

INDIAN ROUND TABLE CONFERENCE.

Tabular Statement collating recommendations in Nehru Report, All-India Muslim Conference Resolution of 1st January 1929, Indian Central Committee's Report, Indian Statutory Commission's Report, Despatches from Provincial Governments and Government of India on proposals for Constitutional Reform (1930).

Note.

The general arrangement of the statement by subjects is shown in the table immediately below.

As the Indian Statutory Commission's report and the governmental despatches are much more voluminous, and more closely inter-related, than the other documents, it has been found convenient to follow very largely their order of subjects and to place their recommendations first under each head. In instances when it was impossible to classify recommendations in the other documents under the same heads, some separate notes have been recorded at the end of the appropriate part of the statement.

It will of course be understood that the purpose of the compilation is not to provide a readable short "summary" of the recommendations in the different reports, but simply to act as a kind of concordance to facilitate reference to the views expressed on any given topic by the various reports.

Secretariat General,
St. James's Palace,
S.W.1.
November 24th, 1930.

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INDIAN ROUND TABLE CONFERENCE,
SECRETARIAT GENERAL,
ST. JAMES'S PALACE, S.W.1.

24th November 1930.

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I.S.C. Report
(Para.46.)

Abolition of Dyarchy. Provincial cabinets to be unitary and jointly responsible. No statutory necessity to confine cabinets to members of the legislature. Ministerial salaries not to be liable to be reduced or denied by vote and to be alterable only by a Provl. statute. Vote of censure to be possible only against ministry as a whole. Appointment of Under-Secretaries may be desirable.

Bombay.
Para.4

No ministers from outside Council.

Madras.
Para.6.

Accept generally but consider that Chief Minister should always be appointed and that no person outside the legislature should be appointed a Minister unless on his recommendation or with his consent and other Ministers appointed on his recommendation.

Assam.
Paras.7, 8.

Accept generally but consider that only elected members should be appointed ministers. Ministers should not be less than four and this and their emoluments and the pensions recommended should be prescribed in a schedule to the Act unalterable for ten years. Finance Member would allow an outside non-official agreed to by the Ministers to be appointed. Under-Secretaries not likely to be available.

Punjab.
Para.15.

Accept, but a non-elected Minister must be elected to a seat in Legislature within six months of selection.

Central Provinces.
Para.4.

Dyarchy to be abolished. Unitary Government with joint responsibility. All members of Cabinet chosen from legislature.

Bengal.
Paras.4, 7, 11.

Accept generally. All Ministers, except officials, must be members of Legislature (some members of Government would exclude nominated members from Ministry).

United Provinces.
Para.7.

Governor and Council support Under-Secretaries but Ministers see no need for them.

Bihar and Orissa.
Para.8.

Accept.

Government of India.
Paras. 22, 42, 44.

Accept proposals that provincial cabinets should be Unitary with every member accepting joint responsibility for the whole policy of Government. Agree also as regards vote of censure and alteration of salaries by statute only, but consider that non-official non-elected persons appointed Ministers should be required to get themselves elected within 6 months.

As regards non-elected non-officials would continue the requirement that no minister shall hold office for a longer period than six months unless he is or becomes an elected member of the legislature.

Indian Central
Committee.
Paras.41, 42,
43, 49, 50,
51.

Agree to abolition of dyarchy, except that in Bengal law and order should be reserved. Except for this all Ministers should be elected members of the legislature or obtain election within 6 months of appointment. Motions of no confidence in the ministry should require the vote of two-thirds of members present. Salaries of ministers should be fixed by a Statute of the local legislature.

Sir Arthur Froom, however, considers that, except in Madras, law and order should be in the hands of an official or non-official directly appointed by the Governor.

p.182
p.362.
p.410.

Nawab Ali Khan thinks law and order should be transferred in Bengal, so does Gour. Premchand considers that a bare majority should be sufficient for a vote of no confidence.

Nehru Report .
Para.44

Recommend a Unitary Cabinet.

I.S.C.Report
(Para.48)

Officials to be eligible for appointment as Ministers - on same footing as other Ministers.

Bombay.
Para.4.

Disagree.

Madras.
Para.6.

No person outside Legislative Council should be appointed a minister except on recommendation of Chief Minister.

Assam.
Para.7.

Disagree.

Punjab.
Para.16. Enclo.B.
II. p.204.

Disagree except S. Jogendra Singh who sees no objection.

Central Provinces.
Para.4.

Disagree.

Bengal.
Paras. 5-11.

Favour Commission's proposal in spite of its difficulties but there is some difference of opinion.

United Provinces.
Para.8.

Governor and Official Councillor agree - other members of Government oppose .

Bihar and Orissa.
Para.9.

Agree but consider that it would generally be impracticable.

Government of India.

Agree but inclusion of an official should not be obligatory (one member thinks they should be ineligible).

Indian Central Committee.
Para.49.

Disagree except that in Bengal law and order might be held by an official. Three members recommend (if communal electorates are not abolished) in the Punjab the appointment of a fourth minister who might be an official.

pp.148, 159.

Froom thinks officials might hold portfolios of law and order everywhere except Madras.

I.S.C. Report.
Para.54.

Governor in selecting his Ministers to act in consultation with Governor-General - may adopt plan of having a Chief Minister - may address the legislature.

Madras.
Para.6.

Consider that there should always be a Chief Minister.

Bengal.
Para.12.

Some opposition to Chief Minister but to start with Governor should appoint Ministers after consultation with Chief Minister.

United Provinces.
Para.11.

Appointment of Chief Minister probably advisable but matter should be left open.

Punjab.
Para.17.

Appointment of Chief Minister should be optional.

Central Provinces.
Para.4.

Ministry should be chosen preferably on the advice of a Chief Minister.

Assam.
Para.11.

Appointment of a Chief Minister not ordinarily possible.

Government of India.
Para.46.

Ordinarily there should be a Chief Minister but the Governor should select his Ministers.

Indian Central Committee.
Para.43.

p.148.

Recommend that Governor should appoint a Chief Minister and other Ministers on the recommendation of the Chief Minister and not only in consultation with him. Three members recommend that, if communal electorates are not abolished, the Governor himself should appoint a Hindu, a Sikh and a Muhammadan Minister in the Punjab.

Mehru Report.
Para.45.

Recommend appointment of Chief Minister by the Governor and that other Ministers should only be appointed on his advice.

I. S.C. Report.
Para.55.

No provision should be made for inclusion of minority representatives in Ministry. -

Punjab.
Para.17.
Enc.E.II p.204.
III para.11.

Officials.

Governor Instrument of Instructions should require him to endeavour to secure representation in cabinet for minorities.

Non-Officials.

- (1) -
- (2) "must be statutory provision for inclusion of Sikhs in Ministry".
- (3) Ministry must contain members of three leading communities.

United Provinces.
Para.10.

Official members would agree to provision for minority representation in Instrument of Instructions. Indian member and Ministers desire statutory obligation to include minority in Cabinet.

Government of India.
Para.45.

Agree that it would be difficult to make statutory provision for the representation of minorities in cabinets but consider that in practice the desire for peaceful administration etc. will lead the majority to enlist support of minorities in cabinet.

Recognising the strength of minority apprehension would give general support to the suggestion that the Instrument of Instructions should include an obligation on the Governor to attempt to secure representation of a minority community in the Cabinet where such minority is in his opinion of sufficient importance to warrant it.

Indian Central Committee.
Para.44.
page 204.

Do not recommend the statutory inclusion of a Muslim in the Ministry. For the opinion of three members as regards the Punjab see note re para.54. Two members recommend that the inclusion of a Muslim Member in provincial cabinets should be made obligatory.

All-India Muslim Conference.

Musulmans should have due share in cabinets.

6.

Governor may direct action to be taken contrary to the advice of his Ministry -

I.S.C.
Report
Paras.
29, 30.

1. to preserve the safety and tranquillity of the Province, or
2. to prevent serious prejudice to any section of the community.
3. to secure the fulfilment of a liability of Government in respect of expenditure not votable.
4. to secure the carrying out of an order of the Secretary of State or Government of India.
5. to carry out any duties statutorily imposed on him.

Bombay
Para.4

Agree but powers should preferably be left vague.

Madras
Para.8

Accept.

Assam
Para.9

Accept, but Ministers wish a statutory procedure devised for the eventual elimination of discretionary powers.

Punjab
Para.20
Enc.BII. p.205
III para.14

Officials.

Accept but consider that Governor should have also power in finance to postpone action advised by his Ministers.

Non-officials.

(2) Accepts, with the hope that powers will fall into disuse by convention.

(3) Agrees with Punjab Government, but wishes statutory provision for eventual elimination, Constitutional Governor being the ideal.

Central
Provinces
Para.5

Useless to envisage Governor in constant need of powers against Ministers. Unless mutual confidence Cabinet should be dissolved. Governors powers, except in a declared emergency, to be left vague.

Bengal
Para.16

Accept.

United Provinces
Para.14

Agree but consider (2) inadequate and offer some minor criticisms.

Bihar and Orissa
Para.10

Accept.

Government of India
Para.49

Need for over-riding powers admitted. They should be defined in Statute but no closer definition should be attempted than is made by Commission. Do not support proposal of Punjab.

Indian Central
Committee.
Para.53
p.408.

Governor should have power to take any steps and issue any order in the name of the Government necessary to preserve peace and order. For similar purposes he should have power to over-rule an order issued by a Minister. He should have power to order or stop the transfer of district Magistrates and district Superintendents of police. He should have no other powers to over-ride his Cabinet except that he should be able to refer to Governor-General for decision any question affecting

- (1) the religion of any class;
- (2) any central subject;
- (3) the interests of another province.

Frenchand would however retain the powers of certification possessed by the Governor at present.

I.S.C. Report
Paras.
51, 52.

No statutory provision as to attendance of Governor at Cabinet meetings but minutes of meetings from which he may be absent should be sent to him and he should have power to suspend a decision until the matter is discussed at a meeting at which he is present.
Rules of business to be made by Governor. Secretary to Cabinet should be appointed. As few matters as possible should be put to the vote.

Bombay
Para. 4

Before making or altering rules of business Ministry should be consulted.

Madras
Paras. 6, 7.

Governor should not ordinarily preside but should have the right to do so in exceptional cases. Agreed that Governor should receive agenda and minutes and have the right to suspend decision. Secretary should be appointed by Governor and be under the control of Chief Minister and should not have direct access to the Governor without his knowledge. His appointment should be obligatory.

Assam
Para. 10

Accept, but no Secretary to the Cabinet required.
The Governor should make rules of procedure.

Punjab
Paras. 13, 13.

Officials.
Should be left to discretion of Governor whether or not he attends,

Cabinet Secretary should be appointed with enlarged powers and would keep Governor informed of proceedings.

Non-officials.

(1) -
(2) -
(3) Agrees with official view but would not have Cabinet Secretary.

Bengal
Paras. 15, 15

General opinion that Governors must decide question for themselves.
Appointment of Cabinet Secretary accepted.

United Provinces
Para.12

Governor should make rules of business.
Appointment of Cabinet Secretary not
favoured.

Bihar and Orissa
Para.11

Accept, but Cabinet Secretariat
unsuitable.

Government of India
Para.47

Accept the proposal for the appointment
of a Cabinet Secretary with access to
Governor but with the cognizance of
ministers. No opinion expressed on the
other points.

Indian Central
Committee.
Paras.46,47

Governor should not be a member of the
Cabinet and should not preside. Chief
Minister should have power to appoint
Cabinet secretary. Rules of business
should be prepared by Chief Minister
and approved by Governor. Chief Minister
should distribute portfolios (except
Law and Order in Bengal).

For the Governor's vote when present at the Council
see p.18.

I. S. C. Report
(Para.53)

Only in matters in which Governor has statutory power to overrule his Ministry should he have the power of restoring rejected demands for voted grants and securing the passage of legislation by certification.

Bombay.
Para.4.

See note on para.50.

Madras.
Para.22.

Accept.

Assam.
Para.

Accept.

Punjab.
Paras.20, 41

Accept but provincial power might be given to preserve financial stability.

Bengal.
Para.16.

Accept.

United Provinces.
Paras.15,16.

Accept generally with some criticism especially regarding protection of minorities but do not support addition proposed by Punjab Government.

Government of India.
Para.49.

Agree.

Indian Central Committee.
Paras.98,96.

Governor only to have power to withhold assent from provincial bills.

I.S.C. Report
(Para.65)

Governor to be given power to declare an emergency and to take such action as may be necessary to carry on the Government. Immediate report to Parliament necessary and powers not to remain in operation more than 12 months without the approval of Parliament.

Bombay
Para.4

Would prefer a limit of 6 months but agree to 9.

Madras
Paras.8,22

Accept.

Assam
Para.14

Accept but consider that elements constituting a state of emergency should be defined. If impossible to form a Ministry Legislature might be kept in suspense for a maximum of 3 years without reference to Parliament.

Punjab
Para.21
Enc.B.III
Para.14.

Officials.

Accept, the Governor after consulting the Governor-General, to be sole judge of emergency.

Non-officials.

- (1) -
(2) -
(3) - Accept, but want statutory provision for ultimate elimination of powers of Governor.

Central Provinces.
Para.8.

Accept.

Bengal
Para.16.

Accept.

United Provinces
Para.17.

Accept and ask whether present procedure of para.71 of the Government of India Act is to be maintained.

Bihar and Orissa.
Para.17.

Accept.

Government of India
Para.51.

Commission's proposals accepted in principle, subject to further examination in detail. If it were contemplated that Governors were now to be given powers corresponding with those of the Governor-General to make and promulgate Ordinances it might be considered whether it would be proper that the use of such powers should, except in sudden emergencies, be subject to the consent of the Governor-General.

Indian Central Committee.
Para.99.

Governor should have power in an emergency to authorise expenditure necessary for the safety and tranquillity of the province.

I.S.C. Report.
(Para.36)

Minorities should be protected by the grant of powers to the Governor General and Governors - no other way practicable.

Madras
Para.8.

Accept.

Assam
Para.5.

Accept, but necessary to consider the position where Governor may belong to a majority community.

Punjab
Para.9.

Accept.

Central Provinces

Para.5.

Consider this aspect has received undue attention in Commission's report. Governors' instructions should emphasize his duty to all classes.

Bengal
Para.3.

Accept.

United Provinces

Para.4.

Accept.

Bihar and Orissa.
Para.2.

Accept.

Government of India.
Para.50.

Agreed. It has been strongly represented that over-riding powers of Governors will be ineffective and that separate provision should be made for this purpose by a recital in the Act of fundamental rights. They have not yet reached final conclusion but consider that vague generalisation will be useless and there are difficulties about resort to the courts. This is likely to form subject of keen discussion at the Round-Table Conference.

Indian Central
Committee
(Para.139)

Consider it essential to embody in the Government of India Act a declaration of equal rights and opportunities for all, irrespective of birth, descent, colour or caste (excepting legislation of the nature of the Punjab Land Alienation Act).

Nehru Report

Recommends an elaborate declaration of fundamental rights, including free practice of religion, equal rights to education, absence of a state religion, equal chances of public employment, etc., irrespective of creed or caste.

All-India
Muslim
Conference.

Recommend that no bill regarding inter-communal interest be moved, passed or discussed in any legislature if a three-fourth majority of the members of the Hindu or Muslim community affected oppose the introduction, discussion or passing of the bill.

I. S. C. Report
Para. 47

All provincial subjects to be dealt with by the legislature.

Madras
Para. 6

Accept.

Assam
Para. 7

Accept.

Punjab
Para. 15

Accept.

Central Provinces
Para. 4

Accept.

Bengal
Para. 4

Accept.

United Provinces
Para. 6

Accept.

Bihar and Orissa
Para. 5

Accept.

Government of India
Paras. 22, 42

Accept.

Indian Central
Committee.
Para. 95.

Accept.

Nehru Report.
Paras. 34, 35.

Expresses similar view.

For limitation of the powers of the Provincial Legislature by the control of the centre see p.77K.

QUESTIONS NOT DEALT WITH IN THE STATUTORY
COMMISSION BUT RAISED BY THE GOVERNMENT OF INDIA OR
PROVINCIAL GOVERNMENTS.

1. Governor's need of experienced advice in the exercise of
his special powers.

The Government of India recognise this need and attach importance to the continuance of the present practice by which Secretaries to the various Departments have free access to the Governor but they consider that the Governor must be free to take advice from all sources (para.48). The Government of Madras apparently contemplate that Secretaries will not in future have this free access to the Governor as they recommend that they should keep the Cabinet Secretary informed of all important administrative proposals (para.7). The Government of the United Provinces doubt whether Secretaries can in future have free access to the Governor (para.8).

The Governments of Bengal, United Provinces, Punjab, Central Provinces, Assam and Bihar & Orissa, consider that it is essential that the duty of advising the Governor should devolve on a senior official of administrative experience. The official members of the United Provinces Government would prefer that that official were appointed a Minister with a minor portfolio, but the non-official members of that Government recommend that he should be the Principal Secretary to Government and also hold the post of Cabinet Secretary (para.8). The Punjab Government also recommend the combination of the posts of Principal Secretary and Cabinet Secretary. The Government of Bengal (para.14) consider that the Governor's adviser should not be the Cabinet Secretary. The Governments of the Central Provinces and the Punjab consider that the
Governor's/

Governor's adviser should take part, if required to do so, in Cabinet discussions (para.4). The Government of Assam consider that he should also be the permanent head of the Civil Service (para.7). The Governor of Bombay deals with the difficulty which a Governor appointed from home will experience in exercising his powers unless some official advice is available.

2. The Governor's vote.

The Governments of Assam, Punjab and the United Provinces recommend, or assume, that the Governor will have no vote at Cabinet meetings at which he is present.

A note on the proposals of the All Parties Conference will be found on p.76.

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I. S. C. Report
(Para. 67)

Maximum normal life of provincial legislatures should be five years.

Madras
Para. 10.

Accept.

Assam
Para. 15

Accept.

Punjab.
Para. 22

Officials
Accept.

Bengal.
Para. 17

Accept.

United Provinces.
Para. 19 (1)

Accept.

Bihar and Orissa.
Para. 18

Accept.

Government of
India.

Accept.

Para. 23.

Indian Central
Committee.
Para. 94

Suggests 4 years.

Nehru Report
(page 110)

Life of legislatures should be 5 years.

I. S. C. Report
(Para. 68)

Increase of membership of more important provincial councils to 200 or 250 sufficient for present.

Madras
Para. 10.

Agree generally, but would refer question of size to Franchise Committee.

Assam.
Para. 16.

Accept proposals for increase but prefers Franchise Committee to decide size of Council.

Punjab.
Para. 25.

Officials.
Recommends a Council of 134 in Punjab and would deprecate any considerable increase.

Non-officials.

Pages 205-
219-220

(2) and (3) Agree with official view.

Central Provinces.
Para. 6.

Does not think possible to have a House of much more than 100 members.

Bengal.
Para. 17.

Agree that size should be increased, unless Second Chamber is formed.

United Provinces
Para. 19 (2).

Accept.

Bihar and Orissa.
Para. 19.

Bihar and Orissa Council should not exceed 150 members.

Government of
India.
Para. 24.

Increase accepted in principle but amount should be decided by Franchise Committee.. So large an increase as proposed by the Commission may be unsuitable to the conditions of several provinces.

Indian Central
Committee.
Para. 31.

To reduce size of constituencies the number of members should be increased on scale proposed by Committee. Numbers proposed range from 200 for Bengal to 75 for Assam: these figures include no nominated members.

Nehru Report.
(page 116)

House of Representatives should be fixed on basis of one member to each lakh of the population: in provinces of less than 10 millions the membership should be subject only to a maximum of 100.

I.S.C. Report
(Para. 72)

Some form of
7 communal representation for Mahomedans must be continued until a substantial majority of these declare themselves in favour of a change

Bombay.
Para. 3(1)

Accepted by majority; one Member and one Minister desire joint electorates with reservation of seats, or a panel chosen by community from which candidate may be elected.

Madras.
Para. (10)

Accept.

Assam.
Para. (17)

Accept.

Punjab.
Para. 24.

Officials.
Accept, with hesitation, in the absence of any clear alternative.

pages 195-198
page 208

Non-officials.
(1) Accept.
(2) Would have joint electorates, candidates to be chosen by primary election.
(3) Advocates joint electorates.

page 220.

Bengal.
Para. 18.

No agreement possible. European Members of Government accept.

United Provinces.
Para. 21.

Accept.

Bihar and Crissa
Para. 20.

Accept.

Government of India.
Para. 30.

Privilege now extended to Muslims cannot be taken away against their wish. Change should require consent of two-thirds-of members in the legislature of the community concerned.

Indian Central Committee.
Para. 59.

Majority regards communal electorates as vicious and unsound but where a minority is unlikely to obtain adequate representation without special arrangements it would allow reservation of seats.

Para. 72.

Communal representation may be retained for Muslims in minority provinces till Adult Suffrage is possible.

All India Moslem Conference.
Page 191.

As long as present conditions in India continue representation of Moslems through separate electorates essential.

Nehru Report.
Page 51.

Holds that some form of communal representation required to secure representation of Muslims in minority provinces.

I.S.C. Report
(Para. 75).

The present form of communal representation viz., Separate electorates should continue.

Bombay.
Para. 8 (1)

Accepted by majority; one Member and one Minister desire joint electorates with reservation of seats, or a panel chosen by community from which candidate may be elected.

Madras.
Para. 11.

Accept.

Assam.
Para. 17.

Accept.

Punjab.
Para. 24.

Officials.
Accept, with hesitation, in the absence of any clear alternative.

pages 194-195.
page 208

Non-officials.
(1) Accept.
(2) Would have joint electorates, candidates to be chosen by primary election.
(3) Advocate joint electorates.

page 220.

Central Provinces.
Para. 22.

Indian Member and Minister are opposed to any form of separate electorates.

Bengal.
Para. 18.

No agreement possible. European Members of Government accept.

United Provinces
Para. 21.

Accept.

Bihar and Crissa.
Para. 20.

Accept.

Government of
India.
Para. 30.

Importance attached to providing machinery in the Act for the disappearance of separate electorates and their replacement.

Indian Central
Committee
Paras. 71 & 72.

Minority strongly of opinion that separate electorates must continue. Majority prefers reservation of seats in joint electorates on basis of population or voting strength whichever be the larger with freedom to contest additional seats.

In Punjab a similar system should be applied in the case of Sikhs and Hindus.

In Bengal there should be no reservation of seats for Muslims or Hindus.

Froom (page 162).

Separate electorates must be continued till majorities have won confidence of minorities.

Zulfiqar Ali Khan and Suhrawardy. (page 191).

Support the All India Moslem Conference Resolutions.

Fremchand (page 400).

To conciliate Moslems would agree to either

- (1) separate electorates on present basis for 5 years,
- or
- (2) separate electorates on population basis for 10 years. Same principle to apply to minority Hindus.

All India Moslem Conference.
(page 192 I.C.C. Report.)

Mussulmans will not consent to joint electorates.

Separate electorates must be constructed in all Provinces so that the Moslem majorities where they exist will not be affected and at the same time Moslem minorities will receive a representative equal to that at present enjoyed.

Nehru report.
(page 30).

Separate electorates are bad for the growth of national spirit and ultimately to the disadvantage of the minority.

(pages 54-55).

Seats may be reserved for Moslem minorities in strict proportion to population with right to contest additional seats for 10 years. Similar rights to be enjoyed by non Moslem minorities in North West Frontier Province and Baluchistan.

(pages 39-40).

In Bengal and Punjab no communal arrangements to be made.

I.S.C. Report.
(Para. 85).

In provinces other than Bengal and the Punjab present weightage in favour of Mahomedans should be retained. In Bengal and Punjab present ratio of seats to be retained.

Mahomedans should not receive a fixed and unalterable majority of the general constituency seats

If separate electorates abolished in the Punjab and Bengal, weightage given to Mahomedans in other provinces should not be altered.

United Provinces.
Para. 19 (4).

Accept.

Assam.
Para. 21.

Accept.

Punjab.
Paras. 30-33Officials.

Separate electorates must continue for present. Make proposals which ensure Mahomedans small majority over combined Hindus and Sikhs.

Non-officials.

pages 195-198

(1) Demands number of Mahomedan seats according to their population ratio.

pages 207, 208,
221 to 225.

(2) and (3) Protest against Moslems being placed in permanent majority (2) Accepts Commission's recommendation in paragraph 85.

Bengal.
Para. 19.

Disagreement. European members of Government agreed present basis unfair to Moslems. Representation on population basis in general constituencies recommended, any weightage in favour of non-Mahomedans being obtained through the special seat.

Bihar and Orissa.
Para. 24.

Accept.

Government of
India.
Para. 30.

Agree that in Provinces other than Bengal and the Punjab the present weightage given to Muhammadans should be continued. No definite recommendations as regards Punjab and Bengal. In the former case they incline to official proposals.

Indian Central
Committee.
Paras. 71-74.

Majority recommends reservation of seats on basis of population or voting strength whichever may be preferred except in Bengal and Punjab.

All India Moslem
Conference.
(page 192 I.C.C.
report).

Separate electorates to be constructed in all provinces so that Moslem majorities will not be affected and Moslem minorities will receive a representation equal to that at present enjoyed.

Nehru Report.
pages 39-40 and
54-55.

Seats may be reserved in strict proportion to population for 10 years except in Bengal and Punjab.

I.S.C.Report
(Para.76)

Sikh representation by separate electorates cannot be reduced and likewise cannot be increased to meet their demands.

Punjab.
Para.30-33.

Officials.

Make proposals which would give Sikhs about 18% of seats.

page 209.

Non-officials.

(2) Demands representation according to voting strength while property qualification continues.

Government of
India.
Para.51.

Unable to propound any better solution than that of official members of Punjab Government.

Indian Central
Committee.
Para.74

Sikhs to have same privilege as Moslems in minority Provinces. Minority (page 147 para.123). Sikhs to have 24% of seats owing to their special services.

Froom.(Page 162). Points out that majority proposals for weightage of Sikh and Hindu representation in Punjab would destroy Moslem majority.

Nehru Report.
(page 37.)

No special representation for Sikhs.

I.S.C. Report
(Para. 77).

- (a) Reserved seats for non-Brahmins in Madras should be abolished.
- (b) Reserved seats for Mahrattas should not yet be abolished, but reservation might be done away with in certain constituencies.

Madras.
Para. 10.

(a) Accept.

Government of India.
Paras. 36, 37.

Agree as regards non-Brahmins in Madras. Open mind as regards Mahrattas pending expression of opinion by Bombay.

Indian Central Committee.
Para. 86.

Considers further reservation unnecessary in both cases.

Nehru Report.
(Page 58).

No reservation required.

I.S.C. Report.
(para. 30)

28.

There should be reserved seats for depressed classes in all provinces. Governor, after consultation with Associations, should certify candidates for depressed class constituencies. If sufficient depressed class candidates not forthcoming Governor may nominate persons who have shown interest in their welfare. This power should exist for only 10 years and only in respect of half of the reserved seats as a maximum. Proportion of depressed class seats should be three-quarters of the proportion of the depressed class population to the total population.

Bombay.
para. 6(3)

Proposals inadequate. Recommended that depressed classes be given separate electorates, with half the number of seats to which they are entitled on numerical basis. Franchise qualification to be same as for other Communities. Separate electorates to continue only for 10 years.

Madras.
para. 12.

Proposals impracticable. Recommend separate electorates where possible, and nomination where such electorates cannot be formed. Emphasize that there must be no reduction of representation of this class.

Assam.
para. 13.

Question must be left to Franchise Committee. Reserved seats impracticable. Nomination probably only solution, but would prefer some system of separate electorates if this could be devised.

Punjab.
para. 25.

Officials.

Consider one nominated representative, chosen from panel submitted by depressed class associations, sufficient in Punjab, where they do not constitute a pressing problem.

page 223.

Non-officials.

(3) Does not agree that Depressed Classes require separate representation.

Central Provinces.
para. 6.

Consider proposal to give three quarter seats of proportion of population, would give far too many seats to depressed classes. Question should be left to Franchise Committee.

Bengal.
para. 20.

Accept in principle, but proposed proportion of seats considered too high.

United Provinces.
para. 22-24.

Opinion reserved pending further investigation, but opinion inclines to formation of separate depressed class constituencies.

Bihar and Orissa.
para. 21.

Prefer nomination of Depressed Class representatives.

Government of India.
para. 35.

Doubtful about Commission's proposals. The whole problem will require careful examination by the Franchise Committee.

Indian Central Committee.
paras. 75-79.

No nomination. Seats should be reserved in joint electorates on a scale suggested by the Committee save in Madras where separate electorates should be formed for 10 years. In Bombay Depressed Classes should have seats reserved on population basis or voting strength.

Sir SankaranMair (p.130) recommends nomination owing to pressure to which Depressed Classes are liable.

Phoon (page 162) prefers separate electorates for Depressed Classes.

Frenchand (page 401) opposed to separate electorates even in Madras: would reserve seats for 5 years only and up to a maximum of 4% of the membership of the Councils.

Nehru Report.
pages 59, 60.

Opposed to separate electorates or reservation of seats and still more opposed to nomination. Adult suffrage will help to secure representation of Depressed Classes and their interests may be fostered by some of the articles in the Declaration of Rights.

I. S. C. Report.
(para. 81)

Separate electorates must continue for Europeans. With the possible exception of a slight increase in Bombay, the present proportion should be maintained, both as regards the ratio of the number of European general constituency seats to Indian general constituency seats and as regards the ratio of the special commerce and industry and other similar seats to the general constituency seats.

Bombay.
para. 6(3)

Present representation of commercial interests to continue, but in present number, not present proportion.

Madras.
para. 15

Accept.

Assam.
para. 19.

Accept.

Punjab.
para. 26

Officials.

Europeans should have two seats in separate electorate.

Bengal.
para. 20

Accept.

United Provinces.
para. 19(3)

Accept.

Government of India.
para. 32.

Accept and suggest that in provinces where Europeans are at present represented by nomination electoral system should be substituted.

Indian Central Committee.
para. 82.

(1) Separate electorates for Europeans to continue on increased scale of membership save in Bombay.

paras. 87, 88.

(2) Commercial, industrial and planting seats to continue with increase in most provinces.

para. 89.
paras. 88, 89.

(3) Mining seats to continue as at present. Voting for (2) and (3) to be in special constituencies.

Prenchand (page 402). Separate electorates for Europeans for 5 years only: after that reservation of seats in joint electorates. Special commercial constituencies to be retained.

Nehru Report.

No reference to European representation.

I.S.C. Report.
(para. 83)

Separate electorates for Anglo-Indians, election being by post. It would be reasonable to raise the number of seats in Madras and Bombay to two each. Elsewhere the existing number is suitable. In the Central Provinces Anglo-Indians and Europeans should each have a separate seat. In Assam, number of Anglo-Indians is too small to justify separate representation.

Madras.
para. 13.

Accept.

Punjab.
para. 27.

Officials.

No need for separate representation. Anglo-Indians to have choice whether they merge into European or into general constituencies.

Bengal.
para. 20.

Accept.

United Provinces.
para. 20.

Accept, but would increase number of Anglo-Indian seats in proportion to increase in size of Council.

Bihar and
Orissa.
para. 22.

Accept.

Government of
India.
para. 33.

Accept subject to further investigation by the Franchise Committee.

Indian Central
Committee.
para. 83.

Committee advocates reservation of seats in preference to separate electorates and proposes an increase in membership with provisions for securing that really representative members are secured.

Frenchand (page 405) objects to reservation of seats.

Nehru Report.

No provision for Anglo-Indian representation.

I.S.C. Report
(Para. 84)

Reservation of seats for Indian Christians preferred to separate electorates, but this is likely to be feasible only in Madras and other areas where the community is more or less concentrated. Present proportion of seats in Madras should be maintained and the number of seats elsewhere doubled and one seat added in Central Provinces and Assam.

Bombay.
Para. 5 (3)

Accept.

Madras.
Para. 14.

Do not consider that community should be deprived of separate electorates against its will.

Assam.
Para. 20.

Accept.

Punjab.
Para. 28.

Officials.

Christians should have one seat, but not prepared to express an opinion as to method of filling it.

Bengal.
Para. 20.

Accept.

United Provinces.
Para. 25.

Accept.

Bihar and Orissa.
Para. 25.

Representation by nomination should continue for present.

Government of
India.
Para. 54.

As proposed by Government of Madras the community there should not be deprived of separate electorates without its consent. In some Provinces reservation of seats may present considerable difficulties and community may still have to rely on its representation by nomination.

Indian Central
Committee.
Para. 81.

Indian Christian seats should be reserved and slightly increased. No seat proposed for Central Provinces,

Frenchand. page 403. Objects to reservation.

Mahru Report.

No provision for Indian Christian representation.

I.S.C. Report.
(Para. 86)

Official bloc to be abolished, but the new statute should provide for the presence in the Councils of a limited number of Officials or other experts for explanation in special matters.

Madras.
Para. 15.

Accept: Experts should appear in Committees of the Council.

Assam.
Para. 22.

Accept. Doubtful if any special provision necessary other than standing order which at present permits attendance of experts in Committee.

Punjab.
Para. 24.

Officials.

Accept, but think Council should include a Law-Officer, to be nominated without a vote in Council, but with right to speak.

Non-Officials.

page 224.

(3) Agrees with official view.

Bengal.
Para. 20.

Official bloc should be retained.

United Provinces.
Para. 19(5)

Accept.

Bihar and Orissa.
Para 25.

Accept.

Government of
India.
Para. 25.

Agree that official bloc should be abolished.

Indian Central
Committee.
Para. 65.

Should be abolished but Governor should have power to nominate 2 experts to speak but not vote on bills.

Mehru Report.

Not referred to.

I.S.C. Report.
(Para. 87)

With hesitation University seats should be preserved, but not increased.

Bombay.
Para. 6(3)

Accept.

Madras.
Para. 16.

Members of the Senate only should be enfranchised.

Assam.
Para. 23.

University representation unnecessary. Proper place for such representation is Second Chamber.

Punjab.
Para. 35.

Officials.

Accept.

Bengal.
Para. 21.

Accept, but vote should be limited to Governing bodies (Senate) of Universities.

United Provinces
Para. 26.

Governor and Members would abolish University seats. Ministers would retain.

Bihar and Orissa.
Para. 26.

University seats should not be retained.

Government of India.
Para. 38.

Prepared for continuance of University representation but to secure more adequate representation of learning the franchise should be confined to members of Senate or the governing body.

Indian Central Committee.
Para. 92.

Present number of seats to be retained with one additional for United Provinces. Voting to be confined to members of Senate.

Nehru Report.

No special constituencies proposed.

I.S.C. Report.
(Para. 88) Separate representation of commerce, planting, etc. should be maintained approximately in present proportions. In Assam present number of seats might be increased.

Bombay.
Para. 6(3). Present numbers, not present proportion.

Madras.
Para. 17. Accept.

Assam.
Para. 24. Agree that commerce seats should be doubled in Assam, one to be reserved for European and one for Indian firms. Latter will also provide seat for Marwaris.

Punjab.
Para. 35. Officials.

Accept.

Non-officials.

page 224 (3)
Accepts.

Bengal.
Para. 23. Accept.

United Provinces.
Para. 20. Would retain present number, without any proportionate increase.

Government of
India.
Para. 40. Accept. See no reason to differ from detailed proposals made by some provincial Governments.

Indian Central
Committee.
Paras. 87 and 88. Would increase the representation of commerce planting, etc.

Mehru Report. No special seats.

I.S.C. Report.
(Para. 39)

Governor should make rules to provide for the best possible means for labour representation. If suitable members are available the proportion of labour representation should not only be maintained but increased.

Bombay.
Para. 6(4)

Accept underlying principle, but prefer election through general constituencies if possible. Separate representation for agricultural labour by nomination recommended.

Madras.
Para. 17

Accept.

Assam
Para. 25.

Agree that labour representation should be secured. Consider nomination only possible method. Would refer question to Franchise Committee.

Punjab.
Para. 35

Officials.
Accept.

Bengal.
Para. 23.

Accept.

United Provinces.
Para. 27

Accept.

Government of India.
Para. 41.

Accept the principle that special representation of Labour should remain for the present, and prefer that representation should where possible be by election but are bound to admit that the possibilities of this are still remote. Reluctant to throw responsibility of decision on Governor and consider Franchise Committee should settle.

Indian Central Committee.
Para. 90.

Representation proposed in all provinces except Burma. In Bombay 4 seats in general constituencies to be reserved. In Assam 3 seats to be filled by election by labourers on Estates. Elsewhere separate electorates on scale proposed.

Nehru Report.

No reference to Labour representation.

I. S. C. Report
(Para. 90.)

Special representation for great landholders to cease, but if candidates of this class should not be returned to a Provincial Council in a proportion as great as that now guaranteed to them, the Governor should have discretion to add, by nomination, further members of the class so long as the total of such elected and nominated members does not exceed proportion now guaranteed.

Bombay
Para. 6 (5).

Would continue special representation and would grant an additional landholders seat in Bombay. (One Minister dissenting).

Madras.
Para. 18.

Would continue special representation.

Assam.
Para. 26.

Accept.

Punjab.
Para. 26.

Officials.
Would retain special landholders seat.

pages 208-209.

Non-Officials.
(2) Would retain special seats but would form joint constituencies of landholders from all three communities.

page 224.

(3) Accepts Commission's proposal for abolition.

Bengal.
Para. 22.

Separate representation should be retained.

United Provinces
Para. 28

Strongly of opinion that separate representation should be not only retained but increased.

Bihar and Orissa.
Para. 90.

Special seats should be retained.

Government of India.
Para. 39.

No hesitation in recommending that special representation of great landholders should continue. Their entry into political life should be encouraged. At the same time the Government of India do not commit themselves to acceptance of the principle that representation should be proportionate to the present scale. Precise representation is for Franchise Committee.

Indian Central Committee.
Para. 91.

Special landholder constituencies to be retained and number of seats increased with special arrangements in Punjab and United Provinces

Frenchand. (page 404).
Objects to increase in number of seats.

Nehru Report.

No reference.

I. S. C. Report.
(Para. 91).

Women candidates to be given a fair field and no favour but Governor, in exercising his powers of nomination, should have regard to number returned.

Bombay.
Para. 6 (7)

Accept.

Madras.
Para. 19.

Accept.

Assam.
Para. 27.

Accept.

Punjab.
Para. 57.

Officials.
Accept, but nomination not favoured in case of women.

Bengal.
Para. 23.

No special steps needed to secure representation of women.

United Provinces.
Para. 19 (6)
Para. 22.

Accept, opinion divided regarding nomination of women.

Government of India.
Para. 24.

Agree that no special provision should be made for the election of women.

Indian Central Committee.
Para. 93.

Five per cent of seats in Provincial Legislature to be reserved for women. Local Governments to decide the best means of selecting: joint or separate electorates preferred but if these impossible nomination may be resorted to.

Froom (page 60) Thinks 5% too much.

Prenchand (page 406) Opposed to any special arrangements being made to secure women members.

Nehru Report.

No reference.

I.C.C. Report.
(Para.92)

Governor's powers of nomination should be limited to a figure not less than 5% and not more than 10% of the total fixed seats and used particularly to ensure adequate representation of women and labour.

Bengal.
Para.24.

Accept: consider that Secretaries to Government should be nominated as members of Council.

Bombay.
Para. 6(7)

Governor's powers unnecessary except in regard to women and labour. 5% sufficient.

Madras.
Para.20.

Accept, subject to limit of 5%.

Assam.
Para.28.

Accept, but consider 10% must be exceeded unless provision can be made for election of depressed classes and backward tribes. Provision should be made to abolish nomination as soon as special interests can otherwise obtain representation.

United Provinces.
Para.29.

Ministers agree: officials would restrict power of nomination further.

Punjab.
Para.37.

Officials.

Generally opposed to nomination except where impossible to form a constituency. (viz. depressed classes and possibly Christians and labour).

Non-Officials.

page 225.

(3) Agrees with official view.

Government of India.
Para.24.

Nomination must continue. But they doubt whether when the Franchise Commission has completed its task nomination to the extent suggested by the Commission will be necessary.

Indian Central
Committee.
Para. 66.

Nomination to be dispensed with save

- (1) to secure a seat for Member in charge of Law and Order Bengal.
- (2) to secure presence of experts.
- (3) to secure representation of backward classes.
- (4) to secure women Members in Legislature

Nehru Report.

No provision for nomination.

I.S.C. Report. Commission are unable to make unanimous
(Para. 112). recommendation as regards the Second Chambers.

Bombay. Not in favour of Second Chamber for Bombay
Para. 8. (one member dissenting).

Madras. Would permit legislative council to set up
Para. 28. Second Chamber by "constitutional resolution".

Assam. One member and one Minister opposed to Second
Para. 55. Chambers on principle. Remainder think it
would be useful, but think that in Assam at
present it would merely reflect opinion of
Council.

Punjab. Officials.
Para. 44.

Second Chamber not required in Punjab, but
would not exclude possibility of formation of
Second Chamber elsewhere.

Non-officials.

page 225. (3) Generally opposes establishment of Second
Chambers.

Central Provinces. Opposed to Second Chamber on grounds of
Para. 7. expense and lack of suitable personnel.

Bengal. Opinion divided, but on balance recommend
Para. 28. Second Chamber.

United Provinces. Unanimously in favour of Second Chamber in
Para. 36. United Provinces.

Bihar and Orissa. Recommend Second Chamber.
Paras. 51 and 52.

Government of
India. Regard should be had to local conditions and a
Para. 27. Second Chamber should not be made a condition
of advance. Views of provincial Governments
accordingly accepted. Manner in which Upper
Houses should be composed should be investigated
by Franchise Committee. After 10 years it should
be possible to adopt as proposed by Government
of Madras a "constitutional resolution" for
institution or abolition of an Upper Chamber.
Resolution should require the support of three-
fourths of votes. In the case of abolition the
decision might be taken in joint session, and
the resolution if certified by the Government
submitted by the Governor General to the
Secretary of State and laid before Parliament for
approval.

I.S.C. Report.

Indian Central
Committee.
Para. 105.

Second Chambers unnecessary at present except in United Provinces where there is the requisite personnel for such a chamber.

In United Provinces a Senate of 50 elected members suggested with seats for special interests and reservation for Moslems on population or voting basis. Franchise to be that existing for Council of State.

Froom (page 165) Considers Second Chambers desirable: should be similar to Council of State but permanent, a third of members retiring every 5 years.

Hari Singh Gour . . . (page 362) Opposed to Second Chambers even in United Provinces.

Mehta Report.
page 91.

Provincial legislatures should be unicameral.

I. S. C. Report.
(Para. 28.) Basis of representation should be broadened.

Madras
Para. 24. Accept.

Punjab
Para. 43. Accept.

Bombay
Para. 7 Accept.

Bengal
Para. 26 Divided

Bihar & Orissa
Para. 29 Accept.

Central Provinces
Para. 6. Matter should be investigated.

Assam
Para. 31. Not opposed.

United Provinces
Para. 31. Accept provisionally

Government of India. Agree. The precise extent to which the franchise can now be widened should be investigated by a specially constituted Franchise Committee.

Indian Central Committee.
Para. 59. Demand for the transfer of responsibility over the whole Provincial field can be made with greater reason if the Councils are representative of a wider electorate than now: the political education of the people and the development of self governing institutions demand a widely diffused franchise.

Nehru Report.
Pages 91-94. Considers that the largest possible franchise should be granted and recommends adult suffrage.

I. S. C. Report
Para. 106.

A new Franchise Committee under an impartial and experienced Chairman should be set up to devise a scheme which would enfranchise about 10% of the total population. It should be required to have due regard to the respective claims of rural and urban areas and to the rights of women as well as men, and to devise such qualifications as would ensure, as far as possible the same proportion of votes to population in the different communities.

Bombay
Para. 7

Accept.

Madras.
Para. 24

Accept a limited addition to franchise.

Assam
Para. 31

Possibility of some extension should be examined.

Punjab
Para. 43
page 225.

Non-officials.
(3) Accept.

Officials.
Number of voters should be doubled with special increase for rural voters.

Central Provinces
Para. 5, 12.

Accept.

Bengal
Para. 26

New Franchise should not be lower than present Union Board Franchise (about 8%). No special measure to enfranchise more women.

United Provinces
Para. 32.

Accept appointment of Committee but would not give vote to more than twice present number of electors. Question of extension of women's vote to be left to Councils.

Bihar and Orissa
Para. 36.

Agree to Committee. Would deprecate any increase which would more than double present electorate.

Government of
India.
Para. 28.

Agree as regards extension but consider it impossible to form conclusions as to the extent until Franchise Committee has investigated. Their recommendations will have to be adjusted to local conditions. The Committee should be instructed to examine in each province the feasibility of introducing an educational qualification. It will be impossible for the Committee definitely to secure that there should be in each community the same proportion of voters to population and that at the same time the franchise qualification for all communities should be on the same level.

Genuine and effective representation of rural interests is important. Doubted if the proposals as regards women would be acceptable to any considerable section of opinion and therefore suggest that the decision should be left to the provincial Councils, and the Commission's proposals further investigated by the Franchise Committee.

Indian Central
Committee.
Para. 59.

Electorate should be doubled immediately. Minority hold that there should be no change for 7 years. Three members (page 150, para. 126) suggest that adult suffrage should be allowed in Bengal to ease communal tension.

Mehru Report.
pages 92-93

Adult suffrage for members of both sexes of 21 years essential to meet the communal problem. This involves serious practical difficulties but they must be overcome.

I.S.C. Report.
(para.106)

Proposal of Statutory Commission.
Franchise Committee should consider whether it is not practicable and desirable to introduce a qualification based on education independently of property, e.g., attainment of the fifth class before leaving school.

Madras.
para.24.

Agrees.

United Provinces.
para.33.

Officials oppose: ministers accept principle but would raise the qualification.

Punjab.
para.42(3)

Officials.
Unable to accept.

page 225.

Non-officials.
(1) -
(2) -
(3) Would prefer Matriculation as the qualification.

Bihar and Orissa.
para.29.

Would have the proposal examined by the Franchise Committee.

Central Provinces.
para.6.

Accept generally.

Assam.
para.31.

Accept proposal but suggest higher qualification.

Government of India.
para.28.

Would have the proposal examined by the Franchise Committee.

Indian Central Committee.

No reference.

Nehru Report.
page 93.

Universal adult suffrage recommended.

I.S.C. Report.
(para.108)

Proposal of the Statutory Commission.
To secure a wider extension of women's
suffrage two new qualifications may be
added:

- (1) being the wife, over 25 years of age,
of a man who has a property qualification
to vote;
- (2) being a widow, over 25 years of age,
whose husband at the time of his death
was so qualified.

Madras.
para.25.

Opposed to (1): accepts (2).

Bombay.
para.6(6)

Accept, subject to investigation by
Franchise Committee.

Bengal.
para.23.

Oppose unanimously as unworkable and
inequitable.

United Provinces.
para.34.

Oppose as inequitable: would leave the
extension of women's franchise to Council.

Punjab.
para.42(3)

Official.
Matters should be left as they are:
development should be left to legislature.

page 209:
page 225.

Non-official.
(1)
(2) Time not arrived for extension.
(3) Accepts Commission's proposal.

Bihar and Orissa.
para.30.

Oppose proposal: extension should be left
to Council.

Central Provinces.
para.6.

Uncertain about the proposals.

Assam.
para.32.

Divided: Governor and one Minister
support Commission's proposals.

Government of
India.
para.29.

Would leave extension to Council but
matter may be investigated by Franchise
Committee.

Indian Central
Committee.

No reference.

Mehru Report.
page 93.

Adult suffrage for both sexes recommended.

- U.S.C. Report.
(Para. 109). (a) After 10 years provincial councils should have power to set in train proposals for extending the franchise.
(b) After 15 years a second Franchise Committee should be appointed to review the progress made.
-
- Bombay.
Para. 5. (a) Constitutional resolution should be possible after five years.
- Madras.
Para. 26. (a) Accept.
(b) Arrangement for second Committee unnecessary.
- Assam.
Para. 33. (a) Accept.
(b) Unnecessary, as machinery at (a) should suffice (one minister desires second enquiry).
- Punjab.
Para. 89. (a) Accept. Officials.
- Bengal.
Para. 26. (a) Accept.
(b) Appointment of Second Franchise Committee opposed.
- United Provinces.
Para. 19. (a) Accept.
-
- Government of India.
Para. 28. Parliament should not commit itself to the appointment of a 2nd Franchise Committee after 15 years.
-
- Indian Central Committee. See para. 95.

I.S.C. Report.
(Para. 95)

After 10 years, it should be within the power of the Council to carry a "constitutional resolution" providing for

- (a) changes in the number, distribution or boundaries of constituencies, or in the number of members returned by them;
- (b) changes in the franchise or in the method of election; or
- (c) changes in the method of representation of particular communities.

If resolution calculated to prejudice the rights of any community it should have no effect unless supported both by two-thirds of the votes of the Legislature and as part of this majority by two-thirds of the members representing the community affected. The Governor should decide whether this condition is satisfied. If the Governor is prepared to certify that the resolution in his opinion reflects the general opinion of the province and of any community specially affected, his Government should prepare a scheme for transmission to the Governor-General with a view to the framing of new electoral rules embodying the changes proposed.

Bombay.
Para. 5.

Subject to safeguards in paragraph 95 of Report recommends that a constitutional resolution passed by Council and signed by Governor should have effect without any further sanction. Power to make such resolution should extend to gradual expansion of financial and legislative powers of Councils. There should be power to make resolution after five years, instead of ten years recommended by Commission.

Madras.
Para. 21.

Accept, and would add power to set up Second Chamber by such resolution.

Assam.
Para. 29.

Constitutional resolution can only be passed on proposal by Provincial Government, and should require sanction of Secretary of State before becoming operative.

Punjab.
Para. 39.

Accept. Officials.

Non-Officials.

page 205.

(2) Accept principle that new constitution must provide mechanism for advance.

page 225.

(3) Accept, but does not think provision will serve any useful purpose while communal and separate electorates continue.

Bengal.
Para.25

Accept, but one member of Government would require sanction of Governor-General in Council.

United Provinces.
Para.19.

Accept, but Ministers would not bring "methods of representation" within scope of resolution.

Government of India.
Para.26.

Welcomed.

Indian Central
Committee.
Para.60.

Recommendations in this respect confined to franchise.

- (1) that Legislative Council should have power to revise franchise at end of second term (i.e. 10 years);
- (2) that this should be done only at a special meeting and by not less than 2/3rds of members present;
- (3) 1/3rd of adult population to be enfranchised in 1941;

2/3rds of adult population to be enfranchised in 1951;

whole of adult population to be enfranchised in 1961.

Minority recommended a progression by not more than 1/4th every tenth year.

I.S.C. Report.
(Para. 110.)

Suitable limits should be defined and enforced for election outlay.

Malras.
Para. 27.

Accept.

Assam.
Para. 34.

Time is not yet ripe for such a restriction.

Bengal.
Para. 27.

Accept.

United Provinces.
Para. 35.

Further experience should be awaited.

Government of
India.

(Silent).

Indian Central
Committee.

No reference.

I.S.C. Report.
(Para. 117)

Constitution of small expert body to which legislative proposals could be submitted between the report and third reading stages recommended.

Bombay.
Para. 8

Not required.

Madras.
Para. 29.

Not required at present. Power might be given to provincial Governments to create such a body later if required.

Assam.
Para. 36.

Not required.

Punjab.
Para. 46.

Officials.

Not a matter of constitutional importance.

Pencal.
Para. 28.

Not accepted.

United Provinces.
Para. 37.

Would prefer that a trained draftsman should be member of legislature, and presence of experts on Select Committees.

Government of
India.
Para. 27.

Proposal has "attracted little support".

Indian Central
Committee.

No reference.

PART III.

THE CENTRAL EXECUTIVE AND ITS RELATION TO THE CENTRAL
LEGISLATURE AND THE SECRETARY OF STATE.

Composition of the Governor- General's Council	pp. 54-59.
The powers of the Governor- General's Council and of the Secretary of State ...	pp. 59A-63.
The Council of India	pp. 64-71.
The constitutional function of the Secretary of State...	p. 72.
The transfer of Commerce	pp. 73, 74.
The transfer of Railways	pp. 74, 75.
The transfer of Finance	pp. 188-192.
Note on the constitution proposed by the All Parties Conference	pp. 76-77.

I.S.C. Report.
Para. 167.

Governor General must continue as actual and active head of Government.

Bengal
Para. 37.

Accept.

Government of India.
Para. 121.

Members of Council should be Governor-General's advisers and not his colleagues.

Nehru Report
Para. 23.

Propose a Prime Minister who will be the active head of the Government.

I.S.C. Report.
Para. 168.

Governor General to select his Executive Council.

Punjab.
Para. 64.

Agree, but some members would prefer the present arrangement.

Bengal.
Para. 57.

Prefer present arrangement.

Government of India.
Paras. 118, 121.

Accept and assume that Governor General would also have power of dismissal, subject in the case of official members to the specific concurrence of the Secretary of State.

Indian Central Committee.
Para. 125
page 419.

Agree, but Fremchard would have ministers selected by the Chief Minister.

Nehru Report.
Para. 23.

Recommend the appointment of a Prime Minister by the Governor General and the appointment of the other Ministers on the Prime Minister's advice.

I.S.C. Report.
Para.171.

"Leader of the House" to be appointed.

Punjab.
Para.65
Encl.B.II. p.211.

Officials.

Accept.

Non-Officials.

(2) Leader to be chosen from
members of Legislature.

Bengal.
Para.37.

Accept.

Government
of India.

Silent, but elsewhere in this despatch
the Government of India appears to
assume existence of the appointment.

I.S.C. Report
Para. 169.

Number of officials in Governor General's Council should be laid down by rule and not by statute.

Government of
India.
Para. 122.

Agree and contemplate a gradual reduction of the official element.

I.S.C.Report.

Para.170.

Commander-in-Chief not to be Executive Councillor, nor to sit in Legislature.

Punjab.

Encl.B.II.p.212

III para.46.

Non-Officials.

(2) Accept.

(3) Accept.

Bengal.

Para.37.

Commander-in-Chief should remain member.

Government of India.

Para.155.

Agree that the Commander-in-Chief should cease to be a member of the Indian Legislature; a civilian member for defence should become the responsible member of Government and the Government spokesman in the legislature on all matters of defence policy. The Commander-in-Chief should retain right of direct access to the Governor-General and should, as a matter of rule, be present in Council when military affairs are discussed.

I.S.C.Report.
Para.173.

(a) Councillors might be drawn from ranks of elected members, but should on appointment vacate their seats.

(b) Improbable that Central Government will ultimately be modelled on that of Great Britain.

Punjab.
Para.63.
Encl.F.II p.211.

Officials.
(a) Accept.

Non-officials.
(2) Accept, but such councillors should be responsible to the legislature.

Bengal.
Para.57.

(a) Accept, on understanding that this does not involve responsibility of Government to legislature. (One member would have provision that majority of Executive Council should be Indians).

Central Provinces
Para.9.

(b) Some form of responsibility essential.

Government of
India.
Paras.114,115.

(a) Agree but consider that they should retain their seats as elected members.

Paras.20,198

(b) Agree. Cannot forecast ultimate form of central constitution but it must be responsible.

Indian Central
Committee.
Para.125,
p.419.

(a) Contemplate that some members should be drawn from legislature and should retain their seats. Mr.Kikabhai Frenchand considers that only members of the legislature should be appointed ministers.

I.S.C. Report.
Paras. 165,
166.

Dyarchy or any system of divided responsibility resembling it impossible at the Centre.

Bombay.
Para. 11.

One member accepts. Remainder recommend system of dyarchy, with Army, Foreign Affairs, State and Debt reserved.

Punjab.
Para. 62.

Accept.

Bengal.
Para. 37.

Accept.

Central Provinces.
Para. 9.

A modified form of dyarchy at Centre is suggested, but there should be common discussion on all subjects.

Government of India.
Paras. 102, 107,
109-120.

Government of India would not consider it wise to emphasise duality by adopting system of formal dyarchy when unity is the ideal. Formal division of responsibility tends to confine effective action of minister to the transferred subjects. On the other hand some lack of unity is better than complete divorce from the legislature, and they would at once introduce into the Governor-General's Council elected members of the Legislature.

Indian Central Committee.
Para. 124.

Consider that dyarchy at the centre is justified especially as defence and foreign and political relations, which they recommend should be reserved, are sufficiently distinct from other subjects.

Nehru Report.
Para. 22.

Would have a unitary Government responsible to the legislature.

I.S.C.Report.
Paras.174-179.

Members of Governor-General's Council to continue to sit in Legislature and be jointly responsible for action of Government - certain heads will be non-votable. Governor-General will have power of certification and restoration. Responsibility in Central Government cannot be departmentalised - Governor-General has only had to use his special powers on very few occasions. One member proposes extension of committee system.

Bombay.
Para.11.
Punjab.
Para.33.

Think responsibility can be departmentalised.
Support committee system.

Government of
India.
Paras.102,
118,121,222.

Consider that more modification might be introduced in the executive. They contemplate that, unless Parliamentary purposes were infringed, Governor-General should be guided by the advice of those of his councillors who represent the wishes of the legislature but that it should be made plain that if he sees sufficient cause he may disregard the advice of his Council. On the other hand they consider it evident that Governor-General's powers in relation to the legislature must remain unimpaired but the limitation of the Governor-General's special powers to the enforcement of Parliamentary purposes is implicit in their recommendations.

Indian Central
Committee.
Para.125.

Consider that members of the Governor-General's Council should continue to sit in legislature.

I.S.C. Report.
Para. 351.

Government of India not yet to be responsible to Indian Legislature. Governor-General and Governor-General in Council must therefore remain responsible to Parliament and subject to the orders of the Secretary of State who may however delegate his powers in practice.

Bombay.
Para. 29.

Consider that as far as possible power should be transferred from India Office to the Government of India.

Bengal.

Agree.

Government of India.
Paras. 18, 96,
102, 107, 113,
116, 120,
222.

Agree that personal powers of Governor-General should be controlled unrestrictedly by the Crown. Complete responsibility cannot yet be introduced into the centre but responsiveness difficult to combine with strict responsibility to Parliament over the whole field. Still there must be some sharing of power between Parliament and the Indian Legislature. Purposes for which Parliament would wish to interfere should be defined - apart from these purposes the Government of India should act closely with the Indian Legislature. One member considers that if paramountcy and defence were excluded the Government of India might be made responsible to legislature with safeguards.

Indian Central Committee.
Para. 134.

Hold that Secretary of State's powers of intervention in subjects which they propose to transfer in the central Government should be restricted.

Nehru Report.
Para. 1.

Recommend that Indian Government should be fully responsible to the legislature.

I.S.C. Report.
Para. 352.

The principle of relegation by convention should not be Agreement between Government of India and Legislature but ability of Parliament to waive its right to interfere in the matters concerned. Possibility of such conventions therefore depends on the attitude of Parliament.

Bombay.
Para. 29.

Subjects on which such delegation cannot be permitted to be specifically stated and should not travel beyond Secretary of State's sphere of control.

Bengal.
Para. 51.

Accept.

Government of
India.
Paras. 19, 224, 225.

Unable to recommend any extension of the principles of the 'fiscal convention'. Would approach problem from a different angle, having regard rather to general purposes which must be secured by Parliament in whatever field of administration they arise, than to particular subjects which can be made immune from or liable to Parliamentary intervention. The purposes for which Parliament should intervene would be (1) subjects entrusted to Secretary of State, (2) defence, (3) foreign affairs, (4) questions between India and the rest of the Empire, (5) international obligations, (6) internal security, (7) financial stability and credit, (8) minorities, (9) unfair observation, (10) Services, (11) maintenance of constitution.

Indian Central
Utilities.
Para. 132.

Contemplate the establishment of further conventions of the nature of the Fiscal Convention.

I.S.C. Report.
Para. 355.

Council of India to be mainly advisory.
Members of Council of India to have resided
in India within one year of appointment.
No member appointed on account of his Indian
experience to be eligible for re-appointment.

Bombay.
Para. 29.

Two members in favour of retention of
Council reduced in size and with limited
duties. Remainder would substitute expert
advisers on Finance, Services and Army.

Bengal.
Para. 51.

Accept.

Government of
India.
Paras. 227,
229

Does not recommend continuance of Council
of India on present basis. Secretary of
State will doubtless need advice in future
but how he will obtain it does not particularly
concern the Government of India and
Government of India is not convinced that
a statutory body is necessary.

Indian Central
Committee.

Were divided in question of retention of Secretary
of States of Council but finally recommend
its abolition, but two members consider
its retention necessary to give minorities
a sense of security.

I. S. C. Report.
Para. 356.

Present powers of India Council to continue in regard to service questions.

Bombay.
para. 29.

Two Members in favour of retention of Council reduced in size and with limited duties. Remainder would substitute expert advisers on Finance, Services and Army.

Bengal.
para. 51.

Accept.

Government of India.
Para. 223.

Do not consider that the Council need not be retained for this purpose alone and object even in Service matters to its veto Government of India would prefer that Secretary of State should by Statute be required to consult a body containing recent experience of Service conditions.

Indian Central Committee.
para. 133.

Consider that all services should be recruited in India.

QUESTIONS NOT DEALT WITH IN THE STATUTORY
COMMISSION BUT RAISED BY THE GOVERNMENT OF INDIA OR
PROVINCIAL GOVERNMENTS.

1. The Government of India recommend that members of the Governor General's Council who are also elected members of the Legislature, should not be subject to a vote of "no confidence" by the Legislature or considered by Convention as removable by that body (para. 119).

2. Constitutional position of the Secretary of State.

The Government of India recommend that, apart from the administration of matters removed from the jurisdiction of the Government of India, e.g. the making of treaties, exercise of paramountcy, etc., the Secretary of State should only exercise powers of superintendence, direction and control over heads of administrations corresponding to the obligations laid on them. He should retain no primary power of administration devolved on him from the Crown. The government of India would be vested in the Crown and exercisable at the Centre by the Governor General and in the Provinces by the Governor (para. 231). The present position is that the superintendence, direction and control of the government of India is vested in the Governor General in Council (Government of India Act, section 33). The Secretary of State has all rights which would have been exercised by the East India Company if the Government of India Act, 1858, had not been passed, and in particular he may superintend, direct and control all Acts relating to the government or revenues of India (Government of India Act, section 2).

3. Transfer of Commerce.

The Government of India note the popular demand for a national economic policy controlled by Indians (para. 182) and discuss the possibility of transferring the portfolio of Commerce under the heads (1) Customs; (2) Discrimination. They point out that, while the customs tariff is the most powerful instrument available to a Government pursuing an active programme of industrial development, customs are also the main source of revenue and affect international and inter Empire relations. The latter must remain under the control of Parliament, and the Government of India consider that certain conditions must be satisfied before finance can be transferred. They do not, however, consider that financial considerations need prevent substantial progress in the matter of customs along the path which India desires and they are of opinion that the necessity of Parliamentary control of external relations need not involve constant interference and that considerable latitude in the matter of commercial relations can be allowed to the Government of India. They suggest that the British Government might be satisfied with receiving the Most Favoured Nation treatment but that preferential rates of duty should be a matter for the Indian Legislature (para. 183).

The Government of India discuss the question of discrimination against British business under the following heads:- (1) professional qualifications; (2) Public utility undertakings; (3) Ordinary British commercial undertakings.

As/

As regards professional qualifications they consider that it should be a matter for the Indian Legislature to prescribe the qualifications necessary for the carrying on of any profession, but that it would be unjust in doing so to deprive present practitioners of their right of practising (para. 185). As regards public utility undertakings they consider that it will be necessary to retain power to prevent the unfair use by Government of their powers under the concessions by which public service undertakings operate, and to prevent legislation altering the conditions of those concessions (para. 186). They discuss the fears of the British business community that discrimination may be practised against ordinary British commercial undertakings by way of (1) compelling them to adopt a policy of Indianisation as regards either employees or directors; (2) compelling new companies to raise a certain proportion of their capital in India; (3) allowing insurance or banking undertakings to operate only under license; and suggest that these matters and the Indian desire for the development of Indian industries and the control of national enterprises should be fully and frankly discussed, possibly at the Round Table Conference.

4. Railways.

The Government of India consider that the demand for Indian control of the railways should be met as far as possible (para. 191) and discuss the possibility of transferring this subject under the heads:- (1) purposes for which Parliament must retain control; and (2) the conditions under which control should be transferred. As regards Railways

the/

the purposes of Parliament are dealt with under three heads (para. 192):-

(1) Defence - the importance of the strategic lines is obvious but all main trunk lines are important.

(2) Finance - Parliament is bound to safeguard the solvency of the railways because of the enormous capital sums which have been raised in Great Britain and invested in the railways. Also the raising of railway capital depends and reacts on the general credit of the Government of India.

(3) Services - There is a special obligation on Parliament to ensure that the interests of the Anglo-Indian community are protected (see also under services).

The Government of India consider that before transferring railways a system of administration should be set up which leaves to Government and the legislature the control only of broad questions of policy, the commercial management being located elsewhere. A modification of the present method of control is also the best method of securing Parliamentary Control (para. 193). The Government of India, therefore, propose the setting up of a Statutory Railway Authority, including Indians from the start. The control of policy in all important matters would remain with the Government of India and the central legislature, but the statutory authority would be free to manage details. A thorough enquiry should be made into this question as soon as possible. One difficulty will be the existence both of State-owned and managed railways and of State-owned and Company-managed railways (para. 195). The statutory authority might be set up by the Government of India Act and details settled by rules.

NOTE ON THE CONSTITUTION PROPOSED BY THE
ALL PARTIES CONFERENCE.

The following note summarizes the recommendations of the All Parties Conference 1928 as it was impossible to give an adequate account of their proposals for the Government of India under heads taken from the report of the Indian Statutory Commission. The Conference proposed that India should have the same constitutional status within the British Empire as the Dominions and that the legislative power of the Commonwealth of India should vest in an Indian Parliament consisting of The King, a Senate and a House of Representatives. The executive power was to be exercised by a Governor-General, appointed by the Crown, acting on the advice of an executive council, consisting of a Prime Minister and of not more than six ministers, collectively responsible to the legislature. The provincial governments were to consist of a Governor (appointed by The King) who should act on the advice of an executive council, consisting of a chief minister and of not more than four other ministers and responsible to a legislature. The Governor-General is given power to withhold his assent from a bill of the central legislature or to reserve it for the signification of His Majesty's pleasure and the governors are given power to withhold assent from provincial bills. The Governor-General is also empowered to withhold his assent from provincial bills assented to by the Governor and the King in Council is empowered to disallow such a bill assented to by the Governor General. Besides his powers of withholding assent from and reserving bills the Governor General has the right to return a bill for the consideration of Parliament.

Subjects are classed as provincial and central, the classification being based on the present one, and provincial

legislatures/

legislatures are given complete power to legislate in provincial subjects. The central legislature can legislate only for central subjects. There are no provisions, except the Governor-General's power of withholding assent from provincial bills, for control by the centre of the provinces.

A long list of Fundamental Rights is to be included in the constitution of the Commonwealth of India. This list includes provisions of the nature of Habeas Corpus, freedom of conscience and speech, the right of public assembly, the equality of citizens before the law, equal chances of public appointment irrespective of race, caste or creed, etc. It is also laid down that all citizens of the Commonwealth have a right to free elementary education as soon as due arrangements have been made by competent authority and that laws shall be made for the maintenance of health of the citizens, for the security to every worker of a living wage and for the protection of motherhood and provision for old age. Laws are also to be made to ensure fair rent and permanence of tenure for agricultural tenants.

The Nehru Committee propose that the Commonwealth Parliament should have power to alter the constitution by a joint session of both houses, the necessary bill being agreed to by two thirds of the total number of members of both houses. But the Conference asked the committee to reconsider their proposal so as to safeguard the interests and rights of the various minorities in the Central Legislature.

The Commonwealth of India apparently is identical with British India. It would exercise rights of paramountcy over the Indian States.

77A.

PART IV.

CONTROL OF PROVINCIAL GOVERNMENTS BY
THE SECRETARY OF STATE AND THE CENTRE.

I.S.C. Report
Para. 350.

In future Secretary of State should only interfere in purely provincial matters only as regards exercise by Governor of his special powers. He may however demand any information he requires.

Punjab.
Para. 108.

Officials.

Control of Parliament in provincial field to be limited to matters in which Governor retains special powers.

Government of India.
Para. 222.

Agree. As regards information, see their view on category 3 under 182.

Indian Central Committee
Para. 134.

Would restrict Secretary of State's power of intervention over the whole provincial field.

I.S.C. Report
(Para.181)

Governor in use of his special powers to be subject to superintendence of Governor-General and through him to Secretary of State and Parliament.

Punjab.
Para.68

Accept.

Bengal
Para.38.

Accept.

United Provinces
Paras.13,14 (5)

Accept generally but in some matters Governor's authority should be final by Statute.

Bihar and Orissa
Para.42.

Accept.

Government of India.
Para.201.

In complete accord.

Indian Central
Committee.
Para.53.

See note on Paras. 49, 50.

S. C. Report.
paras. 182, 183.

Superintendence of Governor General in Council over provincial governments in normal circumstances to be limited to (1) Safeguarding of administration of central subjects. (2) Matters which may, in opinion of Governor General, essentially affect the interests of any other part of India. (3) Supply of information on any subject. (4) Raising of loans. (5) Employment of All-India Services in Province. (6) Safeguarding Imperial Interests. (7) Questions between India and other parts of Empire. (8) Implementing International obligations. Secretary of State would also be able to exercise control in these matters.

These subjects should not be defined in Act, but in rules, to be amended only by resolution of Parliament.

Bombay.
para. 12

Accept (with one dissentient) but matters (2) and (b) require further definition.

Madras.
para. 40.

Accept but prefer present form of (2).

Assam.
para. 46.

Accept generally.

Punjab.
para. 69.

Accept, with suggestion that (1) includes (7) and (8). One member considers (4) too general.

Central Provinces.
para. 14.

Consider (3) not matter of control. Power to obtain information should be taken separately (5) and (6) better dealt with in chain of relations between Governor, Governor-General and Secretary of State. (7) and (8) should be Central subjects. As regards (1) (2) and (3) recommendations accepted.

Bengal.
para. 33

Accept.

United Provinces.
para. 47.

Accept, but on understanding that (5) only applies to strength of cadre &c. and not to postings, promotions &c.

Bihar and Orissa
para. 43.

Accept.

Government of India.
para. 201.

Would conceive of the powers being exercised by way of consultation, advice and even remonstrance. If those methods not effective Government of India would advise Governor General to act through his relations with the Governor, and the latter's power to override his Cabinet.

Category (1) seems inevitable.

(2) agree that definition must be in very broad terms. The discretion given to the Governor General personally to decide, in any given instance, the scope of control should allay fears of excessive intervention by Central Government.

(3) Not so much a matter of control as a distinct power which centre must possess.

(4) agree: centre must have sufficient power to protect general financial position of India.

(5) and (6) might be treated in the chain of relations between the Secretary of State, Governor-General and Governor and not classed as matters of control etc. of Central Government. The adoption of proposal of United Provinces Government would be convenient.

(7) and (8) more suitable for inclusion under the head "central subjects".

Indian Central
Committee.

Would restrict the power of interference of Governor-General in provincial affairs within narrow limits except in emergencies when they would give him ample powers.

They propose that

(1) Governor-General should only interfere for specified purposes - any difference of opinion as to right of Governor-General to interfere to be settled by an impartial body.

(2) in the event of a breakdown of maintenance of law and order Governor-General should have the power to supersede a local government and, in addition, power to compel payment of debts.

(3) Governor General should have power to overrule an order of the provincial government in the interests of law and order and similarly to issue any necessary orders.

(4) Governor General with approval of Secretary of State should have power to suspend a provincial legislature.

(5) Governor-General in Council with approval of Secretary of State should have power to take a province under the authority and management of the Governor General in Council.

I. S. C. Report.
paras. 184, 185,
186.

In questions affecting more than one province Central Government should have more authoritative position than at present.

Madras
para. 40

Present powers sufficient.

Bihar and
Orissa
para. 43

Accept.

Government of
India
para. 201

Co-operation should be secured by general goodwill of Governments concerned. The second category of control (with its restrictions) should obviate danger of co-operation being secured, save in case of necessity, by other means.

Indian
Central
Committee
pp. 410,
411

Prechand agrees.

I.S.C. Report.
para. 190.

Present classification of central and provincial subjects satisfactory but alteration suggested regarding Criminal Intelligence Department and industrial matters.

Madras
para. 42

Present classification requires careful examination agree about Criminal Intelligence Department and industrial matters.

Assam
para. 46.

Recommendation re Criminal Intelligence Department not accepted.

Punjab
para. 71

Officials.
Residuary powers should rest with Provinces.

Bengal
para. 39

Object to proposal re Criminal Intelligence Department. It will be impossible for Governor General in Council to determine conditions of organisation of Provincial Criminal Intelligence Departments.

United Provinces.
para. 48

Government and European member agree to some form of Central control over Criminal Intelligence Department. Remainder consider that no Ministry would want to reduce its efficiency, and therefore no Central control needed.

Bihar & Orissa.
para. 45

Accept.

Government of India.
paras. 198, 200

Present classification appears to be generally satisfactory; classification should continue to be regulated by Rule. Recognise that changes in the Rules may be necessary from time to time, but would hesitate to decide now that functions which are at present unforeseen but may hereafter have to be assumed by Government, should be provincial.

Will await Whitley Commission Report before submitting recommendations for distribution of functions regarding industrial matters.

G.I.D. organisation must be part of regular Police administration of the province, but efficient intelligence service will depend on co-operation between local Governments and co-ordination by central agency, Commission's recommendation is in effect permissive, and is accepted on that basis.

C.I.D. organisation must be part of regular Police administration of the province, but efficient intelligence service will depend on co-operation between local Governments and co-ordination by central agency, Commission's recommendation is in effect permissive, and is accepted on that basis.

Indian Central
Committee
para. 106.

Consider that the present classification must be re-examined. .

I.S.C. Report
(Para. 96)

Provisions of the Act distributing legislative topics between the Central and Provincial Legislatures should be maintained. The requirement of the assent of the Governor General to Provincial Bills and the Governor's powers in relation to assent to Bills and to their reservation or return to the Council should continue.

Bombay
Para. 6.

Accept, except as regards previous sanction of Governor General to provincial bills. Recommended that following be added to Section 80 A (3) of present Act. "provided that nothing hereinbefore contained shall be deemed to prohibit the local legislaturefrom making or taking into consideration without previous sanction of Governor-General any law satisfying conditions prescribed in this behalf by Rules under this Act." Section 80 C should be included in new Act.

Madras.
Para. 22

Accept.

Assam.
Para. 30.

Accept.

Bihar and
Orissa.
Para. 28.

Accept.

Government
of India.
Para. 199.

Government of India shares the strong desire of the Commission to see the provisions of the Act maintained. As regards the requirement of the Governor-General's prior assent to Provincial Bills it is questionable whether any substantial practical benefit would ensue from a modification of the existing provisions; but would nevertheless accept Government of Bombay's suggestion whereby a discretion would be taken to mitigate by rule the rigidity of the present law.

Indian Central
Committee.
Paras. 98, 123.

Unless departments at the centre which are most intimately connected with provincial subjects are held by ministers responsible to the legislature the Governor General in Council should have no power of veto over provincial legislation. Previous sanction of Governor-General should be necessary before the introduction in the Central Council of any measure

- (1) regulating a provincial subject not subject to Central legislation
- (2) repealing or amending an act of a local legislature.

PART V.

CENTRAL LEGISLATURE.

The Lower House	pp. 79-85.
The Upper House.... ..	pp. 86-90.

I.C.C. Report.
(Para. 135).

A new body called the Federal Assembly should be substituted for the Legislative Assembly, the members of which should be chosen by the Provincial Councils, areas not covered by Provincial Councils being also represented. Election should be by proportional representation. If an elected candidate should be a member of a Provincial Council, he should be permitted to remain a member of both bodies.

Federal Assembly should have a life of 5 years. New elections to the Federal Assembly should not normally follow the dissolution of a Provincial Council within its normal period and to ensure this a Governor should have power to extend the life of a Council elected within two years of the normal time of election to a maximum period of 7 years. Seats to be allotted among the Provinces according to population.

Bombay.
Para. 10(1).

Fearful that proposals will afford inadequate representation to Bombay. Two members of Government favour indirect, the rest direct election.

Madras.
Para. 33.

Government is divided over method of election, half being for direct and other half for indirect.

Assam.
Para. 41.

Governor and Finance Member favour indirect, rest, direct election. All agree that allocation of fixed seats is preferable to P.R. Simultaneous membership of Assembly and Council undesirable.

Punjab.
Paras. 49
& 50.

Officials.

Accept, but members of Council should resign on election to Assembly.

Non-Officials.

Page 210.
Page 226.

(2) Favours direct election.
(5) Favours direct election. Persons elected to Assembly must resign from Council.

Central Provinces.
Paras. 10
& 11.

Recommend that Federal idea should not be pursued at present, purely British Indian Assembly to be retained, with direct election. Is opposed to member sitting in both Assembly and Council.

Bengal.
Para. 32.

Agree generally. Oppose proposal that member should sit in both Assembly and Council. General agreement as to election by P.R., but some members wish for reservation of seats.

United Provinces.
Para. 38.

Governor and European member favour indirect election, and Indian Member would not object personally. Ministers desire direct election. All prefer communal representation to P.R.

Bihar and Orissa. Governor and European member favour indirect,
 Para. 40. remainder direct election. Member could not
 retain seat in Council and Assembly.

Government of
 India.

Paras. 125 - 129.

Would hesitate to put the Federal argument of the Commission too high since (1) it is far from certain that federation for all India will come about by the inclusion of States in the Assembly (11) even if States did enter the Assembly it is not necessary for uniformity in method of representation of States and Provinces. As between systems of direct and indirect election, will defer final conclusions until matter has been thoroughly discussed at the Round Table Conference and Indian opinion has expressed itself fully.

Room for misgiving whether so great a degree of provincialization as Commission's proposals involve would be desirable in the Lower House. Doubtful whether provincial contingent at The Centre would acknowledge any real responsibility to provincial councils.

Para. 131.

It might introduce divergent issues into provincial politics and invest them with an element of confusion and unreality. Indirectly elected Assembly would be incapable of occasional dissolution, which must be definitely regarded as an objection in the scheme.

Para. 132.

Also impressed by objections to allocation of seats on a purely population basis. Practical working of proportional representation scheme gives rise to troublesome and perplexing details e.g. large number of preferences to be expressed by members of provincial legislatures, and very small number of votes necessary for a candidate's election. On the whole, would consider unsuitable a method whereby Assembly would be wholly or mainly constituted by indirect election; but we suggest that certain advantages of indirect method might be secured if Assembly comprised elements drawn from both systems - on the one hand "territorial representation through indirect election by provincial councils, and, on the other, representation of the "All-India" point of view, and of special interests partly by direct election and partly by nomination. Suggest Round Table Conference should consider such a scheme. Method of election is essentially a matter on which considered judgment of Indian opinion should have great weight.

Para. 134.

Paras. 132, 139.

Accept proposal that life of Assembly should be 5 years, but recommend that Governor General should have power to dissolve earlier.

Indian Central
Committee.
Para. 128.

No reference to Federal idea. Election to be direct, with seats reserved for Muslims, Depressed Classes, Sikhs, Anglo-Indians and Indian Christians, Landholders, Indian and European Commerce, Labour and Women. Indirect election may be resorted to in case of Depressed Classes, Sikhs, Anglo-Indians, Indian Christians, labour and women if direct election impossible. Special constituencies for landholders, Indian and European Commerce, separate electorates for Europeans. Governor General may nominate 20 officials besides the 7 members of his Council. Life should be 5 years.

Hindus to have 104 and Moslems 79 seats with 90 seats for special interests and minor administrations.

All India Muslim
Conference.
page 192.

Mussalmans must have the right of 33 per cent. representation in Central Legislature.

Nehru Report.
page 104.

The House of Representatives to be elected by adult suffrage in constituencies determined by law. Seats may be reserved for Moslem minorities. Should have a life of 5 years.

I.S.C. Report.
Para. 140.

Membership of the Federal Assembly might be between 250 and 280. With entrance of Indian States it might be expected to grow to between 300 and 400.

Assam.
Para. 41.

Accept.

Punjab.
Para. 50.

Officials.

Accept.

Central Provinces.

Size of Assembly matter for Franchise Committee.

Bengal.
Para. 35.

Not in favour of increasing size of Assembly.

United Provinces.
Para. 38.

Indian Member and Ministers accept.

Bihar and Orissa.
Para. 41.

Suggests membership of 150-200.

Government of India.
Para. 139.

Strength should not exceed 200.

Indian Central Committee.
Para. 126.

Assembly to consist of 300 members. Fremchand. (page 417-418).
Assembly should have 250 members:

- (1) 115 directly elected;
- (2) 126 elected by Provincial Legislature
- (3) 9 nominated by Viceroy.

Nehru Report.
page 91.

Membership of House of Representatives should be 500 with provision for increase on a uniform population basis.

I.S.C. Report.
Para. 141.

One seat in the Federal Assembly per million inhabitants would be suitable. Members of the Governor-General's Council will be ex-officio members and the Governor General should have power to nominate not more than 12 other officials.

Bombay.
Para. 10 (1).

One seat per million would not give Bombay adequate representation in view of her commercial importance.

Bengal.
Para. 35.

Accept proposal to give seats on population basis and to nomination of officials.

United Provinces.
Para. 38.

Governor and European member are "unable to find in such an Assembly any promise of stable Central Government": but Government accept the scheme of distribution.

Government of India.
Para. 138.

Would not increase present number of nominated members, and would not change present maximum of nominated officials but would otherwise leave choice of official or non-official nominees to discretion of Governor-General.

Indian Central Committee.

Seats to be allotted among Provinces roughly on present basis with 10 seats for Minor Administration

Governor-General, Ministers and
 Councillors to be members 7

Governor-General to nominate
 20 members 20

Rest to be elected 173

Para. 128. 200

Para. 127.

Governor-General in Council may nominate 10 experts to speak but not to vote. Prenchand. (pages 417-418). Elections direct and indirect to be arranged so as adequately to represent all interests.

Nehru Report.

Distribution of seats not discussed. No nomination provided for.

I.S.C. Report.
Para. 143.

Two seats in the Federal Assembly should be given to Anglo-Indians by nomination should they fail to attain this number by election.

Bengal.
Para. 35.

Accept.

Government of India.
Para. 141.

In accord with Commission's general conclusions under this head.

Indian Central Committee.

3 seats for Anglo-Indians by joint electorates: and if impossible by indirect election.

Paras. 128,
129.

I.S.C. Report.
Para. 146.

For the present vacancies caused by death, resignation, etc. should, in the case of representatives of the provinces, be filled by the Governor nominating a person who will, in his opinion, best take the place left vacant.

Bombay.
Para. 10 (4).

Not accepted. Rule should be made that person elected shall represent same community or interest as late member.

Punjab.
Para. 53.

Officials.

Casual vacancies to be filled by election, reserving seat for community or interest represented by late member.

Bengal.
Para. 35.

Accept.

United Provinces.
Para. 39.

Not accepted.

Government of India. No reference.

Indian Central
Committee.

No reference.

I.S.C. Report.
Para. 148.

The Council of State should be retained with its present powers.

Bombay.
Para. 10 (5).

Accept.

Madras.
Para. 35.

Accept.

Assam.
Para. 42.

Accept, direct election being favoured.

Punjab.
Para. 54.

Officials.

Accept.

Non Officials.

page 211.
page 227.

(2) Accept.
(3) Accept.

Central Provinces.

Accept.

Bengal.
Para. 36.

Accept.

United Provinces.
Para. 41.

Accept, but prefer direct election.

Government of
India.
Para. 143.

Accept.

Indian Central
Committee.

para. 131.

No change in the constitution and powers of the Council of State save increase of numbers from 60 to 100, retaining present proportion of representation between communities and between elected and nominated.

Premchand (page 418).
Number of members to be 100, of which 66 are to be directly elected by electorate similar to present: 34 to be nominated by Viceroy, 20 of whom should be officials.

I.S.C. Report.
Para. 149.

The numbers and proportions between elected and non-elected should be unchanged.

Bombay.
Para. 10(5)(b).

Proportion of elected members should be increased.

Punjab.

Non-Officials.

page 211.

(2) Would reserve one third of seats to be filled by nominations for life.

page 226.

(3) Council to be not less than half size of Assembly.

Officials.

Para. 54.

Accept proportions: would double numbers.

United Provinces.
Para. 41.

Accept.

Government of
India.
Para. 144.

Accept.

Indian Central
Committee.
Para. 131.

Proposes an increase in numbers maintaining the same proportion between elected and nominated members as at present.
 Gour apparently opposed to nominated element.

(page 315).

Nehru Report.

No provision for non-elected members.

I.S.C. Report.
Para. 130.

In the Council of State three seats should be allocated to the minor provinces, one to the North West Frontier Province, one to Delhi and one to be selected in turn from Baluchistan, Ajmer Merwara and Coorg. In the case of the cities of Madras, Bombay and Calcutta, one member representing British and one representing Indian commerce should be chosen. Each Governor's province should be represented by three members elected by the Second Chambers if these exist and if not by the Legislative Councils, proportional representation being employed.

Assam.
Para. 42.

Accept that equal numbers should be returned by Major Provinces but election to be direct and on Communal basis.

Punjab.
Para. 54.

Suggestion for allocation of seats approved. Government divided on question of method of election.

Central Provinces.
Para. 13.

Council of State to be used to familiarise India with federal idea and indirect election. Members to be chosen by legislative councils.

Bengal.
Para. 36.

Prefer to continue Council of State in present form with present electorate.

United Provinces.
Para. 41.

Desire direct election, with extension of franchise to Rs. 3,000 land revenue (instead of present Rs. 5,000). Ministers would like special representation for large landholders.

Government of India.
Para. 145.

Would prefer to maintain direct election. If indirect element be introduced two conditions should be observed:

- (1) the change should involve no prejudice to the rights of minorities.
- (2) the change should commend itself to public opinion.

Indian Central Committee.
Para. 131.

Maintain the present system of distribution of seats.

I.S.C. Report.
Para. 151.

The qualification of members should be on the lines of those for election to the present Council of State, but perhaps less wide. In the case of nominations the Governor General should have regard to the desirability of including representatives of organised workers in industry.

Bombay.
Para. 10 (5)(c).

Qualification should be raised. Opinion divided as to Commission's recommendation re representation of Bombay Commerce.

Punjab.
Para. 54.

Accept. Officials.

Government of India.
Para. 144.

Agree that qualification might in future be less wide. An enquiry might well be undertaken on lines suggested by Commission.

Indian Central Committee.

Not discussed.

Nehru Report.

Not discussed.

I.S.C. Report.
Para. 152. The new Council of State should be elected
at the same time as the new Federal Assembly,
but should have a life of 7 years.

Punjab.
Para. 54. Accept 7 years life.

Bengal.
Para. 36. Accept 7 years life.

United Provinces.
Para. 41. Accept 7 years life.

Government of India. Agree that life should be 7 years.
Para. 147.

Indian Central
Committee. Apparently would propose a life of 5 years
as for Assembly.

Nehru Report.
page 95. Life of 7 years.

PART VI.

RELATION BETWEEN THE STATES AND BRITISH
INDIA.

I.S.C. Report
(Para.227.)

Constitutional development of British India cannot be completed, while ignoring the States.

(Para.228.)

Ultimate ideal is some sort of federal arrangement embracing every part of Greater India.

(Para.229.)

Formal transfer of paramountcy from Governor General in Council to Governor General might assist towards federal development.

(Para.234.)

Federation of Greater India cannot be artificially hastened: practical question is whether any definite but modest steps can be taken by way of tentative advance.

(Para.235.)

- (1) A list of 'matters of common concern' should be drawn up.
- (2) The preamble of the Government of India Act should include reference to desire for closer association between British India and the States.
- (3) A joint consultative body should be created with 'powers of discussion and of reaching and recording deliberative results' on matters of common concern.

(Para.236.)

Suggestion as to Preamble and list of matters.

(Para.237.)

Outline of scheme for Council of Greater India.

I.S.C. Report.

(Sir W. Layton's report)

(Para.313.)

Effect of Indian customs on states.
Estimates of claims and cross claims.

(Para.315.)

Claims will arise also in connection with excises, in addition to suggestion of Butler Committee for financial settlement there is also the claim of the States to consultation on financial policy.

Government of India
(Para.212.)

Government of India accept 'some sort of federal arrangement' as the ultimate ideal, but doubt utility of trying to sketch ultimate form of association.

Advance may lie rather in development of Council of Greater India than in adhesion of States to Indian Legislature.

It may be necessary to have both a British India and an All-India Legislature.

(Para.213.)

Exercise of paramountcy should be vested in Governor General, not Governor General in Council - one dissentient.

(Para.214.)

Agree as to preamble and list of matters, with some qualifications.

(Para.215.)

Ditto as to Council for Greater India.

(Para.216.)

Indirect taxation of state subjects by customs not ultra vires, but there is a claim in equity.

(Para.217.)

There should be an early general review of financial relations with states - it may be necessary to finance the 'political' budget from state's contributions.

(Para.218.)

There is a possibility of conflict not only in regard to finance and taxation but also in industrial matters etc.

(Para.219.)

Whole question requires discussion at Round-Table Conference but Government of India put forward following principles :-

(1) Government cannot abandon rights in regard to customs but can agree to review position on equitable grounds.

(2) Simultaneously States' contribution to cost of defence and other Imperial services should be reviewed. No settlement should be made with individual states without regard to entire account.

States should bind themselves to uniform policy in commercial and industrial legislation, excise duties and income tax.

(Para.220.)

An alternative to an agreement on principles at Round-Table Conference would be an agreement to refer to arbitration.

Hekru Report (Chapter V.

- (Para. 72.) Indian States cannot be dealt with on assumption that dynamic forces now in operation in British India will not cross the borders. Butler Committee regarded as attempt to convert the Indian States into an Indian Ulster.
- (Para. 73.) Relationship with the Crown does not mean relationship with the King alone. The enforcement of the treaties has been among the normal functions of the Government of India. The Government of India have acquired certain powers by usage etc. which are outside scope of the treaties.
- (Page 75.) British India can sympathise with States in their legitimate grievances; it should not be impossible to define the limits of interference. But there is no constitutional objection to a dominion government of India stepping into the shoes of present Government of India.
- (Pages 75-80) Sir L. Scott's propositions controverted.
- (Page 81.) In fact and in practice it is the Government of India with whom the States are in contact.
- (Page 82.) An organisation distinct from Government of India for dealing with States questions will not solve conflict between States and British India and will be a vicious extension of dyarchy.
- (Page 83.) If States join federation they must submit to common legislation and there must be a modification of their systems of government and administration.
- (Page 84.) Disputes between Commonwealth and States as to treaties should be referred to Supreme Court.
- (Page 85.) Federation can be the only solid foundation for responsible government, but unwillingness to join federation does not mean that British India must be denied full responsible government or dominion status, merely because obligation owed by Crown to States necessitate an undemocratic central government.

PART VII.

NORTH-WEST FRONTIER PROVINCE.

Constitution	p. 96.
Financial Relations with Central Government	p. 104.

Statutory Commission.
para.119 - Vol.11

Responsibility for the administration of the North West Frontier Province cannot be separated from responsibility for the peace and control over tribal area.

Chief Commissioner.

In those subjects which would be classified as provincial the relations between the Central and the North-West Frontier Province Government would be the same as between the Central and other Provincial Governments. There would however, be central subjects peculiar to the North-West Frontier Province in which the Lieutenant-Governor would be acting directly as the Agent of the Central Government and under their orders.

Expenditure which is classed as "central" as distinct from "provincial" should if possible be withdrawn from the arena of discussion in the Central Legislature, on the same lines as, in the case of the Army expenditure.

Government of India.
pp.76, 77.

The Commission rightly emphasize the need for vesting responsibility both for the five districts and for the tribal tracts in the same executive authority. The Chief Commissioner's scheme recognizes this essential requirement. The head of the administration of the North-West Frontier Province, to be known under these proposals as the Lieutenant-Governor, would remain the Agent to the Governor-General in Council for the tribal area. But for the administration of the five districts it is suggested that he should be assisted by two ministers, of whom one would be an official.

This departure from the recommendations of the Commission involves other important consequences. Instead of

Government of India
(continued)

remaining a centrally administered area under the direct control of the Governor-General in Council, it is proposed to devolve authority on the provincial administration with a classification of subjects into central and provincial, following broadly the lines of the classification in other provinces. But there would be exceptions in the case of certain subjects peculiar to the North-West Frontier Administration, which would be classified as central subjects and dealt with on the existing basis. The Chief Commissioner has enumerated some of these, for instance, the frontier constabulary and scouts, frontier remissions and allowances, and strategic roads as illustrations of matters chiefly relating to the tribal areas and to the defence of India, and properly classed as central subjects for that reason. He also mentions the extra police and other forces necessitated by the geographical position of the province. We think it probable that on further examination these should be classed as provincial. These, however, are matters of detail which need not here detain us. The broad point is that in making the dividing line between central and provincial subjects, regard would be had to the need for classifying as central certain subjects of all-India importance peculiar to the present administration of the North-West Frontier Province, which could not properly be entrusted to the provincial legislature.

We look for a constitution which shall be so framed as, on the one hand, to safeguard the peace and security of the frontier, and, on the other hand, to recognize the local aspirations with which we fully sympathize for a form of local government, containing a popular element, for the administration of purely provincial subjects.

Jehnu Report

Para.7.
p.124.

p. 31.

The North West Frontier Province and all newly formed provinces by separation from other provinces shall have the same form of government and the same status as the other provinces in India. We cannot in justice or in logic deny the right of any part of India to participate in responsible Government. The All Parties Conference has already agreed to this and we gather that no considerable group oppose this reasonable demand.

All-India
Muslim
Conference
(p.85 - Vol.II)
Statutory
Commission
Report)

The introduction of constitutional reforms in the North West Frontier Province and Baluchistan along such lines as may be adopted in other provinces of India is essential not only in the interests of those provinces but also of the constitutional advance of India as a whole, the Hindu minorities in those provinces being given adequate and effective representation in excess of their proportion in population, as is given to the Muslim community in provinces in which it constitutes a minority of the population.

Statutory Commission.
para.120 Vol II.

Situation of the province and its intimate relation with the problem of Indian defence are such that special arrangements are required.

Chief Commissioner.

No remarks.

Government of India
para.75 p.74

The Commission's proposals concede a legislative council but deny any popular share in the executive. In effect the Commission, equally with the Indian Central Committee would leave the North-West Frontier Province, with some variation very much at the stage which other provinces reached with the introduction of the Morley-Minto reforms in 1909. There would be in the executive no element of responsibility to the legislature. The undertaking of His Majesty's Government set out in the announcement of the 20th August 1917 would still remain unexpressed in the constitution of the North-West Frontier Province at a time when the other provinces are rapidly moving forward to responsible government. We fully recognize the particular conditions of the North-West Frontier Province so well described in the report, and do not overlook the weighty considerations which influenced the Commission in favour of a strictly cautious advance. At the same time the realities of the situation, and we here have in mind the events of the past few months, make it a matter of the first importance that the scheme adopted should attract a reasonable measure of public support.

(c)

100

Statutory Commission
para.121 Vol.II

There should be a Legislative Council consisting of some 40 persons with powers of legislation, interpellation and discussion of resolutions and with the power of imposing certain taxes and voting supplies in respect of those services which are maintained out of Provincial revenues.

Chief Commissioner.

Suggests a total membership nominated and elected, of between 30 and 40 - the exact figure to be determined by the convenience of constituencies.

Also suggests that franchise should be fixed with reference to local conditions, social and economic, but to be worked out by a Franchise Committee - possibly local in its composition. The Legislature should have powers of discussion and interpellation together with the power to vote supply for provincial subjects. Its legislative powers would extend over provincial subjects; but the power to make regulations under section 71 of the Government of India Act would remain with the Governor General in Council. Matters which involve considerations of tribal affairs and the defence of India whether arising in Tribal Territory or the settled districts would be excluded from the purview of the Provincial Legislature in the same manner and by the same means as the affairs of the Indian States are at present excluded from the purview of the Central Legislature.

Government of India -

See above under (a) and (b).

Statutory Commission.
para.122 Vol.II.

The council should consist of an elected and a nominated member in about equal proportions (as recommended by the Bray Committee). The former should be representatives of Khans elected from a special constituency, of members elected by Municipalities and district boards and of ex-soldiers.

The nominations would be by the Chief Commissioner - partly of officials and partly of non-officials.

Due provision should be made for the representation of minorities, including Hindus and Sikhs.

Chief Commissioner.

(A legislative council containing only a bare majority of elected members will not long satisfy the politically minded elements in the population of the Province, even though it satisfies them in the immediate future. There must, however, be a substantial nominated element and official assistance in the cabinet.)

Agrees with Commission and suggests that the elective element should be given a slight majority of 51 per cent of total seats: direct election to be substituted for the Commission's scheme of partially indirect election if there is found to be any strong local feeling in favour of a body of elected members wholly chosen by direct election.

Suggests a division of constituencies into urban and rural and special representation of great landholders and of ex-soldiers.

Suggests that Hindus and Sikhs be given choice between various modes of representation and the representation of non-Muslims might be double of that to which they would be entitled on a population basis.

Government of India.

See above under (a) and (b)

(e)

Statutory Commission.
para.122 p.104 Vol.II

The Legislative Council in the North West Frontier Province should not have power to deal with Land-revenue and Law and Order. The Governor-General in Council should make rules to fix the range of legislative power. The Chief Commissioner should preside over the Legislative Council and should have power to appoint a deputy to take his place in the chair when necessary.

Chief Commissioner.

Suggests that the Chief Commissioner might be known as the Lieutenant-Governor. For the first term of the Council there should be an official member to be followed in the second term by an elected Resident.

The Chief Commissioner contemplates a constitution on unitary lines so as to have no division between reserved and transferred subjects. There would be two Ministers with the Lieutenant Governor - one of whom would be an official.

Government of India

Agrees with Chief Commissioner.

(f)

103.

Statutory Commission.
para.123 Vol.II.

The representation of the North West Frontier Province in the central Legislature should be strengthened and the right of the Province to take part in discussing all-India questions should stand on the same footing as that of the Governors' Provinces. The Province should have four members in the Assembly (3 Muhammedans and one Hindu) and one in the Council of State.

Chief Commissioner.

No remarks.

Government of India.
p.127.

There should be three representatives of the North West Frontier Province on the Legislative Assembly - one Hindu and two Mussalmans - in a house with a total maximum strength of 200 members, including 150 members returned by territorial constituencies.

FINANCIAL RELATIONS BETWEEN THE NORTH
WEST FRONTIER PROVINCE AND THE CENTRAL GOVERNMENT.

The Statutory Commission considered that an examination should be made of the expenditure in the N.W.F.P. with a view to separating those items which are solely concerned with the five districts from those which are incidental to the performance by the Chief Commissioner of his functions as Agent in the unadministered tracts and are due to the proximity of those tracts to the five districts.

The division of expenditure in the five districts between ordinary expenditure and the extraordinary expenditure due to the tracts is not to be arrived at merely by considering where the expenditure was incurred, for a substantial part of the expenditure inside the administered area is really occasioned by the circumstance that the unadministered area is adjacent to and immediately associated with the districts. Consequently there would be some items of expenditure inside the five districts, e.g., for roads and bridges, which ought not to be regarded as part of the ordinary local outlay. In addition, the cost of at any rate a part of general administration will have to be divided, since administration is made more expensive by the special character of the province. The salary of the Chief Commissioner himself should be allocated.

AS/

As regards the responsibility of the Provincial Council, the Statutory Commission was of the opinion that it should be limited to the raising of the necessary funds for normal civil expenditure. The powers of local taxation would correspond to the powers possessed in any other province, and the proceeds will be supplemented, as in the case of other provinces, by the quota due to the province from the Provincial Fund which the Commission propose to set up. The Financial Secretary will present to the N.W.F.P. Legislative Council his budget in respect of normal civil expenditure, and the Council will have the opportunity of voting the necessary demands in so far as these fall within the class of votable items. The Chief Commissioner must have powers of restoring rejected grants, and he would exercise this power under the superintendence, direction and control of the Governor-General. Similarly, and subject to the like supervision, he would have in the field of legislation power to certify in cases where the Bill is essential for the safety, tranquillity, or interests of the N.W.F.P. or any part thereof. (para.124 Vol.II).

The Chief Commissioner has no remarks on this subject beyond the statement that the Pay and Accounts Officer, N.W.F.P., has been directed to suggest on the basis of certain figures worked out in 1922 the allocation of expenditure between the heads "Provincial" and "Central" and the amount required as a subvention from Central revenues to meet the excess of "Provincial" expenditure over "Provincial" revenues. When this

information/

information has been collected and considered he should be in a position to examine the matter in further detail.

The Government of India accept the Chief Commissioner's suggestion that the subvention fixed on this basis should not be variable from year to year but should be subject to quinquennial review by the Assembly.

107.

PART VIII.

Defence. pp.108-117.

Indian Statutory
Commission.Para.200
p.170.Para.198
p.169Para.199
p.169Para.209.
p.175

The Commission proceeds on the basis of two fundamental propositions. First, control of an Army, including a British element cannot be made over to an Indian legislature. Secondly so far as it is possible to forecast the future the evolution of an entirely Indian military force, capable of undertaking unaided the tasks now discharged by the Army in India must be a very slow process indeed. It is impossible to contemplate the use of British troops to quell civil disturbances at the unrestricted bidding of Ministers popularly elected and answerable to popularly elected legislatures. Moreover it is impossible for the Crown to lose control of the instrument by the use of which in case of need the obligations of the Crown to Indian Princes could be discharged.

The definite suggestions of the Commission are as under:-

- (a) The forces composing the existing Army in India should no longer be under the control of the Government of India but should be under an Imperial authority which would naturally be the Viceroy acting in concert with the Commander in Chief.
- (b) Imperial authorities would undertake the obligations of Indian defence in return for the continued provision of definite facilities as to recruitment, areas, transport and other matters.

(c) An equitable adjustment of the burden of finance should be attempted. It might naturally take the form of an agreement to provide from Indian Revenues an annual total sum subject to revision at intervals and with the opportunity of sharing in economies. The contribution would be non-votable. The Central Legislature as now, would not vote supply for the Army: appropriations of revenues for this purpose would be authorised by certificate of the Governor General.

(d) In the case of extraordinary or war expenditure the charges relating to expeditions or operations which are the result of tribal activities should fall entirely, as hitherto, on Indian Revenues. In the case of extraordinary or war expenditure rendered necessary by the attack of a foreign power there would be a case for spreading the financial burden more widely.

Para. 210
p. 173.

(e) The Commander in Chief would cease to be a member of the Indian Legislature and while remaining a colleague of the Governor General he would cease to be the holder of a portfolio of the Government of India.

(f) A Committee on Army Affairs, might be constituted on which the Central Legislature and in time the Indian States also would have representatives

for the purpose of discussing and
keeping in touch with military questions

Para.211
p.176.

(g) The obligation to go forward with the
Indianisation of the Army should
continue to be honoured in the letter
and the spirit.

(h) The Government of India in co-operation
with the Central Legislature might
encourage the organisation, training
and equipment of certain military, and
it may be, naval forces, of its own
which would contain no British element.

Para.212.
p.177

(i) Arrangements made for defence against
attacks on the Assam Burma front must
be co-ordinated between India and Burma
and the defence of the N.E. should
also become an Imperial function.

Para.213.
p.178.

(j) Every demand for Imperial troops for
purposes of internal security should be
put forward by the express authority
of the Governor of the Province himself.
To meet cases of emergency the
Governor's subsequent personal
endorsement of an application for
military aid should be required at the
earliest possible moment.

Provincial Governments.

Bombay.
Paras.13 & 14.
pp.36, 37.

Proposals that the Army in India should be wholly under the control of Imperial Government and that the Government of India might organise a purely Indian Military and Naval Force not accepted. Aim should be increased and accelerated Indianisation within present scheme. There should be an increased number of military training schools in India and one or more Indian Sandhursts. In Internal security matters power of District Magistrate to call for troops should be retained.

Madras.
Paras.44-46
pages 15 &
16.

Primarily question for Government of India. Indianisation should proceed more rapidly than at present. It is absolutely necessary to establish more schools on the lines of Dehra Dun and also an Indian Sandhurst. Proposals for internal security unworkable. Powers of District Magistrate and Commissioner of Police should be retained with subsequent personal endorsement of Governor at earliest possible moment. Madras Regiments should be revived.

Punjab.
Paras.77 & 78.
pp.181 & 182.

Officials.

Army must be removed from control of legislature during transitional period. Rate of Indianisation must be accelerated. Committee on Army Affairs should be kept in close touch with realities of problems of defence and organisation. Central Legislature should be allowed to debate Army subjects within fairly wide limits.

District Magistrates powers to call for troops must remain.

p.213.

pp.223, 229

Non-Officials.

(2) British Army in India may remain outside control of Assembly, but Indian Army must be under its control.

(3) Agrees generally with official view.

Central Provinces.
Para.16
p.293.

Accelerated Indianisation under present arrangements recommended. No local Army or Militia wanted.

Bengal.
Para.40.
page 66.

The proposed changes will not remove the legitimate agitation that is conducted in connection with the Army in India. Accelerated Indianisation under present scheme recommended. The number of army schools and army training institutions should be extended. Agree that Imperial Government might contribute to cost. Responsibility for use of troops in internal matters should rest on Ministry and not on Governor personally.

Government
of India.
Pages 95 to
99 and 130
to 146.

Fully accept the Commission's view that Parliament cannot now or in the future which is within sight divest itself of all responsibility for the Army in India. The problem is the most serious of the difficulties in the way of fully responsible Government but not the only difficulty. Somewhat apprehensive of a premature decision. If Indian opinion expressed itself definitely in favour of the idea, its further examination would be desirable.

Open to doubt whether (1) the endeavour to avoid a special constitutional difficulty may not cause the greater danger of attempting to detach an important function of Government from its true place in an organic whole. (2) control of defence can in fact be isolated as proposed.

Would apprehend that the plan would greatly increase friction between Army Department and a Central Government responsible to Legislature. Position of Army Secretary in the Assembly would be anomalous and embarrassing.

The dissociation of the Army from the Government as a whole might in time produce reactions unfavourable to the Indian soldier during his Army career, and tend also to deprive him of protection and sympathy of civil administration after retirement.

Conclude that it would be preferable for Government of India to retain control of the administration of defence, but would reconsider this view in event of decided expression of Indian opinion in favour of the Commission's scheme.

Portfolio of Defence would thus continue to be held by member of Central Government, but agree that a civilian member should hold it, and not as in the past the Commander-in-Chief. The questions of an Imperial subsidy and of a fixed contribution by India for cost of defence are matters for His Majesty's Government.

In favour of proposal for constituting a Committee on Army Affairs to include members of central legislature.

In favour of the suggestion that military expenditure from Indian revenues should take the form of a fixed annual sum for periods of years, revised at intervals.

General position of legislature regarding defence matters should remain unchanged - in particular the facilities for annual discussion of military policy and expenditure in course of Budget debates in the Assembly.

Indianisation. Of paramount importance to satisfy Indian public opinion that our policy is earnestly directed towards definite goal, but efficiency must be regarded as indispensable condition of progress. In due course the eight units set apart hitherto for Indianisation will be insufficient to accommodate the increasing number of Indians commissioned through Sandhurst. Procedure then to be followed has not yet been decided.

Divided on question of an Indian Military College - some would prefer to retain advantages of Sandhurst as long as possible, others to start an Indian College as soon as practicable. Indian feeling might be ascertained by His Majesty's Government at the Conference.

Separate Dominion Army and alternating scheme for provincial battalions.

Consider that the creation of any new type of armed forces would be an unnecessary complication; would greatly prefer that all units hereafter selected for Indianisation should retain status and functions of regular fighting troops; consider that any advance in the Indianisation of officer ranks must be made within the Army itself, and that units selected for this purpose must continue to be trained and employed in same way as others which retain British Officer establishments.

Indian Central
Committee.
Para.116.

(a) The use of regular troops should be avoided for dealing with disturbances in Provinces which have been granted complete control over their own affairs. It is recommended that it should be open to the Government of Madras and Bombay to equip and maintain a local military force and a local militia. The minimum numbers of the force or militia, its equipment and qualifications, should be prescribed by the Government of India. The Viceroy and the Commander-in-Chief should always be entitled to inspect the troops and pass orders for their efficiency and maintenance; but they should not be entitled to direct a reduction of the force or any other step which will render the force less efficient.

Para.157.

(b) The immediate establishment of a military college in India is recommended. The recommendations of the Skeen Committee should be carried out in the manner referred to in that Committee's Report.

pp.170 & 172.

(c) Sir Arthur Froom in his Minute of Dissent:
(i) My colleagues have questioned the desirability of employing regular troops of the Indian Army in communal and religious disturbances, which unfortunately are at present only too frequent. On all hands the neutrality of British troops in such disturbances has received widespread recognition and approval. It would, I think, be exceedingly unwise to withdraw this aid from Provincial Governments, and it is

necessary therefore to make constitutional provision accordingly.

(ii) A commencement should be made at once to relieve the Army of internal security duties other, of course, than the protection of strategic railways, and to place these duties on the police. This would naturally entail a large increase in the strength of the present Police Forces in many Provinces and be beyond the capacity of existing provincial revenues. The provinces, with some degree of reason, say that the cost of the Army in India includes the task of internal security and that it is impossible to find in addition the money for increased Police Forces. I therefore recommend that within a period of five years, after the introduction of any new provincial constitution and after the new Local Governments have had experience of the problem, that a conference between the Provinces and the Central Government should be set up to examine the position and to see to what extent increased Police Forces in the Provinces would lessen the responsibility of the Military Authorities for internal security, so that by a corresponding reduction in the Military Budget the necessary finance might be made available to the Provinces.

(iii) It appears to be generally necessary that the whole question of the existing organisation of the Indian Army should be examined by a Technical Committee with a view

to seeing what changes would be required to make it a Dominion Army of the future.

p.415.

(d) Mr. Kikabhai Premchand in his Report:

(i) There is no room, in present conditions, for Provincial Armies, or even Provincial Militias. The existence of two bodies of armed men, independent of each other and under separate control, would inevitably lead to confusion and unnecessary expense; moreover it might, in circumstances which can easily be visualised, become a source of conflict and a danger to peace and order.

p.416.

(ii) The whole Navy Budget should be "made votable by the Legislatures".

Jehru Report.

p.12.

The authors of this report do not accept the constitutional position that without an Indian or Dominion Army, India cannot attain Dominion Status.

The main recommendations are as under:-

(a) The appointment of a Committee of Defence consisting of 9 individuals:-

- (1) The Prime Minister
- (2) The Minister of Defence
- (3) The Minister of Foreign Affairs
- (4) The Commander-in-Chief.
- (5) The Commander of the Air Forces
- (6) The Commander of the Naval Forces
- (7) The Chief of the General Staff, and two other experts.

(b) The proposals of the Governor General in Council for the appropriation of the Revenues or monies classified as "Defence" shall be submitted to the vote of the house or representatives.

(c) The Governor General in Council may in the event of any foreign aggression or reasonable apprehension of such aggression authorise such expenditure as may be necessary for the safety of British India or any part thereof. Such action taken by the Governor General shall be reported by him immediately to the Legislature, if in session, or if the Legislature is not in session, to a special session to be summoned as soon as possible thereafter.

(Recommendations 75 to 77 pp.120 & 121)

118.

PART IX.

THE SERVICES.

pp.119-122.

I.S.C. Report.
Para. 328.

Central Secretariat to continue to be
drawn from Provinces.

Madras.

Some members consider Central Government
would have to recruit its own secretariat
staff direct; all services being
provincialised.

- I.S.C. Report.
(Para. 329. Security services to be recruited by Secretary of State on All-India basis with power to prescribe number. etc. which provinces must employ.
-
- Bombay. Majority consider that recruitment should be by Central Public Service Commission. Minority think existing method should be for 10 years and then reconsidered.
- Madras. Disagreement among members of Government. Some are in favour of complete provincialisation, others would accept Commission's recommendation.
- Assam. No definite observations. "In any system of self-Government the chief voice ... must be allowed to the representatives of the people".
- Punjab. Officials.
Accept. Suggest that question might be reconsidered in 1949.
- Non-officials.
One opposes recruitment by Secretary of State, and considers that in any case Indian members of the Services should be placed forthwith under Provincial Government control.
- Others agree during transition period. Question should be re-examined long before 1949.
- Central Provinces. Accept as transitional measure but whole question to be re-considered as soon as Lee Commission percentages are reached.
- Bengal. Accept.
- United Provinces. Accept (Nawab Sir Ahmad Sa'id Khan would place recruitment in hands of Government of India)
- Bihar and Orissa. Accept, subject to reconsideration in 1939. Ministers would place control of new entrants under Local Government. Two Indian members consider recruitment should be through, rather than by, the Secretary of State.
-
- Government of India.
Paras. 203 and 204. Recruitment should be continued on All-India basis by the Secretary of State and under the guarantee of his protection. Whether after new constitution has overcome its initial difficulties the present basis of recruitment should be changed is a question dependent on conditions which cannot at present be foreseen. As regards employment in Provinces, Secretary of State might conveniently delegate suitable powers to Government of India.

I.S.C. Report.
(Para. 330.)

Should Irrigation and Forest services
be recruited on All-India basis?

Madras.

No.

Punjab.

Officials.

Irrigation - Yes.

Forests - No.

Non-officials.

Two Ministers consider it unnecessary, any European recruitment needed should be arranged by local Government through agency of the Secretary of State or of the High Commissioner for India.

Bombay.

Irrigation Service should be recruited on All-India basis through Public Service Commission.

Bengal.

No agreement between members of Government.

United Provinces.

No.

Bihar and Orissa.

No, but recruitment might with advantage be made through Central Public Service Commission.

Government of
India.

(Para. 207).

Not sufficient justification for continuing recruitment for Indian Forest Service on all-India-basis contrary to the recommendations of the local Governments.

Irrigation Branch of Indian Service of Engineers - not able to reach final conclusion regarding Punjab and Bombay: in other provinces recruitment by Secretary of State on all-India basis should not be continued after introduction of new constitution.

<u>I.S.C. Report.</u> (Para. 331)	Lee Commission proposals for Security services endorsed.
<hr/>	
<u>Bombay.</u>	Opinion divided. Two members and one minister propose new schemes, remainder would maintain Lee Commission proportions.
<u>Punjab.</u>	Accept. <u>Officials.</u>
	<u>Non-officials.</u>
	Three accept.
	One considers that Indianisation must proceed much faster than Lee Commission proposed.
<u>Central Provinces.</u>	Accept (Indian members would like European recruitment ended sooner than this).
<u>Bengal.</u>	Accept, but Mahomedan members would prefer rate of Indianisation to be retarded.
<u>United Provinces.</u>	Accept, subject to review from time to time.
<hr/>	
<u>Government of India.</u> (Para. 205)	Maintenance of Lee Commission rates of Indianisation accepted.

I.S.C. Report.
(Para. 332.).

Existing members of All-Indian Services to retain all rights, and to share in any future concessions granted to services retained on All-India basis.

- (b) Right to retire on proportionate pension should remain open indefinitely to those at present possessing that right.
- (c) Powers of India Council in regard to services to be maintained.
- (d) Adequate provision for securing pensions.

Bombay.

Accept.

Madras.

Accepts.

(b) Accepted.

(c) Accepts.

Recommend (1) Pensions be given same priority as Public Debt.

(2) Right to commute shall extend to whole of pension (conditionally).

(3) Family pension and provident funds to be placed with Public Trustee or approved trustee in U.K.

Punjab.

Officials.

Accept. Commends proposals received from members of Services that necessary capital sum for an officer's pension-should be paid on retirement and that family pensions and funds should be transferred to a fund to be controlled by Secretary of State.

Non-Officials.

One states that all present privileges and safeguards must be maintained but not extended in any way.

(Others do not express dissent).

Central Provinces.

Accept (Indian members would transfer control to Government of India).

Bengal.

Accept. Suggest that pension, provident, etc., funds might be transferred to authority in U.K.

United
Provinces.

Accept.

Bihar and
Orissa.

Accept. Protection also required against depreciation of rupee.

Government
of India.
(Para. 209).

Existing members of All-India Services should retain all their existing rights, safeguards, and prospects.

(b) essential.

(Para. 228).

(c) Council's protective functions have been highly valued by the Services. While Secretary of State will continue to require advice regarding Services, and advice of a kind to command Services confidence, not convinced that protection must be given by existing methods. Would prefer a method by which Secretary of State in these matters was statutorily required to consult a body containing those with recent experience of Service conditions in India, and recognised a convention that their advice would not ordinarily be disregarded.

(Para. 210).

(d) Attach great importance to this and including family pensions and provident funds. Trust that assurance will be given by His Majesty's Government, and that principles stated in Secretary of State's despatch of 9th February 1927 may be restated with reference to present conditions in terms as explicit as may be.

I.S.C. Report.
(Para. 555.)

Secretary of State to retain power to prescribe number of I.M.S. Officers to be employed and every effort made to secure European recruits.

Bombay.

Majority do not favour recommendation.

Punjab.

Officials.
Accept.

Bengal.

Accept.

United
Provinces.

Accept.

Para. 334.

Persons recruited to All-India services after passing of new Act should not be given right to retire prematurely.

Union.

Officials.

Would give new entrants same rights of premature retirement as are enjoyed by rest of services.

Non-Officials.

One observes that special privileges for future entrants should be confined within strictest limits.

Personal.

Must depend on interaction of supply and demand.

United
Provinces.

Consider that it will be necessary to give new entrants some right of premature retirement (one Minister dissenting).

Government of
India.

(Para. 209).

Accept the Commission's view in principle that this would be reasonable, but it is a matter which should be decided in accordance with practical considerations of fact. It does not follow that it would be necessary to extend to new recruits the precise scheme open to existing members.

I.S.C. Report.
(Para. 355.)

- (a) Service Governors to be given addition to pension.
- (b) Service Cabinet Ministers retiring from Cabinet to be given addition to pension.

Bombay.

- (a) Accept.
- (b) Not accepted, since Government do not favour such appointments.

Punjab.

Officials.

Accept, amount of pension to be governed by tenure.

Bengal.

Accept.

United Provinces.

Accept.

I.S.C. Report.
(Para. 339.)

- (a) Provincial Public Service Commissions to be set up.
- (b) If any province does not appoint Commission it will be required to recruit and submit appeals through Central Commission.
- (c) P.S. Commission to be appointed by Governor, with power to act contrary to advice of Ministers.

Bombay.

- (a) Accept.
- (c) Accept.

Madras.

- (a) Accept.
- (c) Accept.

Assam.

The principle accepted, but difference of opinion as to whether a separate Commission for Assam would be worth while.

Punjab.

Accept. Commissioners to be appointed by Governor for five years and to be removable only by Governor-General. One Minister Agrees.

Bengal.

Accept (one dissentient)
(c) Accept by majority.

United Provinces.

Accept (subject in case of Ministers to introduction of provisions for representation of minority communities in provincial services).

Bihar and Orissa.

Accept, but provision requiring that Commissioners should accept no further public employment is unnecessary. Constitution and functions should be prescribed in Government of India Act.

Government of India.
(Para. 211).

- (a) Accept in principle.
- (b)
- (c) (Silent).

I.S.C. Report.
(Para. 340).

Special consideration for Anglo-Indians
in recruiting for Central Services.

Bengal.

Accept.

Government
of India.
(Para. 33 and
192.)

The field of particular interest to
Anglo-Indians is to be found under the
Central Government - particularly
Railways and Telegraph Department.
Special obligation rests on Parliament
before relaxing its control to secure, as
far as may be practicable, protection of
this community's interests.

I.S.C. Report.
(Para. 356.)

Present powers of Council of India to continue in regard to service questions.

Bombay.

Two Members in favour of retention of Council reduced in size and with limited duties. Remainder would substitute expert advisers on Finance, Services and Army.

Bengal.

Accepted.

Government of India.
(Para. 228.)

Does not recommend continuance of Council of India on present basis. As regards advice on Service conditions would prefer that Secretary of State should be statutorily required to consult a body containing those who had recent experience of service conditions in India.

Mohru Report.
(P. 131).

contains the following provisions with regard to the Services.

(a) On the establishment of the Commonwealth of India all public officers shall become officers of the Commonwealth. The Indian Parliament ought to make laws for regulating, inter alia, the sources and methods of recruitment and the terms and conditions of service.

(b) The Governor-General in Council shall appoint a Public Service Commission with such powers of control of the Services as Parliament shall determine.

(c) Any officer may retire within three years of the establishment of the Commonwealth with such pension gratuity or compensation as he would have received in like circumstances if the Commonwealth had not been established.

Indian Central
Committee.
(P. 57).

advise that, except in Bombay and Madras, the new Provincial Governments should be free to decide what proportion of the existing All-India Services should be continued on the present footing and to what extent these Services should be provincialised. If their decision was to provincialise they should provide for the adequate representation in the Services of all communities subject to an efficiency standard. In Bombay the existing All-India Services should be provincialised. In Madras the two Security Services should remain All-India Services and the Lee Commission programme for Indianisation should be maintained; the other All-India Services in Madras should be provincialised. The personal concurrence of the Governor should be required for any order affecting the officer's position or prospects. An officer appointed by the

153.

PART X.

Burma.

PART IX. BURMA.

I. S. C. Report
pp. 181-191.

recorded two main grounds for the separation of Burma from the Indian polity.

1. The strength of Burman sentiment in favour of that course,
2. The constitutional difficulty of giving to Burma a satisfactory place in any centralised system designed to advance the realisation of responsible Government in British India.

The Commission formed the view that nothing but the most overwhelming considerations could justify the continued retention of Burma within the Government of India. The two main grounds of objections were -

1. Military; 2. Financial and economic.

The first was in their opinion not sufficient in the circumstances of Burma to amount to a controlling factor, though the defence arrangements of the North East Frontier should continue to be concerted with the authorities responsible for the defence of India.

As regards the financial objections the Statutory Commission endorsed their Financial Assessor's conclusion that separation could be effected in such a way as to do no financial injury to either country and to leave Burma with adequate resources for her present needs and a balance for development. An effort should, in their opinion, be made to arrange some special trade convention between India and Burma to the mutual advantage of the two countries on separation.

The Commission therefore strongly recommend an early declaration that Burma should be separated from India immediately in order that the necessary further inquiries might be made in time for Burma to receive a new constitution at approximately the same time as the new constitutions were introduced in British India. The new constitution would be framed as a further stage towards Burma's complete self-government. The backward tracts would not be placed under the Burman legislature but would remain the special charge of the Governor who would also represent the Crown in relation with the States of Karenni. Modified arrangements would be required for such important matters as Burman currency and loans and protection for the legitimate interests of Indians domiciled in Burma.

The present distribution of spheres between the different Secretaries of State in London dealing with Empire affairs would possibly come up for reconsideration in connection with, inter alia, the separation of Burma.

Burma*

regarded the case for separation as overwhelming. Separation should be complete, extending to the military as well as to the political sphere. It should however be made very clear that the pledge in the preamble to the Government of India Act 1919 would still hold good for Burma on separation.

They agree that provision to protect Indian interests should be made in the new constitution for a separated Burma.

The time-table for Burma should keep pace with the developments regarding the reforms in India. The earliest possible steps should be taken by His Majesty's Government to arrange for the necessary constitutional enquiry if separation were approved. If a Commission is to be appointed Burman opinion would favour a joint Body of Members of the Home Parliament and Burmans, but the Government of Burma would consider this to be too large a body and would favour a purely Parliamentary Commission which would collaborate with a select Committee of the Burma Legislature.

As regards terms of settlement, statements of the case on each point should be prepared by Burma in collaboration with the Government of India for final decision and assessment by a Board of neutral expert arbitrators.

* pp.234-250 in Volume of Provincial Governments Reforms Dispatches.

Assam^φ

Draw attention to the opportunity of examining the whole question of the Assam-Burma frontier, including a suggestion for the creation of a North East Frontier Province for the unified administration of tribal areas similarly constituted and populated.

^φ p.300 in Volume of Provincial Governments' Reforms Dispatches.

Government of India
(pp.60-68
Cmd. 3700)

are advised that there is no military reason why India and Burma should not possess their own separate defence organisations; as regards financial objections to the separation of Burma they are advised that the possible revenue loss to India would not be so great as to constitute a factor of over-riding importance. The economic effects may be considerable but it should be possible to make arrangements mutually advantageous to both countries. There appear to

be no administrative objections of sufficient importance to influence decision as to separation; Government of India support separation in principle, but Indian opinion should be given full opportunity to express itself on the subject at the Round Table Conference.

An early declaration of His Majesty's Government's policy is desirable in order that the introduction of a new constitution for Burma may keep pace with the time-table for India.

A decision to separate would involve the consideration of -

- (1) a new constitution for Burma.
- (2) separation of Indian and Burman finances.
- (3) agreements about trading and commercial arrangements.

As regards (1) an authoritative ad hoc body would have to be appointed; the 1917 pledge to India should be re-affirmed to a separated Burma and this should be included in the Commission's terms of reference. It is agreed that separation should be complete. As regards (2) the Government of India agree with the Government of Burma's suggestion for agreed statements of the various cases to be referred to a special impartial tribunal which must be a different body from the Constitutional Commission; perhaps a Committee of the Privy Council would be the most likely to satisfy Indian opinion.

As regards Trade agreements, an agreed statement of facts should be drawn up in collaboration between the two Governments which both, as they stand to-day, should agree to accept as a basis for future arrangements.

Indian Central
Committee
p. 27.

recognised the strong demand for separation on the part of the people of Burma but the majority considered that a settlement of the many vitally important questions involved was a necessary preliminary to a decision on the main question.

PART XI.

- (1) Provincial Boundaries. pp.138a, 139
- (2) Sind. pp.141-147
- (3) Orissa. pp.148-
- (4) Backward Tracts. pp.150A, 151
- (5) Minor Administrations. pp.152A
- (6) High Courts. pp.153A, - 155.

PART XI. 1.

BOUNDARIES.

<u>I.S.C. Report.</u> (Para. 38)	Boundaries Commission with a neutral Chairman to be set up.
<hr/>	
<u>Bombay.</u> Para. 3.	Accepted provided no delay in introduction of reforms. New constitution should be allowed to work without disturbance at outset due to alteration of boundaries.
<u>Madras.</u> Para. 5.	Agree only to the appointment of a Commission with functions strictly limited to minor adjustments of territory. Existing provisions as to the constitution of new province and alteration of boundaries should be retained.
<u>Assam.</u> Para. 6.	Boundaries Commission should be limited to the future of Sind and Orissa and determination of Assam-Burma boundary.
<u>Punjab.</u> Paras. 10-14 Enc.B.II.p.205. III.p.216.	<p style="text-align: center;"><u>Officials.</u></p> <p>Commission with general reference very undesirable and bound to be source of irritation. Suggested that if and when Commission is set up it should deal only with really outstanding cases (e.g. Sind, Ooriya country, Sylhet and Cachhar).</p>
	<u>Non-officials.</u>
	<p>(1) -</p> <p>(2) favours re-distribution of provinces to minimise communal difficulties.</p> <p>(3) Agrees with official view, thinks it wiser to defer the question at present.</p>
<u>Central Provinces.</u> Para. 8.	Commission to be appointed after new Reforms are in operation, with reference limited to Sind and Orissa.
<u>Bengal.</u> Para. 29.	Accept, but Reforms not to be delayed thereby, - question of partition of Bengal should not be re-opened.

I.S. Report.United Provinces.
Para. 5.

Assume United Provinces would not be affected and thus offer no observations.

Bihar and Orissa.
Para. 3.

Accept. Press for immediate appointment and temporary constitution for Bihar and Orissa pending decision on Commission's recommendation.

Government of
India.
Para. 21.

Enquiries should be set on foot at the earliest possible date but by two separate Commissions, one for Sind and the other for Bihar and Orissa and conclusions should be reached expeditiously so that if new arrangements are necessary they may be introduced simultaneously with the new constitution. Separation of Burma may involve adjustment of its frontier with Assam.

Nehru Report.
V, VI.

Para. 4 p.162.

Recommend separation of Sind from Bombay with certain provisos and the appointment of a Committee to take necessary steps to form Karnataka and Andhra into separate provinces and to amalgamate the Oriya speaking tracts into a separate province (subject to possibility of financial arrangements) and to report on the cases of the C.P. Hindustani, Kerala and other cases and the re-settlement of the boundaries of Assam, Bengal and Bihar and Orissa.

All-India Moslem
Conference.

Recommend Sind should be separate from Bombay.

PART XI(2)

SIND.

SEPARATION OF SIND FROM THE
BOMBAY PRESIDENCY.

Indian Statutory
Commission.
Para. 58.

In sympathy with the claim but see
grave administrative difficulties.

Bombay.
Para. 2 Part II
Vol. VII.
(Indian Statutory
Commission).

The proposal is both impracticable and
undesirable at present.

The Bombay Provincial
Committee.
(page 26 Vol. III
I.S. Commn.)

At present there cannot be any
justification for this step, though fully in
sympathy with the claim.
(Syed Miran Mohammad Shah dissenting,
page 56 Ibid).

(Dr. Ambedkar supporting in a separate
minute page 88 Ibid).

The Government of
India.
(para. 21)

Not in a position to tender final advice
but urge inquiries to be set on foot.

Lehrer Report.
(page 68)

Sind should be separated unless
insurmountable difficulties supervene.

All India Muslim
Conference.
page 65 Indian
Statutory Commission
(recommendation).

Sind should be separated from the rest of
the Bombay Presidency.

PART XI. (3).

RECONSTITUTION OF ORISSA.

Reconstitution of Orissa.

Indian Statutory
Commission.
page 25)

Union between Orissa and Bihar is a glaring example of artificial connection of areas not naturally related. The question should be considered by a Boundary Commission.

Sub Committee of the Indian Statutory Commission. (page 50)

Consider that the claim for amalgamation of Oriya tracts and their being administered as a separate unit or by way of their incorporation as a whole with another is well-founded and deserves sympathy. The sub-committee favour the creation of an Orissa province.

Orissa & Orissa.
page 252)

Support the recommendation for an early examination of the question by a Boundary Commission. A provision should be made for a temporary constitution of the province as it exists at present, as well as for the future constitution of Orissa and backward tracts.

Government of India.
page 17)

Not yet in a position to tender final advice, but urge that inquiries be set on foot at the earliest possible moment by the appointment of a separate committee.

Orissa Report.
page 63)

Have not considered it, but one of their colleagues Mr. Bose is satisfied that the Oriya speaking areas should be amalgamated and constituted into a separate province if this is financially possible.

BACKWARD TRACTS .Part XI (4)

The Backward Tracts.I.C.S. Report
Vol. II.

- (Para.128.) Some backward tracts need no longer be so treated. But there are still some for which special provision must be made.
- (Para.131.) The really backward tracts must be excluded from the sphere of the responsible provincial governments.
- They should come under the Governor-General in Council, but the Governors should be used as agents.
- (Para.132.) For certain partially backward areas a mixed regime should be provided, while Oriya areas might be organised as a separate unit.
- (Para.144.) Governor-General to nominate 11 members of Federal Assembly to represent backward tracts.

Madras.
(Part III).

Government of Madras would leave these areas under Provincial Governments.

Bengal.
(Para.30)

Enquiries being made as to necessity of continuing exclusion of Darjeeling. Commission's proposals re excluded areas not accepted. Chittagong should remain as at present.

Punjab.
(Paras. 47-48).

Officials.

Would retain excluded areas under Punjab Government and would now include them under the Scheme of Reforms.

Non-Officials.

(3) Agrees with Official view.

Bihar and Orissa.
(Para. 33 ff).

Not accepted. Question as to whether tracts should in future be attached to Bihar and Orissa to be left to Boundaries Commission.

Assam.
(Para. 37).

Accepted.

Government of
India.

(Para. 52.)

See grave difficulties in these proposals. Federal Assembly not likely to be any more ready to grant funds than Provincial Legislature. But in Assam special arrangements may be needed, and Commission's scheme of Centralisation may be found to be best solution. Agrees that problem in Bihar and Orissa is likely to be connected with question of a separate province for the Oriyas and should be considered by the Proposed Committee.

No objection to substitution of term "excluded area" in place of "backward tract".

(Para.138.)

Representation in Assembly by nominated members but no definite number suggested.

MINOR ADMINISTRATIONS. Part XI (5)

MINOR ADMINISTRATIONS.STATUTORY COMMISSION REPORT, VOL. II.

- I.S.C. Report.
(Para.126) No change.
- (Para.144) Baluchistan should have 1 nominated member in Federal Assembly.
- Coorg one member elected by its Legislative Council.
- Delhi one elected member.
- Ajmir-Merwara one nominated member.

GOVERNMENT OF INDIA.

- (Para.79) Baluchistan, agree with Statutory Commission.
- (Para.80) Delhi, agree with two seats in Assembly.
- (Para.81) Ajmir-Merwara, no constitutional change but representative in Assembly should be elected, not nominated.
- (Para.82) Coorg, no constitutional change pending crystallisation of local opinion.
- Representation of Ajmir-Merwara and Coorg in Council of State may be further considered.
- (Para.83) Constitution should contain machinery for changes at any time.

HIGH COURTS Part XI (6)

Proposal of Indian Statutory Commission (Part XI(1))I.S.C.
Report.

346.

- (a) High Courts to be under control of Central Government. Administrative expenses and salaries to be borne on Central funds,
- (b) Temporary judges to be appointed by Governor General after consulting provincial Governor.

Bombay.

No change should be made in existing arrangement. (Judges of Bombay High Court offer no definite opinion).

Madras.

Present arrangement to continue. (The judges of Madras High Court would accept Commission's recommendation).

Officials.Punjab.

- (a) Courts should remain under Provincial Governments.
- (b) Accept. (Judges of High Court at Lahore agree generally with Commission's proposals).

Non-Officials.

- (1) Agree with official view, except that all judges should be appointed by Crown on recommendation of local Government and removable on joint recommendation of Governor and Legislature.
- (3) Agrees with all Commission's recommendations re High Courts.

Central
Provinces.

Accept in principle.

Bengal.

High Court of Bengal to remain under Central Government if other Courts are transferred, otherwise it should be transferred to Local Government. If present arrangement stands Central Government should meet charges for Bengal court.

United
Provinces.

Courts should remain under Provincial Government. (Five judges of Allahabad High Court would accept Commission's proposal. Chief Justice and one other judge are against acceptance, and one judge while having no decided views, does not think the Commission have established case for change. The Chief Court at Oudh accepts Commission's proposals).

Bihar and Orissa.

Official members accept. Ministers dissent but if administrative work of courts were open to discussion in provincial council they would have less objection to transfer (Judges of Patna High Court, with one dissentient, except Commission's proposals).

Government of
India.

- (a) Financial and administrative aspects will require detailed exploration in light of decisions reached on larger constitutional issues.
- (b) Agree that such appointments should be made by Governor-General-in-Council after close consultation with Governor.

Indian Central
Committee.
p.335.

Sir Hari Singh Gomp recommends that High Courts should be placed under the central government who should delegate their control to a Supreme Court.

Nehru Report.
(Paras.54;59)

Recommend that the local government should have the power of making temporary appointments to High Courts and that permanent appointments should be made by the Governor-General-in-Council.

Note on formation of a Supreme Court.

This matter is only dealt with by the Central Indian Committee and the All-Parties Conference.

The Central Indian Committee (para. 138) recommend the creation of a supreme court to deal with disputes between one province and another or between the provinces and the centre. Such a court need not oust the jurisdiction of the Privy Council.

The All-Parties Conference also recommend the creation of a Supreme Court (para. 49) and would allow appeals from the Supreme Court in matters certified by the Supreme Court as fit to be determined by the King in Council or in matters in which the Privy Council may grant special leave to appeal.

PART XII.

Finance.

- (1) Allocation of revenues between the Provinces and centre. pp.157-178b.
- (2) Financial relations between the Provinces and centre. pp.179-187.
- (3) The problem of the transfer of the control of Finance at the centre. pp.188-192.
- (4) The financial powers of the Central Legislature. pp.193-200.
- (5) Financial relations of Secretary of State and his Council with Government of India. pp.201-206.

A summary of the Financial proposals of
Sir Walter Layton and
the Indian Statutory Commission.

With a Summary of the views of the Provincial
Governments and the Government of India thereon:

The references (except where otherwise stated)
are to the relevant paragraphs -

in the case of Sir Walter Layton's and
Indian Statutory Commission's proposals -

of Vol II of Indian Statutory Commission
report.

in the case of all Provincial
Governments (except Bengal) - of the respective
despatches of Provincial Government.

in the case of Bengal - of the supplementary
despatch of the Government of Bengal
dated 15th September 1930.

Annexe : A brief summary of the Financial Proposals
of the Indian Central Committee.

239: Public Revenues can be increased without taxation being intolerable provided incidence is adjusted to the capacity of tax-payers.

Government of India: Representatives of people in the Provinces may well feel reluctance to impose new burdens of the magnitude suggested (p.56).

- 255) A The sources of Provincial Revenue are with the
253) exception of stamps - incapable of expansion
unless (1) state gets a share in the increased
land value as Land Revenue or Irrigation less
(2) allocation of sources is altered
- B The expenditure is likely to increase by 40 to
50 crores
- C New taxes are necessary.

I.S.C. Approved ((p.150).

Bombay: Agree: Emphasis is laid on the immediately
prospective loss of excise revenue (p.15)

Bengal: Press for a preliminary adjustment on his
basis of needs. (p.2).

United
Provinces. Agree (p.50).

Bihar and
Orissa. There should be some preliminary adjustment
on the basis of needs before automatic
principle is applied (p. 46)

- { 267: A. The exemption limit of income tax and super tax should be lowered.
- B. There should be a steepening of the progression of the rate of income tax between Rs.5000 to Rs.100,000.
- { 268: C. Income from foreign investments should be taxed.
- { 269: D. Yield will rise by at least 4 crores.

Bengal: (A) Are against the proposal. (p.20).

Punjab: A: Provinces should have the power to lower the exemption limit of income tax (p.22).

(Mr. Mandharbal dissenting (p.230)).

C: Approved (p.22).

Bihar and Orissa: A) Doubt the advisability of the proposal and
B) consider the estimate as optimistic (p.46).

Government of India. A) There are considerable practical objections.
B) Possibility might again be explored.

C: Is under consideration.

Even without change of taxation in a normal year coinciding in Bombay and Calcutta, there should be increase of two crores now and three crores in the course of 10 years -

Sir Walter Layton's figure is optimistic (p.58).

269: Agricultural income should be taxed and the present exemption removed by stages at specified dates.

287)

296)

Should be collected by Central Government and distributed to provinces according to province of origin. Expected yield 5 crores.

Madras: There are serious objections to the proposals as applying to all the provinces; would accept an arrangement which leaves it to the discretion of the Provinces to withdraw the exemption. There are serious difficulties re its withdrawal in Madras. (Paras. 51 and 52).

Bombay: Majority in favour of abolition of exemption gradually. Minority would retain exemption or modify it only to the extent of including Agricultural income for the purpose of determining whether income is taxable or not (p.16(1)).

Bengal: This is a tax which should be levied only by a responsible Government. The present proposal should be rejected. (p.8).

United Provinces: Not prepared to support the proposal. It should be imposed by responsible Government on the vote of provincial legislature. (p.53).

Punjab: Official memo: No likelihood of the proposal being adopted (p.84).

Bihar & Orissa: Do not favour the proposal (p.50).

Central Provinces: Proposal presents obvious difficulties (p.17).

Assam: Yield should accrue to the province of origin (p.47)

Government of India: The serious economic problem is the decline in the value of India's Agricultural produce (p.86).

Involves highly controversial issues (p.56) and therefore it would be unsafe to count on the increase which would be obtained from higher rate of taxation on composite incomes (p.58)

Regard imposition as unlikely. They have some sympathy with the view that it should be imposed by a responsible and representative Government (p.62)

271:

Death Duties:Sir Walter Layton: Not a fruitful source of revenue.

Bombay: Should be introduced early (p.16(2))Bengal: No definite opinion reached (p.21).Punjab: Official memo: No likelihood of imposition (p.83)

- 272: An excise duty on factory produced tobacco
is needed and is needed by the Provinces.
(Yield 5 crores).
-
- Madras: No objection (para. 53)
- Bombay: Accepted. It should be accompanied by tax on retail
sales by the issue of licenses. There should also
be licenses to cultivate (p.16(3)).
- Bengal: Excise should be fixed at uniform rate. The question of
taxing raw tobacco or imposing vend
fees should be left to provinces.
- United
Provinces: No objection (p.53).
- Punjab: Official memo: approved in principle (p.83).
- Bihar &
Orissa. No objection (p.50).
- Central
Provinces: Not likely to be fruitful (p.17).
- Government
of India: Yield over estimated (p.56)
Doubt whether even half the estimated amount is likely
to be realised (p.62).

273:

Excise on Matches:

Excise duty on matches should be imposed on match factories in India (yield 3 crores).

Madras:

No objection (p.53)

Bombay:

Accepted. It should be moderate and accompanied by a corresponding import duty so as not to trench upon the degree of protection afforded to the industry (p.16(3)).

Bengal:

Excise should be centrally fixed at uniform rate (p.17).

United Provinces:

No objection (p.53).

Punjab:

Official memo: Doubt the practicability and the yield to be obtained (p.83).

Uttar Pradesh & Bihar:

No objection, but doubt the propriety of it, if it doubles the price (p.50).

Central Provinces:

Not likely to be fruitful (p.17).

Government of India:

Yield overestimated (p.56)
Co-operation of Indian States is necessary. It will be undesirable to impose too high a rate at first on matches (p.62).

- 274: Terminal Tax should be levied at a low rate at every Railway Station: It should also be levied on river traffic and also on road traffic later. (6 to 10 crores yield).
-
- 288) To be levied, collected and spent by Provincial
296) Government.
- 301: Maximum Rate to be levied by provinces should be fixed.
-
- Madras: No objection (para. 50).
- Bombay: Are against the imposition of this tax (p.16(4))
- Bengal: The proposal is not within the bounds of practical politics (p.7).
- United Provinces: Objectionable and wholly impracticable (p.53)
- Punjab: Official memo: Sceptical about the practicability of the proposal (p.35)
Hon. M.E.Sikandar Hayat Khan) Approve
Hon. Malik Fercz Khan Noon) (page 200).
- Bihar & Orissa: In favour of the proposal and would press it (p.50)
- Central Provinces: Difficulties in principle and practice (p.17).
- Assam: Are strongly in favour (p.48).
- Government of India: If the tax is introduced on the scale proposed it is open to serious objection from economic point of view. (p.56). It would be a serious burden on trade. There are grave practical difficulties. Economic disadvantages are sufficient to condemn its introduction as a general provincial tax, There may be occasions when it will be the best available method, if used for special purposes and to a properly limited extent. Special powers of control will have to be reserved to Central Government - in order to safeguard sources of central revenue and to prevent imposition of discriminatory taxation which may involve breaches of International treaties or agreements (p.62).

275. Local cess need not be limited to one
anna in a rupee.

Bombay: Accepted: The Province has adopted it (p.16(5)).

Bengal: Accepted: The Province has adopted it (p.19)

United
Provinces: No objection (p.53).

Punjab: Official memo: Approved (p.83)

Government
of India: No comment. (p.72).

76. A. Certain sources of further revenue must be levied, regulated and collected by central agency.
- 83 B. The system of grant-in-aid is undesirable.
- 84) C. The revenues should be distributed
 85) (1) partly on the basis of population and
 (2) partly on the basis of origin.
84. D. With this scheme and distribution of surplus each province would benefit in one way or the other.

Indian (B) Approved generally.

Statutory
Commission: Approved (p.158).

Bombay: Strongly object to the principle of distribution on the basis of population; would welcome an inquiry into condition of various provinces to determine their needs. Apply for a preliminary adjustment which can meet their outstanding needs before the application of automatic principle. (p.17).

Bengal: Press for Preliminary adjustment on the basis of needs (p.2)

United
Provinces: Agree (p.50).

Uttar &
Pradesh: Approve of the "per capita" basis of distribution but ask for preliminary adjustment to cure the existing inequalities before applying automatic principles (p.46).

Central
Provinces: Approved generally (p.17).

Government
of India: Are of opinion that general adjustment as between provinces on the basis of 'needs' must be ruled out. Preliminary adjustments would be necessary -
 (1) on account of the abandonment of Rule 15.
 (2) on account of exchange between Foreign Liquor and commercial stamps.
 (3) Provincialisation of accounts as against transfer of High Courts (P.64)
 (P.65)

- (350)
(352) Central Government revenue is capable of expansion especially in customs and the expenditure is likely to be stationary or diminishing.
- 289 Custom revenue will expand at the rate of $\frac{3}{4}$ crore a year giving $7\frac{1}{2}$ crores in 10 years -
Expenditure on Army will drop.
Central Surplus in the next 10 years will be -
- | | |
|-----------------|---------------------------------------|
| $7\frac{1}{2}$ | crores from Customs, |
| 5 | " By changes suggested in Income Tax. |
| 7 | " Reduction in Army Expenditure. |
| | Nothing under Railways. |
| <hr/> | |
| $19\frac{1}{2}$ | |
| - 3 | Civil Expenditure. |
| - 2 | Opium. |
| $14\frac{1}{2}$ | <u>available for distribution.</u> |
- Central: Doubt whether such surplus will be available (p.3)
- United Provinces: Realise that the transfer will have to be gradual - (p.51): This is an optimistic view of the surplus likely to be available (p.53).
- Punjab: Official memorandum: Estimate may prove to be optimistic (p.81).
- Uttar & Bihar: Estimate appears optimistic (p.49)
- Central Provinces: Estimate appears optimistic (p.17)
- Government of India: Scheme conceived in a spirit of optimism which Government of India find difficult to share (p.56).
If Economic conditions are reasonably good and there are no substantial changes in the Government's tariff policy, agree there will be a surplus of $7\frac{1}{2}$ crores at the end of ten years - (p.58).
Income Tax: Do not anticipate an increase of more than 3 crores in 10 years - (p.58).
Civil Expenditure may jump - owing to further burdens for contribution to expenditure in North West Frontier Province and possibility of new demands if new provinces are created (p.58).
Army reduction is drastic and possibility of saving depends on contribution from His Majesty's Government for Imperial Defence element in army expenditure (p.58).
Transfer of High Courts may involve extra charge (p.58).
- Uncertain Factors.
- It is doubtful whether receipts of interest on the balances of paper currency and gold standard Reserve can be treated as normal revenue (p.59)
Financial results of adjustment with Native States have to be considered (p.59)

289 Government of India (contd.)

Separation of Burma creates an uncertain factor - (p.59)

Restoration of normal trade conditions, absence of war, political unrest and frontier trouble are also governing factors.

Therefore estimates of surplus are hypothetical. (p.59).

Sir Walter Layton's scheme does not leave Government of India with sufficient elasticity of resources - especially after salt is transferred (p.61).

291. Provincialisation of excise on Foreign Liquors and
Centralisation of Commercial stamps off-
set each other ($1\frac{1}{2}$ in each case).

- Madras: Madras would lose $13\frac{1}{2}$ lakhs by such exchange and therefore claim balancing contribution - if the scheme is given effect to. (Para. 47).
- Bombay: The two items will not cancel each other. The revenue from stamps will in the ordinary course of business go up and that from excise on Foreign Liquor go down. (p.18).
- Bengal: Would involve Bengal in a loss of $17\frac{1}{4}$ lakhs annually. Do not oppose if this lee-way is made up elsewhere. (p.6)
As regards provincialisation of Excise on Foreign Liquor there are administrative difficulties and therefore uniform custom duties should be levied and distributed through Provincial Fund according to population or according to consumption (p.16)
- Bihar & Orissa: There will be difficulty of administering it. There should be uniform custom duty and the proceeds should be distributed to provinces on the basis of population. (p.48)
The proceeds should go to Provincial Fund (p.52)
- Government of India: Have no objection, but there are administrative difficulties. The question requires further examination and adjustment - as it affects different provinces in varying degrees. (p.62).

Substantial portion of income tax should be allotted to Provinces on the basis of $\frac{1}{3}$ the tax paid by residents on their personal income:
 (15 crores total income = 9 crores on personal means $4\frac{1}{3}$ to be distributed
 In 10 years it would be 6 crores).

yes: Accepted: Would benefit by 35 lakhs (para. 48).

no: Accept, provided that an equitable solution can be found for the distribution of centrally collected taxes.

ted
vinces: As much as possible should be given to the provinces as soon as possible (p.51)

at: Official memo: Welcome the proposal (p.82).

at &
1951: Agree - (p.48)

argument
India: The proposal is accepted in principle (p.62)
 If now Devolution Rule 15 is done away with and merged in the new scheme, the benefit to the provinces of the proposed scheme is considerably reduced. Therefore some sort of preliminary adjustment will be necessary (p.62)

4. Salt duty should be transferred to Provinces and distributed on population basis.
-
- Pras: Accepted (para.49).
- Pras: Central Government should fix the rate at which the levy should be made (p.3).
- Pras: As much as possible should be given to the Provinces as soon as possible (p.51).
- Pras & Prasad: Welcome the proposal (p.48).
- Pras & Prasad: Do not oppose transfer of salt tax at its present rate, when the Central Government is in a position to do so, further increase in the rate should not be permissible as a source of provincial revenues. The margin of increase should be considered as a potential emergency reserve for Central Government (p.61).

- A. Time table should be drawn up under which each of the above items should be transferred according to a definite schedule with a yearly loss of $1\frac{1}{2}$ to $1\frac{3}{4}$ crores a year: Beginning should be made with income tax.
- B. Exceptional circumstances might cause temporary postponement but the transfer should be a first charge on the surplus and delay should be made good in subsequent years.

Accept the proposal but they realise that the time and amount of transfer must depend on the judgment of Central Government (P. 20).

Doubtful whether time-table can be drawn up (p.3). It would not make difference to Bengal whether beginning is made with Salt or Income tax. It would be fair if $\frac{1}{2}$ surplus is taken under one head and half under the other (p.24).

As accurate an estimate as possible should be provided as to the amount that provinces will get each year. (p.51).

Beginning should be made with salt which would benefit all except Bombay (p.49).

B. Approved (p.54).

Provinces should share in non recurring surplus by its being given to the Provincial Fund (p.54)

Estimates of surplus are so hypothetical that anything like a time table, though in theory desirable is not possible. If in principle the transfer of salt and $\frac{1}{2}$ income tax on personal incomes is accepted, the times and amounts of transfer must depend on the judgment of Central Government.

B. The formula is too rigid and also requires qualification in that it must be left with Central Government to decide whether a surplus in one year is a recurring surplus before making a permanent sacrifice. (p.60)

A fair method of transfer would be to transfer first 2 crores of revenue in the form of income tax and thereafter each surrender in equal amounts of both taxes (p.66).

297. Provinces should be permitted to levy a sur-charge amounting to $\frac{1}{4}$ of the tax on personal incomes or $\frac{1}{2}$ of that which will be transferred to them under this scheme.
-
300. Maximum rate to be levied by Province should be fixed.
-
- Madras: Accepted (para. 50)
- Coastal: Accepted (para. 21)
- Bengal: Accepted (para. 9)
- United Provinces: No objection (p. 53)
- Bihar & Orissa: Improbable that the proposal would materialise (p.50).
- Government of India: Accepted (p.62).

299. Provincial Fund should be established to be
300. fed by
(1) Excise on tobacco,
(2) Excise on matches,
(3) Proceeds of salt duty when Central
Budget situation permits and distributed
on per capita basis.

Indian Approved (p. 159 and 163).
Statutory
Commission:

Madras: Approved (para. 53)

Bombay: Agree provided that "per capita" basis is substituted
by some other more equitable basis (p.22).

Bengal: Doubtful whether the federal assembly will pass necessary
legislation . They are in favour of the idea of
Provincial Fund (p.10).
Approve of the distribution on the basis of population (p.11)

United Official memo: The only just and automatic basis of
Provinces: distribution is population (p.85).

Bihar & Strongly support the proposal for distribution on
Orissa: population basis (p.52)

Central Approved generally (p.17).
Provinces:

301. A. If a surplus remains with the Centre after meeting demands under the scheme, certain definite and increasing portions should be paid to Provincial Fund.
- B. Central Government must also have power to raise additional revenue in emergencies by making surcharges on taxes collected centrally and distributed either according to origin or population.

Indian
Statutory
Commission.

(B) Approved (p. 163)

Bengal.

Approved and suggest a rule on the lines of D.R. 19. (B. Para.3).

Provinces should also share in temporary substantial surpluses with Central Government while waiting to share in the results of permanent improvement in the Central Government's Financial position (p. 4).

Government of
India.

B: Accepted. (p.61)

In case of emergency, a central Government may require contributions to be paid to it by the Provinces with the sanction of and subject to the conditions approved by Secretary of State - on the lines of Devolution Rule 19.

All-India Taxes for Provincial Fund.

305. A. The body which imposes and controls them should be
306 directly representative of provincial legislature.
Federal assembly sitting in a special session.
- B. Provincial Fund to be separate from Central Budget.
- C. Finance Member of Government of India may introduce legislation and take part in the deliberation, but should not take responsibility for initiating or forcing the proposals. An inter-provincial Council of Finance Ministers should be established.
- D. The initiation for imposition or change should come from Finance Ministers of at least three Provinces.
- E. Finance Ministers of Provinces should attend and take part but not vote.
- F. Governor General should not have the right to certify taxes to Provincial Fund.
- G. Changes should not require approval of Council of State.
- H. Provincial Councils may intimate their views by way of resolution.
- I. Constitutional machinery to be set up by statutory provisions.
- J. Altering the allocation to the Fund of particular taxes should require the approval of
(a) majority of representatives of 2/3rds of the Province.
& (b) 3/3rds of the members of the assembly.
- K. Distribution of proceeds according to population should be laid down by Devolution Rule, and this basis should be altered only by substantive majority of both Provinces and representatives voting.

Indian
Statutory
Commission.

Approved generally (paras. 159 and 163). As regards K. the alteration should have the approval both of 2/3rds of the members of the Federal Assembly and also of a simple majority of representatives of 2/3rds of the Governor's provinces (including N.W.F.P.)

Madras.

As regards D. they think that it should not be open to a minority of inter Provincial Financial Council to bring proposals regarding taxation. (para. 53).

- Bombay: Accepted generally. Legislature imposing excise duties need not be voted every year (p.23).
- Bengal: An indirectly elected legislature is not necessarily required to vote federal taxation (p.3).
Approve generally, but consider 'J' above too rigid (p.10).
As regards 'D' above, they consider that the power to initiate taxation should be reserved to Central Government (p.10).
- United Provinces: The scheme is open to objection on theoretical grounds. On practical grounds this may involve disclosure of new taxation before legislation is actually introduced. The scheme would have better chance if absolute majority of ministers of 'Interprovincial Council' were made necessary before introduction of legislation (p.52).
- Punjab: Official memo: Agree generally. As regards 'D' more populous provinces should not impose their will on the majority of provinces. Any change by way of reduction of Fund should take effect after one year (p.86 and 87).
- Bihar & Orissa: D. There should be a clear majority (p.52)
J) Approved (p.52)
K)
There might be a review of the scheme after a fixed period.
- Central Provinces: Approve generally (p.17).
- Government of India: Even if the Commission's proposal for representation of Provinces in the Assembly is altered, a separate inter-provincial Council with representatives from Provincial Councils might be formed to consider proposals for Provincial Fund Taxation before their submission to Central Legislature (p.55).
D. On the whole they are of opinion that if not less than 3 provinces desire that proposals for taxation should be placed before the Assembly, they should have an opportunity of presenting their case and secure - if possible - a majority in the Assembly (p.67)
There should be no review of the scheme as suggested by Bihar and Orissa (p.67).
Settlement should be embodied in Statutory rules (p.67).
Legislation imposing provincial Fund taxation need not be voted every year but only when the Inter-provincial Council of Finance Members makes proposals for a change (p.67).

Indian Central Committee's Financial proposals.

P. 107:

1. Provincial revenues are incapable of expansion, while the development of nation building Departments will call for even increasing expenditure.
2. The expanding sources of revenue - income tax and customs - are in the hands of Central Government.
3. They are against financing provinces through grants-in-aid.
4. Until the Government of India is constituted on a popular basis by the transfer of Departments to Ministers all the revenues of the province should be at the disposal of the local Government. All revenues including tax, salt, customs - would rest in the Government of Province in which they are collected.
5. An impartial tribunal in which Government of India and provincial Government are equally represented should determine the amount of contribution payable by a particular province to the Centre. The tribunal should consider the financial position and requirement of each province - the rich contributing more than its poorer neighbours.

Arthur Moon:

1. Opposed to the system of grant-in-aid.
2. Government should not depend for its revenue on subscription from Provinces.
3. All the revenue should not be at the disposal of Local Government.
4. Taxes such as Income Tax, Super Tax, Salt Excise should be levied at Uniform rates and collected centrally.
5. There should be additional taxation as recommended by Indian Taxation Committee.
6. Taxes collected by the Central Government should be given to provinces, in some cases wholly, in others in a fixed proportion.
7. In emergencies the Central Government would be able to levy a surcharge.

178(b)

8. There should be coordination in borrowing and therefore conferences with provinces are desirable.

Kikabhai
emchand.

1. A committee should be appointed to allocate to each province a share of central revenues proportionate to its needs.

2. This system of grants is essential.

3. Income Tax, Customs and Railways are sources of revenue central and federal in their nature. Therefore is unable to accept the proposal that provinces should retain whole of the revenue collected within their borders.

309. Provincial Accounts - Central Government could keep account of the Provinces but Provinces should be charged with the cost involved.

Indian Statutory Commission : Approved (Para.189).

Madras: Approved (para.57)

Bengal: Central Government should for some years supply officers from accounts cadre to do work for the provinces (p.23)

Punjab: Official memo: Approved (p.89)

Government of India: Approved (p.70).

310. Until a Central Bank is established, Central Government should continue to hold balances and should perform the service on commercial basis and should not make a profit for Central Budget.

Indian Statutory Commission : Approved (p.189)

Madras : Approved (Para. 58)

Bombay : Approved (Para. 34)

Bengal : Accepted (p.14)

United Provinces : Accepted (p.55)

Punjab : Agreed (p.90)

Central Provinces : Approved (p.17)

Government of India : Support the proposal. But if any provincial Government desires at a future date to maintain separate balances, Government of India should be prepared to agree subject to suitable arrangements. Do not commit themselves to the amount which would be considered reasonable and the form in which this profit should accrue (p.69).

Borrowing Powers:

- A. There should be a Provincial Loan Council consisting of Finance Member of Government of India and Finance Ministers of Provinces.
- B. The Council should establish a borrowing programme; lay down standard regulations subject to the approval of Government of India and arrange terms with Government of India.
- C. The function of the Council should be advisory for the present.
- D. Loans should not be raised without special sanction for meeting revenue deficit.
- E. In case of infringement of regulations action should be taken by Government of India.
- F. Borrowing operation in London should be entrusted to the High Commissioner.
- G. The provision which requires the authority of Imperial Statute for Sterling Loans raised by Secretary of State should be done away with.

Indian Statutory Commission: Apparently accept the proposals. Central Government should have power to control borrowing by Provincial Governments. Central Government should be in a position to refuse loan for meeting revenue deficit or impose discriminatory rate of interest in such cases. Provided that the objects for which loan is asked comes within terms of regulation relating to Provincial Loans, the approval of Central Government should be dependent primarily on consideration relating to monetary and credit situation (para.129).

- Madras : Accept the proposal for the establishment of Provincial Loan Council.
- Bombay : Welcome proposal for the establishment of Provincial Loan Council and realise that its function must in the first instance remain advisory (p.26).
- Bengal : Accepted in the main (p.13).and F and G approved (p.25).
- United Provinces : Agree with the remarks of the Indian Statutory Commission and do not appear to favour the establishment of provincial Loans Council (p.54).
- Punjab : Official memo : Divided .
One member holding there should be no control over provincial borrowings. The rest agree to the proposals (p.92).

Punjab (Contd.)

Hon.K.B.Sikandar Hayat Khan) Provinces should be
 Hon.Malik Feroz Khan Noon) ordinarily independent
 but should consult Central
 Government. In the case
 of loans outside the
 country Government of
 India's sanction should
 be obtained (page 200).

Central Provinces : Governor General should retain control over
 provincial borrowings. No advantage in
 having inter-provincial Finance Council
 (p.17).

Government of India : Accept the proposals of Sir Walter Layton and
 the Indian Statutory Commission, provided
 the "credit situation" referred to by the
 Indian Statutory Commission means not only
 the general credit situation of Government
 of India - having regard to its own position
 and rates of money - but also the credit
 situation of the province seeking loans
 (p.68).

Doubt whether such a Council should be
 a permanent body and cease to be advisory,
 and would favour something in the nature of
 an All-India Board of Loan Commissioners
 (p.68).

Decision should rest with Central
 Government and the Council should only
 discuss general programme jointly and
 informally and no definite resolutions
 should be adopted (p.68).

Government of India should have power
 to act without consulting provincial
 representatives - if an application for loan
 is made in an unexpected emergency and the
 necessary provision should be made in the
 standard regulation (p.68).

183-5.

- A. Auditing Staff should be separate from the Accounts Staff.
- B. Auditor General's report on Provincial accounts should go to Provincial Government and be open to be discussed by the Provincial Council.
- C. It should go to the Government of India and Secretary of State to keep them informed of the solvency of the provinces.
- D. It should go to any authority which has power to sanction loans.

<u>Indian Statutory Commission</u> :	Approved	(P.169)
<u>Bombay</u> :	"	(p.25)
<u>Bengal</u> :	"	(p.23)
<u>Punjab</u> :	"	(p.91)
<u>Central Provinces</u> :	"	(p.17)
<u>Government of India</u> :	"	(p.70).

FINANCIAL RELATIONS BETWEEN CENTRE
AND PROVINCES.

Indian Statutory Commission:

182. The supervision, direction and control of the Governor General should be exercisable over the raising of loans.
187. It should be rendered constitutionally possible, under suitable restrictions, to assist provincial objects from Central Funds and vice versa.
189. The Governor should have no special power to secure financial stability but a certain corrective power should reside in the Central Government through a right to control borrowing - the power being quite general: Central Government being in a position to refuse loan to a province to meet deficit or if need be to impose discriminatory rate of interest when the loan is granted. Provided that the objects for which loan is asked comes within the terms of regulations relating to provincial loans, the approval of Central Government should depend primarily on considerations relating to monetary and credit situation.

As regards the views of provincial Governments and Government of India on 182 & 189) above: see summary re Borrowing powers.

As regards 187 above:

Bengal: Support the proposal (p.26)

United Provinces: Accept the proposal on the understanding that Government of India will not use the system of grants-in-aid to secure control in provincial matters. (p.47)

Punjab: One member feels doubt whether the system would not be demoralising to the provinces and lead to some sort of dictation from the Centre. As it is a voluntary agreement, they do not anticipate any undesirable encroachment in provincial spheres. (p.70)

Bihar & Orissa: Proposal fully endorsed (p.44)

Govt. of India/

Government
of India.

Financial authority should be distributed by a statutory rule - residuary powers of taxation remaining with the Centre. (p.200)

Proposal in p.187 above is accepted (p.71 and 202). Any such grants in aid should be for specific purpose and the system should not be used for general relief of provincial revenues.

Problem of transfer of the control of finance from a Member responsible to Parliament to a Minister responsible to an elected Indian Legislature.

The Nehru Report contemplates complete transfer of Central Government including the responsibility for Finance to the hands of a Prime Minister and six other ministers collectively responsible to the Legislature.

The Indian Central Committee, by a majority, are of opinion that the Control of Finance may be transferred to ministers. This is in consonance with their general scheme for the introduction of dyarchy in the Central Government. Sir Arthur Froom considers that the Finance portfolio should be retained in the hands of a European member of the Governor General's Executive Council, which must remain responsible to Parliament. Sir Zulfikar Alikhan and Dr. Sukrawardy would preserve the functions of the Government of India as they are but increase the number of executive councillors to ten. Mr. Kika Bhai Premchand thinks that when Finance is transferred certain charges such as interest on debt sinking funds, pays of services, the principal of the debt, and other obligatory charges should be first charges on the revenues on the lines of the consolidated Fund in Great Britain.

The Indian Statutory Commission do not specifically deal with the question of the transfer of finance to a Minister responsible to Legislature. In Chapter 2, Part IV, of their Report they deal generally with the possibility of transfer of the control of all Departments to Ministers responsible to the Legislature. After confirming that dyarchy at the Centre

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is impossible and that the joint responsibility of the Central Executive must be preserved at all costs, they proceed to suggest a few changes by which the rigidity of the structure of a Central Executive may be reduced. They suggest that the Governor-General himself should appoint his Cabinet and that the Executive Councillors should not, as at present, be appointed under the advice of the Secretary of State by warrant under the Royal Sign Manual. They further recommend that the present provision in Section 36 of the Government of India Act, which lays down certain restrictions in the way of appointing the Executive Councillors, should be laid down in statutory rule so that it may be more capable of amendment without resorting to the cumbersome procedure of an Amending Act. Lastly, they suggest that the Members of the Governor-General's Executive Council should, if possible, be appointed from elected Members of the Central Legislature. In paragraph 173 of the Report they give expression to their view that, beyond these changes, they are unable to recommend any further change.

The Government of India in their Despatch explain in detail the problem of the transfer of finance in view of the financial significance of various purposes in respect of which Parliament cannot divest itself of responsibility, such as those of

- (a) cost of defence;
- (b) honouring of debts and
- (c) the payment of pays and pensions of officers recruited by the Secretary of State.

They say that Parliament should require a guarantee before surrendering the security provided by direct constitutional power over control of taxation and expenditure through Members responsible to itself.

Secondly, in view of the possibility that removal of the authority and responsibility of the Secretary of State might shock India's credit as a borrower and have a detrimental effect on the future of private enterprise, they affirm that the establishment of confidence in the Indian administration is necessary before a change in the present system is made.

Thirdly, they point out that the task of maintaining exchange and assuring adequate remittances is now undertaken by Government. This task would be all the more difficult if the control of currency were to pass into the hands of the Minister responsible to Legislature relying for support on a political party. They therefore think that the formation of a reserve bank, free from danger of political influence, with adequate sterling reserves, would be a necessary condition to the transfer of financial responsibility.

Fourthly, they point out that the present is a particularly unfavourable time for an immediate change of policy on account of the following considerations:

- (a) All agricultural countries are in economic distress at present;
- (b) The political disturbances and the programme of the organisers of the Civil Disobedience

movement

- movement have had already an undesirable effect on both public and private finance;
- (c) During the next three years they are under an obligation of redeeming the existing loans of the Government of India;
 - (d) New regime is being inaugurated in the Provinces and simultaneous changes in Centre and the Provinces would be undesirable.

From all these considerations, the conclusions reached is that the transfer of control cannot be reached apart from the fulfilment of certain conditions, such as

- (a) Restoration of normal economic conditions;
- (b) The re-establishment of credit and confidence;
- (c) Inauguration and successful working of a reserve bank.

Although, owing to the foregoing considerations, the immediate transfer of responsibility is not possible, they suggest that the first step may be taken in embarking upon a period which is definitely acknowledged to be a period of preparation for the eventual transfer of responsibility. They also emphasize the immediate necessity of creating confidence in Indian administration by

- (a) Responsible leaders of Indian opinion openly discountenancing the doctrine of the repudiation of debts and
- (b) mobilising private resources for establishing national financial position.

They

They also advise that His Majesty's Government should define with clarity the conditions which must be satisfied and should state with certainty His Majesty's intentions, and thereafter giving Indians a fair chance of making their response with the assistance generously given from the British side.

The Government of India further point out that, when ultimately the responsibility for the administration of finance is transferred to Ministers responsible to Indian Legislature, certain safeguards will have to be laid down, as, for instance,

- (a) the creation of Consolidated Fund charges to cover debts, railway annuities, pays, pensions and family pensions of civil officers appointed by the Secretary of State, Army officers and defence;
- (b) powers of supervision in the Governor-General for maintaining financial stability and to hold up inadvisable action rather than veto it after it is taken;
- (c) resumption of control by the Secretary of State in the event of threatened financial breakdown or actual default in respect of items falling under (a) above.

THE FINANCIAL POWERS OF THE CENTRAL LEGISLATURE

Limitation on its powers through the Executive
and the Governor General.

The Nehru Report contemplates complete transference of the control of all the Departments of the Central Government to Ministers responsible to an elected Indian Legislature. It would therefore appear to follow from this that the Legislature would enforce its will on the Executive in respect of all financial matters. It is, however, stated that only the lower house, namely, the House of Representatives, should have the power to deal with money bills.

Indian Central Committee.

Under the scheme of the Central Executive, as contemplated by the majority of the Indian Central Committee, finance would be a subject administered by a Minister responsible to the Legislature, which would control and direct his policy. The specific powers of the Central Legislature have nowhere been defined in detail except in one instance. It is suggested that without the previous sanction of the Governor General the Legislature should not have any power to deal with any measure affecting public debt, or public revenue of India, or imposing any charge on the revenues of India (page 133).

Sir Sakaran Nair, Raja Nawab Ali Khan and Shivdev Singh Uberoy while expressing their adherence to the Committee's recommendation that finance should be transferred and Army reserved, have stated with conviction that the military budget should be under the control of the Legislative Assembly, that in this regard the Committee's recommendation should not be accepted (page 140).

Sir Arthur Eason has differed from the Committee's view that finance should be a transferred subject and has expressed his opinion that

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the finance portfolio should continue to be held by an Executive Councillor not responsible to the Legislature. In his view the Cabinet appointed by the Governor General must remain responsible to Parliament and the Governor General must retain his powers of veto and certification. He however considers that any measure considered by the Governor General or by the Governor General in Council as essential for the safety, tranquillity or interests of British India should be introduced, in the first instance, as a recommended Bill. Presumably this applies to a Finance Bill if it happens to fall within the category described by Sir Arthur Froom. As regards other bills he suggests that Government should leave it to the Legislature to accept or reject them as it thought fit, the Government only reserving the power to withdraw any measure which had been amended in such a manner as to render it unacceptable (pages 175-176).

Dr. Gour in elaborating the recommendation of the Committee affirmed his opinion that although Army has been recommended to be a reserved subject, it must not be assumed that the entire Army Budget should escape the scrutiny of the Legislature. In his opinion the Legislature should be free to vote upon the military grant but the Governor General should be armed with general powers of certification up to the minimum cost which might be settled by agreement or convention (page 310).

Mr. Kikabhai Premchand subscribed to the Committee view that Finance should be a transferred subject and Army should be a reserved one but he thinks that a sum of 50 crores in the Military Budget should be considered as reserved and that it should be a Statutory obligation on the military authorities to reduce their expenditure by 5 crores of rupees during the next seven years. He considers that economy and efficiency are more likely to be

secured/

secured by leaving it to the military authorities to make this reduction in their own way and within this period at their own time rather than carry out the process by arbitrary ends at the discretion of an authority not cognisant with the detailed working of the military machine. If finance is transferred certain charges, such as interest on debt, sinking fund, pay of services, the principal of the debt and other obligatory charges, should be a first charge on the revenues on the lines of the consolidated fund in England. He thinks that although ordinary legislation may be introduced in either the Council of State or the Legislative Assembly money bills must originate in the Assembly alone. All bills, including the money bills, must be passed by both Houses and revised and sent to the Viceroy before they become law. If a case arises where a Bill, passed by the Assembly, is rejected by the Council of State, or vice versa, the Prime Minister, if he considered the matter of importance, can convene a joint session of both the Houses. If then the Bill is passed by two-thirds majority of the Joint Session it should be sent to the Viceroy for his approval. Presumably this procedure is intended to apply to Finance Bills also (pages 415 and 419).

Indian Statutory Commission.

According to the scheme of the Indian Statutory Commission the Central Legislature should be composed of two units, the Federal Assembly and the Council of State. The Federal Assembly should inherit all the powers of its predecessor (the Legislative Assembly) and should perform a dual function. It should be the Central Legislature for all India and should also be a Federal instrument for providing additional funds for Provincial Governments (paras. 153 & 159).

Its/

Its Power as Central Legislature.

Although the Central Legislature would have power to make laws for all persons, places and things within British India, still this general power would continue to be subject to the important limitation contained in para.67 of the present Government of India Act viz. that without the previous sanction of the Governor General, no legislation could be introduced which affects public debt, or public revenues of India or imposes any charge on the revenues of India. As the Central Legislature for India it would have exclusive power to impose certain taxes which should, for various reasons, be imposed and collected centrally as suggested in Sir Walter Layton's report. It should be a representative body for the purposes of imposing taxation and for the needs of the Central Government and for voting estimates and controlling expenditure at the centre. The power of initiating measures of taxation for central purposes would, under the Statutory Commission's scheme be vested exclusively in the Executive and all such measures would be required to be passed by the Central Assembly and also the Council of State. Both bodies would have power to amend or reject any measure and the present provision would continue whereby if the Governor General considers that its passing is essential for the safety, tranquillity or interests of British India or any part thereof, he may certify the measure which, thereupon, would have all the force of law. The Commission recommend that the provision of taxes need not be voted every year, as is at present the general practice (paras.154,159 & 160).

The Commission recommend that the division between votable and non votable charges should remain as at present. The distinction has not operated as an impediment to the free

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criticism in the Assembly of the Administration of the services concerned. The Assembly would have full power to reject or to make "cuts" in the votable items of expenditure but the Governor General in Council would have power to restore such items where they are essential to the discharge of his responsibilities. In this existing practice is being continued. Although in para.161 the Commission state that the power of restoring grants should vest in the Governor General in Council, (in para.174) they refer to the power of restoration remaining in the hands of the Governor General (para.161).

The Assembly should continue to exercise its influence over Finance through standing Finance Committees. They also recommend the continuance of the Public Accounts Committee (para 162).

Its Powers as a Federal Instrument.

As an instrument whereby additional revenues could be secured for the provinces they suggest that the Federal Assembly should sit in a special Session and legislate with respect to sources assigned to provincial fund by a statutory rule. Only in case of emergency would the Government of India have the right to levy a surcharge on the sources included in that Schedule. The Legislative measures would under this scheme be introduced by the Finance Member of the Government of India on a proposal of at least three Members of Inter-Provincial Council of Finance Members. The Finance Members of the Provinces would be entitled to attend the special session but would have no power of voting. The Governor General would, in such cases, have no powers of certification and the vote of the Council of State would not be required. The Commission have emphasised that provision should be made (a) that no alteration

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of the rule allocating certain sources of revenue to the Provident Fund should be made, with the result of taking out of it a source already allotted, except after the passing of a resolution supported by a majority of the representatives of two-thirds of the Governor's Provinces, (b) that the distribution of the Provincial Funds should be on the population basis and (c) that this rule should not be altered and another basis substituted without the approval of two-thirds of the Members of the Federal Assembly and a simple majority of the representatives of two-thirds of the Governor's Provinces (para.163).

Views of the Provincial Governments and the Government of India on the financial powers of the Federal Assembly as a Federal Instrument:

Government of Madras.

The Government of Madras while approving of the general scheme and of the Provincial Funds think that it should not be open to a minority of Inter-Provincial Council to bring proposals regarding taxation (para.52).

Government of Bombay.

The Government of Bombay accept the scheme generally (subject to a reservation as regards the basis of distribution) and suggest that legislation imposing excise duties need not be voted every year (paras.53 and 55).

Government of Bengal.

The Government of Bengal while generally approving of the scheme consider that the provision regarding the alteration of the rules too rigid and suggest that the power to initiate taxation should be reserved to the Central Government (para.10).

The United Provinces Government see considerable theoretical objection to the scheme regarding the Provincial Fund and on practical

grounds/

grounds consider that the procedure would involve disclosure of new taxation before legislation is actually introduced.

They think that the scheme would have a better chance if absolute majority of Ministers of Inter-Provincial Council were made necessary before introduction of legislation (page 52).

Punjab Government generally agree to the scheme and insist that more populous provinces should not be in a position to impose their will on the majority of the Provinces and that any change by way of reduction of Fund should take effect after one year (paras. 86 & 87).

Government of Bihar and Orissa also insist on there being a clear majority of the Finance Ministers of Provinces before any legislation for the imposition of taxation is initiated in the Federal Assembly in a special Session (para.52).

Central Provinces Government generally approve of the scheme (para.17).

Government of India consider that even if the Commission's proposals for the representation of Provinces in the Assembly is altered a separate inter Provincial Council with representatives from Provincial Councils might be formed to consider proposals for Provincial Fund taxation before they are submitted to the Central Legislature (para.55).

On the whole they are of opinion that if no less than three Provinces desire that proposals for taxation should be placed before the Assembly they should have an opportunity of presenting their case and secure, if possible, a majority in the Assembly. They further endorse the opinion of the Bombay Government that legislation imposing Provincial Fund taxation need not be voted every year but only when the Inter Provincial Council of Finance Members makes proposals for a change (para.67).

Views/

Views of the Government of India on the Financial powers of the Federal Assembly as Central Legislature.

As regards the general powers of the Federal Assembly as a Central Legislature the Government of India are of opinion that the Governor-General must retain the existing powers of previous sanction and assent, of stopping proceedings on any Bill which affects the safety & tranquillity of British India, and of making ordinances in emergencies. They also endorse the Commission's opinion that the Governor General should have powers of certification, the powers of restoring grants and authorising expenditure which he considers necessary for the safety and tranquillity of British India. They think that the power of restoring grants should be exercised by the Governor General and not by the Governor General in Council so that the latter may not be brought in conflict with the Legislature (para. 121). In their opinion the residuary powers of taxation should remain with the centre. They have not recorded any definite opinion on the question of votable and non votable items, but, in the scheme of things which they recommend, the distinction between the votable and non votable charges appears to be implicit. In para. 119 they have definitely recommended that the salaries of the Members of the Government chosen from the Legislature should, like those of the official Members, not be submitted to the vote of the Legislature.

The financial relations of the Secretary of State and his Council with the Government of India.

Under the present Government of India Act, the Secretary of State remains the source of power and authority in India. The present position of his financial powers is this. Over transferred subjects, the general powers of superintendence, direction and control have been limited by rules under Section 19A of the Government of India Act and can be exercised only for specific purposes. As regards reserved subjects, the powers of the Secretary of State are unimpaired. They were considerably relaxed in 1921. Certain other powers have been handed over to the High Commissioner and they have now been further limited by the Fiscal Convention. In certain matters the Secretary of State can only act with the concurrence of the majority of his Council, as, for instance, in the cases mentioned in Section 21, 28(1), 29(1) and Section 96B of the Government of India Act. These are essentially matters connected with finance or with the services.

The Views of the Indian Central Committee.

The Indian Central Committee suggest that the power to raise loans should be vested in the Government of India and it should be left to that Government to employ such agency as may seem desirable. With the transfer of all subjects to a responsible Ministry in the provinces, they consider that the rules on the lines of those under Section 19A of the Government of India Act will restrict the Secretary of State's powers of intervention in the whole of

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the provincial field. They advocate the establishment of more conventions in the nature of the Fiscal Convention.

The Committee recommend the abolition of the Council of the Secretary of State and, if it is retained, they suggest that half their number should be selected from the elected members of the Central Legislature. They further recommend that, so long as the Secretary of State has control over the non-transferred subjects in the Government of India, he should have two Indians as Under-Secretaries of State, one of whom should find a place in Parliament.

Sir Arthur Froom is of opinion that, whatever the fate of the Council of India may be, the Secretary of State should have the advice of some persons with first hand experience of the conditions and customs of India. Dr. Gour suggests that the revenues of India should no longer vest in the Secretary of State but should vest in the Governor-General of India, that the powers of the Secretary of State should be limited within the sphere of the reserved departments and should be strictly defined, and that the India Council should be abolished. As, according to his proposal, the revenues are to vest in the Government of India, there is no longer any necessity to retain in England a body whose primary function is to conserve those revenues. He thinks that the Council of the Secretary of State has not proved to be independent in its dealings with the British Treasury in the
 matter/

matter of military expenditure. He also thinks that the existence of such a body leads to the weakening of the position of the Government of India.

The Views of the Indian Statutory Commission.

As regards the powers of the Secretary of State in relation to the provinces, the Commission recommend that it should no longer be open to the Secretary of State to issue orders on matters which are of no concern outside the province itself other than the limited class in regard to which special powers are recommended to be reserved to the Governors. These include the securing of due fulfilment of any liability of Government in respect of items of expenditure not subject to the veto of the Legislature. As regards the powers of the Secretary of State in relation to the Central Government, they think that the question whether the Government of India should have greater freedom of action in matters which cannot be brought under rule depends very largely on the attitude of Parliament. They do not think it desirable that any extension of the principle of the Fiscal Convention should be made except with the approval, by a resolution, of both Houses of Parliament. As regards the Council of the Secretary of State, they think that it should be an Advisory Council consisting of men with a recent experience of the country. Under Section 96E of the present Act, the rules governing the conditions upon which civil officials are employed can only be made with the concurrence of a majority of votes at a meeting of the Council. They think that this provision should be maintained./

maintained. As regards the power to veto expenditure given by Section 21 of the Act, they consider that the veto of the Secretary of State's Council should be preserved only for expenditure from the revenues of India which is non-votable. They realise that if their claim for the control of the Army is adopted and an agreement is arrived at as to the contribution payable, the continuous control of the Secretary of State's Council over military expenditure would not be required and there will then be little advantage in retaining the Council for other non-votable expenditure.

The Views of the Government of India.

It had been suggested by the Statutory Commission (paragraph 311) that the task of floating sterling loans for the Government of India should be transferred to the High Commissioner, but the Government of India consider that, until a reserve bank is created, it would only make more inconvenience and delay to transfer the function of borrowing in London from the Secretary of State to the High Commissioner. As regards the general power of the Secretary of State for maintaining financial stability and the observance of rules of sound finance, this could not be defined by rule, but they consider that his control over such matters as budget, taxation, currency, exchange, remittances and borrowings should be confined to broad questions of policy and not to administrative details. With regard to other matters which can be defined by rule (as in the present Central Audit Resolution) they consider that, except in the case of safeguarding the interests of members of the services appointed by the Secretary of State and the question of the Governor-General's amenities, staff, household and such allowances, all

restrictions/

restrictions in the Central Audit Resolutions might be removed, and in the question of the general spirit of financial relations between the Secretary of State and the Government of India, they consider that the Secretary of State's co-operation would be of the greatest possible value if

- (a) he can support India's credit in London;
- (b) he can make available to the Government of India the best advice from the City of London;
- (c) he can, from his own records, supply an element of continuity and knowledge of past history as an aid in assessing the problems of to-day;
- (d) he can, by counsel given in a detached atmosphere, supply at times a balance to views perhaps unduly influenced by local factors.

They further record their opinion that any attempt to control the details of India's financial policy from London must be regarded as an anachronism.

As regards the Council of the Secretary of State, they suggested that it should be abolished. They agree with the Indian Statutory Commission that the financial veto of the Council can be of moment only in regard to non-votable expenditure and for the protection of the interests of India against claims by departments of the Home Government. They therefore see no justification for the retention of the veto in regard to financial proposals emanating from the Government of India. They think that the future constitution would leave little room for the Council of India as an independent authority with

power/

power over appropriations and they anticipate that any difference of opinion as might arise between His Majesty's Government and the Government of India could be settled in a manner more consistent with the freedom which the Government of India may suitably enjoy.