

This article is related to General Studies Paper-II (Governance)

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"The Union government released the composition of eight Cabinet Committees, including two new ones — one on Investment, the other on Employment and Skill Development. What are these Cabinet Committees for?"

On Thursday, the Union government released the composition of eight Cabinet Committees, including two new ones — one on Investment, the other on Employment and Skill Development. What are these Cabinet Committees for?

Transaction of Business

The executive works under the Government of India Transaction of Business Rules, 1961. These Rules emerge out of Article 77(3) of the Constitution, which states: "The President shall make rules for the more convenient transaction of the business of the Government of India, and for the allocation among Ministers of the said business." The Rules mandate the minister-in-charge of a department (ministry) to dispose of "all business allotted to a department under" him or her.

However, "when the subject of a case concerns more than one department", no decision can be taken "until all such departments have concurred, or, failing such concurrence, a decision thereon has been taken by or under the authority of the Cabinet".

The Prime Minister constitutes Standing Committees of the Cabinet and sets out the specific functions assigned to them. He can add or reduce the number of committees.

Ad hoc committees of ministers, including Groups of Ministers, may be appointed by the Cabinet or by the Prime Minister for specific matters. A policy paralysis had hit the UPA-II government because it had passed on numerous issues to Groups of Ministers.

Key Committees

Appointments: Of the eight panels constituted by Prime Minister Narendra Modi on Thursday, the most vital is the Cabinet Committee on Appointments. This panel makes appointments to posts of the three service chiefs, Director General of Military Operations, chiefs of all Air and Army Commands, Director General of Defence Intelligence Agency, Scientific Advisor to the Defence Minister, Director General of Armed Forces Medical Services, Director General of Ordnance Factories, Director General of Defence Estates, Controller General of Defence Accounts, Director of Institute for Defence Studies and Analyses, Solicitor-General, Governor of the Reserve Bank of India, Chairman and Members of the Railway Board, Chief Vigilance Officers in Public Sector Undertakings and Secretariat posts of and above the rank of Joint Secretary in the Central Government. This Committee decides on

all important empanelments and shift of officers serving on Central deputation.

Accommodation: The Cabinet Committee on Accommodation determines the guidelines or rules with regard to the allotment of government accommodation. It also takes a call on the allotment of government accommodation to non-eligible persons and organisations as also the rent to be charged from them. It can consider the allotment of accommodation from the General Pool to Members of Parliament. It can consider proposals for shifting existing Central Government Offices to locations outside the capital.

Economic Affairs: The Cabinet Committee on Economic Affairs is supposed to review economic trends, problems and prospects “for evolving a consistent and integrated economic policy”, coordinate all activities requiring policy decisions at the highest level, deal with fixation of prices of agricultural produce and prices of essential commodities. It considers proposals for investment of more than Rs 1,000 crore, deal with industrial licensing policies and review rural development and the Public Distribution System.

Parliamentary Affairs: The Cabinet Committee on Parliamentary Affairs draws the schedule for Parliament sessions and monitors the progress of government business in Parliament. It scrutinises non-government business and decides which official Bills and resolutions are to be presented.

Political Affairs: The Cabinet Committee on Political Affairs addresses problems related to Centre-state relations. It also examines economic and political issues that require a wider perspective but have no internal or external security implications.

Security: The Cabinet Committee on Security deals with issues relating to law and order, internal security and policy matters concerning foreign affairs with internal or external security implications. It also goes into economic and political issues related to national security. It considers all cases involving capital defence expenditure more than Rs 1,000 crore. It considers issues related to the Department of Defence Production and the Department of Defence Research and Development, Services Capital Acquisition plans and schemes for procurement of security-related equipment.

The new panels

Investment: The Cabinet Committee on Investment will “identify key projects required to be implemented on a time-bound basis”, involving investments of Rs 1,000 crore or more, or any other critical projects, as may be specified by it, with regard to infrastructure and manufacturing. It will prescribe time limits for giving requisite approvals and clearances by the ministries concerned in identified sectors. It will also monitor the progress of such projects.

Employment: The Cabinet Committee on Employment and Skill Development is supposed to provide “direction to all policies, programmes, schemes and initiatives for skill development aimed at increasing the employability of the workforce for effectively meeting the emerging requirements of the rapidly growing economy and mapping the benefits of demographic dividend”. It is required to enhance workforce participation, foster employment growth and identification, and work towards removal of gaps between requirement and availability of skills in various sectors. The panel will set targets for expeditious implementation of all skill development initiatives by the ministries and to periodically review the progress in this regard.

The addition of the two committees is indicative of the new focus areas for the government. The goal of both is new jobs.

Constitution of cabinet committees

Why in the discussion?

- Recently, the Central Government has constituted eight cabinet committees.
- The government has set up committees on employment and skill development in order to tackle the unemployment and on investment and development to promote economic development. A committee has also been formed on security.
- The government has taken this step at a time when the economy's growth rate has dropped to 5.8 percent in the last quarter of the financial year 2018-19, which is the lowest in the last five years.
- The annual growth rate of GDP has also come down to 6.8 percent in the previous financial year, while the government had set a target of 7.2 percent. The growth rate of the manufacturing sector has also come down to 3.1 percent.
- Unemployment rate in the country has declined to 6.1 percent, which is highest in the last 45 years.

The eight cabinet committee is as follows

- Appointment Committee of the Cabinet:** The appointment committee of the cabinet will consist Prime Minister Modi and Home Minister Amit Shah.
- Cabinet Committee on Accommodation:** Home Minister Amit Shah, Road Transport Highway Minister Nitin Gadkari, Finance Minister Nirmala Sitharaman and Railway Minister Piyush Goyal will compose it.
- Apart from this, specially Jitendra Singh and Urban Development Minister Hardeep Singh Puri have also been included in this committee.
- Cabinet Committee on Economic Affairs:** Prime Minister Narendra Modi, Home Minister Amit Shah, Defense Minister Rajnath Singh, Nitin Gadkari, DV Sadanand Goud, Nirmala Sitharaman, Narendra Singh Tomar, Ravi Shankar Prasad, Harsimrat Kaur Badal, Dr.S. Jaishankar, Piyush

Goyal and Dharmendra Pradhan are involved in the Cabinet Committee on Economic Affairs.

- Cabinet Committee on Parliament Affairs:** Amit Shah, Nirmala Sitharaman, Ram Vilas Paswan, Narendra Singh Tomar, Ravi Shankar Prasad, Thawar Chand Gehlot, Prakash Javadekar and Prahlad Joshi have been included in this committee. Specially Arjun Ram Meghwal and V Muralidharan have also been included in the committee.
- Cabinet Committee on Political Affairs:** Prime Minister Narendra Modi, Amit Shah, Nitin Gadkari, Nirmala Sitharaman, Ram Vilas Paswan, Narendra Singh Tomar, Ravi Shankar Prasad, Harsimrat Kaur Badal, Dr Harshvardhan, Piyush Goyal, Arvind Sawant and Prahlad Joshi in the Cabinet Committee on Political Affairs Has been included.
- Cabinet Committee on Security:** Cabinet Committee on Security, Prime Minister Narendra Modi, Defense Minister Rajnath Singh, Home Minister Amit Shah, Finance Minister Nirmala Sitharaman and External Affairs Minister S. Jaishankar.
- The Cabinet Committee on Investment and Growth:** The Cabinet Committee on Investment and Growth in addition to Prime Minister Narendra Modi, consists Amit Shah, Nitin Gadkari, Nirmala Sitharaman and Piyush Goyal.
- Cabinet Committee on Employment and Skill Development: In addition to Prime Minister Narendra Modi in this committee, Amit Shah, Nirmala Sitharaman, Narendra Singh Tomar, Piyush Goyal, Ramesh Pokhriyal, Dharmendra Pradhan, Mahendra Nath Pandey, Santosh Kumar Gangwar and Hardeep Singh Puri are included.
- In particular, Nitin Gadkari, Harsimrat Kaur Badal, Smriti Irani and Prahlad Singh Patel have been included.

Expected Questions (Prelims Exams)

Q. Consider the following statements-

1. Executive works under the Government of India (Allocation of Business) Rules, 1961.
2. Recently two cabinet committees have been formed in the investment and employment sectors.
3. Prime Minister can increase the number of committees but cannot reduce it.

Which of the above statements is/are correct?

- (a) 1 and 2
- (b) Only 2
- (c) 1 and 3
- (d) 1, 2 and 3

Expected Questions (Mains Exams)

Q. Recently the Union government has formed two new committees under cabinet committees which will mainly work in the investment and employment sector. To what extent these committees will be successful in attaining their goals? Discuss. (250 Words).

Note: Answer of Prelims Expected Question given on 6 June is 1 (c)

