

MONTEGO BAY, JAMAICA, B.W.I.

upon the subsidies of the British Treasury to balance their budget, while others, even if more prosperous, do not have sufficient income to improve social conditions, or to maintain the research facilities necessary to increase their agricultural and industrial production.

Allotment of Powers

In a special chapter, the Rance Report deals with the allotment of powers between the proposed federal government and the constituent parties. Taking the Australian constitution as a basis, the Report adopts the principle of "unallotted powers" (according to which certain powers are transferred to the central government, while the unallotted powers remain with the constituent territories), and divides into two categories the problems falling within the scope of the federal government. It recommends an "exclusive" list of matters which may be dealt with only by the central authority, and a second list of matters on which the central authority and the local governments may both legislate. Defence, external affairs, exchange control, and foreign loans, for example, are assigned to the exclusive jurisdiction of the federal authority; while banks, currency, industrial development, immigration, criminal law, marriage and divorce, postal services, transport, communications and labour matters, will fall under the jurisdiction of both the federal and local authorities, with federal legislation prevailing in case of dissent. The other unallotted powers, relating mainly to agriculture, education and the maintenance of peace and order, will remain under the authority of the local governments, but the federal government shall act as adviser in such matters should it wish to do so. The allotment of powers is not final, but is to be subject to revision in the light of experience.

Finance

It is further recommended in the report that the federal government shall have its own sources of revenue. For this purpose, it will take 25% of the customs revenue,

January, 1951