



Mr. Speaker,

with your kind permission, sir, I would like to present the budget of the Punjab for 1987-88.

2. You will recall, sir, that when this government assumed office, it pledged to restore democracy and re-establish the people's confidence in their elected representatives and promised to ensure that the wishes and the will of the nation are perpetuated for all times to come. I am honour-bound in reaffirming our sincere commitment to the people of this province and I feel immense pride in being able to say that we are on our way to striving successfully for the achievement of the goals we set about to attain. The critics branded our manifesto as over-ambitious. They thought we were making hollow promises and tall claims. In spite of a seemingly impossible task before us, we have persevered against all odds and have proved good to our word. We have responded to the challenge of the trust placed in us by the electorate and can rightfully claim that the nation is on the threshold of peace, progress and prosperity.

3. It was a crucial task for the elected representatives and an extraordinary challenge for their leaders. But we were fortunate to be blessed with the pragmatic and experienced leadership of our Prime Minister and our thoughtful, dynamic and untiring Chief Minister who, true to the wishes of the nation, have cruised along in the right direction with sincerity and devotion and with an ambition to attain the ideals we embraced the day we took oath of public duty in this august House.

4. Sir, we can assert without any inhibition that during our two years in office, we have upheld the rule of law. We have not violated the fundamental rights of any individual. We have not victimised or maligned our political adversaries. We have not commandeered the organs of state for furtherance of our political interests nor to cause wrongful loss to those who choose to differ with us. We have gone by the rules and etiquette of the game and have introduced the concept of civilised and dignified politics. We have not adopted a course which will ensure only our re-election but have instead truly endeavoured to do whatever good that we can. During these two years, we have had only one priority and that is service to the nation in good faith and in right earnest. And by the grace of the Almighty Allah, we can say with a clear conscience that we have not veered even an inch in the implementation of our aims and objectives. Our record is like an open book. Our virtues speak for themselves. No one can say that we have overstepped our authority or that we are overstating our gains. The results are before you and if we have erred or faltered somewhere or at any stage, it is by the vagaries of nature and not by deliberate design. May Allah help us in continuing our march on the right path that we have chosen for ourselves.

5. Sir, before I proceed to present the budget for the next year before this august House, it is my duty to submit the balance-sheet of this government for the current financial year. When this financial year started, we promised the people of the Punjab that in light of the Prime Minister's Five-Point Programme and the socio-economic priorities of the Punjab Government, we would strive to ameliorate the living conditions of the poor residing in the villages and in the slums and on the peripheries of the cities. We promised to provide education to every body and especially to the children of those living below the poverty line and who have remained destined only to see an unfulfilled dream of their children entering into competitive life. We tried to re-adjust the priorities of the poor who were compelled to involve their children as farm labour or with the sheep-herd since the education of these unprivileged children of this land would not have been possible without a school and without a teacher and without a change in the priorities that poor parents are forced to follow. We have tried hard for this and we are determined to bring about a structural revolution in the rural society. Our mission to provide education would be a vehicle for this change. We have tried to expand the socio-

physical infrastructure of the educational institutions and for the first time in our history, it is now being recognised that full cover has already been provided into some of the areas. The gap, wherever it exists, would be met through further massive investment that the government would be making in this field. In the current financial year, over 20,000 teaching posts were provided and a large number of educational institutions were established and upgraded.

6. Sir, I am duty-bound to reply to a very small minority of critics talking against our large investment in education. Our answer is that reform and innovation and improvement in industry, agriculture and even in ideas and beliefs cannot be effected without literacy. The literates do not necessarily have to join the wage-earner group. They have to join the development process and earn its dividends through better knowledge. I may, however, add that we are investing over 2% of our GNP in education as compared to 5.8% in Japan, 4.1% in South Korea, 3.2% in India, 7.5% in Iran and 5.8% in Malaysia.

7. Sir, I feel immense pride in being able to say that we have been successful in implementing a historic decision of our party on introducing the merit system in admissions. Under the brilliant leadership of our Chief Minister, we have restored the image of our educational institutions by ensuring that merit reigns supreme and fairplay prevails. This difficult policy decision could not have been implemented without the whole-hearted cooperation of the honourable members of this House who supervised it in their constituencies and the government owes them its gratitude for their having made this uphill task look so easy. We have been able to check the corrupt practices in the examination system and to take a number of other corrective measures. The appointment of school teachers and lecturers, which used to take longer time was reviewed and an altogether new system was introduced which is simpler and more efficient and almost the entire backlog of appointments was cleared during the year. The heads of educational institutions, who play an important role in maintaining peace in campus and imbuing true discipline amongst their students, have been given necessary administrative and financial powers to deal with various situations on the spot. I would avail this opportunity and appeal to the parents to come forward and help the government in further improving the environment in education since the massive effort in this

sector that the government is determined to undertake and the very high goals that it is pledged to accomplish would not be possible without their total involvement. They should come forward and help the government in its efforts and in building a strong foundation and ensuring a bright future for their children.

8. Sir, we are committed to provide water supply in the rural areas so that our brothers and sisters who were forced to procure it from long distances, at times in scorching sun or biting cold, are provided with this facility closer to their settlements. The development process has bypassed such population in the past. We committed to provide electricity to the remotest villages to lift the curtain of darkness. We gave a commitment that free plots would be provided to the labour. We are in the process of fulfilling these commitments and labour colonies are now being established in the big cities of the Punjab. To begin with, these colonies are being established in Lahore, Faisalabad, Gujranwala and Multan to provide 3 marla residential plots to thousands of workers with basic facilities like medical, electricity, water supply and sewerage. Similarly, 4400 residential plots and 323 flats were also distributed amongst the invalids, widows, orphans and destitutes in Lahore and Faisalabad. This scheme would be continued during the next financial year as a part of our major thrust proposed to be made in low cost housing for the urban poor. In addition to this an amount of Rs. 2 crore would also be provided as grant in aid for the destitutes in the next financial year.

9. Sir, we promised to provide the poor in the rural areas a place to live. We are in the process of fulfilling this commitment to all. Their worries could only be appreciated by a government which was committed to ameliorate the precarious conditions that they are living in, by way of practical measures and without having any intention of making any political gain out of it. In the rural areas, for the first time in the history of this country, we have fulfilled the dream of peasants, artisans and others who are without a home. About 3 lac plots have already been provided in Jinnah Abadis for the rural poor and the homeless. Under this scheme, we have set out a target of 14.6 lac plots to be developed by 1990. An amount of Rs. 20 crore has already been provided for this scheme and substantial investments are under way for the next financial year.

10. The process of restricted urban development in the past had an

unfortunate backlash on the unemployed poor and the new migrants to the urban centres and it forced them to live a sub-standard life in urban slums and Katchi Abadis. Roads, water supply, education and health facilities were virtually non-existent in these slums. Instead, one would witness misery, disease and abject poverty in abundance in such areas. Our government is not here to criticize its predecessors in office. We are here to resolve all such issues and to provide a speedy and permanent solution to the long outstanding problems. We, therefore, decided to take radical measures to improve the facilities in these Abadis. With an allocation of Rs.26 crore made in the current financial year a plan for the provision of basic urban facilities in these abadis has been initiated. It is expected that by the end of the next financial year, such facilities would be made available to all the Katchi Abadis.

11. The investment in housing and Katchi Abadis is also at times questioned for the sake of criticism without realising that there is a shortage of over 7 lac dwelling units in the Punjab. About 25% of the urban population lives in Katchi Abadis and due to the growth rate of 4.3% in cities, the rate of occupancy per housing unit, increased from 5.4% to 6.7% between the last two census years. Not to speak of the rural areas where only 5% of the residents live in pucca houses, a majority owns katcha houses while the remaining have no place to live. The heavy investments in this sector, therefore, must be appreciated in its true perspective. As far as this government is concerned, it is proud of its achievements in this area and still larger investments would be made in Katchi Abadis and rural and urban housing in the next financial year.

12. We promised to extend adequate health cover in the rural areas and, with a large investment, we have been able to establish basic health units in most of the union councils and a rural health centre in all the 'marakiz'. We are also in the process of upgrading these units and centres by providing physical infra-structure, modern equipment and qualified doctors and paramedical staff.

13. Sir, I now present the achievements of the current financial year in financial terms. I would have avoided the figures and the numerical details since these have already been reflected in the budget books just presented to the House. I

am also conscious of the fact that budget figures are a dull and dreary juxtaposition. But in the first instance, it is perhaps inadvisable to bypass the strongly embedded convention of the budgetary history to present the estimates to the house and rightly so, since the policy programmes of the governments are best reflected in facts. Secondly, these apparently lifeless figures, when given a sense of direction and purpose by a government, tend to speak and become a highly meaningful experience. We started the year with an estimated current expenditure of Rs. 2003.28 crore. This was authorised to be met from the federal divisible taxes estimated at Rs.706.67 crore, provincial receipts of Rs.467.35 crore and a federal grant of around Rs.5.04 crore. After accounting for the capital budget, we were left with a gap of Rs.833.62 crore which was proposed to be met through a federal deficit grant. In the revised estimates for 1986-87, this gap has been narrowed down to Rs. 814.27 crore by way of improvement in our provincial receipts and, where possible, through economy in expenditure. Our subsidy bill on wheat has shown some improvement. Here I would like to elaborate on an important decision of the government regarding the new policy for procurement of wheat and its sale from the reserves. Wheat availability is now not confined to the cities alone. This facility has been extended to the rural areas as well. While on the one hand the government is committed to procure at the support price of Rs. 2000 per ton any amount of wheat offered at the procurement centres, on the other the general public is free to purchase any quantity at the same price. Thus the incidental charges incurred in transportation and storage of wheat are to be borne by the government. With the introduction of the new system, the corrupt practices of the past would be minimized if not totally eliminated. The second aspect of the new policy is that the market price of wheat would be stabilized through regular inflow of wheat from the government godowns. Thirdly, our brothers and sisters living in the rural areas would benefit equally from this policy and the in-built discrimination in the old system has now been done away with in favour of the rural population. In the revised estimates, the subsidy bill is likely to be brought down by about Rs.12 crore due to comparatively lean sale of wheat in the last few months of the financial year. This was also on account of the government's successful handling of the market by way of releasing wheat after April.

14. Sir, before I proceed to discuss the other details of the revised budget,

I would like to say something about our farmer who is toiling hard and whose resilience and commitment to his land is far deeper compared to that of many others to their occupation. While nature has been kind to us in Kharif, the Rabi crop was badly damaged due to untimely rains. Our farmers in the calamity-hit areas suffered very badly. The government has tried to provide some facilities and relief to these farmers in order to ensure that this tragedy does not upset their economics. This includes the remission of land revenue and Ushr, deferment of loans, payment of utility bills like electricity and remission of Abiana. Special arrangements have also been made to provide free credit to these farmers for their Kharif crops. We are also revising our existing approach to calamities and during the course of the year we intend to revise it, so as to anticipate and make better preparations to meet such calamities. I re-affirm the commitment of this government for the welfare of the small farmers who own less than 12½ acres of land but account for 72% of the total farms in the province. Special arrangements have been made to provide gypsum at a 50% subsidised rate and free credit upto a maximum of Rs.12000 to them. Provision of sprayers at 50% subsidized rates and a subsidy of Rs.16000 to Rs.20000 for diesel tubewells would also be made available to the small farmers. The government has already de-regulated the market and the support price of basmati has been increased from Rs.102 to Rs.130 per 40 Kgs. Sugarcane Mills zones have been done away with on the demand of the farmers. In areas where lift irrigation is inevitable, pumping sets are being provided at 50% subsidized cost to the small farmers. Similarly for the conservation of the eroded land in areas like the Rotohar plateau, D.G. Khan, Mianwali etc. the government is bearing 50% of the cost of conservation. These facilities are certainly less than adequate and the government is determined to bring about rapid agricultural development by augmenting these efforts through better inputs like seed and fertilizer, improved economic environment and research and education.

15. Sir, coming back to the revised estimates, I would like to add that while some economy was made in the anticipated expenditures on the revenue education, general administration, health, civil works and communications departments, additional allocations had to be authorized in certain areas to meet the inescapable requirements which could not be anticipated at the time of preparation.

of the current year's budget. An additional amount of Rs. 1.00 crore was provided to the Forest Department for clearing the backlog of forest felling which resulted in an increase of Rs. 3.5 crore in receipts. Rs.5.00 crores were provided to the Irrigation Department in order to strengthen the flood embankments. Similarly, an amount of about Rs.9 crore was provided to the police for its re-organisation and strengthening etc. Our receipts from entertainment tax decreased by about Rs.3 crore and from health by Rs.2 crore due to the abolition of bed charges announced in the previous budget. Some of the receipts improved, especially in the case of forest and cotton fee and, therefore, we have finally ended up with a net resource improvement of Rs.19 crore. Our Annual Development Plan fixed at a gross size of Rs.687 crore, faced a short-fall of Rs.26.87 crore. We, however, decided not to reduce our programme in the revised estimates so that our priorities for socio-economic development are not disturbed.

16. The heavy investments made in various strategic areas and a direction given to our economic process at the provincial and national levels have already made a favourable impact on our economy. Our G.D.P. is expected to grow at 7% against a target of 6.7%, with agriculture and manufacturing recording growth rates of 5.9% and 7.4%, respectively. The estimated production in case of rice and cotton exceeded the targets whereas we have suffered a setback in case of wheat. During the current financial year, our textile industry has received a boost and the production targets in cement, fertilizer, cotton yarn and cotton cloth are likely to be exceeded. For the further development of industry, the government's policy to raise the investment sanction limits, the recent removal of controls on industries like sugar, cotton spinning, fertilizer, chemicals and defence-oriented electronics etc., would serve as an incentive to our prospective investors. With the partial decentralization of the banking system, we would make every effort to help the prospective entrepreneurs.

17. The most encouraging feature of our industrial growth is the establishment of tax free zones in Chunian and Jhang which would help us in getting out of the prolonged depressed industrial growth in this province. I may state that while a commitment towards the cause of the poor and the down-trodden population of the province is our prime objective, we are all the same seized of the essential pre-

requisites for industrial development and for sustained economic growth. I would, therefore, earnestly request my brothers in the fields of industry and commerce to come forward and avail these facilities. We would be at their disposal to remove bottlenecks in the existing system which serve as irritants for the prospective investors. We are also fully aware of the fact that unless a rural and cottage industrial base is developed, it would not be possible to ensure the development of industry and an increase in employment levels in the rural areas. These employment opportunities could in fact best be provided with the establishment of small scale industrial sector which although accounts for only 28% of output, provides over 80% of the total employment. Again, the cost of creating jobs in small-scale industry is far less than that of large-scale capital intensive projects. Our schemes like Rural Industrialization and Self-Employment floated through the Punjab Small Industries Corporation is only a humble beginning. The Rural Industrialization Programme is aimed to provide off-farm income generation to the marginalized households, check rural-urban migration and to create a new class of entrepreneurs with roots in the rural areas. Similarly, the self-employment programme has a distinct objective to open employment opportunities to the educated unemployed, technically experienced Pakistanis returning from abroad and youth with technical experience. It would provide an effective answer to the problem of unemployment and break new ground to provide gainful employment in the non-formal sector in the intermediate and small towns and cities. The scheme has been so designed that lower middle income groups can start production actively with only 30% equity. I may add that concessional loans are provided under these programmes on easy terms and these programmes are radically different from previous industrialization strategies and are aimed at bringing a transformation by creating a new entrepreneurial class especially in the rural areas. We are trying very hard to get special credit allocations from the scheduled banks for this purpose. Our efforts for the development of industrial estates in the province are already in progress and our target for the current financial year for the completion of industrial estates in Faisalabad, Gujranwala and Sahiwal has already been achieved.

18. For the next financial year, we have earmarked a record allocation for the uplift of the rural population through both the ADP and the current budget. We have provided massive allocations for education, health, rural roads, water

supplies, rural electrification and manpower planning. Our brothers and sisters living in rural areas have suffered for a very long time. It was unfortunate that the allocative mechanism of the past remained highly unjust to them. They provide us with bread and butter and we have been earning precious foreign exchange by exporting the primary commodities which they produce. While this foreign exchange has served as life-blood for our industrial growth and has changed the life standards in most of the urban settlements, the nights and days of peasants and labourers, however, have not changed. We have pledged to eliminate the plight of the poor in the system. We have pledged that their sons and daughters become literate and are enabled to break the vicious circle of poverty. We have pledged that their physical and mental capabilities are not exposed to diseases and proper health facilities are available to them. We have a dream that for the basic facility like water, they do not have to commute for miles and miles every day. We have committed that electricity is available to them and the living standards of the rural population who are suffering from misery, illiteracy and immobility, are improved. The development process is generally slow but we have given it a vigorous boost. We have a dream to come up to the aspirations of the poor and unprivileged who had lost faith in the system because of the long phases of inactivity, the agitational politics and hollow slogans. Sir, when a truly representative and faithful government and the general public go together, the destiny of the nation is changed. It is indeed a matter of pride for us that the things which remained dormant for decades are now on a move at a very fast pace and if we continue to press forward with our united endeavours, we would overtake this social and economic stagnation. The results achieved so far have already left a favourable impact on the development process in the sectors that I just mentioned and the progress achieved in the areas earmarked under the Prime Minister's Five-Point Programme has evoked an enthusiastic response from the public which is unprecedented in the history of our country. Our dream and our pledge is reflected in our actions.

19. Sir, massive allocations of Rs.460 crore would be provided for education, health, rural water supplies, roads and rural electrification through the Annual Development Plan 1987-88 and that of Rs. 558 crore through the current budget in education alone, to achieve the physical targets set before us for these areas. Over 40,000 posts have been provided for consolidation of existing staff and for provision

of new staff in the educational institutions that are being opened in the next financial year. The amount of Rs.558 crore provided in education's current budget of 1987-88, shows an increase of Rs. 79 crore over the previous year. An allocation of Rs.116 crore has also been provided from out of the ADP 1987-88 and the major thrust would be on primary and secondary education which would be given 81 percent of this allocation. 1462 new mosque schools, 2900 girls primary schools and upgradation of 336 girls schools to the middle and 333 boys middle schools to the high standard would be ensured in the next financial year. Rs. 10 crore have been provided for shelterless primary schools. Simultaneously, we have mobilized foreign aid for a project nomenclatured as the Third Primary Education Project aiming at construction of 5100 new primary schools and buildings for 5100 shelterless schools over a period of 6 years. In technical education, Rs. 2 crore would be provided for Government Institutes of Technology at Gujranwala and D.G. Khan, Polytechnic Institute at Kot Adu, and construction of buildings for the existing Commercial Training Institutes at Kasur, Toba Tek Singh, Murree and Chishtian. In addition to the construction of buildings for eight colleges and establishment of six intermediate colleges through the on-going programme, 11 new intermediate colleges would be established and consolidated during the next year. Five new Vocational Institutes for Women would be established in Chishtian, Shorkot, Shakargarh, Chakwal and Kharian. A large-scale upgradation of the institutions would take place through the current budget in addition to provision of sports facilities, science equipment and books in schools and colleges. An in-service Government Training Institute for Teachers of Disabled Children would be opened in Lahore. Matching grants would be provided to schools and colleges for promotion of sports and extra-curricular activities. For the maintenance of schools and colleges buildings, an amount of about Rs.16 crore would be provided in order to improve the condition of these buildings. To further improve the student - teacher ratio in the province, 30472 posts of teachers in various subjects in primary and secondary education and 2215 teaching posts in colleges have been provided for 1987-88. The process of education is interrupted several times in the year owing to number of handicaps faced by the administrators in education. With a view to improving their working conditions, a charge allowance of Rs. 600 has been made admissible to principals of the colleges. They have also been provided with a liberal contingent grant which could be utilized towards the day-to-day requirements of the

educational institutions. It is hoped that with the liberal provisions made for various facilities in education in the next budget, a solid and substantial improvement would take place in this important sector.

20. Emphasis on the female education continues to be the hallmark of our policy in this sector. Effort is also being made to give a similar slant to our policies in other sectors. Education would, however, be the best vehicle for this change and it will surely bring a positive and major change in the role that the women have to play in the over-all socio-economic set up which is so far dominated by men. Presently this role is limited and it would be evidenced from the fact that the labour force participation rate in case of women in the formal sector is only about 5%. Favourable working conditions are essential pre-requisite to this which are not available to women. A net-work of working women hostels has, therefore, been initiated through a phased programme and it would eventually be taken down to the markiz level. Apart from the allocations for the female population diffused in various sectoral programme, additional funds amounting to Rs. 6.65 crore would be invested in various projects which would ensure greater female participation, self reliance, income generating opportunities and functional education for them. Efforts would also be made to impart them essential training through separate institutions for women in areas such as polytechnique, handicrafts, computers, poultry and kitchen gardening. These exclusive schemes for women are meant to give a greater impetus to the programmes which have been launched through usual sectoral allocations.

21. Sir, agriculture continues to be the back-bone of our economy and under special instructions of the Chief Minister it has been given the highest allocation in the Annual Development Programme. An amount of Rs.144.86 crore is proposed to be provided to this sector as against Rs.101.88 crore in 1986-87. A major allocation has been provided for the farm-to-market road programme to optimise agricultural development and to improve the quality of life in the villages. Compared to Rs.57.10 crore in 1986-87, this programme would get an allocation of Rs.98.71 crore in 1987-88 to achieve a target of 2453 Kms. of roads in the Punjab compared to 1521 Kms. during the current year. This would imply that by the end of the next financial year, about 10,500 Kms. of new road length would have been

constructed under this programme. We have also provided an allocation of Rs.26 crore for the development of over 1500 water-courses in the next financial year. Thus by the end of 1987-88, we would have improved about 9000 water-courses through various programmes. Allocations for agricultural extension and education have also been increased. Engineering services of Agriculture Department are also being further strengthened by making machinery and equipment available in this sector to ensure that the machines are easily available on payment and economy of scale is effected. Other allocations provided in agriculture and related sectors like livestock, forestry and fisheries would increase the allocation of agriculture to Rs. 165.96 crore in the ADP.

22. Sir, in the health sector, an allocation of Rs.142.82 crore has been provided in the ADP and Rs.172.49 crore in the current budget. Our efforts for the next year would include the upgradation of 430 Basic Health Units and 80 Rural Health Centres and establishment of 300 Basic Health Units and 33 Rural Health Centres. I may remind that under the Five-Point Programme, we are committed to provide a Basic Health Unit at every union council and a Rural Health Centre at every markaz by 1990. I am happy to state that the present government has achieved this target and all the marakiz have been covered by us with Rural Health Centres and all union councils would be covered with Basic Units by the end of the financial year 1987-88. By 1990 all the Basic Health Units will also be provided two beds, a labour room and all the Rural Health Centres a 20 to 24 bedded ward, dental clinic, X-ray unit, ambulance and telephone facility. The Basic Health Units have been provided with a doctor and other staff. We are also in the process of strengthening our city hospitals. A Cardiac Centre, an ENT Centre, a Nuclear Medical Centre, a Cancer Institute and a Paediatric Institute are also being set up. A 200-bedded block in the Services Hospital, Lahore, would be fully equipped with staff and other facilities during 1987-88. Similarly, the Neuro Surgery Department in the Lahore General Hospital, the Post-Graduate Medical Institute and the Mayo Hospital have been provided with adequate funds for consolidation and improvement in 1987-88. An amount of Rs.15 crore would be provided for the purchase of equipment in various hospitals through the current budget and Rs. 33.5 crore through the ADP. An additional 400 beds facility would be provided in the tehsil hospitals, 250 beds in district hospitals and about 650 beds in teaching hospitals

during 1987-88.

23. A huge employment programme of doctors and other staff is, however, the hallmark of our efforts in the health sector. The government had been conscious of the fact that over 4500 doctors in the Punjab are jobless and in spite of an extensive development programme in health, this backlog could not be cleared. I am now happy to announce that under a special programme, all the unemployed doctors would get jobs. This achievement is unparalleled in the history of developing countries like ours and is a rare feat even by the standards of the advanced world. It would ensure that health cover is available in every nook and corner of the province.

Sir, the government is determined to make huge investments in social services like education and health. It is, however, conscious of the fact that the private sector is not over-shadowed and the efforts initiated by them are extended both moral and material support. We have, therefore, allocated an amount of Rs.2.5 crore each in health and education to assist the private sector in the next financial year.

24. Sir, it is not possible to fully exploit the potentials of our land without improving the irrigation system. The menace of water-logging and salinity is eating into the fertility of our soil and has to be contained. While over Rs.167 crore are being provided through the current budget for the operation and maintenance and repair of canals and tubewells, an allocation of Rs.50 crore has been made in the ADP for this sector. Under a four-year reclamation programme through the federal ADP, heavy investment is proposed to be made in this sector. For the year 1987-88 alone, the Punjab is likely to get an amount of Rs.131 crore for drainage and reclamation works. I may add here that our canal system is one of the biggest irrigation networks in the world. The repair and maintenance of this network, its occasional rehabilitation and the treatment of its side-effects like water-logging and salinity, entail huge investments by the government. On the other hand, the irrigation water being provided by the government is the cheapest in the world and far cheaper compared to the water drawn from the tubewells. It has indeed made canal irrigated areas far more prosperous

compared to the rest of the countryside where such system cannot be extended due to land contour problems and, of course, due to the limited availability of water. Our brothers from barrani areas, therefore, genuinely expect an alternate source of irrigation for their parched and thirsty lands which pay back hardly anything to the toil-worn farmer. Our efforts to provide small dams in the barani areas would continue and we hope to invest about Rs.24 crores in this area in the next financial year.

25. Sir, I have already discussed the provision of electricity in the rural areas. Our next year's target is electrification of another about 2360 villages in the Punjab. In this programme announced by the Prime Minister, 90% of the villages in the country are to be electrified in four years. We also hope to cover a large number of abadis left over in the past although the electricity is available in the nearby village, through the provincial ADP. The village electrification programme of this government would entail massive investment and this is not going to be an ordinary achievement. Even the most hostile critics of this government would agree that for the first time in our history the dividends of the development are also being shared by the poor. We are now in fact allocating a proportionately higher share to make up for the inequalities of the past. We do not believe in the classical theories of economics to develop the economy at the cost of the poor. We believe in the development of the poor and in a development process in which the poor and rich join in to boost it, to share it and to enjoy its fruits.

26. Sir, the security of the people is the primary responsibility of the state. It is the right of every citizen and his children to live in peace. The forces of darkness, however, register their presence in every society. We are duty-bound to ensure that these forces are smothered with a strong fist. The facilities available to our police were not upto the mark by any standard. The structure of the force required re-organisation and substantial additional facilities like transport, wireless sets and buildings. In the next year, we would provide an amount of Rs. 6 crores for transport and Rs.1.50 crore for wireless sets in addition to Rs. 12 crore earmarked for the Punjab Constabulary. It was felt that this force was not being adequately supervised and was in need of strengthening to make it useful, efficient and effective. The government is doing its best to provide adequate physical and social

infra-structure necessary to increase the efficiency of the police. I would appeal to the jawans and officers of our police force that they should perform their duties in right earnest without fear or favour and in the greater public interest. It is an open secret that at times the conduct of the police, especially in the Punjab, is questioned. But the fact remains that majority of our police jawans and officers possess the spirit to serve and it is, therefore, their duty to keep a close check on those who bring a bad name to the force and thereby generate hatred against the police in the general public.

27. Sir, we believe in fair politics and we are determined to resolve the political issues, if any, through political solutions. The manifesto of the Pakistan Muslim League is that the democratic traditions and democratic values should root themselves firmly in the socio-political fabric. Democracy should be a way of life for us. Forty years after the creation of our motherland, let us now join the ranks of the civilized societies. Let's lay the solid foundation for a continuous and uninterrupted democracy in this country for all times to come. Let's establish civilized democratic institutions and systems and pass them on to our children so that they pass them on to their children. It is the most unfortunate fact of our history that we have failed to protect democracy in this country due to sheer negligence. The Pakistan Muslim League is fully cognizant of the fact that this is a very important stage of our history. This is the party which led the struggle for freedom which culminated into the creation of Pakistan. To-day it is faced with a challenge to give it political strength. This challenge is so great that we cannot afford the luxury of idle criticism. It could only be faced with patience, determination and courage and it demands total cohesion which could be achieved through the participation of every single party member. We can't afford to have spectators amongst ourselves. We need participants, each one pursuing the goal set before us and each one exercising his entire energy in pursuit for the cause of democracy. We must seek guidance from what the founder of the nation said in his address to the nation on the eve of the Jumat-ul-Wida in 1947 :

“ let me tell you fellow citizens, Pakistan is a land of great potential resources. But to build it into a country worthy of the Muslim nation, we shall require every ounce of energy

that we possess and I am confident that it will come from all whole-heartedly".

28. Sir, the capital assets of the government for which the Irrigation and the Communications and Works Departments function as care-takers, require constant care and maintenance. When this government took over, we inherited a massive deferred maintenance. These assets not only required adequate repairs, their allocations for maintenance and the yardsticks for such maintenance were also required to be revised pragmatically. The worst-hit area in this regard was the educational institutions since the nationalised schools were not even brought on the books of our maintenance agency. With heavy allocations of over Rs. 12 crore, most of these buildings have been restored. Simultaneously, in order to ensure that the educational institutions received due care and the pathetic tale of past is not repeated, the government has decided to establish a separate engineering wing for such buildings. An allocation of about Rs. 20 crore has been made for the maintenance and repairs of educational institutions and Rs. 22 crore for the other government buildings. There is no denying the fact that in spite of rapid expansion, we are still short of physical infra-structure and in some cases it has outlived its life. An allocation of Rs. 25 crore has, therefore, been made for the construction of government offices and Rs. 24 crore for the government servants housing in 1987-88. It is expected that an area of 1.25 million sq.ft. would be added to office buildings alone during 1987-88. An amount of Rs. 8.56 crore has been proposed for adding residential units of various types for the newly created districts and divisions.

29. Sir, I may mention here that the maintenance and repairs of these assets, which the government has created with huge investments, needs closer supervision and vigilance. The maintenance of roads involves an amount of over Rs. 35 crore annually. The buildings require recurring maintenance expenditure of Rs. 42 crore and the irrigation network, tubewells and flood embankments consume as high as an amount of Rs. 103 crore every year. We intend to scrutinise and improve upon the existing maintenance procedures since we realise that the general public is not satisfied with the existing system. We have decided to revise the existing procedures in order to make them foolproof and to minimise pilferage and

wastage of expenditure in these areas.

Ille-om-llam t'at it will come from

Worl-d-berl-w

30. While discussing wasteful expenditure which is a fact too well known to merit repetition, I may state that the Chief Minister has directed to bring all such expenditures under closer scrutiny. We intend to undertake drastic measures to effect economy in expenditure and improvement in our revenues. We owe this to the tax-payers who with their toil and sweat generate resources for the public exchequer. We are duty-bound to act as faithful and honest custodians of these resources and of the expenditure met therefrom. We are, therefore, determined to deal with the corrupt practices with a very heavy hand. We promise to the people of Punjab that this government will not be discouraged and it would award severe punishments to those found responsible for wastage and pilferage of public funds. I am sure that the honest public servants and the public representatives would fully cooperate with the provincial government in launching a crusade against corruption.

31. Sir, we propose to provide Rs. 50.03 crore for urban development in addition to Rs. 21.50 crore outside the ADP. An amount of Rs. 9.25 crore would be spent for the provision of additional water, sewerage and drainage facilities in Lahore. The overhead bridges at Garhi Shahu and Mughalpora would be taken up during the next financial year. Additional funds will be provided to the LDA and the LMC for the development of the walled city and the Gujarpura Housing Scheme. This would ensure that the deteriorating living conditions in old Lahore are improved. The LDA shall also construct about 12 miles of new roads in Lahore during 1987-88. In case of Faisalabad, an amount of Rs. 24 crore has been earmarked for the Greater Faisalabad Water Supply and Drainage Project. Rs. 50 crore have been provided for the construction of a hockey stadium in Faisalabad. Rs. 7.74 crore would be provided to the MDA for various schemes for widening and improvement of roads, development of parks and improvement of the traffic system. water supply and sanitation facilities in Multan city and 30 miles of roads would be taken up and completed during 1987-88. Rs. 11.37 crore have also been provided for urban water supplies in the other cities of the Punjab. About 52 on-going schemes are likely to be completed through this programme during 1987-88 which will benefit an additional population of 3 lac with potable drinking water and 4 lac with sanitation facilities.

32. Sir, as I have already mentioned, this government is attaching one of the highest priority to the provision of clean water to the rural areas. An amount of Rs. 100.09 crore would be provided for this purpose in 1987-88, compared to Rs. 38.61 crore this year. It is expected that about 316 schemes of water supply and drainage would be completed in the next year. This will benefit an additional population of 13.30 lac with potable drinking water and 7.50 lac with new drainage facilities.

33. Sir, the road sector has been given massive doses of investment through the farm-to-market programme. In addition to that, an amount of Rs.39 crore has been proposed for widening and improvement of the existing roads and construction of new roads and bridges. About 250 miles of existing roads would be improved and widened and another 40 miles of new roads constructed through this programme. Similarly, an over-head bridge at Amar Sidhu, Jinnah Barrage, Bukkan Bridge and overhead bridge in Okara would be nearing completion by the end of the year. New works would be undertaken on a bridge across the River Jhelum at Khushab, the River Chenab at Chinot, Chichawatni overhead bridge and the Kohala Bridge.

34. We are also considering and exploring the prospects of innovating the development effort in this important area. This innovation would be in the form of private investments in the road sector. There is no denying the reality that the quality of construction in case of our roads leaves much to be desired. This is on account of lack of sophisticated expertise to grapple with the soil-bearing capacity, the art of construction in the water-logged areas and superior specifications and techniques. The involvement of private sector and specialised consultants could usher a new era in communications. Additional investments in the communication sector would also be made through the Federal ADP for the Lahore byè-pass and for the rehabilitation of the Gujranwala-Lalamusa, the Sahiwal— Chichawatni and the Rajanpur—Kashmor roads. An allocation of Rs.2.2 crore has also been made for the Rawalpindi-Chablat dual carriage-way and Rs. 3.9 crore for the Talibwala Bridge. A project of an additional carriage-way between Gujranwala—Kharian and Multan—Sahiwal is also likely be undertaken during 1987-88 through the Federal ADP.

35. Sir, while discussing the road sector, the idea of order on the roads also crosses one's mind. There is no denying the fact that our existing traffic and transport system needs serious attention. Traffic indiscipline on the city roads and the highways and traffic offences are a common scene. The over-all approach to the issue was given a deeper thought by the government and it was decided to create a separate Transport Department. The major function of this department would include the formulation of a transport policy, improvement of various laws/rules relating to traffic discipline and an improvement in the efficiency and conduct of traffic police. It would also include the construction and improvement of existing bus stands and provision of better travelling facilities to the passengers. The hallmark of our transport policy would be the encouragement of the private sector and provision of necessary physical and social infra-structure to attract investors in this area with a view to provide quality service to the general public. The route permit policy has been reviewed and is being liberalized. In the next financial year, the whole system of traffic and transport is intended to be brought under a very close and thorough examination and the government proposes to formulate a well thought out transport policy for the first time in the history of our province. I would appeal to the honourable members of the House and the general public to give suggestions to improve the present system and also to help the government in enforcing the new measures intended to inculcate discipline in this area.

36. Sir, in addition to the innovation and improvement intended for the communication sector, we have decided to strengthen the Public Health Engineering Department during 1987-88. This department had been under some strain owing to the fact that the completed water supply and sewerage schemes in the rural as well as the urban areas, continue to remain its responsibility in addition to the ever increasing work-load of a large number of new schemes which are being executed in pursuance of the development programme. An effort would be made to increase the efficiency of the department. The main feature of our policy in public health in the next year would be reflected in our new approach towards the hitherto neglected subject of environmental protection. The dangerous effect of industrial and environmental pollution needed much closer attention and well thought out remedial measures. In addition to the limited role played by the government so far

the general awareness of ecology and environment protection among the public and the concerned agencies is blurred. The government has, therefore, decided to establish an Environmental Protection Agency (EPA) to formulate and enforce the policies in this area. The Agency functions would include improvement in the existing approach to environmental protection, introduction of advisory services for the treatment of industrial effluent, enforcement of quality standards, provision of information and training facilities in the industrial management and to the general public and introduction of monitoring to combat pollution. I am sure that the Agency would be very effective in improvement of the environment in the province.

37. Related to environment is the important and interesting subject of tourism. Punjab has a beautiful countryside with a variety of contours ranging from robust mountains, mighty rivers, lush green plains down to a beautiful desert in its south. The facilities for the visiting tourists from within the country and abroad who serve as ambassadors of goodwill were confined to a few rest houses and a couple of places of historic interest. The general citizenry was also frustrated by the fact that there are hardly any good resorts available to them on holidays for a visit. A few resorts that are available were again short of adequate facilities. The government has, therefore, decided to set up a Tourism Development Corporation with the objective to promote tourism in the province, to provide various standard facilities to the tourists and also to establish new tourist spots in the province. The creation of this Corporation would surely go a long way in improving our tourism. Apart from the general public, the politicians, the salaried class and their families and especially the students, who occasionally need a break to recoup their energy and come back rejuvenated to their respective occupations, would benefit from the efforts and activities of this Corporation. With an allocation of Rs. 2.50 crore, tourist facilities would be improved in Kallar Kahar, Fort Munro, Lahore, Multan, Bahawalpur, Rawalpindi, Nandipur, Chashma Lake, Mangla and Mianwali etc.

38. Sir, I wish to take the House into confidence regarding a very important subject from the point of view of the interests of provincial government and this relates to the National Finance Commission. The deliberations of the Commission are being held for the last two years and my predecessor in office also gave a

statement on this issue before the House during the previous budget session. The significance of the National Finance Commission, which determines the fiscal relationship between the federation and the provinces needs no emphasis since it is reflected in the Constitution and it is, therefore, obligatory on the federation and the provinces to review this relationship after every five years and announce a fresh award. In the existing arrangement, we have to rely on a federal grant for making up the deficit in our budget and this is primarily owing to the fact that the National Finance Commission 1980 did not give its award. Punjab has submitted a memorandum before the present National Finance Commission in which we have pleaded our case for additional resources keeping in view our ever-increasing needs. We have emphasised that the new formula that the Commission is duty-bound to recommend to the President should be framed in such a manner that the devolution of the resources from and outside the federal divisible pool is made in an equitable manner.

39. We have also placed our full requirements before the National Finance Commission and we have advocated that the formula for the prospective award should be worked out in such a manner that the provinces should not be dependent on any federal deficit grant. This expenditure has been increasing at a rate far higher than the growth rate of provincial revenues. This is owing to the fact that our provincial tax base is narrow and inelastic while on the other hand we are making massive investments in our social services like education, health, water supplies, urban and rural development and a large number of other sectors. Our expenditure has thus far out-grown our revenues. We consider the existing resources to be inadequate and we have, therefore, asked for additional resources to fund the programmes of socio economic uplift of the people of this province.

40. Sir, in addition to the areas that I have just mentioned in my speech, there are other important sectors in which additional allocations have been provided. This would be evident from the fact that our Annual Development Programme, estimated at Rs. 687 crore in 1986-87, has been given a massive increase and has been fixed at Rs. 892 crore for 1987-88. This is the highest ever increase in the ADP which comes to Rs. 205 crore or 29.83%. Similarly our current expenditure is expected to grow from Rs. 2003.28 crore for the budget estimates of the current financial year to Rs. 2284.04 crore in 1987-88, showing an increase of

Rs. 280.76 crore or 14% over the preceding year. However, the total revenue receipts are expected to increase by 9.42% from Rs. 1179.06 crore to Rs. 1290.09 crore, showing a revenue deficit of Rs. 993.95 crore. After taking into account a net deficit of Rs. 27.11 crore in the capital account, the total revenue gap in the non-development budget is Rs. 1021.06 crore.

41. Sir, the National Finance Commission 1980 failed to present its recommendations on the distribution of the revenues between the federation and provinces. The National Finance Commission 1985 has not so far been able to formulate its recommendations and the provinces are still receiving their share in the federal divisible pool on the basis of the formula announced by the NFC Award of 1975 which is now grossly inadequate to meet the growing financial needs of the provinces. As a result of this, the current budgets of all the provinces has run into high deficits which are met with federal grants. However, there are serious constraints on the financial resources of the Federal Government this year on account of which it has been forced to resort to a number of resources mobilization measures for the budget 1987-88. But inspite of this, the Federal Government is finding it difficult to pick up the entire deficits of the provinces and it is, therefore, now inevitable that the provinces should also make an effort to increase their revenues. In order to meet this problem, the first effort will be to bring about economies in expenditure. Secondly, the procedures for recovery of government revenues will be further streamlined and, finally, an attempt will be made to increase the resources without placing any burden on the common man.

In this connection, I would like to make the following proposals:

1. the tax on motor vehicles was last revised in July, 1978. During the last nine years, the prices of private vehicles have increased gradually without any corresponding increase in the rate of the tax. It has, therefore, been proposed to enhance the rates of motor vehicles tax in case of cars with engine power of more than 1000 cc and upto 1300 cc to Rs. 500.00 and Rs. 1000.00 in case of cars with engine power of more than 1300 cc. Private motor vehicles with seating capacity of 6 persons or more would be

liable to the payment of tax at a rate of Rs. 150.00 per seat instead of 96.00 per seat. The rates of motor vehicles tax in respect of buses, motor cabs and rickshaws have not been increased as the incidence of such an increase is more or less on the low-income groups. The details of the proposed rate have been indicated in the Finance Bill, 1987.

2. The rates of the fees for the initial grant and renewal of arms licence was also last revised in 1978. With the passage of time, there has developed more of an exhibitionist tendency and a demonstration effect in the purchase of arms rather than the element of need. In order to curb this tendency and to bring the fees in line with the present price structure, the fees for the initial grant and renewal of arms licences are being suitably revised. The annual renewal fee of prohibited bore weapons ranges from Rs. 150.00 to Rs. 200.00 and is being increased to Rs. 600.00 to Rs. 1200.00 per annum. The fees for the non-prohibited bore weapons ranges from Rs. 36.00 to Rs. 75.00 per annum presently and is being increased to Rs. 100.00 to Rs. 300.00 per annum. The fees for initial grant of arms licences are also being similarly enhanced.

It is expected that economy in expenditure and improvement in the recovery of government receipts will add about Rs. 20 crore to the government's revenues. Similarly, increases in the rates of the motor vehicles tax and arms licence fees, will increase the government's revenues by another Rs. 10 crore. In this way, Inshallah, we shall be able to augment our resources by about Rs. 30 crore during 1987-88.

42 Sir, the budget that I have presented today has a number of distinct features. I have tried to explain in detail the policy measures that are intended to infuse economic vitality into the hitherto less developed social and economic sectors. This budget reflects our commitment to the rural and urban poor and I once again repeat that this commitment is our passionate obsession since we do

not believe that economic development should be made possible at the cost of the poor and down-trodden. There is, therefore, a definite slant in our policy programmes, financial allocations and physical targets set for the next financial year, which speak of our economic philosophy. Our philosophy is that sustained economic growth cannot take place without full participation of the masses. On the other hand, this participation could be made possible only when adequate social and physical infrastructure is made available to them. Our investments in education, health, rural roads, water supply and rural electrification would serve social and physical infrastructure is made available to them. Our investments in as a powerful incentive for the rural population to join the process of development. I may also say that the process of economic development has not to be seen in isolation. It is the social development which makes way for economic growth. An economic activity in the wake of discontentment, disease and deprivation is a short-lived phenomenon, which is reversed soon if not fully destroyed. An edifice of development whose foundations are laid at the cost of the poor, is bound to crumble. We, therefore, do not believe in a development process in which the poor do not participate or do not benefit from it, since that is their right and it was for this right of the Muslims of the sub-continent that this country was created. An unjust developmental process is not only undemocratic, it is also un-islamic. The Holy Prophet(Peace Be Upon Him) said in his Khutaba-i-Hajja-tul-wida :

“Listen O People; Listen to what I have told you. Fix this in your hearts that every Muslim is a brother of other Muslims. You are all equal, enjoying equal rights and subjects to the same obligations. You are members of a common brotherhood. It is accordingly forbidden to you to take from a brother save which he gives you of his own free will”.

43. Sir, all of us, without discrimination of caste, creed and status, have therefore, to continue our march with resilience, self-confidence and determination for achieving the ideals that we have set for ourselves. We have to invest our energy and our mental, physical and financial resources for ensuring that we pass on a more just, more prosperous and a more secure society to our children. May Allah guide and help us. Aamin.

Pakistan Zindabad.