

# *Speech*

of

**Mr. MOHAMMAD HANEEF RAMAY**

**FINANCE MINISTER, PUNJAB**

**INTRODUCING**

**THE SUPPLEMENTARY BUDGET STATEMENT**

**FOR THE YEAR**

**1972-73**

**IN THE**

**PROVINCIAL ASSEMBLY OF THE PUNJAB**

**ON**

**MONDAY, THE 4TH JUNE 1973**

MR. SPEAKER, SIR,

I rise to present before the House the Supplementary Budget Statement for the year 1972-73. The total amount demanded comes to rupees one hundred and one crore, forty-four lac, eighty-two thousand and twenty (Rs. 1,01,44,82,020). An amount of rupees four crore, eleven lac, thirty-five thousand, seven hundred and twenty (Rs. 4,11,35,720) out of this total is charged on the Provincial Consolidated Fund. The details of the items included in the demands have been given in the explanatory notes. However, I will briefly mention the main items for which supplementary demands are being presented.

2. An additional amount of Rs. 68.69 crore is required under the Head "85-A—Capital Outlay on Provincial Schemes of State Trading". This figure represents the additional requirement of funds for State Trading in foodgrains, sugar and medicines purchased through the Medical Stores Depot, Lahore. As the House is aware, the procurement price for wheat has been increased from Rs. 17.00 per maund to Rs. 22.50 per maund. The quantity of wheat which was to be purchased has also gone up from 8.50 lac tons to 11.33 lac tons. The combined effect of these two factors alone is responsible for an increase in the requirement of funds to the tune of Rs. 25.80 crore. The requirement of additional funds for procurement of sugar is the result of the Government's decision to introduce statutory rationing in sugar with effect from December, 1972. The House will re-call that prices of sugar had registered an alarming increase towards the end of the year 1972. The Government, therefore, had to take radical measures for meeting the essential requirements of the people for this important food item. The procurement price of sugar-cane was increased in order to induce the cultivators to sell the maximum quantity of cane to the Mills and thereby to ensure that the Mills operated to their full capacity. At the same time it was decided to procure the entire quantity of sugar produced by the Mills to back-up the Government's scheme of statutory rationing. This has resulted in an increase in the requirements of funds for the procurement of sugar of the order of Rs. 38.31 crore. The requirement of additional funds for the purchase of medicines through the Medical Stores Depot, Lahore comes to Rs. 0.60 crore. Out of the total amount of Rs. 68.69 crore required under the Head "85-A—Capital Outlay on Provincial Schemes of State Trading" an amount of Rs. 3.56 crore is being met from savings within the original grant and a supplementary demand is being presented for Rs. 65.13 crore.

3. An additional amount of Rs. 18.63 crore is required under the Major Head "63-B—Development" for additional expenditure on certain key development schemes. As the Honourable Members are aware, important new programmes were initiated by the Government during the current financial

year like the People's Works Programme. In line with the President's concern for improving the living condition of the vast majority of our people living in the rural areas, it was decided to enlarge the scope of the People's Works Programme. The additional requirement of funds on this account comes to Rs. 8.00 crore. An additional Rs. 7.00 crore is required for discharging our liability in respect of subsidy on the sale of fertilizers. The scheme for subsidizing diesel tubewells was finalized during the current financial year and a sum of Rs. 2.00 crore is required for meeting the cost of this subsidy during 1972-73. Another new scheme which has been taken up during the current financial year is the lining of water-courses. As the House is aware, the limit to the further development of our agriculture is set by the availability of water. The President had shown great concern for the conservation of our limited water-supplies. The scheme for the lining of water-courses was, therefore, formulated in line with the personal directive of the President. The requirement of funds for this scheme during 1972-73 is Rs. 0.57 crore. Purchase of evacuee buildings for educational institutions accounts for the additional demand of Rs. 0.21 crore. Other miscellaneous items total upto Rs. 0.85 crore. Out of the total amount of Rs. 18.63 crore required under the Head "63-B—Development" an amount of Rs. 0.75 crore will be met from savings within the grant and a supplementary demand for Rs. 17.88 crore is being presented.

4. An additional demand of Rs. 8.07 crore is being presented under the Head "Loans and Advances by the Provincial Government". The total requirement of additional funds under this head comes to Rs. 9.01 crore. After accounting for the savings within the grant, the net requirement of additional funds comes to Rs. 8.07 crore. The figure of Rs. 9.01 crore includes a loan of Rs. 4.22 crore to the Punjab Road Transport Board for purchase of new buses. The deteriorating condition of buses plying on urban routes has been a matter of concern for the Provincial Government for some time. However, the limited resources at the disposal of the Provincial Government had prevented any large scale augmentation/replacement of the fleet of buses operated by the Punjab Road Transport Board. Once again we have been helped by the personal interest taken by President Zulfikar Ali Bhutto in matters affecting the welfare of the common man. Under the personal directive of the President, the Central Government have provided a loan of Rs. 4.22 crore which is being passed on to the Punjab Road Transport Board. Another temporary advance to the Punjab Road Transport Board accounts for Rs. 1.50 crore. A sum of Rs. 2.63 crore is required to be passed on to the WAPDA for accelerating the work on SCARP projects. Additional amounts required for passing on loans to the Lahore Municipal Corporation, Municipal Committee, Gujranwala and for advances to cultivators come to Rs. 0.66 crore.

5. The additional requirement of funds under the Head "80—Town Development Schemes" comes to Rs. 5.43 crore. A provision of Rs. 2.30 crore

is required to carry out an accounting adjustment pertaining to assets taken over by the Provincial Government from the defunct Thal Development Authority. The expenditure incurred by the defunct Authority on various buildings and plots in Thal Mandi towns amounting to Rs. 2.30 crore is to be adjusted in the accounts as a credit to the Thal Development Authority. This amount will then be adjusted against the loans payable by the Authority to the Provincial Government. As such no cash outflow is involved in this transaction. The balance of Rs. 3.13 crore required under the Major Head "80—Town Development Schemes" is to finance the various low income housing schemes undertaken by the Provincial Government during the current financial year. An amount of Rs. 0.13 crore will be met from savings within the grant and a supplementary demand of Rs. 5.30 crore is being presented.

6. A supplementary demand for Rs. 1.76 crore is being presented in respect of Major Head "29—Police". This amount is required to finance the additional expenditure on the creation of the Provincial Armed Reserve and for the purchase of communications and transport equipment for the Police.

7. A supplementary demand for Rs. 0.85 crore is being presented under the Major Head "38-A—Health Services". The total requirement of additional funds under this Head comes to Rs. 1.12 crore, including Rs. 0.80 crore for the purchase of medicines for Government Hospitals and Dispensaries, Rs. 0.26 crore for adjustment of Thal Development Authority liabilities and Rs. 0.06 crore for other miscellaneous items. The additional provision for medicines is being made in line with the New Health Policy. This requirement will be met to the extent of Rs. 0.27 crore from savings within the grant and the balance is being demanded in the form of a supplementary demand.

8. Expenditure on the subsidy allowed on the sale of wheat within the area of the Punjab will exceed the amount provided in the budget for this purpose by Rs. 1.44 crore. The additional requirement is the result of an increase in the incidental charges on handling, storage and distribution of wheat which have increased from Rs. 4.57 per maund to Rs. 5.30 per maund, partly as a result of increase in the price of gunny bags and partly as a result of higher interest payments on larger borrowings necessitated by the increase in the procurement price of wheat. An amount of Rs. 0.49 crore will be met from savings within the grant and a supplementary demand is being presented for Rs. 0.95 crore.

9. The additional funds being asked for other miscellaneous items total upto Rs. 1.51 crore. Detailed reasons for proposing each item have been included in the body of the Supplementary Budget Statement itself.

10. Sir, I now present the Supplementary Budget Statement for the year 1972-73.