

NFC AWARD, 18TH AMENDEMENT

CONSTITUTION OF 1973

Back ground

- ▶ Planned economic program designed to formulate and implement economic policies in the country
- ▶ Started on April 1, 1951 by the PM Liaquat Ali Khan as “Raisman Award”
- ▶ Constituted under Article 160 of the constitution
- ▶ It is meant to control financial imbalances and equally manage the resources of the federating Units
- ▶ It transfers intergovernmental resources.
- ▶ It is constituted and chaired by the President of Pakistan to formulate and implement horizontal and vertical imbalance between the four provinces.
- ▶ Horizontal (provinces versus provinces)
- ▶ Vertical (center versus provices)

NFC Award

- ▶ 1961, 1964, 1970 awards were enacted as “Raisman Award”.
- ▶ Resource distribution mechanism
- ▶ For five years

Start of NFC Award

- ▶ Hamood ur Rehman Commission report pointed out “unequal distribution of resources” as one of the major causes of fall of East Pakistan besides political economic, ideological and geophysical reasons.
- ▶ After fall of Dhaka and promulgation of 1973 constitution, Z.A.Bhutto successfully formulated and enacted the first financial award under NFC in 1974.
- ▶ This is viewed as the first step towards decentralization and fiscal federalism
- ▶ So far awards have been awarded since 1974, the start of first NFC

NFC award

- ▶ The National Finance Commission Award or NFC is a series of planned economic programs in Pakistan enacted since 1951.
- ▶ Constituted under the Article 160 of the Constitution.
- ▶ As per Constitution, the award design the formula for horizontal and vertical distribution of economic resources.
- ▶ Finance Commission will review the formula for the distribution of funds, taxes and other monetary assets among the Centre and the Provinces
- ▶ 10th commission is under process

NFC award

- ▶ President shall constitute a National Finance Commission consisting of
- ▶ The Minister of Finance of the Federal Government
- ▶ The Ministers of Finance of the Provincial Governments
- ▶ Such other persons as may be appointed by the President after consultation with the Governors of the Provinces

7th NFC Award

- ▶ Federal 42.5 percent
- ▶ Provinces 57.5 percent
- ▶ Punjab 51.7 percent
- ▶ Sindh 24.6 percent
- ▶ KPK 14.6 percent
- ▶ Baluchistan 9.1 percent

Challenges of NFC

- ▶ No seriousness by stake holders
- ▶ Lack of will by different regimes
- ▶ Political wrangling and instability
- ▶ Differences of opinion between center and provinces

Forms of State and Government Constitution of 1973

- ▶ Forms of State (Federal, Unitary)
- ▶ Forms of Government (Presidential, Parliamentary)
- ▶ The question revolves around power
- ▶ In democratic governments power is divided

Pakistan's form of State and Government

- ▶ President is a nominal head (ceremonial head)
- ▶ In all its constitution Pakistan was having Federal government

Federal System

- ▶ A Federal system of government is one that divides the powers of government between the national (federal) government and state and local government.
- ▶ Legislative and Executive powers is divided between center and provinces

Parliamentary System:

- ▶ A Parliamentary system is a system of democratic governance of a state where the executive derives its democratic legitimacy.
- ▶ PM is executive head
- ▶ PM is accountable before legislature
- ▶ Legislature make laws

Separation of Powers in Pakistan's Constitution

- ▶ Separation of powers
- ▶ Executive (Prime Minister) administrative machinery
- ▶ Legislature (Parliament) drafting of laws/bills
- ▶ Judicature (Supreme Court) interpret the laws
- ▶ Legislature represents people theoretically

Federation of Pakistan

- ▶ Federal Government
- ▶ Head of Government (Executive)
- ▶ Prime Minister
- ▶ Federal Cabinet
- ▶ Parliament of Pakistan
- ▶ Head of State (President)
- ▶ National Assembly (lower House) based on population
- ▶ Senate (Upper House) equal representation
- ▶ In bicameral legislature laws are passed through two houses
- ▶ Bicameral system balances the system

Provinces

Executive

- ▶ Provincial government
- ▶ Chief Minister
- ▶ Provincial government

Representative of State

- ▶ Governor
- ▶ Provincial Assembly (legislature)
- ▶ Making laws

Constitution of 1973

- ▶ It has 12 parts
- ▶ Part 1
- ▶ Introduction
- ▶ Type of state (Islamic Republic of Pakistan)
- ▶ Religion
- ▶ Territory
- ▶ Basic concept

Part 2

- ▶ Fundamental rights and principal of policies
- ▶ Freedom of speech
- ▶ Right to education
- ▶ Freedom of movement
- ▶ Freedom of religion
- ▶ Right to information
- ▶ Right to fair trial
- ▶ Freedom from torture
- ▶ How to make policies?
- ▶ Welfare state
- ▶ Eradication of evils
- ▶ Goals of Pakistan

Part 3

- ▶ Federation of Pakistan
- ▶ President
- ▶ Parliament
- ▶ Federal Government
- ▶ All these entities are present in center

Part 4

- ▶ Provinces
- ▶ Governor
- ▶ Provincial Assemblies
- ▶ Provincial Government

Part 5

- ▶ Relations between Federation and Provinces
- ▶ Distribution of legislative powers
- ▶ Administrative relations
- ▶ Special provisions (Council of Common interests, National Economic Council)
- ▶ Centre-province relations

Part 6

- ▶ Finances
- ▶ Finance Commission
- ▶ Distribution of wealth between center and provinces

Part 7

- ▶ Judicature
- ▶ Explanation of Judicial system
- ▶ Courts
- ▶ Supreme Court
- ▶ High Court
- ▶ Separation of power

Part 8

► Elections

Very significant part

Peaceful transfer of power

Election Commission of Pakistan

Chief Election Commissioner

He is appointed by President for a period of three years

Part 9

- ▶ Islamic Provisions
- ▶ Council of Islamic Ideology

Part 10

- ▶ Emergency Provisions
- ▶ Situation of disaster
- ▶ Role of swift powers

Part 11

- ▶ Amendments
- ▶ 26 amendments
- ▶ According to the contemporary circumstances
- ▶ Rigid or semi-rigid Constitution
- ▶ Two-third majority in the Parliament (75%)

Part 12

- ▶ Miscellaneous
- ▶ Lists
- ▶ Oaths
- ▶ schedules

National Assembly

- ▶ Qualification for member of National Assembly
- ▶ He must not be less than 25 years of age
- ▶ Citizen of Pakistan
- ▶ Total seats 342
- ▶ His name must be in electoral role
- ▶ He must be mentally and physically fit
- ▶ Five years term
- ▶ President of Pakistan shall summon the sessions
- ▶ President will dissolve the Assembly

Senate

- ▶ It is consisted of 100 members
- ▶ Must be Pakistani
- ▶ No less than 30 years
- ▶ Must not hold any government office
- ▶ Terms of office is 6 years
- ▶ Senate can not be dissolved
- ▶ Elections are held after every three years
- ▶ A candidate can not be the member of both houses

18th Amendment

- ▶ The 17th amendment has been repealed.
- ▶ It has repealed the powers of President to dissolve the National Assembly.
- ▶ The President has no power to dissolve the parliament.
- ▶ The Council of Common interests has been modified with PM as its Chairperson.
- ▶ It shall meet at least one time in 90 days.
- ▶ The provinces have been allowed to get local foreign loans.
- ▶ The number of seats has been increased from 100 to 104.
- ▶ NWFP has been renamed as KPK.
- ▶ Free and compulsory education to children from the age 5 to 16 years.
- ▶ Devolution of power
- ▶ Provincial autonomy
- ▶ Role of Article 6

18th Amendment

More powers to Council of Common Interests

National Economic Council

Protection of democracy

More civil rights guaranteed

Renaming of Provinces