M.R.O. 1—77,006—8-5-37.

(1) Number of pages 40

(2) Date of repair 5-11-38

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 443 A. Press ~~Mis.~~

42-43 W

Dated 19-9- 1941.

7/8

42-43

Not to be folded or roughly handled

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5-11-39

No. 42. Read the following letter from the Officiating Secretary to the Council of the Governor-General for making Laws and Regulations, to the Chief Secretary to Government, Fort St. George, dated Simla, 11th July 1871, No. 765, Legislative Department:—

In reply to your letter, No. 147, dated the 18th April last, addressed to the Secretary to the Government of India, Financial Department, I am directed to state that His Excellency the Viceroy concurs in the opinion entertained by His Excellency the Governor in Council, as to the desirability of an annual statement of the Provincial Budgets being made by a leading Member of the Government in the Local Legislative Councils, and as to the advantages which are likely to ensue from the publicity which will be secured by such a course of procedure.

2. His Excellency in Council does not, however, consider that the plan proposed in paragraph 7 of your letter, for bringing the annual financial statement within the terms of the Indian Councils' Act, would be appropriate or possible. The passing of the Appropriation Bill in the House of Commons is a proceeding by which authority is given to carry into effect the Resolutions of the House passed in Committee of supply, which, till the passing of the Appropriation Bill, are not Law. The Bill enumerates every grant that has been made during the whole session, and authorizes the several sums voted by the Committee of supply to be issued and applied to each separate service. It also contains a provision that the various aids and supplies shall not be issued or applied to any other uses than those mentioned.

3. Such a proceeding would, His Excellency in Council considers, be out of place in India, and might have the effect of transferring from the Executive to the Legislative Council, the power of disposing of all public moneys. His Excellency, therefore, does not consider that the introduction of an Appropriation Bill would be advisable.

4. With regard to the mode in which the financial position of the Provincial Governments can most conveniently be explained and discussed, it is the wish of the Government of India to leave the matter very much to the discretion of the Local Governments, provided always that full publicity is secured. The plan of submitting to Legislative Councils an annual budget was indicated as likely to prove a convenient course, and one that would correspond to the existing practice in the Council of the Governor-General for making Laws and Regulations. Should it be necessary to introduce and pass a measure having relation to local taxation or finance, His Excellency in Council considers that that would be a proper and fitting opportunity for the production of the Annual Financial Statement; but in the event of no legislation being necessary during the year, His Excellency in Council believes that the Governor in Council will be able to authorize the submission of the Budget Statement of the year to the Council for making Laws and Regulations in such a manner as will ensure publicity.

5. Sir Charles Trevelyan made a Budget Statement in the Legislative Council of the Government of India in 1864, though no legislation was necessary in that year. His Excellency is of opinion that no inconvenience would arise from the adoption of a similar course if the occasion for it should occur, though it would certainly be more in accordance with the Indian Councils' Act if the

tatement were made in connexion with legislation upon some subject connected with finance.

6. It is essential that the Annual Local Financial Statement should be produced shortly before the commencement of the financial year.

No. 43. ORDER THEREON, 11th September 1871, No. 443-A.

Ordered that the following letter be despatched to the Right Honourable the Secretary of State for India:—

(Here enter 19th September 1871.)

(True Extract.)

Captain, R.E.,
Under Secretary, P. W. D.,
for *Chief Secretary.*

Exd. J. Wright.

Govt. of Madras.

FINANCIAL.

Dated September, 11th.

Read.

G. O., 11th September 1871, No. 443.

SEPTEMBER.
Nos. 42-43.

Directing that the views of this Government on the subject of the introduction into the Local Legislative Council of an Annual Appropriation Bill be communicated to the Secretary of State.

No. 765

From

The Officiating Secretary to the Council of the Governor General for making Laws and Regulations

To

The Chief Secretary to Government, Madras

Dated, Simla, the 11th July 1871

Legislative Department

Sir,

In reply to your letter No 147, dated the 18th April last, addressed to the Secretary to the Government of India, Financial Department, I am directed to state that His Excellency the Viceroy concurs in the opinion entertained by His Excellency the Governor in Council, as to the desirability of an annual Statement of the Provincial Budgets being made by a leading Member of the Government in the Local Legislative Councils, and as to the advantages which are likely to ensue from the publicity which will be secured by such a course of procedure.

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2. His Excellency in Council does not, however, consider that the plan proposed in paragraph 7 of your letter, for bringing the annual Financial Statement within the terms of the Indian Councils Act would be appropriate or possible. The passing of the Appropriation Bill in the House of Commons is a proceeding by which authority is given to carry into effect the Resolutions of the House passed in Committee of Supply, which, till the passing of the Appropriation Bill, are not law. The Bill enumerates every grant that has been made during the whole Session, and authorises the several sums voted by the Committee of Supply to be issued and applied to each separate service. It also contains a provision that the various aids and supplies shall not be issued or applied to any other uses than those mentioned.

3. Such a proceeding would, His Excellency in Council considers, be out of place in India and might have the effect of transferring from the Executive to the Legislative Council, the power of disposing of all public moneys. His Excellency, therefore, does not consider that the introduction of an Appropriation Bill would be advisable.

4. With regard to the mode in which the Financial position of the Provincial Governments can most conveniently be explained and discussed, it is the wish of the Government of India to leave the matter very much to the discretion of the Local Governments, provided always that full publicity is secured. The plan of submitting to Legislative Councils an annual Budget was indicated as likely to prove a convenient course, and one that would correspond to the existing practice in the Council of the Governor General for making Laws and Regulations. Should it be necessary to introduce and pass a measure having relation to Local Taxation or Finance, His Excellency in Council considers that that would be a proper and fitting opportunity for the production of the annual Financial Statement, but in the event of no Legislation being necessary during the year, His Excellency in Council believes that the Governor in Council will be able to authorise the submission of the Budget Statement of the year to the Council for making Laws and Regulations in such a manner as will ensure publicity.

5. Sir Charles Trevelyan made a Budget Statement in the Legislative Council of the Government of India in 1864, though no legislation was necessary in that year. His Excellency is of opinion that no inconvenience would arise from the adoption of a similar course if the occasion for it should occur, though it would certainly be more in accordance with the Indian Councils' Act if the Statement were made in connection with legislation upon some subject connected with Finance.

6. It is essential that the annual Local Financial Statement should be produced shortly before the commencement of the Financial Year.

I have the honour to be,
Sir,
Your obedient Servant

H.S Cunningham

Offg. Secy. to the Council of the
Govr. Genl for making Laws & Regns

C.F.

Ex Fin

Financial - 1871. Septb.

(8)

From the Offg. Secretary to the Council of the Governor General for making Laws and Regulations. 765.

Rd 11 July 1871.
Ry 18 July 1871.

No 335.

Intimates that H.E. the Viceroy concurs in the opinion entertained by the Madras Govt. as to the desirability of an annual statement of the Provincial Budgets being made by a leading member of the Govt in the local legislative Councils; but that H.E. in Council does not consider that the plan proposed for bringing the annual Financial Statement within the terms of the Indian Councils Act would be appropriate or possible.

With an order.

3

11 Septr 71 No. 443 A

Ordered that the following letter be despatched to the Right Honorable the Secretary of State for India.

(Here enter 19 September 1871)

40-22