a subject which is attracting much general interest and in which we lag behind many Continental countries. A comprehensive system of Physical Training, starting from the earlier years of school life, reaching its main development in the Senior schools for the great bulk of the children
between 11 and 15 years of age, and simultaneously in the Secondary and Technical schools for the older adolescents, should include the provision of classes for those who have left school and for whose Physical Training and development the existing voluntary organisations, even with the assistance which may be forthcoming from King George's Jubilee Trust, cannot adequately provide. The cost of this part of the programme need not be great, since it will consist mainly of securing that the teachers are better qualified to give such training, and the capital expenditure on such facilities as the provision of gymnasium in Secondary or Senior schools, where the numbers and circumstances render it desirable, can be estimated at a comparatively small sum.

(c) Concurrently with the two former proposals I am anxious to secure a general development of the School Medical Services. This would take the form primarily of encouraging the expansion of the existing facilities in the way of providing school doctors and particularly school dentists and also the extension of remedial and preventive treatment in such ways as the establishment of Orthopaedic and Open-Air Schools for children in need of such treatment.

(d) As regards children in Public Elementary Schools, the primary benefit will be reaped by the older children from the main proposal which I have set out above (paragraphs 13 - 19) for the raising of the school leaving age. It will however by no means be confined to the children of 14 to 15 years of age. Its full effect cannot be secured unless the extra year of school life is to be taken in schools which
provide a continuous course of instruction from 11 to 15. Such a basis for this main reform is being steadily built up by the continued progress of the Hadow reorganisation. Some 55 per cent of the senior children in Public Elementary Schools are already in reorganised senior schools, and by the time that, under my proposals, the school leaving age would be raised, it may be hoped that the process will be as nearly completed as physical factors permit. The experience, moreover, of reorganised districts shows that the additional advantages secured by junior children when they are left in schools devoted to children of their own age are as important as those gained by the senior children, and it is not too much to say that the effects of this reorganisation are equally beneficial throughout the entire range of compulsory education.

(e) As regards young people who are receiving some form of Higher education and do not terminate their school life at 15, I think that we should endeavour primarily to make Secondary Schools as accessible as possible to the ablest candidates irrespective of the means of their parents. To this end, I would propose to remove altogether the present maximum limits attached to the award of "special places" tenable at such schools, i.e. places which in cases of financial need carry total or partial exemption from tuition fees. This maximum is normally 50 per cent of the previous year's admissions, though higher limits, going up to 100 per cent, have been approved in some areas.

It will be appreciated that the effect of
this proposal would not be to impose on Local Authorities a uniform system under which all school places were treated as special places, but to give them complete discretion to award such a proportion of special places as they might think fit from the minimum percentage of 25 upwards. In some areas, where the working class element largely predominates, a system of 100 per cent of special places might be regarded as best suited to local circumstances. In other areas an appreciation of the fact that an admixture of children from better class homes raises the general tone of the school might lead the Authority to retain a proportion of places for fee-paying pupils. In short, I should expect that a system of local option, such as I have advocated, would lead to the adoption in each area of such arrangements as might be best suited to its social and financial circumstances. The financial effect of this proposal, depending as it does on the uncertain factors of what the several authorities might wish to do, and of what they might regard themselves as able to afford (for half of any additional cost would fall upon the rates), is virtually impossible to forecast. But having regard to the various factors I have mentioned, I should be surprised if the cost of this proposal to the Exchequer were more than £40,000 in the first full year of its operation, rising in the sixth year, and thereafter, to a sum of the order of £250,000.
(f) It is not enough, however, to give these able children a Secondary education only without an opportunity, in cases of real merit, for them to proceed to institutions of University standing, and it would, I think, be morally wrong as well as politically inadvisable to debar them from the opportunity of such progress. I should therefore propose some increase in the number of State Scholarships at present awarded, and at the same time to throw them open to all secondary schools instead of confining them as at present to those in receipt of grant aid. I should also propose to raise the present limits of our assistance to State Scholars and to holders of other comparable scholarships, in order to enable them to take their full share in the corporate life of the University or other institution.

(g) I suggest that scholarships should be instituted, tenable at Training Colleges for teachers in this country, for Dominion and Colonial scholars. In this I see an opportunity of doing something which is valuable in itself and will gain general political approval by securing a closer link with the Empire in the case of the teaching profession than can be assured by the present sporadic system of interchange of teachers. I should also like to complete it by the institution of a limited number of travelling scholarships for teachers in this country which would enable them to get first hand acquaintance with the appearance and problems of the Empire.
(h) I have been much impressed by the extent to which our provision for Technical education lags behind that which exists in many parts of Europe. In many respects the facilities for and standards of such work are not only unworthy in themselves but definitely below the standard set by many of our competitors in international trade. I am, therefore, instituting a general survey of the present situation, with the view not only of remedying the really bad conditions under which surprisingly good work is at present being done but also of developing proper provision for Technical training in those areas where, owing to the shifting of industry, the existing facilities are not adequate to meet the demands of potential students and industry in general.

(i) Since 1931 there has been a "standstill" imposed on the expenditure on classes for adult education, a service which was growing steadily in volume and which exerted a beneficial influence quite out of proportion to the annual expenditure which it involved. I propose to remove these restrictions and to encourage the natural development of the movement; both on the ground of its educational value and because I think that this step will go far to gain support for our general programme from the vocal and not uninfluential section of the community which is interested in this aspect of education. Difficulties of organisation will render this expansion a matter of time and I should not expect that the additional expenditure would amount to more than £15,000 a year by 1941-42.
27. These proposals touch at various points the activities of other Departments. Any adjustments, however, which might have to be made would be only in matters of detail. I have, therefore, not attempted to consult my colleagues on such details before seeking their general approval to the Programme which I have outlined above.

28. I append a summary of the recommendations made in this memorandum, together with an estimate of the additional annual cost to the Exchequer (including Scotland) over a series of years. I also add for purposes of comparison a note of the expenditure which would be necessitated by the raising of the school leaving age without exemptions.

27th June, 1935. O.F.G.S.
### SUMMARY OF RECOMMENDATIONS

#### England and Wales

<table>
<thead>
<tr>
<th>Additional Annual cost to the Exchequer.</th>
<th>1937-38</th>
<th>1940-41</th>
<th>Ultimately</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Involving Legislation.</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(a) Raise the age to 15 with exemptions for beneficial employment and without maintenance allowances (Paras. 13 - 19)</td>
<td>Nil</td>
<td>661,125</td>
<td>1,322,250</td>
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<tr>
<td>(b) Empower Local Education Authorities to make (within specified limits of time) building grants to Voluntary Schools for purposes of reorganisation and raising the age, such grants to be not more than 75 per cent nor less than 50 per cent of the total cost, the Exchequer to pay 50 per cent on the annual loan charges for the Authority's Expenditure (Paras. 20 - 24)</td>
<td>Nil</td>
<td>20,000</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>Administrative.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Encouragement of provision of Nursery Schools especially in poor areas;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii) Promotion of development of Physical training in all types of school</td>
<td>50,000</td>
<td>150,000</td>
<td>150,000</td>
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<tr>
<td>(iii) General development of the School Medical Service (Para. 26)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iv) Removal of the upper limit of 'special places' in Secondary Schools (Para. 26)</td>
<td>40,000</td>
<td>150,000</td>
<td>250,000</td>
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<tr>
<td>(v) Increase in the number of State Scholarships tenable at Universities, throwing them open to pupils in all Secondary Schools (Para. 26)</td>
<td>2,000</td>
<td>10,000</td>
<td>15,000</td>
</tr>
<tr>
<td>(vi) Increase in the amount of State assistance to State Scholars and holders of other comparable awards (Para. 26)</td>
<td>3,000</td>
<td>18,000</td>
<td>25,000</td>
</tr>
<tr>
<td>(vii) Institution of a system of Scholarships tenable at Training Colleges for Dominion and Colonial Scholars (Para. 26)</td>
<td>1,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>(viii) Development of the provision of Technical education (Para. 26)</td>
<td>20,000</td>
<td>100,000</td>
<td>150,000</td>
</tr>
<tr>
<td>(ix) Development of adult education (Para. 26)</td>
<td>1,000</td>
<td>10,000</td>
<td>15,000</td>
</tr>
<tr>
<td><strong>Total England and Wales</strong></td>
<td>£117,000</td>
<td>1,125,125</td>
<td>1,965,250</td>
</tr>
<tr>
<td><strong>Add 11(^{th})s of 1(a) for Scotland &amp; 1(b) &amp; 2 for &quot;</strong></td>
<td>Nil</td>
<td>80,000</td>
<td>180,000</td>
</tr>
<tr>
<td><strong>Add 16,000 for &quot;&quot;</strong></td>
<td>16,000</td>
<td>64,000</td>
<td>88,000</td>
</tr>
<tr>
<td><strong>Total United Kingdom</strong></td>
<td>£133,000</td>
<td>1,279,125</td>
<td>2,233,250</td>
</tr>
</tbody>
</table>

- Cost for the United Kingdom to the Exchequer of raising the school leaving age to 15 without exemptions and with maintenance allowances: £25,500,000

**NOTES**
NOTES.

(a) The Estimate for raising the school age is based on the assumption that the Bill will be passed by the end of December 1936 and that the appointed day will be 1st April, 1940.

(b) The other estimates are based on the assumption that an announcement of the programme will be made in the late Autumn of 1935 and in any case not later than December, 1935. Although Local Authorities will be in a position to begin some of their arrangements for a part of the financial year 1936-37, the effect will not begin to be felt until 1937-38 and even then only to a small degree.

(c) The burden of the whole programme on the rates in England and Wales is estimated to be ultimately £1,325,000 a year. The cost to the rates of raising the school leaving age to 15 without exemptions and with maintenance allowances would be about £3,500,000 a year.