British Honduras examined in detail the report of the Standing Closer Association Committee. The delegates agreed on numerous modifications and were informed of the extent and the nature of the financial support which the United Kingdom Government was prepared to give to the Federation. The Colonial Secretary assured the delegates that the region would continue to share the financial assistance the United Kingdom extends to her colonies under the Colonial Development and Welfare Acts, that the Government was prepared to invite Parliament to grant up to £500,000 towards the capital cost of establishing a federal headquarters and that the United Kingdom would assist the Federation in meeting the annual deficits of those units which might be unable to pay their way from their own revenues or reserves. If, however, the Federation was to gain full independence these latter grants must be temporary; the United Kingdom was consequently thinking in terms of grants-in-aid for a fiveyear period with a possible further five-year extension.

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The Federal Plan Approved by the London Conference of 1953

The London Conference in 1953 agreed that a federation should be established comprising the following member units: Barbados, Jamaica (excluding the dependencies of Jamaica), Antigua, St. Christopher Nevis and Anguilla, Montserrat, Trinidad and Tobago, Grenada, St. Vincent, St. Lucia and Dominica.

The federal legislature should consist of a Governor General, a Senate and a House of Representatives, and have the exclusive right to make laws in fields such as defence, exchange controls, external affairs, immigration into and emigration and deportation from the Federation, and the seat of government of the Federation. Both federal and unit legislatures should have the right to make laws on matters such as banking, the incorporation of banks and the issue of paper money, the census, currency, coinage and legal tender, imposition and collection of import duties, and collection of export and excise duties, postal services, taxes on income* and trade and commerce; but in the case of inconsistency between any federal law and any unit law on any such subject, the provisions of the federal law should, to the extent of the inconsistency, prevail. All residual legislative powers should be vested in the unit legislatures.

It will be seen from this brief description of the proposed division of legislative powers that the Australian pattern of federation has been followed in preference to the Canadian system. Residual powers rest with the units, not with the central government, as is the case in Canada. It will also be noted that the concurrent legislative list includes many subjects—such as banking and currency—which most federations bestow exclusively on the central government. Many of these subjects will probably be assumed gradually by the Federal Government as the economies of united action became apparent.

The London Conference in 1953 agreed that the federal Senate should consist of nineteen senators appointed by the Governor General for a term of five years and that each unit, with the exception of Montserrat, should have two senators. Montserrat, because of its small size and population (32 square miles and less than 14,000 persons), should be represented by one senator.

The House of Representatives should consist of forty-five elected members with representation based roughly on population. However, each unit should

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^{*} Provided that the federal legislature should not have power to impose taxes on income for the first five years.