

**GOVERNMENT
OF
WEST
PAKISTAN**

**WHITE PAPER
1968-69**

Volume IX

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INTRODUCTION

This White Paper is being published simultaneously with the Budget of the Government of West Pakistan for the financial year 1968-69. It is intended to provide a commentary on the Provincial finances and the Development Programme in concise and simple narrative. Some improvements have been made in this document to enhance its general usefulness.

LAHORE :

Dated the 11th June, 1968. }

TAJAMMUL HUSSAIN

*Secretary to Government, West Pakistan,
Finance Department.*

I—FINANCIAL PERSPECTIVE

Since Integration to the close of Accounts of 1966-67 (First Batch Supplementary) the financial operations of the Provincial Government have been as follows:—

(Figures in crores of rupees)

	As per Review (1965-66)	Subsequent Adjust- ments	1955-56 post integ- ration to 1965-66	Actuals of 1966-67 (1st Supple- mentary)	Progressive totals since post integra- tion to the close of 1966-67 (1st Supplementary)
A—Revenue Receipts	11,32	..	11,32	1,61	12,93
Revenue Expenditure	10,08	1	10,07	1,65	11,72
Surplus (+) or Deficit (—) on Revenue Account.	1,24	1	1,25	—4	1,21
<i>B—Capital Expenditure—</i>					
(a) Direct Investments	3,71	1	3,72	37	4,09
(b) Loans and Advances	2,33	..	2,33	92	3,25
(c) Miscellaneous Debt Deposit Transactions	45	—20	25	3	28
Total Capital Disbursement ..	6,49	—19	6,30	1,32	7,62
<i>C—Financed From—</i>					
(a) Revenue Surplus	1,24	1	1,25	—4	1,21
(b) Public Debt	3,63	1	3,64	1,10	4,74
(c) State Tradings	10	..	10	20	30
(d) Unfunded Debts	18	..	18	2	20
(e) Miscellaneous Debt Deposit Transactions	1,26	—21	1,05	21	1,26
Total	6,41	—19	6,22	1,49	7,71
Net Decrease (—) or Increase (+) in the Cash Balance.	—8	..	—8	+17	+9*

*Provisional. It is under reconciliation by Audit with the State Bank of Pakistan.

The Capital Expenditure of 7,34 crore has been financed to the extent of Rs. 4,74 crore from borrowings and Rs. 2,60 crore were met from the Revenue surplus, Profits from the State Trading, Unfunded Debts and Deposits with the Provincial Government.

(a)

II—BUDGET AT A GLANCE

(In thousands of rupees)

Revenue Budget Receipts	Budget Estimate, 1968-69	Revised Estimate 1967-68	Budget Estimate, 1967-68	Accounts, 1966-67
Customs .. .. .	..	69,84	1,28,00	1,10,00
Central Excise Duties	11,99,00	11,27,00	10,27,64	9 06,86
Corporation Tax	6,21,32	5,83,05	6,58,00	4,99,26
Taxes on income other than Corporation Tax (inclusive of receipt collected under Martial Law Regulation No. 43).	20,02,67	18,01,73	18,06,31	14,11,05
Sales Tax	21,04,00	18,86,00	31,03,00	22,22,80
Land Revenue (Net)	9,22,93	9,00,99	8,93,51	15,07,99
Provincial Excise	4,21,43	4,14,79	3,88,81	4,19,05
Stamps	6,84,32	5,24,32	5,62,33	6,54,67
Forests	5,21,26	5,11,48	4 82,63	4,71,76
Receipts under Motor Vehicles Acts	8,41,83	7,92,28	6,94,53	6,61,09
Other Taxes and Duties	11,72,02	11,04,31	11,45,34	9,45,71
Railways (Net Receipts)	2,31,53	1,98,34	1,73,85	..
Irrigation (Net Receipts)	23,20,36	18,44,95	18,90,08	5,79,55
Debt Services	31,00,77	22,46,98	22 85,20	18,80,43
Civil Administration	2,16,66	2,04,05	1,92,79	2 09,11
Beneficent Department	12,88,23	10,07,38	9,91,25	7,17,18
Civil Works and Miscellaneous Public Improvements	51,75	43,86	55,29	95,92
Miscellaneous	5,05,76	4,42,40	4,51,79	3,98,46
Contribution and Miscellaneous adjustments between Central and Provincial Governments	15,65,67	22,80,60	14,83,51	15,03,66
Extraordinary items	8,42,06	6,65,10	8,84,74	7,84,75
Other Heads	72,39	68,33	66,46	69,01
Total Receipts ..	2,06,85,96	1,87,17,78	1,93,65,06	1,60,48,31

II—BUDGET AT A GLANCE—contd.

(In thousands of rupees)

Expenditure	<i>Budget Estimate, 1968-69</i>	<i>Revised Estimate, 1967-68</i>	<i>Budget Estimate, 1967-68</i>	<i>Accounts, 1966-67</i>
Direct Demands on the Revenue ..	7,50,61	6,95,23	7,19,97	6,81,22
Irrigation (excluding interest) ..	80,86	82,91	82,41	1,42,24
Debt Services (inclusive of interest on Capital Outlay of Commercial Departments).	42,21,24	37,91,54	36,93,56	36,52,56
General Administration	7,57,72	6,84,67	7,25,05	6,77,04
Police	11,36,91	11,40,09	11,52,70	12,49,54
Frontier Regions	2,15,21	1,94,90	2,11,48	1,97,09
Education	32,96,08	30,16,99	31,43,26	29,77,48
Health Services	8,23,17	7,33,90	7,85,29	7,39,09
Agriculture	6,15,91	5,76,83	6,01,30	5,65,37
Veterinary	1,72,82	1,52,61	1,70,43	1,47,05
Industries	92,16	90,21	90,82	93,23
Development Expenditure	58,18,99	44,56,28	50,85,67	29,56,19
Civil Works and Miscellaneous Public Improvements ..	7,68,93	8,19,38	7,90,82	9,84,37
Miscellaneous	8,56,85	8,25,45	8,41,15	9,11,61
Contingency Items	3,00,00	1,00,00	5,00,00	..
Other Heads	7,40,13	7,05,16	7,44,12	6,07,84
Total Expenditure ..	2,06,47,59	1,80,66,15	1,93,38,03	1,64,81,92
Surplus	38,37	6,51,63	27,03	—4,33,61
Total ..	2,06,85,96	1,87,17,78	1,93,65,06	1,60,48,31

II—BUDGET AT A GLANCE—contd.

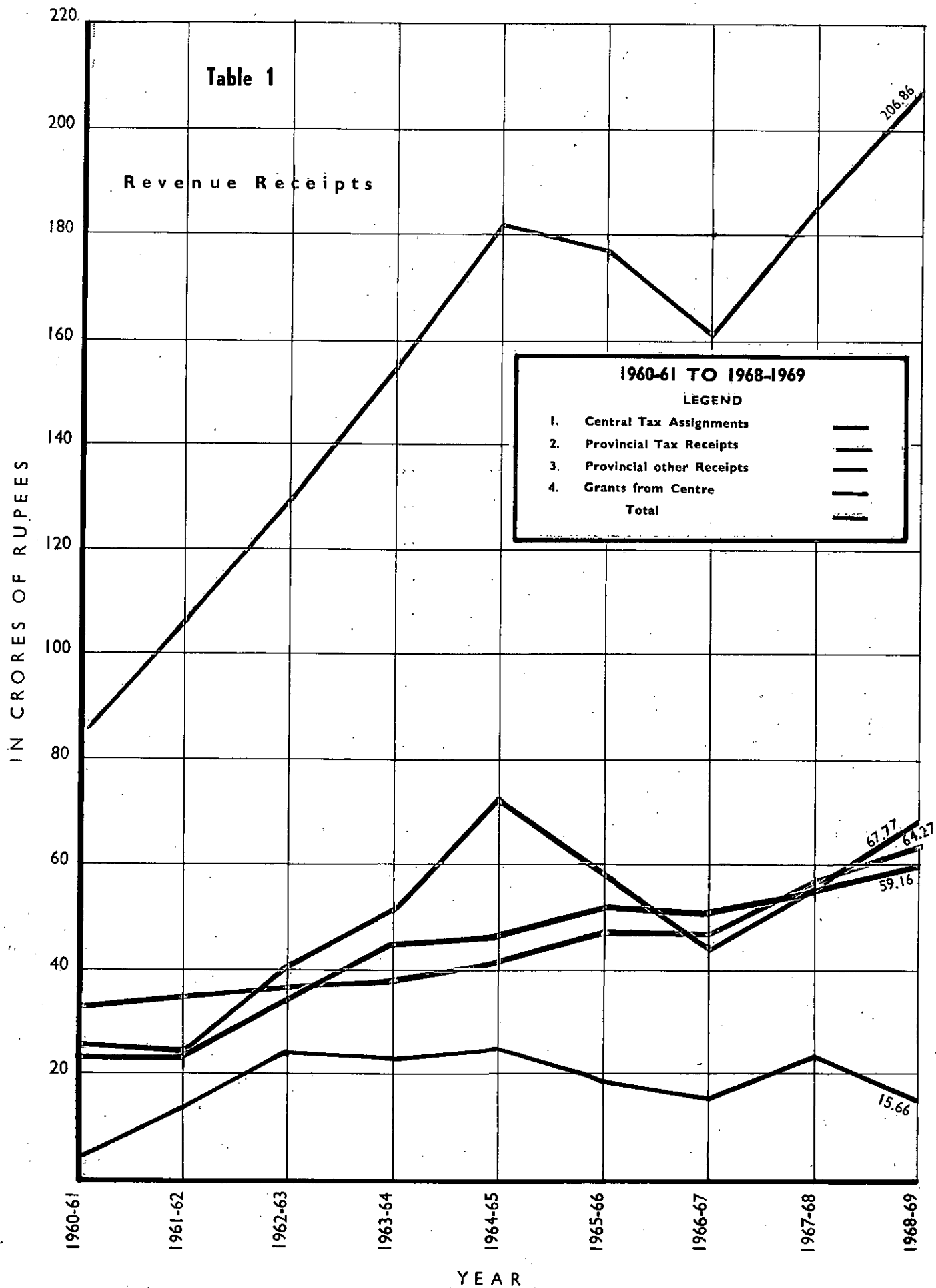
(In thousands of rupees)

	<i>Budget Estimate 1968-69</i>	<i>Revised Estimate 1967-68</i>	<i>Budget Estimate, 1967-68</i>
CAPITAL BUDGET			
DEVELOPMENT EXPENDITURE			
(a) Capital Outlay (Gross)			
Salt Works	100	39	39
Pakistan Western Railways (excluding Foreign Loans) as per Railway Budget.	16,83,72	13,50,83	29,00,00
Irrigation	14,27,43	9,09,23	13,07,39
Improvement of Public Health	3,87,24	2,60,78	3,68,20
Agricultural Improvement and Research	3,98,59	1,70,13	3,54,95
Industrial Development	14,28,00	6,20,34	9,74,25
Town Development	1,53,84	1,50,11	1,98,99
Communication	18,61,08		
Civil Works	16,81,31	17,26,50	29,55,21
Miscellaneous Provincial Investments			
(b) Loans and Advances by the Provincial Government			
WAPDA	61,43,14	52,03,03	62,92,54
Karachi Milk Board	6,10	6,00	6,00
Lahore Milk Board	2,44	6,00	6,20
Pakistan Western Railways	13,46,31	15,49,17	14,77,56
Agricultural Development Corporation	10,30,42	7,67,21	9,23,83
Karachi Development Authority	1,75,00	71,40	85,00
West Pakistan Small Industries Corporation	31,88	45,38	53,90
Co-operative Development Board	3,10		
Local Bodies	1,32,87	47,48	81,29
Improvement Trusts	2,60,00	1,20,00	2,20,00
Other Development Loans	29,00	33,00	75,00
Total Development Expenditure	1,81,82,47	1,30,36,98	1,82,80,70

II—BUDGET AT A GLANCE—contd.

(In thousands of rupees)

	<i>Budget Estimate, 1968-69</i>	<i>Revised Estimate 1967-68</i>	<i>Budget Estimate 1967-68</i>
<i>Add—Non-Development Expenditure</i>	1,63,26	33,74,36	9,12,02
<i>Add—Contingency Items</i>	8,00,00	3,50,00	8,00,00
<i>Add—Likely shortfall in expenditure on Development</i>	—26,00,00	..	—21,00,00
Total Disbursements ...	1,65,45,73	1,67,61,34	1,78,92,72
Financed by—			
Surplus on Revenue Accounts	38,37	6,51,63	27,03
Permanent Debt (Net)	—32,00	—31,67	—31,99
Floating Debt (Net) .. ..	..	18,00,00	..
Debt Raised Abroad (Net)	—21,05	—20,33	—20,33
Loans from the Central Government (Net)	1,12,97,73	87,40,55	91,96,98
Recoveries of Loans and Advances—			
Agriculture Loans	89,13	88,10	93,14
WAPDA (including Foreign Loans)	5,43,84	4,38,05	3,00,00
Road Transport Corporation (Foreign Loans)	10,00	10,00	10,00
Pakistan Western Railways (Foreign Loans)	2,84,44	2,19,13	2,49,97
Thal Development Authority	91,13	50,00	87,88
Other Debtors	1,03,99	94,22	87,02
Receipts and Recoveries on Capital Accounts other than the Central Government grants.	13,42,41	12,13,75	26,67,20
Grants from and investments by the Central Government	6,09,42	8,18,52	14,18,96
Appropriation for Reduction or Avoidance of Debt .. ..	..	..	..
Unfunded Debt (Net)	2,41,83	2,26,86	3,51,15
Deposits and Remittances Heads (Net)	18,61,22	9,74,15	14,92,76
Cash balance utilization	85,27	14,88,38	19,62,95
Total Resources ...	1,65,45,73	1,67,61,34	1,78,92,72



III—RESOURCES

The resources of the Provincial Government, as budgeted, comprise Revenue and Capital Receipts; they have shown the following growth in recent years :

(In crores of rupees)

Year	Revenue	Capital
1960-61	79·04 Accounts	37·64 Revised
1961-62	96·52 „	46·63 „
1962-63	1,26·72 „	1,23·08 „
1963-64	1,47·39 „	1,29·18 „
1964-65	1,73·18 „	1,31·79 „
1965-66	1,67·12 „	91·87 „
1966-67	1,60·48 „	1,26·55 „
1967-68	1,87·18 (R.E.)	1,05·69 „
1968-69	2,06·86 (B.E.)	1,74·90 (B.E.)

However, in determining the Provincial Resources for financing the Annual Development Programme, certain funds and deposits which form part of other Monies are also taken into account. These deposits equal to about 8·30 crores, although outside the Provincial Consolidated Fund, are part of the Provincial Government's cash balance and are thus available for investment on productive schemes.

Revenue Receipts :

2. Revenue Receipts are drawn from four sources:—

- (1) Central Tax Assignments
- (2) Provincial Taxation.
- (3) Provincial Other Receipts.
- (4) Central and Foreign Grants.

The Revised Estimates, 1967-68 shows a decrease of Rs. 5·72 crores over the Budget Estimates. The decrease is due to the shortfall of Rs. 12·52 crores in the Provincial share of Central Taxes. This shortfall has partly been off-set due to improved receipts in the Provincial sphere.

3. However, both the Central Taxes as well as the Provincial Receipts have contributed towards the improvement in the revenue receipts for 1968-69.

TABLE I
REVENUE RECEIPTS
(In crores of rupees)

Particulars	ACCOUNTS							Budget Estimates 1967-68	Revised Estimates 1967-68	Budget Estimates 1968-69
	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67			
Central Tax Assignments ..	23.12	24.12	35.25	44.70	46.05	52.80	51.30	67.07	54.55	59.16
Provincial Tax Receipts ..	34.79	35.79	36.89	38.82	40.99	48.03	48.41	56.39	56.46	64.27
Provincial Other Receipts ..	24.44	24.32	40.56	51.72	72.59	58.24	45.73	55.36	53.36	67.77
Grants (Central and Foreign) ..	2.37	24.12	22.23	21.92	22.28	19.29	15.04	14.83	22.81	15.66
Total ..	84.72	1,08.35	1,34.93	1,57.16	1,81.91	1,78.36	1,60.48	1,93.65	1,87.18	2,06.86

1. Central Tax Assignments :

4. A portion of the receipts from taxes collected by the Central Government is passed on to the Province on account of the increased responsibility assumed by them in various fields. The Provincial share has risen substantially under the formula adopted by the Distribution of Revenues Order, 1965. The estimates for 1968-69 are Rs. 59.16 crores and make the following comparison with the earlier figures:—

TABLE II
CENTRAL TAXES AND DUTIES ASSIGNED TO THE PROVINCE
(In crores of rupees)

Particulars	Accounts 1960-61	Accounts 1961-62	Accounts 1962-63	Accounts 1963-64	Accounts 1964-65	Accounts 1965-66	Accounts 1966-67	Budget Estimates 1967-68	Revised Estimates 1967-68	Budget Estimates 1968-69
	2	3	4	5	6	7	8	9	10	11
I—Customs ..	..	..	4.10	3.77	2.14	1.04	1.10	1.28	0.70	..
II—Central Excise Duties ..	3.10	2.54	4.34	5.17	5.89	7.36	9.07	10.27	11.27	11.99
III—Corporation Tax ..	..	..	2.28	3.65	3.87	4.77	4.99	6.58	5.83	6.21
IV—Taxes on income other than Corporation Tax ..	3.06	3.98	7.59	9.57	10.60	14.37	13.65	17.54	17.49	19.51
IV-A—Sales Tax ..	16.86	17.53	16.77	22.02	23.46	24.35	22.23	31.03	18.86	21.04
IV-B—Taxes realised under Martial Law Regulations ..	0.10	0.07	0.12	0.07	0.09	0.12	0.01	0.01	0.01	0.01
Wealth Tax ..	..	..	..	0.41	..	0.62	0.16	0.31	0.31	0.31
Estate duty ..	..	..	0.05	0.04	..	0.17	0.09	0.05	0.08	0.09
Total ..	23.12	24.12	35.25	44.70	46.05	52.80	51.30	67.07	54.55	59.16

5. Revised Estimates for 1967-68 show a decrease of Rs. 12.52 crores as compared with the Budget Estimates in the Central Tax Assignments which is mainly due to the merger of Sales Tax on certain items with Excise Duties and also because of exemption of raw cotton and raw Jute from Export Duty.

6. In order to make good the deficiency, the Central Government have given Rs. 8.14 crore as Grant-in-aid which has partly off set the said decrease.

7. The size of Central Tax Assignments to the Government of West Pakistan was determined by the Raisman Award (1952-53) for the period 1955-56 to 1961-62, by the Presidential Order, 1962 for the period 1962-63 to 1964-65 and most recently, by the Presidential Distribution of Revenues Order, 1965. This last Order was issued as a result of the recommendations of the National Finance Commission set up in March, 1965, under Article 144 of the Constitution. It provides the following formula for Central Tax Assignments to the Provinces:—

“Out of the net proceeds of the following taxes and duties, 65 per cent shall be assigned to the Provinces and 35 per cent retained by the Centre:—

- (i) Taxes on income, including Corporation Tax, but not including taxes on income consisting of remuneration paid out of the Central Consolidated Fund.
- (ii) Sales Tax.
- (iii) Excise Duties on tea, tobacco and betelnuts.
- (iv) Export Duties on jute and cotton. (Exempted from December, 1967).

The basis for distribution between the two Provinces of the sums so assigned to them should continue as at present, i.e. in the case of taxes on income excise duties and export duties, East Pakistan shall receive 54 per cent and West Pakistan 46 per cent, while in the case of sales tax, 30 per cent shall be distributed on the basis of collections in each province and the balance in the same ratio as other taxes”.

8. The increase in the Provincial share in the Central divisible taxes reflected in Table II is partly accounted for by the rise in receipts under the designated taxes which have proved to be very elastic. It is, however, very largely the result of the increase in the percentage allocations allowed to the Province, as will be apparent from Table III.

TABLE III

PROVINCIAL GOVERNMENTS SHARE IN THE CENTRAL DIVISIBLE TAXES

Particulars	UNDER RAISMAN AWARD (WITH EFFECT FROM 1ST APRIL, 1952)			UNDER DISTRIBUTION OF REVENUES ORDER, 1962 (WITH EFFECT FROM 1ST JULY, 1962)			UNDER THE DISTRIBUTION OF REVENUES ORDER, 1965 (WITH EFFECT FROM 1ST JULY, 1965)					
	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total			
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent			
1. Income-Tax (other than Corporation Tax.)	22.5	27.5	50	27	23	50	35.1	29.9	65			
2. Corporation Tax	..	..	..	27	23	50	35.1	29.9	65
3. Excise Duty on tobacco, tea and betelnutes.	22.5	27.5	50	32.4	27.6	60	35.1	29.9	65			
4. Export duty On	62.5	..	62.5	..	..	..	} (Exempted from Export Duty since December, 1967).	}	}
of basic duty.			of basic duty.									
(a) Jute	10	..	10	100	..	100				35.1	29.9	65
of addl. duty.			of addl. duty.									
(b) Cotton	..	..	..	..	100	100			
5. Sales Tax	50	50	50	22.7	19.3	60	24.6	20.9	65			
of Collec-tions in East Pakistan.		of collec-tions in West Pakistan.		plus a share of 18% proportionate to the collec-tions in East Pakistan	plus a share of 18% proportionate to the collec-tions in West Pakistan		plus share 19.5% proportionate to the collec-tions in East Pakistan	plus a share of 19.5% proportionate to the collec-tions in the West Pakistan				
6. Estate and Suc-cession duties in respect of Agri-cultural Land.	..	..	..	54	46	100	35.1	29.9	65
7. Taxes on Capital Value of Immov-able Property.	..	..	..	54	46	100	35.1	29.9	65

2. Provincial Taxation :

9. The major Provincial taxes are:—

- (i) Land Revenue ;
- (ii) Motor Vehicles levies ;
- (iii) Stamps ;
- (iv) Provincial Excise ;

(v) Entertainment Duty; and

(vi) Property Tax.

10. These six taxes together with the collection on account of water rate which is a service charge at present provide over 90 per cent of the total Provincial Tax Revenue, although there are 38 other taxes, cesses, duties and levies. Revenue collected from the various taxes is detailed in Table IV.

The following significant trends are discernible regarding Provincial Taxation:—

(a) Provincial Taxation receipts have increased from about Rs. 34·79 crores in 1960-61 to Rs. 56·46 crores (Revised Estimates) in 1967-68.

(b) The preponderance of Land Revenue and water rate has gradually decreased in the last decade, from about 73 % of total tax recovery in 1955-56 to about 50 % in 1967-68. There has been a corresponding shift in emphasis from direct to indirect taxes and in incidence towards the urban non-agricultural portion of the economy.

11. During the Second Plan period, the following additional taxation measures were taken :—

(i) Revision and enhancement of Excise Fees and duties in 1962. The annual increase on this account was Rs. 1 crore.

(ii) Surcharge on Railway fares and freight from 1st July, 1962, contributing Rs. 44 lacs per annum to the Provincial Revenue.

(iii) The rate of Development Cess was increased from 25 % to 35 % from 1st July, 1963, giving an annual additional yield of Rs. 64 lacs.

(iv) Water rate was enhanced in 1963, by 10 % the annual additional yield being Rs. 115 lacs.

(v) Sugarcane Development Cess was levied from 1st July 1964, at the rate of 12 paise per maund of sugarcane, yielding Rs. 66 lacs per annum.

(vi) Electricity Duty was levied from 1st July 1964, at the rate of one paise for each unit consumed for residential, office and commercial purposes, and one paise for every four units consumed in an industrial undertaking. The yield on this account was about Rs. 86 lacs per annum.

12. Thus the total receipts from additional taxes in the Second Plan period was Rs. 475 lacs.

13. During the Third Plan period the following additional taxation measures were taken :—

(i) Water rates were enhanced by another 10% with effect from 1st July, 1965, the additional yield being Rs. 187 lacs per annum.

(ii) A tax on Hotels was levied with effect from 1st July, 1965. The annual yield on this account is Rs. 10,90,476.

(iii) Additional Stamps duty levied with effect from 1st July, 1965, on every instrument where the value exceeds Rs. 1,000 at the rate of Rs. 5 for every Rs. 500 or part thereof in excess of Rs. 1,000. Its annual yield is Rs. 40 lacs.

(iv) Tax on Motor Vehicles was enhanced with effect from 1st July, 1965, giving an additional yield of Rs. 68 lacs.

(v) Arms Licence Fee was raised with effect from 1st July, 1965, which gave an additional revenue of Rs. 8 lacs per annum.

14. Thus the total receipts from additional taxes in the Third Plan should be Rs. 314 lacs per annum.

TABLE IV
PROVINCIAL TAXES AND WATER RATE (SERVICE CHARGE)^{E)}
(In crores of rupees).

Particulars	ACCOUNTS							1967-68		1968-69
	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	Budget Estimate	Revised Estimate	Budget Estimates
Land Revenue (Gross) ..	16.14	14.42	14.56	15.30	15.14	16.05	15.08	17.82	17.71	17.84
Agricultural Income Tax ..	0.40	0.32	0.30	0.30	0.30	0.35	0.45	0.51	0.52	0.51
Provincial Excise ..	2.35	3.13	3.55	3.69	4.00	3.99	4.19	3.89	4.15	4.21
Stamps ..	2.59	3.53	4.46	4.83	5.14	5.50	6.55	5.62	5.24	6.84
Registration ..	0.25	0.32	0.41	0.43	0.46	0.42	0.53	0.49	0.52	0.54
Receipts under Motor Vehicles Act.	2.36	3.09	3.10	3.98	4.93	6.35	6.61	6.95	7.92	8.42
Entertainment Duty ..	1.59	1.63	2.96	3.55	3.50	3.27	4.06	4.16	4.53	4.72
Property Tax ..	1.20	1.30	1.63	2.86	2.85	3.69	3.18	4.03	4.01	4.31
Other Taxes and Duties ..	0.10	1.40	0.89	0.22	1.23	1.83	1.97	2.90	2.11	2.29
Water Rates (Net) ..	7.81	6.65	5.03	3.66	3.44	6.58	5.79	10.02	9.75	14.50
Total ..	34.79	35.79	36.89	38.82	40.99	48.03	48.41	56.39	56.46	64.27
Annual Increase Actual ..	3.48	1.00	1.10	1.93	2.17	7.04	0.38	8.29	8.05	7.81
Percentage ..	9.80	2.87	3.07	5.23	5.58	17.17	0.79	17.23	16.62	13.88
Irrigation Working Expenses	8.48	9.59	10.01	12.71	13.25	13.29	14.85	14.17	14.23	15.21
Water Rates Gross (including direct and indirect receipts and before deduction of working expenses).	19.19	32.01	15.12	20.25	24.53	24.54	20.64	33.07	32.68	38.42

3. Provincial Other Receipts :

15. Provincial Other Receipts consist mainly of:—

- (a) Receipts from General Administration and Beneficent Departments;
- (b) Interest on Government Loans ;
- (c) Extraordinary Receipts (largely drawn from sale of Government Agricultural Land).

16. The revenue accruing to the Provincial Government from this head has increased from about Rs. 24.44 crore in 1960-61 to about Rs. 67.77 crore estimated for 1968-69.

17. The details of revenue from various sources under 'Other Receipts' are given in Table V.

TABLE V
PROVINCIAL OTHER RECEIPTS
(In crores of rupees)

Particulars	ACCOUNTS							1967-68		1968-69
	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	Budget Estimates	Revised Estimates	Budget Estimates
1. Opium ..	0.16	0.16	0.14	0.16	0.15	0.15	0.16	0.18	0.16	0.18
2. Forest ..	2.75	2.75	3.05	3.30	3.69	4.40	4.72	4.83	5.11	5.21
3. Debt Services ..	4.56	4.81	9.47	14.91	15.41	18.02	18.80	22.85	22.47	31.01
4. Civil Administration	1.56	1.68	1.61	2.08	1.96	2.10	2.09	1.93	2.04	2.17
5. Beneficial Departments.	4.61	4.66	5.10	5.06	4.89	6.64	7.17	9.91	10.07	12.88
6. Civil Works and Miscellaneous Public Improvement.	1.75	1.04	1.11	1.12	0.69	1.10	0.96	0.55	0.44	0.52
7. Miscellaneous ..	3.83	3.26	3.67	3.90	3.45	7.11	3.93	4.52	4.42	5.06
8. Extraordinary Items*	5.23	5.96	16.41	21.19	42.35	18.72	7.85	10.59	8.65	10.74
Total ..	24.44	24.32	40.56	51.72	72.59	56.24	45.73	55.36	53.26	67.77

*Includes return on investment in Pakistan Western Railways.

4. Grants (Central and Foreign) :

18. Grants from the Central Government and Foreign agencies fall into the following categories :—

- (i) grants from Centre towards financing responsibilities transferred and/or obligations imposed on the Provincial Government,
- (ii) grants from Centre to assist specific development programme, e.g.: Fertilizer Subsidy and Family Planning,
- (iii) Foreign Rupee Grants, being Counterpart Funds from Australia, Canada and the United States, channeled through the Centre,
- (iv) Foreign non-rupees grants.

19. The changes in the receipts accruing from these four sources are set out in Table VI. The major variations in the Revised Estimates have occurred in receipts from "Foreign Rupee (*i.e.* Counterpart generations) grants as a result of more grant expected to be received from Australia and (2) non-development grant from the Central Government due to the compensation given to the Provincial Government on account of loss suffered by it consequent on Central Government's decision to merge Sales Tax on cotton yarn, etc. with the Excise Duty and abolition of Custom Duty on export of cotton and jute during the course of the year.

TABLE VI
Grants (Central and Foreign)
(Rupees in crores)

	Revised Estimates, 1960-61	Revised Estimates, 1961-62	Revised Estimates, 1962-63	Revised Estimates, 1963-64	Revised Estimates, 1964-65	Revised Estimates, 1965-66	Revised Estimates, 1966-67	Revised Estimates, 1967-68	Revised Estimates, 1968-69
Grants from Centre (Non-Development).	2.27	2.30	2.27	2.99	3.45	3.64	3.27	11.35	3.63
Grants from Centre (Development).	...	...	4.06	5.40	6.90	4.99	6.41	6.33	7.90
Foreign (Rupee) Grants* ...	.37	4.02	14.20	18.52	12.77	12.47	4.02	2.52	2.39
Foreign (non-Rupee) Grants..	...	...	1.42	2.01	2.36	1.96	2.43	2.61	1.73
Total** ...	2.64	6.32	21.95	28.92	25.48	23.06	16.13	22.81	15.65
Actuals ...	2.37	13.12	22.23	21.93	22.28	19.29	15.04	Awaited	...

*The figures shown against Foreign Grants do not include amounts transferred to Capital Accounts.
**As reflected in Budget documents.

Capital Receipts :

20. The term 'Capital Receipts' describes all financial resources which are utilized to meet expenditure of a capital nature. The main features of capital expenditure are that it must either involve construction or acquisition of a work or permanent asset of a material character in connection with a project of lasting public utility or meeting expenditure on irrigation, or be intended to repay public debts.

21. Strictly speaking there were no capital receipts in the Province, and even in the current year's Budget, there is no separate receipt head. However, according to the current accounting practice, borrowings of the Government (from the Central Government, from foreign agencies and those raised in the market) as well as recoveries of loans and advances by the Provincial Government are shown as capital receipts in the detailed statements of Receipts and Disbursements relating to the Provincial Consolidated Fund.

22. The expenditure of the capital account, however, includes deduct entries on account of "Receipts and Recoveries" under each capital head. These deductions of ex-

penditure are really receipts, though not shown as such on the receipts side of the budget, and fall under the following categories :—

(a) Grants from the Central Government for Capital Account.

(b) State Trading Profits.

(c) Disinvestment of Industrial undertakings.

(d) Investment by the Central Government.

(e) Miscellaneous Receipts.

23. The State Trading transactions are shown under a separate head of account on the expenditure side and the net result of the operations is taken as an item of capital receipts.

24. The progress of Provincial Capital Receipts since the beginning of the Second Plan period is indicated in the following table :—

TABLE VII
Capital Receipt
(In crores of rupees)

	Revised Esti- mates, 1960-61	Revised Esti- mates, 1961-62	Revised Esti- mates, 1962-63	Revised Esti- mates, 1963-64	Revised Esti- mates, 1964-65	Revised Esti- mates, 1965-66	Revised Esti- mates, 1966-67	Revised Esti- mates, 1967-68	Budget Esti- mates, 1968-69
Borrowings ..	32.61	38.58	80.21	1,00.72	96.17	60.19	88.12	99.06	1,29.02
Recoveries of Loans and Advances.	2.15	2.45	6.42	4.42	6.34	8.00	8.46	8.99	11.23
Sub-Total (I) ..	34.76	41.03	86.63	1,05.14	1,02.51	68.19	96.58	1,08.05	1,40.25
Grants from Central Govern- ment for Capital Account.	2.62	4.11	7.69	5.82	0.81	4.46	5.80	8.14	6.07
Investment by the Central Government.	..	..	6.58	5.45	6.20	4.30	6.84	..	..
Disinvestment	..	..	..	..	..	..	..	..	..
State Trading Profits (net) ..	-1.15	0.20	5.89	-3.27	3.11	-1.06	0.99 4.84	2.00 -38.46	2.50 1.43
Miscellaneous ..	1.41	1.29	16.29	16.04	19.16	15.98	11.50	10.46	11.19
Sub-Total (II) ..	2.88	5.60	36.45	24.04	29.28	23.68	29.97	-17.86	21.19
GRAND TOTAL ..	37.64	46.63	1,23.08	1,29.18	1,31.79	91.87	1,26.55	90.19	161.44

Note—The first two items are direct receipts, while the remaining five items appear as deduct entries under the Capital Heads of Expenditure. Sub-Total (I) for 1966-67, 1967-78 and 1968-69 when added to the Revenue Receipts and the Incomings under the Floating Debt, would give the total size of the Provincial Consolidated Fund for those years.

*Figures on account of Floating Debt have not been included as these make only temporary variations in the Provincial Account.

(a) Borrowings :

25. The existing and projected Public Debt Position of the Provincial Government is :—

(In crores of rupees)

	ACTUALS	REVISED ESTIMATE		NATIONAL FINANCE COMMISSION PROJECTIONS (ANNUAL ADDITIONS)	
	June 1967	June 1968	June 1969	1969	1970
		COMULATIVE			
Market Loan	66.16	66.34	66.34	6.50	6.51
Government of Pakistan Loans	3,50.44	3,95.68	4,72.55	1,22.20	1,42.50
Counterpart Loans	57.97	74.09	82.74		
Foreign Loans	1,17.82	1,54.84	1,82.08	64.50	71.10
Total	5,92.39	6,90.95	8,03.71	1,93.20	2,20.11

26. The borrowings of the Provincial Government have been discussed in detail in Chapter V.

(b) Loans and Advances :

27. This indicates recovery of Loans and Advances given by the Provincial Government. The break up is given below :

(Figures in crores)

	Revised Estimates		Budget Estimate
	1966-67	1967-68	1968-69
1. Water and Power Development Authority	2.58	4.38	5.44
2. Pakistan Western Railway	2.42	2.19	2.84
3. Road Transport Corporation	0.50	0.10	0.10
4. Thal Development Authority	...	0.50	0.91
5. Other Debtors	2.96	1.82	1.94
Total	8.46	8.99	11.23

28. *State Trading and Disinvestment*—This reflects the financial results of trading in food, sugar and coal, and the disinvestment of industrial undertakings.

Recovery of Arrears of Cotton Fee :

A little over Rs. five crore was due to the Provincial Government on account of Cotton Fee but the imposition of Cotton Fee was disputed and the case went up to the Supreme Court. The case has finally been decided in favour of the Government. A sum of Rs. 4.93 crore is still due to be recovered during the next financial year. Only a sum of Rs. 40.70 lac have been collected as Cotton Fee during the current financial year. In order to accelerate the recovery of arrears additional staff (comprising four Tehsildars, one EADA, four Agricultural Assistants and five peons) which was sanctioned in September, 1967 will continue and it is hoped that the recovery of Cotton Fee will be expedited. It is estimated that out of the pending arrear about Rs. 2 crore will be realised during the year 1968-69.

IV—NON-DEVELOPMENT EXPENDITURE

1. The expenditure incurred from the Provincial Consolidated Fund falls into two categories, *viz.*, the Revenue Account and the Capital Account. The development programme being undertaken under the Five Year Plans, however, makes it necessary to distinguish between developmental and non-developmental expenditure as well. This distinction has been made on the basis of Planning Commission's definition according to which "development expenditure"—

- (i) is designed to keep intact, to enlarge and to improve the physical resources of the country ;
- (ii) contributes to improvement in the knowledge skill and productivity of the people; and
- (iii) leads to more efficient use of available resources.

2. Expenditure which does not meet these criteria is non-developmental. Thus defined, non-development expenditure cuts across the traditional budgetary classification of "Revenue" and "Capital" accounts ; in fact it is provided in both of these accounts. All Revenue Expenditure is non-developmental with the exception of expenditure classified under head "63-B—Development" although a small amount of expenditure on Establishment under this head is non-developmental. Similarly all Capital Expenditure is developmental with the exception of expenditure on repayment of Loans under the head "Public Debt Discharge", "Payment of Commuted Value of Pensions", "Provincial Schemes of States Trading" and "Loans and Advances to Government Servants and to Agriculturists".

3. Non-Development expenditure in the Province can be classified in the following four categories :—

(In crores of rupees)

	Budget Estimate 1967-68		Budget Estimate 1968-69	
(i) Non-Developmental expenditure on Revenue account (excluding Debt servicing liability).		1,00.57		1,03.99
(ii) Debt Servicing—				
Interest	36.34	}	41.63	}
Repayment	12.77		16.58		58.21
(iii) Expenditure on State Trading and Commuted value of Pensions		1,40.46		1,09.05
(iv) Loans and Advances to Government Servants and to Agriculturists.		1.63		1.63
Total		2,91.77		2,72.88

The first category falls in the Revenue Account whereas the third and fourth categories fall in the capital Account. Within category two, that is debt servicing, payment of interest on loans falls in the Revenue Account whilst repayment of principal falls in the Capital Account.

Non-Development Expenditure on Revenue Account (Excluding Debt Servicing Liability).

4. This is the most significant category of expenditure in as much as the ability of the Government to restrict the quantum of this expenditure is a measure of its ability to control non-productive expenditure. However, the Budget Estimates, 1968-69 show only an increase of 3.5 per cent over the Budget Estimates, 1967-68 and in view of the fast rate at which Government activities have expanded, this increase is very small indeed.

5. A break-up of the expenditure under this category is given in the table below:—

(Rupees in crores)

	Budget Estimates 1967-68	Budget Estimate 1968-69
(a) Revenue Collecting Departments ..	7.20	7.51
(b) Civil Administration ..	26.81	27.06
(c) Beneficent Departments ..	58.15	60.85
(d) Miscellaneous Expenditure ..	8.41	8.57
Total ..	1,00.57	1,03.99

6. *Revenue Collecting Departments*—The variation between the two figures is negligible. The increase estimated in 1968-69 is the result of the normal increase in expenditure on account of annual increments, etc.

7. *Civil Administration*—The Budget Estimates, 1968-69 show an increase of Rs. 25 lakhs over the Budget Estimates, 1967-68. This increase mainly represents rise in expenditure on “General Administration” and “Provincial Border Forces”. Increase relating to the former is on account of the accrual of increments, etc. and the inclusion of items of new expenditure, fully explained in the budget document entitled “New Expenditure, (non-development)” for the year 1968-69. Increase relating to the latter is on account of rise in expenditure as a result of the proposed reorganization of West Pakistan Rangers during the next financial year. These increases have been partly off-set by small savings relating to other Departments on account of non-availability of suitable personnel for certain posts.

8. *Beneficent Departments*—The break-up of non-developmental expenditure on revenue account for the year 1968-69 shows an increase of about Rs. 3 crore. This is so because of the declared policy of the Government to extend various services in Education and Health as well as to provide sufficient administrative support for the far-reaching developmental programme being undertaken in the vital sectors of Agriculture, Industries and Irrigation. Apart from the general rise in normal expenditure the impact of the development programme implemented in the Province during the first and second Plan Periods and the transfer of certain completed schemes from developmental to non-developmental account have also contributed to this rise.

9. *Miscellaneous Expenditure*—The miscellaneous expenditure of the Government represents such items as relief measures, superannuation allowance and pensions, expenditure on printing and stationery, etc. The small variation in the two figures is negligible.

II—Debt Servicing Liability :

10. A detailed analysis of this item will be found in the Chapter on Public Debt.

Gradual increase is on account of the fresh borrowings made by the Government to finance the Development Programme.

III—State Trading :

11. State Trading operations of the Government involve mostly procurement and sale of food, though they also cover other commodities such as coal and cement. In view of the present satisfactory food situation in Pakistan, quantities of food to be imported are likely to be reduced considerably and will lead to a decrease in the expenses of these operations for the next financial year.

12. The other items of payment of commuted value of pensions is an exact calculation of Government's liability and no control can be exercised in the increase registered by this figure.

IV—Loans and Advances to Government Servants and to Agriculturists :

13. There is no variation in the two figures.

V—PUBLIC DEBT

1. The province has had to rely heavily on public borrowing for the purpose of financing its development programme. This has led to a steady increase in public debt.

2. The increase in Public Debt during the Second and the Third Plan Period is reflected in the table below:—

DEBT OUTSTANDING		(In crores of rupees)
As on—		
30th June, 1960	.. ..	2,25·74
30th June, 1961	.. ..	1,29·92
30th June, 1962	.. ..	1,65·69
30th June, 1963	.. ..	2,58·69
30th June, 1964	.. ..	3,39·56
30th June, 1965	.. ..	4,25·16
30th June, 1966	.. ..	4,81·17
30th June, 1967	.. ..	5,92·39
30th June, 1968	.. ..	6,90·95
30th June, 1969	.. ..	8,03·71

} Includes Loans to
Autonomous Bodies ex-
pected during 1967-68
and 1968-69.

It will be observed from the above table that except during 1960-61 (when there was a steep decline) the volume of public debt has been rising steadily. The sudden decrease in 1960-61 was the result of the Finance Commission's recommendations according to which the Central Government agreed to write down the outstanding rupee loans from the Central Government by 50 per cent.

Sources:

3. The three main sources from which the Province obtains loan are—

- (a) Central Government.
- (b) Open market.
- (c) Foreign lending agencies (Foreign loans are generally routed through the Central Government).

4. Details of the estimated Debt liability of the Provincial Government as on the 30th June, 1968 are given below:—

A—Loans from the Central Government :

	(In crores of rupees)
1. Consolidated Debt	64·41
2. Development Loans, 1961-62*	27·80
3. Loan for Agricultural Development Schemes 1961-62†	2·91
4. Development Loan, 1962-63*	43·03
5. Development Loan, 1963-64*	68·21
6. Development Loan, 1964-65*	53·98
7. Development Loan, 1965-66*	15·44
8. Development Loan, 1966-67*	26·32

*These are cash loans given by the Central Government for the execution of various approved development schemes (the practice of giving separate loans for schemes of Agriculture Sector was given up with effect from 1962-63).

†These are cash loans given by the Central Government for development schemes in the Agriculture Sector.

(In crores of rupees)

9. Loan for construction of Lahore Stadium	0·07
10. Loan on account of P.I.D.C. assets converted into Development Loan for Government of West Pakistan	37·60
11. Loan for P.I.D.C. Projects transferred to WAPDA*	6·28
12. Flood Relief Loan for Hyderabad Storms	0·45
Total (A)	3,46·50

B—Market Loans (per details given in para. 6)† 61·91

Total (B) 61·91

C—Rupees Loan from Foreign Agencies received through the Central Government—

1. U.S.AID Local Currency Loan A.I.D.-391-G-009	2·98
2. U.S.AID Local Currency Loan A.I.D.-391-G-026	6·81
3. U.S.AID Local Currency Loan A.I.D.-391-G-028	0·01
4. U.S.AID Local Currency Loan A.I.D.-391-G-040	3·72
5. U.S.AID Local Currency Loan A.I.D.-391-G-047	3·09
6. U.S.AID Local Currency Loan A.I.D.-391-G-065	20·11
7. U.S.AID Local Currency Loan A.I.D.-391-G-120	11·09
8. Foreign Rupee Loans in the form of machinery, etc.—	
(i) Received up to 1960-61	4·01
(ii) Received during 1962-63	0·94
9. German Counterpart Fund Loan 1964-65	0·20
10. German Counterpart Fund Loan 1965-66	2·63
11. German Counterpart Fund Loan 1966-67	2·00
Total (C)	57·59

Total Rupee Loan 4,66·00

*These are cash loans given by the Central Government for the execution of various approved development schemes (the practice of giving separate loans for schemes of Agriculture Sector was given up with effect from 1962-63).

†These loans are floated in consultation with the Central Government under the provisions of Article 140 of the Constitution of the Islamic Republic of Pakistan.

(In crores of rupees)

D—Foreign Exchange Loans to the Government of West Pakistan—**

1. IBRD-60-Pak for Railway	8.49
2. IBRD-180-Pak for Railway	10.02
3. IBRD-241-Pak for Railway	2.56
4. IBRD-320-Pak for Railway	8.27
5. IDA-57-Pak for Railway	5.39
6. IDA-22-Pak for W.P.-WAPDA-SCARP (Khairpur)	3.17
7. IDA-54-for C. & W. Department Construction of W. P. Highway	1.44
8. IDA-S.I.-Pak for C. & W. Department Lahore, Lyallpur, sheikhupura, Khushab Section of Pakistan National Highway	0.11
9. IDA-50-Pak for Education Department-Technical Education	1.32
10. IDA-30-Pak for Small Industries Corporation	0.20
11. U.S. AID Loan No. 45 for Railway	10.69
12. U.S.AID Loan No. 391-H-085 for Railway	1.34
13. U.S.AID Loan No. 391-H-070 for Railway	6.23
14. U.S. AID Loan No. 391-H-106 for Railway	2.26
15. U.S. AID Loan No. 391-H-055 for W. P. WAPDA-SCARP-2-A. (Chaj Doab)	3.82
16. U.S. AID Loan No. 391-H-069 for W. P. WAPDA-General Investigation and Consulting services	2.67
17. U.S. AID Loan No. 391-H-107 for W. P. WAPDA-General Investigation and Consulting Services	0.34
18. U.S. AID No. 391-H-072 for W. P. WAPDA, M.P.O.	2.20
19. U.S. AID No. 391-H-088 for W. P. WAPDA, M.P.O.	2.61
20. U. S. AID Loan No. 391-H-083 West Pakistan WAPDA N. G. Thermal Power Station, Lyallpur	6.20
21. U. S. AID Loan No. 391-H-090 for West Pakistan WAPDA-System additions, Renewals and Replacements	0.27
22. U. S. AID Loan No. 391-H-102 for West Pakistan WAPDA-Northern Zone Transmission Lines, Mangla Dam	0.46

**These loans do not include the following loans contracted direct by the Autonomous Bodies on the guarantee of the Central Government and which are to be serviced direct by them :—

1. D. L. F. Loan No. 79 for West Pakistan WAPDA-Secondary Transmission Grid	10.95
2. D. L. F. Loan No. 177 for West Pakistan WAPDA Quetta Thermal Power Station	2.51
3. German Export Credit for W.P.I.D.C.-Zeal Pak. Cement Factory 4th Kiln	0.06
4. German Credit for W.P.I.D.C.-Zeal Pak. Cement Factory-4 kiln	0.28
5. German Credit for W. P. I. D. C.-Expansion of Multan Fertilizer Factory	0.93
6. Italian Loan for West Pakistan WAPDA-Power Distribution-System Additions Renewals and Replacements	2.00
7. Italian Loan for West Pakistan WAPDA-Multan Lyallpur-2nd Circuit	0.38
8. Italian Loan for Agriculture Department-Development of Land and provision of Machinery for Augmenting Water Supplies in West Pakistan 440-Bu ldozers	2.13
9. Italian Loan for W.P.I.D.C.-Pak.-American Fertilizer Factory, Daudkhel	0.21
10. Italian Loan for W.P.I.D.C.-Pakistan Machine Tools Factory	0.13
11. Yugoslav Credit for West Pakistan WAPDA-SCARP-3 Lower Thal (Alipur) Unit-500 Tube-wells	0.65
12. Yugoslav Credit for West Pakistan WAPDA-SCARP-4 Upper Rechna-Muridke Unit 500 Tube wells	0.06
13. French Credit for W.P.I.D.C.-Expansion of Lyallpur Chemical and Fertilizer Factory	0.11
14. French Credit for W.P.I.D.C.-Pak. American Fertilizer Factory, Daudkhel (Expansion)	1.19

(In crores of rupees)

23.	U. S. AID Loan No. 391-H-084 Malaria Eradication	1.89
24.	U. S. AID. Loan No. 391-H-079 for Public Health Engineering Department for Expanded Consulting and Engineering Services for Urban Water Supplies	0.71
25.	U. S. AID Loan No. 391-H-060 for Land and Water Development Board-SCARP-I-Rechna Doab	0.15
26.	U. S. A. Eximbank Loan No. 1984-A—Railway	3.43
27.	D. L. F. Loan No. 20 for Railway	4.29
28.	D. L. F. Loan No. 105 for Railway	7.53
29.	D. L. F. Loan No. 186 for Railway	3.09
30.	D. L. F. Loan No. 25 for Land and Water Development Board SCARP-I.	7.24
31.	4th U. K. Credit for Railway	3.57
32.	9th U. K. Credit for Railway	0.01
33.	11th U. K. Credit for Railway	0.06
34.	13th U. K. Credit for Railway	1.62
35.	5th U. K. Credit for W.P.R.T.C.-Buses for West Pakistan	0.99
36.	6th U. K. Credit for West Pakistan WAPDA-Hyderabad Thermal Power Station (Extension)	1.10
37.	German Credit AL/51 for Railway	1.71
38.	German Credit No. AL/88 for Railway	2.73
39.	German Credit No. AL/137 for Railway	2.72
40.	German Credit No. F-25 for Railway	0.69
41.	German Credit No. AL/182 for West Pakistan WAPDA-SCARP-3-Lower Thal	0.40
42.	German Credit No. AL/170 for West Pakistan WAPDA-Multan-Lyallpur 2nd Circuit	0.46
43.	Japan's 5th Yen Credit for West Pakistan WAPDA-Mangla, Hydro-Extension (Unit IV)	0.17
44.	Japan's 4th Yen Credit for W.P.I.D.C. Development (equipment) for Dehgari Coal Mines	0.40
45.	Japan's 4th Yen Credit for W.P.I.D.C.-Pak-American Fertilizer Factory Daudkhel-1st Extension	0.69
46.	China's Credit for W.P.I.D.C.-Heavy Mechanical (Engineering) Complex	0.06
47.	Swiss Credit for W.P.I.D.C.-Pakistan Machine Tools Factory	0.62
	Total (D)	126.39
15.	French Credit for W.P.I.D.C. Pakistan Machine Tools Factory	0.88
16.	USSR. Loan Contract No. 61-64 USSR for West Pakistan A.D.C.-Purchase of Earth Moving Machinery for Ghulam Muhammad/Guddu Barrage and Soan Valley Land Improvement Project	4.67
17.	USSR Loan Contract No. 61/ADC-USSR West Pakistan A.D.C.-Purchase of Earth Moving Machinery for Soan Valley Land Improvement Project	0.75
18.	Italian Loan for Agriculture Department-Development of Land and Provision of Machinery for Augmenting Water Supplies in West Pakistan 260-Buldozers	2.19
19.	Belgium's Credit for W.P.I.D.C.-Pak-American Fertilizer Factory (Extension)	0.25
20.	Denmark's Credit for W.P.I.D.C.-White Cement Factory (Plant), Daudkhel	0.36
21.	Denmark's Credit for W.P.I.D.C.-Zeal Pak. Cement Factory 5th and 6th Kilns including Power House	3.17
22.	Sweden's Loan for W.P.I.D.C.-Zeal Pak. Cement Factory	0.07
	Total	33.93

E—Fresh Loans received or expected to be disbursed by the close of the year, 1967-68.

(In crores of rupees)

(a) Cash Development Loan from the Central Government	49·18
(b) Market Loan	4·43
(c) U. S. AID. Rupee Loan (from Counterpart Funds)	14·50
(d) Rupee Loan against German Counterpart Fund	2·00
(e) Foreign Exchange Loans	28·45
Total 'E'	98·56

F—Fresh Loans expected in the financial year, 1968-69—

(a) Cash Development Loan from the Central Government	83·48
(b) Market Loan	5·00
(c) U.S.-AID Loan (from Counterpart Funds)	7·04
(d) Rupee Loan against German Counterpart Fund	2·50
(e) Foreign Exchange Loans	30·40
Total 'F'	128·42

Total Public Debt by the Close of 1968-69 ... 819·37

*Less—Repayment during 1968-69 ... (—)15·66

Grand Total Public Debt by the close of 1968-69 (Net) ... 803·71

Consolidated Debt :

5. Consolidated Debt is the total of various Central Government rupee loans outstanding on 30th June 1961 as consolidated into one and written down by 50 per cent in terms of the President's Order No. 23 of 1962. According to the terms prescribed by the Central Government it is being repaid in equated instalments of interest and principal over a period of 25 years at the interest rate of 3·5 per cent per annum.

A break up of the figure of Rs. 64·41 (anticipated balance of the Debt on 30th June 1968) is given below :—

	Rs.
(1) Central Audit Area (Loans of former Panjab and Government of West Pakistan).	2,07,14,62,588·13
(2) Northern Area (former N.-W. F. P.)	5,88,17,066·29
(3) Southern Area (former Sind)	2,21,22,478·59
(4) Bahawalpur	4,46,16,546·50
(5) Baluchistan States Union	1,31,45,970·00
(6) Foreign Aid Loan 1959-60 (not included in item 1)	91,66,000·00
Total	2,21,93,30,649·51

*This excludes amounts provided in respect of (1) Land Compensation Bonds (Rs. 60 lac), which is the liability of the Land Commission and (2) purchase price (Rs. 32 lac) of the Cement Companies at Wah and Rohri as this liability is in the form of assets and not cash.

				Rs.
<i>Less</i> —Loans converted into grant	---	---	---	(—)17,68,33,280·00
<i>Less</i> —Expenditure on Irrigation Links	---	---	---	(—)28,52,13,713·00
<i>Less</i> —Prepartition Debt (suspended till financial settlement with India)	---	---	---	(—)12,35,52,263·79
<i>Less</i> —Foreign Loans	---	---	---	(—)12,45,91,045·19
		Total Deductions	---	(—)71,01,90,301·98
Net liability	---	---	---	1,50,91,40,347·53
Or say	---	---	---	1,50,91,40,348·00
Further adjustment made by Audit	---	---	---	1,40,50,000·00
		Revised Total liability	---	1,52,31,90,348·00
Half the amount to be treated as consolidated Debt	---	---	---	76,15,95,174·00
Half of arrears of interest for suspended period	---	---	---	4,26,86,466·00
		Total	---	80,42,81,640·00
Repayment during 1961-62 to 1967-68	---	---	---	16,01,96,813·00
Anticipated balance on 1st July 1968	---	---	---	64,40,84,827·00

Market Loans:

6. Market Loans of Rs. 61·91 crore represent the outstanding liability of floatations as on the 30th March 1968 (the latest figures supplied by the State Bank of Pakistan). They, however, also include small sums of balances not claimed by bond-holders in respect of the loans (since notified for discharge) floated during the period of 1933 to 1960. A break up of the figure of Rs. 61·91 crore is given below:—

(Rupees in crores)

Name of Loan	Date of issue	Date of maturity	Balance as on 30-3-68
Discharged Loans—			
Amount unclaimed against various Provincial Loans which matured for redemption between 1948 and 1967			99
Current Loans—			
1. 4% West Pakistan Loan 1968	1961	28-8-68	5·00
2. 4½% West Pakistan Loan 1969	1962	12-9-69	5·01
3. 4½% West Pakistan Loan 1970	1963	17-9-70	8·16
4. 4½% West Pakistan Loan 1971	1964	29-8-71	8·44
5. 5½% West Pakistan Loan 1972	1965	12-8-72	15·19
6. 5½% West Pakistan Loan 1973	1966	27-8-73	19·12
		Sub-Total	60·92
		Grand Total	61·91

Debt Servicing :

7. The Debt servicing liability places a two fold burden on the Provincial revenues on account of repayment of principal and payment of interest. The heavy repayments due in the current financial year and the next year are tabulated below:—

(Rupees in crores)

	Loan liability as expected on 30-6-69	1967-68		1968-69	
		Interest	Repayment	Interest	Repayment
Permanent Debt—					
1. Market Loans	66·34	3·21	4·43	3·27	5·00
*2. Associated Cement (Government of West Pakistan).	..	—0·04	·32	0·05	·32
**3. Land Compensation Bonds ..	..	·11	·50	·09	·60
Total I	66·34	3·28	5·25	3·41	5·92
II—Cash Loans from the Central Government					
1. Consolidated Debt	61·79	2·31	2·53	2·22	2·62
2. Development Loan 1961-62 ..	26·87	1·35	·88	1·30	·93
3. Loan for Agricultural Development Schemes 1961-62.	2·81	·14	·09	·14	·10
4. Development Loan 1962-63 ..	41·70	2·04	..	2·01	1·33
5. P. I. D. C. Development Loan ..	36·44	1·79	..	1·77	1·16
6. Development Loan, 1963-64 ..	68·21	3·24	..	3·24	—
7. Development Loan 1964-65 .. .	53·98	2·56	..	2·57	—
8. Development Loan 1965-66 ..	15·44	·81	..	·81	—
39. Development Loan 1966-67 ..	26·32	1·68	..	1·58	—
10. Development Loan 1967-68 ..	49·18	1·39	..	2·95	—
11. Loan for P.I.D.C. Projects transferred to WAPDA.	5·96	·24	·31	·23	·32
12. Suspended interest charges on the Consolidated Debt.	..	2·00	—	2·00	—
13. Hyderabad Storm Relief Loan ..	·30	0·02	·15	·02	·15

*This represents the purchase price of the Associated Cement Companies, Wah and Rohri, taken over by the Government of West Pakistan. According to the Agreement executed by the Provincial Government payment is to be made to the Associated Cement Company Ltd. Bombay.

**West Pakistan Land Commission issued bonds to the land owners, who surrendered land as a result of Land Reforms introduced by the Government. This is the liability of the Land Commission but payment is made through the Provincial account. The Commission credits in advance the Provincial account with an amount equal to the value of bonds ordered to be redeemed from time to time.

	Loan liability as expected on 30-6-69	1967-68		1968-69	
		Interest	Repayment	Interest	Repayment
II—Cash Loans from the Central Government					
<i>—concl'd.</i>					
	Rs.	Rs.	Rs.	Rs.	Rs.
14. Loan for Lahore Stadium	07	00	00	00	00
15. Development Loan 1968-69	83.48	..	..	2.30	..
Total II	472.55	19.57	3.96	23.14	6.61
III—Rupee Loans from Foreign Agencies					
<i>U. S. AID Local Currency Loans</i>					
1. AID-391-G-009	2.96	.10	.01	.09	.02
2. AID-391-G-026	6.77	.27	.03	.27	.04
3. AID-391-G-028	6.79	.28	.02	.27	.03
4. AID-391-G-040					
5. AID-391-G-047					
6. AID-391-G-065	19.42	.13	.31	.16	.70
7. AID-391-G-120	11.09	.08	..	.08	..
8. 1967-68 (Loan No. not known yet) ..	14.50	..	..	..	..
9. 1968-69 (Loan No. not known yet) ..	7.04	..	..	..	..
<i>Foreign Loans in Machinery, etc.—</i>					
1. (i) Received upto 1960-61	3.93	..	..	..	.08
2. (ii) Received during 1962-63 .. .. .	.91	..	..	.04	.03
<i>German Counterpart Fund—</i>					
1. Loan 1964-65 .. .. .	.20	.01	..	.01	..
2. Loan 1965-66	2.63	.14	..	.14	..
3. Loan 1966-67	2.00	.13	..	.12	..
4. Loan 1967-68	2.00	.06	..	.12	..
5. Loan 1968-69	2.50	..	..	.06	..
Total III	82.74	1.20	1.37	1.36	.90

	Loan liability as expected on 30-6-69	1967-68		1968-69	
		Interest	Repayment	Interest	Repayment
	Rs.	Rs.	Rs.	Rs.	Rs.
IV—Foreign Exchange Loans					
Foreign loans contracted by the Central Government and passed on to the Government of West Pakistan for Schemes of—					
1. Railways		2.68	2.24	2.93	2.94
2. WAPDA		.42		.42	
3. Small Industries Corporation		.02			
4. W. P. I. D. C.		.15	.08	.15	
5. W. P. R. T. C.			.08		
6. Government Departments of Education, Communication, and Works, etc.		.10		.10	
7. D. L. F. for SCARP-I		.10	.21	.10	.21
Total IV	182.08	3.47	2.61	3.70	3.15
V—Return payable to the Central Government on their investments in Pakistan Western Railway.		4.99		5.04	
VI—Interest on Unfunded Debt		1.51		1.51	
VII—Discount on Market Loans				.05	
VIII—Interest on Other Floating Loan		1.80		1.80	
IX—Management of Debt		.01		.01	
X—Interest on Other Obligations		1.46		1.58	
XI—Expenditure connected with issue of new Loans		.04		.03	
Grand Total Loans	803.71	37.33	12.19	41.63	16.58

8. Total debt servicing liability of the Government of West Pakistan is summarised as follows:—

	BUDGET ESTIMATES 1967-68		REVISED ESTIMATES 1967-68		BUDGET ESTIMATES 1968-69	
	Interest	Repay- ment	Interest	Repay- ment	Interest	Repay- ment.
I—Permanent Debt	Rs. 3.77	Rs. 5.65	Rs. 3.28	Rs. 5.25	Rs. 3.41	Rs. 5.92
II—Cash Loans from the Central Government	19.06	3.96	19.57	3.96	23.14	6.61
III—Rupee Loan from Foreign Agencies ..	1.36	.46	1.20	.37	1.36	.90
IV—Foreign Exchange Loans	3.48	2.70	3.47	2.61	3.70	3.15
V—Return payable to the Central Government	5.01	...	4.99	..	5.04	..
VI—Interest on Unfunded Debt ..	1.18	....	1.51	..	1.51	..
VII—Discount on Market Loans ..	.05	....	..	..	.05	..
VIII—Interest on Other Floating Loans ..	1.00	...	1.80	..	1.80	..
IX—Management of Debt .. .. .	.01	....	.01	..	.01	..
X—Expenditure connected with the issue of new Loans.	.03	..	.04	..	.03	..
XI—Interest on Other Obligations ..	1.39	...	1.46	..	1.58	..
Total ..	36.34	12.77	37.33	12.19	41.63	16.58

REVISED ESTIMATES, 1967-68

The excess of Rs. 99 lakhs is made up as follows:—

Interest :

(Rupee in lakha)

- (i) Decrease in interest and discount in respect of Permanent Loans due to—
 - (a) adjustment of funds lying unspent with the Associated Cement (Government of West Pakistan) as a result of reduction in the purchase price of Cement factories at Wah and Rohri and devaluation of Indian Currency.. .. . —14.00
 - (b) Reduction in interest charges on Land Commission Compensation Bonds as anticipated by the Commission in the light of the latest position of the interest earning bonds —5.00
- (ii) Saving in interest on West Pakistan Loan 1976 due to reduction in the amount of loan target from Rs. 15 crore to Rs. 4.43 crore 31.00

(iii) Saving in discount on West Pakistan Loan, 1976 due to its issue price having been fixed at Rs. 100.00 for Rs. 100	—5.00
(iv) Increase due to payment of more interest on the floating debt as a result of more advances (Ways and Means as well as other advances) having been taken from the Banks (State Bank of Pakistan and Commercial Banks)	+80.00
(v) Net increase in interest on Loans taken from the Central Government mainly on account of enhancement in the amount and rate of interest of development loan 1967-68 and releases thereof having been made by the Central Government on dates earlier than those originally anticipated	+33.00
(vi) Rise in interest on Unfunded Debt on account of estimated increase in the balances of the various funds	+34.00
(vii) Rise in interest on other obligations (Railways's Depreciation, Improvement and Reserve Funds) on the basis of expected increase in the balances thereof	+7.00
Total	99.00

Repayment—

- (i) There is a saving of Rs. 40 lakhs due to the reason that the Land Commission has, on reconsideration, decided to redeem the bonds of Rs. 50 lakhs instead of the original estimate of Rs. 90 lakhs.
- (ii) There is a saving of Rs. 18 lakhs in respect of the repayment of Foreign Loans as a result of fresh calculations made by the Railway and the E.A.D.

Budget Estimates 1968-69—Both repayment and interest have gone up. Increase in repayment in the Budget Estimates, 1968-69 is due to the gradual rise in the principal portion of equated instalments of various loans requiring repayments. Increase in interest charges represents additional liability in respect of fresh borrowings.

9. The 4 per cent West Pakistan Loans, 1967 matured in September, 1967 and was repaid by floating the conversion loan 5½ per cent West Pakistan Loan 1976 of an equal amount. This loan floatation of the Provincial Government was successful as it attracted a sizeable investment from the non-banking sector.

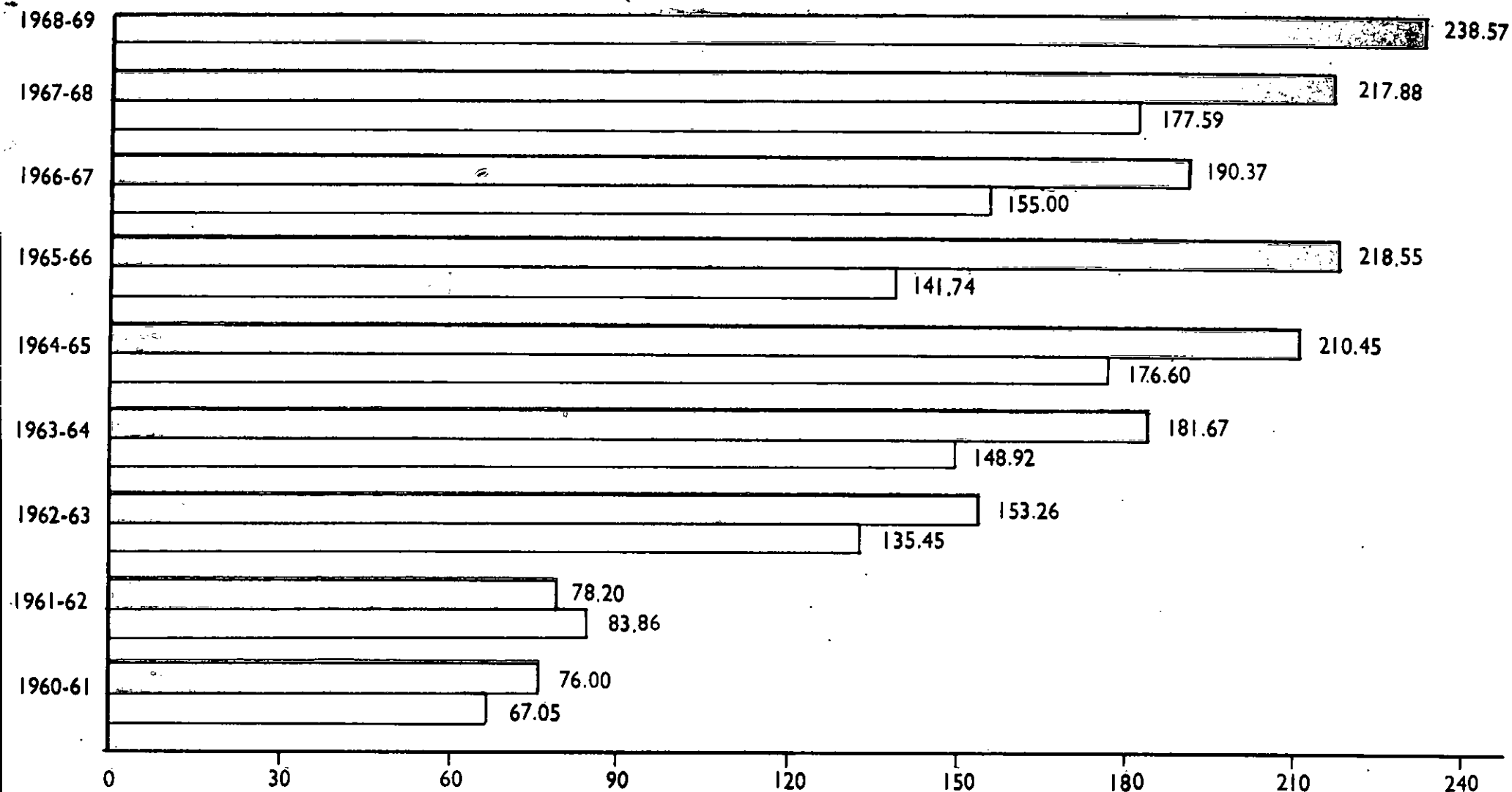
10. In addition to loans raised directly by the Provinces, the Government has also guaranteed several floatations of debentures by WAPDA as detailed below:—

(Rupees in crores)

Year	Amount	Period of redemption	Rate of interest	Purpose
1961-62 ...	4.00	8 years ...	1% above Bank rate minimum 5% per annum	Natural Gas Power Station Multan (Extension). WAPDA Colony. Quetta Thermal.
	.75			
	.25			
Total ...	5.00			
1962-63 ...	1.25	Ditto.	Ditto.	Natural Gas Power Station Multan (extension). WAPDA Colony. Quetta Thermal.
	0.25			
	0.50			
Total ...	2.00			
1963-64 ...	2.00	Ditto.	Ditto.	Natural Gas Power Station Multan (extension). Quetta Thermal. WAPDA House.
	1.00			
	0.75			
Total ...	3.75			
1965-66 ..	1.63	8 years ...	Ditto.	WAPDA House. WAPDA House. Natural Gas Power Station, Lyallpur.
	0.93	10 y ars ...	Ditto.	
	7.00	10 years ...	Ditto.	
Total ..	9.56			
Grand Total	20.31			

ANNUAL DEVELOPMENT PROGRAMME

IN CRORES OF RUPEES



Budget Estimate



Revised Estimate

VI—ANNUAL DEVELOPMENT PROGRAMME

A—Size of the Programme :

The size of the successive annual development programme of the Government of West Pakistan has increased rapidly as shown by the following figures :—

(In crores of rupees)

1960-61	...	76·00 Budget Estimate. 67·05 Revised Estimate.
1961-62	...	78·20 Budget Estimate. 83·86 Revised Estimate.
1962-63	...	1,53·26 Budget Estimate. 1,35·45 Revised Estimate.
1963-64	...	1,81·67 Budget Estimate. 1,48·92 Revised Estimate.
1964-65	...	2,10·45 Budget Estimate. 1,76·60 Revised Estimate.
1965-66	...	2,18·55 Budget Estimate. 1,41·74 Revised Estimate.
1966-67	...	1,90·37 Budget Estimate. 1,54·68 Revised Estimate.
1967-68	...	2,17·78 Budget Estimate. 1,77·57 Revised Estimate.
1968-69	...	2,38·57 Budget Estimate.

In nine years the size of the estimated programme has increased from Rs. 76 crores in 1960-61 to Rs. 2,38·57 crores in 1968-69; an increase of almost 205 per cent.

B—Financing of Development Programme, 1967-68 :

2. Originally estimated at Rs. 2,17·88 crores the Programme for 1967-68 is now anticipated to be of the order of Rs. 1,77·59 crores. The revised programme financing is as follows :—

Provincial Contribution	...	53·29
Central Assistance	...	82·47
Foreign Assistance	...	41·83

Total	--	1,77·59

3. The details of the resources for financing the revised programme are as below:—

(In crores of rupees)

I—Provincial Contribution :

53·29

(a) Revenue Surplus	—	38·90
(b) Railway Reserves	—	1·10
(c) Unfunded Debt (net)	—	2·27
(d) Other Deposits (net)	..	·43
(e) Other Capital Receipts (net)	..	5·71
(f) Sale of WPIDC Assets	..	2·00
(g) Self-financing by Autonomous Bodies	..	2·88

II—Central Assistance :

82·47

A—Loans

65·68

(i) Internal Cash Loans	..	49·18
(ii) Counterpart Funds	..	16·50
(a) US-AID	..	14·50
(b) German	..	2·00

B—Grants—

16·79

(i) Central Road Fund	..	6·28
(ii) Roads of National Importance	..	0·46
(iii) Subsidy on Fertilizers	..	5·00
(iv) Counterpart Funds	..	3·72
(a) Canadian	..	2·61
(b) Australian	..	0·53
(c) US-Aid	..	0·58
(v) Family Planning	..	1·30
(vi) Agricultural Development Estates	..	0·03

III—Foreign Assistance (Foreign Exchange) :

41·83

A—Loans

39·02

B—Grants

2·81

IV—Anticipated Shortfall in Central and Foreign Assistance :

Total

1,77·59

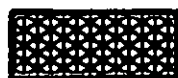
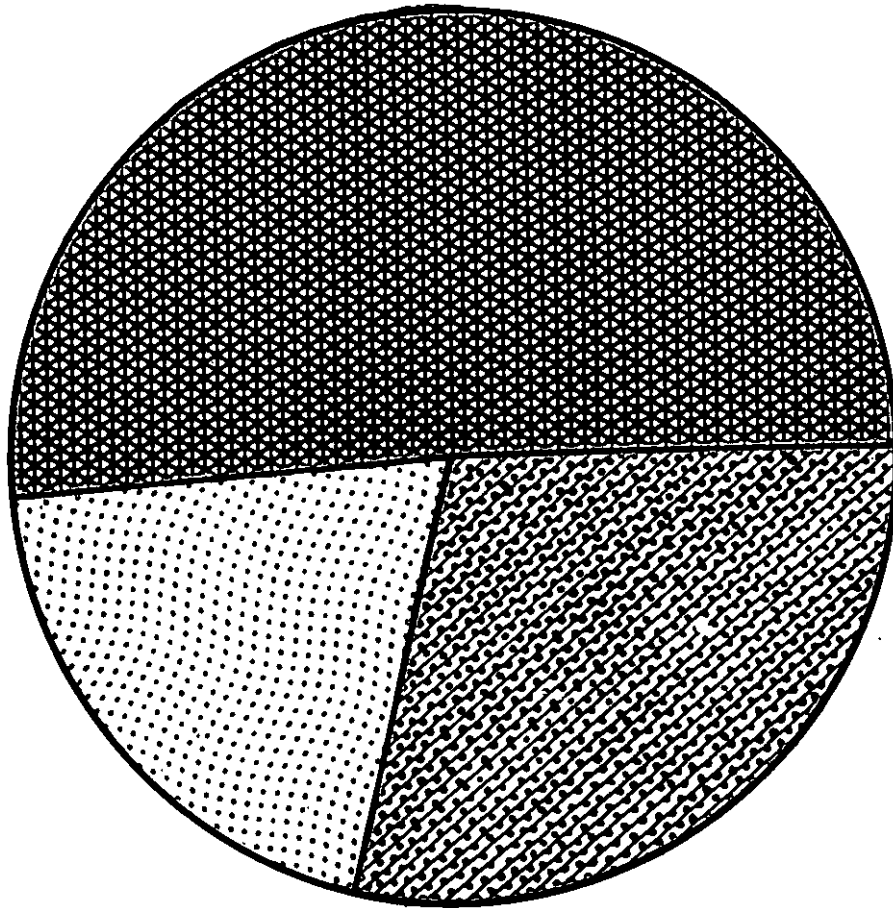
4. The mode of investment of Rs. 1,77·59 is as follows:—

A—Within the Provincial Budget—

1,43·16

(1) Revenue Account (63-B—Development)	..	33·84
(2) Capital Outlay	..	53·39

FINANCING OF ANNUAL DEVELOPMENT PROGRAMME 1968-69



CENTRAL ASSISTANCE

109.01



FOREIGN ASSISTANCE

42.59



PROVINCIAL CONTRIBUTION

60.97

IN CRORES OF RUPEES

TOTAL 212.57 Crores

(a) Salt Works	...		
(b) West Pakistan Railway	..	6.59	
(c) Construction of Irrigation Works	...	7.39	
(d) Improvement of Public Health	...	2.61	
(e) Schemes of Agricultural Improvement	...	1.70	
(f) Industrial Development	..	6.21	
(g) Town Development Schemes	...	1.44	
(h) Civil Works outside the Revenue Account	...	17.45	
(i) Works Programme	..	10.00	
(3) Loans and Advances (Development)	...		78.01
(a) WAPDA	...	52.03	
(b) A.D.C.	...	7.67	
(c) K.D.A.	...	0.72	
(e) Small Industrial Corporation	..	0.45	
(f) Co-operative Development Board	...		
(g) Railway	..	15.49	
(h) Milk Boards	..	0.12	
(i) Miscellaneous Development Loans	...	0.33	
(j) Improvement Trusts	..	1.20	
Deduct—Transfer to Railway Budget	...		22.08
(a) Capital Programme	...	6.59	
(b) Foreign Aids/Loans	...	15.49	
B—Within the Railway Budget—			28.98
(a) Capital Programme	...	16.71	
(b) Replacement Programme	...	12.27	
C—Outside the Budget—			
(i) Rupee Expenditure	...		2.88
(a) WAPDA	...	1.00	
(b) K.D.A.	...	0.50	
(c) WPIDC	...	1.38	
(ii) Foreign Loans obtained direct	...		2.57
(a) WPIDC	...	2.57	
(b) A.D.C.	...		
Total	...		1,77.59

C—Financing of Development Programme, 1968-69 :

5. The gross provision for 1968-69 development programme is Rs. 238.57 crores., an operational shortfall of Rs. 26 crores is, however, anticipated. The net programme is thus estimated at Rs. 212.57 crores. The pattern of financing of the net programme will be :—

		(In crores of rupees)
	Provincial Contribution	60.97
	Central Assistance	1,09.01
	Foreign Assistance	42.59
	Total	2,12.57

6. The breakdown of the sources of financing is given below :—

(In crores of rupees)

I—Provincial Contribution :

60·97

(1) Revenue Surplus		45·83
(2) Railway Reserves	—	4·22
(3) Unfunded Debt (net)	—	2·42
(4) Other Deposits (net)	—	0·97
(5) Other Capital Receipts (net)	—	2·08
(6) Sale of WPIDC Assets	—	2·50
(7) Self-financing by Autonomous bodies	—	2·95

II—Central Assistance :

1,09·07

A—Loans—

93·02

(i) Internal	—	83·48
(ii) Counterpart Funds	—	—
(a) U.S. Aid	7·04	—
(b) German	2·50	9·54

B—Grants

15·99

(i) Central Road Fund		5·05	11·70
(ii) Roads of National Importance		0·15	
(iii) Subsidy on Fertiliser Funds		6·50	
(iv) Counterpart Funds		2·89	
(a) Canadian	0·93		
(b) Australian	1·00		
(c) U.S.A.	0·96	1·30	
(v) Family Planning, Malaria Eradication, etc.	—	1·30	
(vi) Works Programme	—	—	
(vii) Agricultural Development Estates		0·10	

III—Foreign Assistance (Foreign Exchange) :

42·59

A—Loans

40·49

B—Grants

2·10

Total

2,12·57

7. Foreign disbursements have been estimated as follows :—

(In crores of rupees)			
	<i>Budget Estimate</i>	<i>Revised Estimate</i>	<i>Budget Estimate</i>
	1967-68	1967-68	1968-69
Signed Loan—			
(a) Central Government Loans	29.95	27.62	
(b) Guaranteed Loans	9.74	10.83	
Sub-Total	39.69	28.45	30.40
Loans under Negotiation—			
(a) Central Government Loans	8.79	10.52	
(b) Guaranteed Loans	4.31	0.05	
Sub-Total	13.10	10.57	10.09
Grants	1.98	2.81	2.10
Grand Total	54.77	41.83	42.59

8. The outlay proposed in the programme is :—

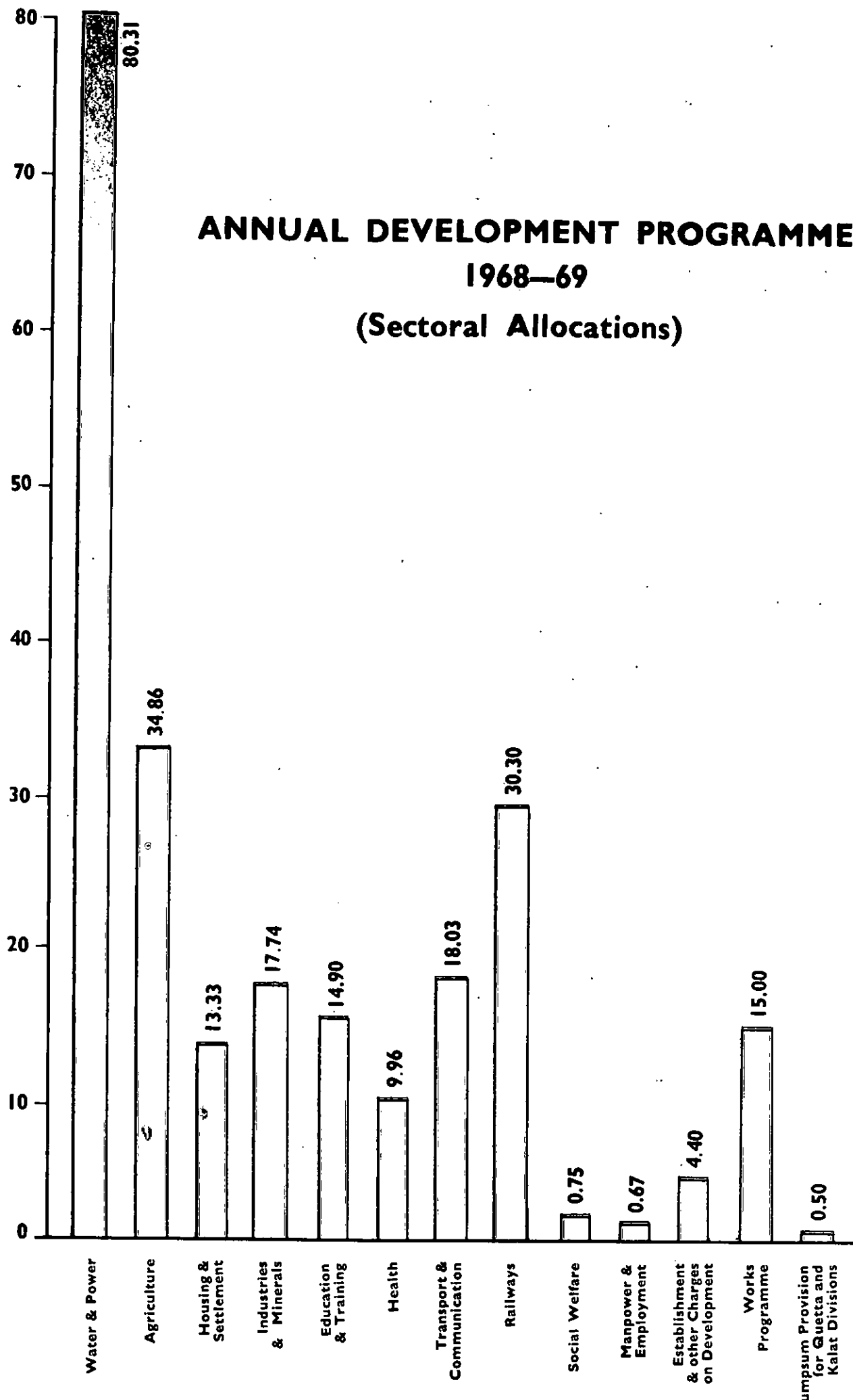
A—Within the Provincial Budget :

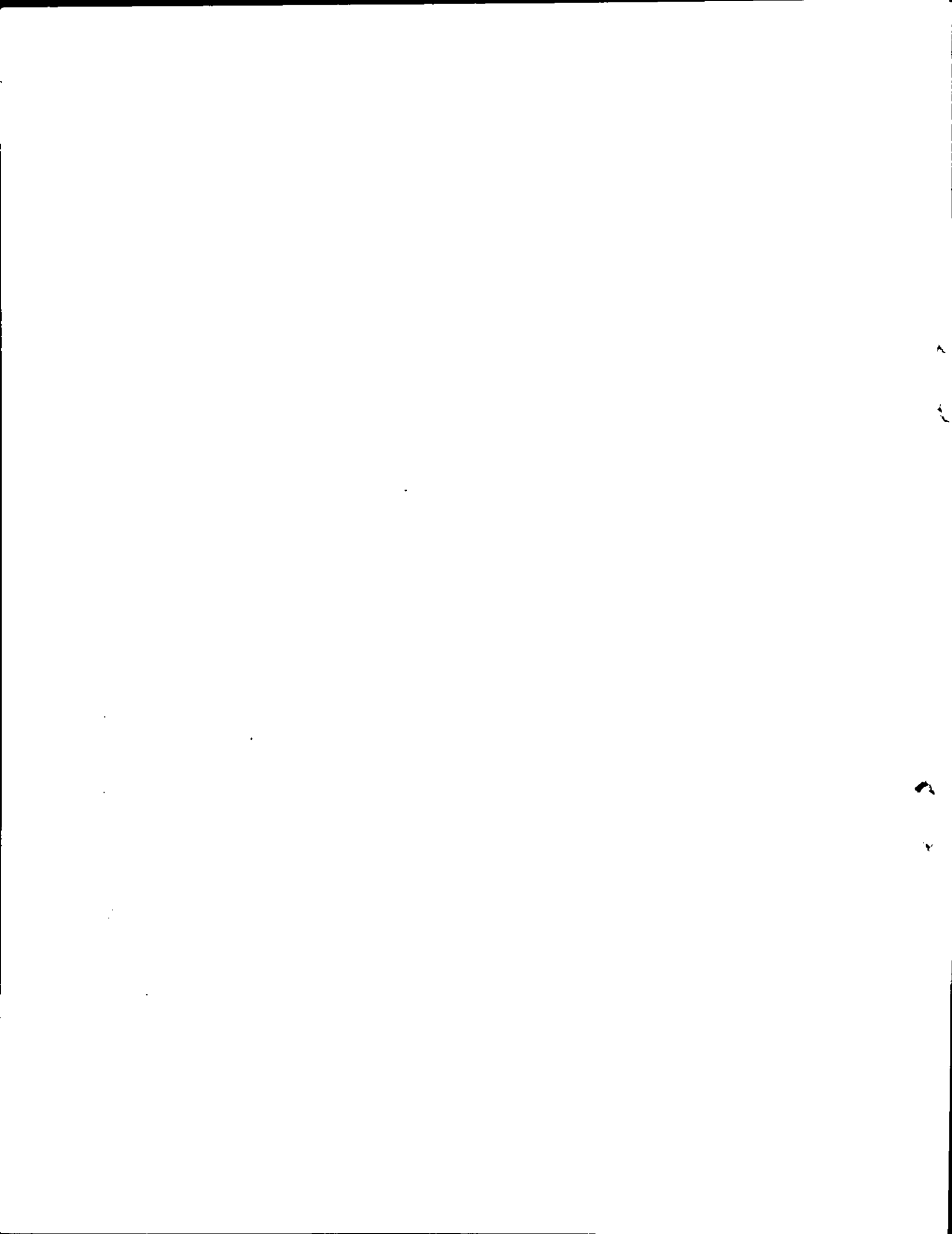
(1) Revenue Account (63-B—Development)	—	42.47	2.04.08
(2) Capital Outlay	—	96.48	
(a) West Pakistan Railway	—	11.68	
(b) Construction of Irrigation works	—	12.00	
(c) Improvement of Public Health	—	3.87	
(d) Schemes of Agricultural Improvement	—	3.49	
(e) Industrial Development Schemes	—	14.28	
(f) Town Development Schemes	—	1.47	
(g) Civil Works outside the revenue account	—	34.18	
(h) Works Programme	—	15.00	
(i) Salt Works	—	0.50	
(3) Lumpsum provision	—	0.01	
(4) Loans and Advances (Development)	—	90.27	
(a) WAPDA	—	61.43	
(b) A.D.C.	—	10.30	
(c) K.D.A.	—	1.75	
(d) Small Industries Corporation	—	0.32	
(e) Improvement Trusts	—	2.60	
(f) Railway	—	13.46	
(g) Milk Boards	—	0.09	
(h) Co-operative Development Boards	—	0.03	
(i) Miscellaneous Development Loans	—	0.29	

Deduct—Transfer to Railway Budget.—

(a) Capital Programme	...	11·68	25·14
(b) Foreign Aids/Loans	...	13·46	
B—Within the Railways Budget—			30·30
(a) Capital Programme	...	20·25	
(b) Replacement Programme	...	10·05	
C—Outside the Budget—			
(i) Rupees Expenditure			2·95
(a) WAPDA	...	2·00	
(b) K.D.A.	...	0·50	
(c) WPIDC	...	0·45	
(ii) Foreign Loans obtained direct			1·23
WPIDC		1·23	
Rounding			..
Gross Total			2,38·56
Minus Shortfall			(—) 26·00
		Net	<u>2,12·56</u>

ANNUAL DEVELOPMENT PROGRAMME 1968-69 (Sectoral Allocations)





D—DETAILS OF DEVELOPMENT EXPENDITURE

WATER AND POWER

Water :

This sector consumes the largest single share of development expenditure. A gross provision of Rs. 46·51 crores has been made in the Annual Development Programme for the year 1968-69.

The programme in this field is aimed at (a) provision of better and additional irrigation facilities (b) drainage and reclamation of lands affected by salinity and water-logging and (c) protection of lands and property through flood control schemes.

Irrigation and Power Department, Land and Water Development Board, West Pakistan Agricultural Development Corporation and Water and Power Development Authority are the main executing agencies of the development programme in this sector.

Irrigation and Power Department—The gross provision for the schemes to be executed during the year 1968-69 is Rs. 10,20·26 lacs of which the major ones are reviewed below:—

- (i) *Multi purpose Development and Irrigation Projects (Rs. 3,37·29 lacs)*—A provision of Rs. 200 lacs has been made for raising of Chashma Barrage under the replacement plan. The raising of the aforesaid barrage is expected to provide storage of over half a million acre feet of water for use in the critical Kharif maturing and Rabi sowing period. A provision of Rs. 64·67 lacs, Rs. 20 lacs and 13·33 lacs has been made in the Annual Development Programme, 1968-69 for Taunsa Barrage, Bakhat Extension Scheme (Thal Project) and Warsak High Level Canal respectively.
- (ii) *Survey and Investigation (Rs. 36·02 lacs)*—Important surveys in Quetta, Kalat, Khairpur and Hyderabad Divisions will continue for initiating technically sound schemes. Apart from the above a provision of Rs. 7 lacs has been made for phase II of the Scheme Reorganisation of Irrigation Research Institute.
- (iii) *Tubewells and Small Irrigation Scheme (Rs. 2,66·46 lacs)*—According to the Implementation Plan of food self sufficiency programme, the Irrigation and Power Department is required to instal 887 tubewells during the year, 1968-69 besides initiating and completing a substantially large number of small irrigation schemes.
- (iv) *Drainage Reclamation and Tubewells (Rs. 97·75 lacs)*—Work on the following major schemes will continue:—

	(Rupees in lacs)
Rasul Tubewells (Anti-Water-logging and Irrigation)	7·09
Satiana-Samundri Drainage system	10·00
Pandoki Drainage system	7·00
Hudiara Drain	7·00
Rechna outfall Drainage system	8·00
Shukhrawa Drainage system	8·00

An allocation of Rs. 10 lacs has also been made in the A. D. P. 1968-69 for Chakbandi Drainage system which is a new scheme.

Besides the above a large number of small drainage schemes will be completed/initiated during the course of the next financial year.

(v) *Flood Regulation works (Rs. 64.22 lacs)*—Substantially large number of flood protection and river training works will be completed/initiated, of which the important ones are listed below:—

	(Rupees in lacs)
Training of Kabul River at Khashki Lift Irrigation Scheme	4.40
Training of Indus River Upstream D.I. Khan City ..	15.61
Flood Regulation Works in Quetta Circle ..	5.10
Flood Protection Works of Fortsandeman ..	3.10

(vi) *Open Canals (Rs. 2,18.52 lacs)*—A large number of works are proposed to be undertaken to achieve maximum efficiency in maintaining the existing canal system and to extend irrigation facilities wherever possible.

Land and Water Development Board (Rs. 16.76 lacs)—The Board is incharge of SCARP-I and SCARP- Khairpur. Apart from effectively controlling the menace of water-logging and salinity in Chaj Doab and Khairpur areas, the projects launched by the Board have brought under irrigation an additional area of 57,06,688 acre feet.

WATER AND POWER DEVELOPMENT AUTHORITY

A—Water Programme :

For the Water Projects of the Authority, a provision of Rs. 29·77 crores has been made in the Annual Development Programme, 1968-69. The break up of this provision is as indicated below:—

	(Rupees in lacs)
(1) Multi-purpose Development Projects ..	4,20·14
(2) Survey and Investigation Projects ..	2,14·32
(3) Drainage, Reclamation and Tubewells ..	23,03·00
(4) Tube-well and Small Irrigation Projects ..	40·00
Total ..	29,77·46

A brief review of the important water projects undertaken by WAPDA is given below:—

Multipurpose Development Projects—Eight schemes estimated to cost Rs. 1,11·63 crores were taken up for execution out of which following four were completed at a cost of Rs. 38·68 crores including expenditure on Guddu Barrage.

- (1) Chablat Kas Lift Irrigation Scheme was completed in 1963. This Scheme provides irrigation water to an area of 1490 acres of land in Campbel.pur District and has raised the cropping intensity to 160 per cent.
- (2) Rawal Dam was completed in 1962 and the Filtration Plant was set up in 1964. The Rawal Dam serves the dual purpose of supplying drinking water and water for irrigation. From the Filtration Plant alone some 14 million gallons of drinking water per day is supplied to Rawalpindi Town and Islamabad. An additional two to three million gallons of drinking water per day is available from the old sand beds. Rawal Dam also has the capacity for irrigating 12,000 crop-acres at an intensity of 150 per cent.
- (3) Guddu Barrage Project was completed and transferred to the West Pakistan Agricultural Development Corporation and Provincial Irrigation Department in October, 1964. On full development, it will increase the irrigated area from about 1 million acres to about 2·5 million acres and raise the food production by more than 5,00,000 tons adding nearly Rs. 20·00 crores to the country's Gross National Product at current prices.
- (4) Pilot Wind Mill Project was completed during the year 1966-67 at a cost of Rs. 2·16 lacs. Under this project six Pilot Wind Mills have been installed along the Makran Coast and in Lower Sind areas. These mills have been found to be very useful for supplying drinking water through lift irrigation to the local population and their live-stocks. In small areas Irrigation is also being attempted.

Tanda Dam was completed during 1967-68 and was inaugurated by the President of Pakistan in October, 1967. With the additional water made available, it is expected to irrigate 32,000 acres at an intensity of 150 per cent thus increasing the total value of agricultural production to the tune of Rs. 29·25 million.

A provision of Rs. 4,20.14 lacs has been made in the Budget of 1968-69 to continue work on Karachi Irrigation Project where work on the left bank has been completed. Work will remain in progress on the right bank as well as on the construction of the spillway during 1968-69.

Initial work on the spill way of Khanpur Dam has been started and major portion of it will be completed during 1968-69. Work on the saddle embankment and tunnel has also been started and will be completed during 1968-69. Foundation work on the main Dam will also commence during 1968-69.

Work on other Projects like Gomal Zam Dam is also in progress. Engineering studies in respect of Mangi Dam in Quetta have been undertaken.

Survey and Investigation Projects:

An important feature of WAPDA's Development Programme is the continuing programme of Investigations relating to collection and analysis of basic data and planning for future development both in the fields of Water and Power. Three main documents namely:—

- (i) Master Plan for the control of water-logging and salinity in the irrigated areas of West Pakistan (May, 1961).
- (ii) "An Appraisal of the Resources and Potential Development (September, 1963)" and
- (iii) "Master Plan Initial Phase Programme for Water and Power in West Pakistan through 1975 (January 1964)".

have already been completed and work on many studies and feasibility reports on different projects has also been undertaken.

With the formulation of Master Plan there has been greater emphasis on formulation of Regional Plans. Consequently, two Regional Plans for an integrated and comprehensive development of the Lower Indus Project and of the Northern Region covering irrigated areas of the former Punjab and Bahawalpur were prepared. Alongwith it studies for the comprehensive development of Water and Power resources in West Pakistan also continued.

As regards Reclamation Programme, a Regional Planning Report for the Southern Zone was also prepared in March, 1966 and a similar report for the Northern Zone remained under preparation. A report captioned "Tubewells Designs Criteria for Northern Zone of West Pakistan" and the Project Report on SCARP No. 5 (Lower Rechna) were prepared whereas the Project Report of SCARP No. 6 (Bahawalpur Region) was taken up for investigation. Investigations for ground water development, soil and land classification in the irrigation areas of West Pakistan and surface Water Studies work were continued. A report "Indus Basin Irrigation and Power System—A Guide to the Computer Programme" was prepared.

Progressive expenditure upto 30th June, 1967 was Rs. 23,29.77 lakhs. Expenditure during the remaining three years of the current Plan would be Rs. 1,99.00 lacs.

The original scheme for General Investigations was approved at a cost of Rs. 18.60 crores with the stipulation that Rs. 10.00 crores would be spent during the 2nd Plan Period. However, the actual expenditure in the 2nd Plan exceeded the target by Rs. 7.72 crores and a revised scheme has been prepared at an estimated cost of Rs. 30.17 crores.

A provision of Rs. 2.00 crores has been made in the Budget for 1968-69 for General Investigations. It is also proposed to set up a new Computer Centre during 1968-69.

Drainage, Reclamation and Tubewells:

At the close of the last decade culturable land was being severely affected by salinity and the rate at which land was going out of cultivation was estimated at 100,000 acres per annum. On the basis of appraisal of the Soils and Salinity Surveys which are being conducted in the Upper Indus Plains it is estimated that out of 21.47 million acres of the gross canal commanded area in the former Province of Punjab and Bahawalpur 10.70 million acres (50 per cent of the area) is affected by salinity. Of the affected area 25 per cent is slightly saline, 15 per cent is moderately saline and 10 per cent is severely saline. In the lower Indus Plains, comprising commands of Guddu, Sukkur and G. M. Barrages, out of 14.9 million acres 58.8 per cent is moderately saline and 32.2 per cent is severely saline.

Reclamation Operations by WAPDA were initiated in early 1959 when the first large scale Salinity Control and Reclamation Project No. 1 (SCARP-I) was launched in Central Rechna Doab.

During the 2nd Plan Period WAPDA prepared a programme of Water-logging and Salinity Control for West Pakistan and carried out extensive investigation for the planning of Reclamation Projects. Under the programme of Water-logging and Salinity Control, WAPDA has so far taken up the following six major Salinity Control and Reclamation Projects which, on completion, would benefit an area of 69.7 lac acres at an estimated cost of Rs. 1,33.08 crores.

- (1) SCARP-1 (Central Rechna Doab-12 lac acres).
- (2) SCARP-2 (Chaj Doab-22.7 lac acres).
- (3) SCARP-3 (Lower Thal-13 lac acres).
- (4) SCARP-4 (Upper Rechna-13 lac acres).
- (5) SCARP-Khairpur (3.2 lac acres).
- (6) SCARP-Larkana Shikarpur (5.8 lac acres).

SCARP- No. 1 covering an area of 1.2 million acres was completed in 1962 and has been in successful operation for more than five years. It has produced highly encouraging results. Water-logging has been greatly reduced and 66 per cent of the affected land has been reclaimed. In Northern Zone three projects are under implementation. In Southern Zone two projects involving construction of tubewells and excavation of drains were started by WAPDA. These two projects together cover an area of 900,000 acres. In these projects 568 tubewells have been constructed upto June 1967. 165 tubewells have been equipped with pumping units and some 390 miles of drainage channels have been excavated.

For the Third Plan Period the allocation for the SCARP programme of the WAPDA has been revised. Within the revised Third Plan allocation of Rs. 1,13.9 crores five on-going projects will be carried forward and implementation of four additional projects will be taken up. 9000 tubewells will be installed in addition to drains. Out of these 7855 tubewells will be energized. It is expected that 1478 tubewells will be completed by the end of 1967-68 and construction of 3998 tubewells is planned for the year 1968-69 and 1969-70. The culturable commanded area covered by these tubewells will be 50 lac acres during Third Plan Period.

The Reclamation Programme for 1968-69 will be as under :—

	(Rupees. in lacs)
(1) SCARP No. 2 (Chaj Doab)	.. 6,00·00
(2) SCARP No. 3 (Lower Thal)	.. 6,23·00
(3) SCARP No. 4 (Upper Rechna)	.. 3,30·00
(4) SCARP (Khairpur)	.. 2,11·87
(5) SCARP (Rohri North)	.. 4,00·09
(6) SCARP (Larkana-Shikarpur)	.. 25·00
(7) SCARP (Bahawalpur)	.. 1,13·04
Total	<u>.. 23,03·00</u>

Targets for Reclamation Projects for 1968-69 are as below :—

- (1) *Chaj Doab*—Drilling work will be carried out on 300 tubewells.
- (2) *Lower Thal*—572 tubewells will be completed and 873 tubewells will be energized.
- (3) *Upper Rechna*—626 tubewells will be completed and 211 will be electrified.
- (4) *SCARP-Bahawalpur*—100 tubewells will be completed.
- (5) *SCARP-Khairpur Area*—377 tubewells will be electrified.
- (6) *SCARP-Rohri North*—300 tubewells will be completed and electrification will be taken up subsequently.

B. Power Programme:

West Pakistan WAPDA has maintained its pace of developing the power potential of the Province. It has made considerable progress in the fields of generation, transmission and distribution of power during the year, 1967-68. In the development programme of 1968-69 an amount of Rs. 33·80 crores has been earmarked for power transmission and distribution. The break up of this figure is indicated below :—

	(Rupees in lacs)
(1) Power Generation	.. 11,25·40
(2) Power Transmission	.. 6,59·18
(3) Power Distribution	.. 15,85·58
(4) Miscellaneous	.. 9·84
Total	<u>.. 33,80·00</u>

(a) Power Development :

In the Power Development Sector, West Pakistan WAPDA made considerable progress in the fields of Generation, Transmission and Distribution of Power during the year, 1967-68.

(b) Power Generation :

When WAPDA took over Electricity Department on 1st April 1959, the total installed capacity in West Pakistan (excluding Karachi), was 119,000 K.W. By the end of Second Plan, i.e., June, 1965 the installed capacity of the West Pakistan WAPDA Power Supply System increased to 642,000 K.W. This installed capacity was further increased by 8,000 K.W. with the installation of a Thermal Set in Hyderabad Thermal Station in December, 1965 and by the end of December, 1966, the installed capacity rose to 676,200 K.W. on the commissioning of two gas turbines at Shahdara.

With the commissioning of Sukkur Thermal Extension (25,000 K.W.) in April 1967 and one Gas Turbine at Kotri (12,250 K.W.) in June, 1967 and the simultaneous commencing of the 15,000 K.W. Set of Hyderabad Extension at half of its rated capacity, the total installed capacity of the system increased from 676,200 K.W. to 705,000 K.W. by the end of fiscal year 1966-67. In the fiscal year, 1967-68 Unit No. 1 and 2 of 100,000 K.W. each were commissioned at Mangla and two units of 66,000 K.W. each were commissioned at the Natural Gas Power Station, Lyallpur thereby raising the installed capacity of the system by 332,000 K.W. The generation capacity of the system has been expanded further by 100,000 K.W. with the commissioning of Mangla Unit No. 3 in March, 1968 and thus an aggregate capacity of 4,32,000 K.W. has been added during the current fiscal year. The total installed capacity at the close of the financial year, 1967-68 will thus be of the order of 1,137,000 K.W. From a total installed capacity of 119,000 K.W. in 1959 the installed capacity has been raised to 1,137,000 K.W. in 1967-68. Thus during less than a decade the installed capacity in West Pakistan has increased by more than 1,000% giving an average increase of more than 100% per annum.

Generation :

During 1968-69 the total installed capacity will further rise to 1,334,500 K.W. on the commissioning of four Gas Turbines of 15,000 K.W. each at Shahdara, on the full commissioning of 15,000 K.W. Unit at Hyderabad in December, 1969 and on commissioning of two Kotri Gas Turbines of 15,000 K.W. each together with the 4th Unit of 1,00,000 K.W. at Mangla in March, 1969.

Transmission :

Present WAPDA Transmission System will further be strengthened with the installation of 218 miles of double circuit 220 K.V. lines from Mangla to Kala Shah Kaku and Kot Lakhpat which are under construction at present and expected to be energized by June 1969. This line is being financed by the U. S. AID to the extent of 8.2 million dollars. U. S. AID has further agreed to finance double circuit 220 K.V. line from Kala Shah Kaku to Lyallpur and an agreement to this effect has recently been signed.

Distribution :

In the Distribution System augmentation and extension of the high voltage and low voltage lines were made during the year, 1966-67, enabling to connect a total number of 88,625 consumers on the system, comprising of 78,750 general, 4,487 industrial 5,287 agricultural tubewells and 93 others. It is estimated that during the current fiscal year an increase of 115,000 new connections will be made on the system which will include 5,000 agricultural tubewells, 4,500 industrial connections and two hundred new villages are likely to be electrified during the fiscal year, 1967-68. It is also anticipated that a total number of 126,776 new consumers are likely to be connected on the system during the fiscal year, 1968-69. These include 6,000 industrial connections and about 8,000 agricultural tube-wells and about 200 new villages.

Miscellaneous :

A provision of Rs. 9.84 lacs has been made in the Annual Development Programme of 1968-69 for Research and Test Laboratory of WAPDA.

Electricity Revenues :

Revenue receipts for 1967-68 are estimated at Rs. 33 crores and are expected to rise to Rs. 36 crores in 1968-69.

General :

The following table shows the over all progress made by WAPDA in the field of generation and distribution of power :—

	Prog- ressive upto 30th June, 1960	Prog- ressive upto June 1965	Prog- ressive upto June 1966.	Prog- ressive upto June, 1967	Proposed increase during 1967-68	Proposed increase during 1968-69
Total installed capacity of Power Generation in M.W.	426	642	650	705	432	197
Total number of villages electrified	882	1,796	2,052	2,155	200	200
Number of Consumers connected :—						
(a) General and Commercial	294,627	636,979	737,441	816,199	105,055	112,160
(b) Industrial	13,191	33,569	41,317	45,804	4,496	6,000
(c) Agricultural	3,290	16,712	21,914	27,201	5,000	8,000
(d) Others	478	606	803	896	449	616
Total Number of Consumers connected	311,586	687,866	801,475	890,100	115,000	126,776

AGRICULTURE

The allocation for the Agriculture Sector under the Revised Third Five Year Plan stands at Rs. 16,22 millions (Rs. 1,62 crores). This reflects an increase of approximately 39·6 per cent as compared to the Second Plan allocation of Rs. 1,16 crores. The total allocation of the Developmental Programme for the first three years of Plan Period (i.e. for 1965-66, 1966-67 and 1967-68) stood at Rs. 93·03 crores. The gross size of the Developmental Programme for 1968-69 is of the order of about Rs. 34·86 crores.

A provision of Rs. 47·24 crores for developmental and non-developmental expenditure has been made for the Agriculture Sector for the year, 1968-69 as against the current year's Revised Estimates of Rs. 34·52 crore.

The Agriculture Sector covers activities in the field of Agriculture proper, Animal Husbandry, Colonization and Land Reforms, Co-operation, Fisheries, Food Storage and Forests.

The table below gives the break up of the Revised Estimates for 1967-68 and Budget Estimates, 1968-69 on account of developmental as well as non-developmental expenditure for various sub-sectors :—

(Figures in crores of rupees)

Sub-Sector	Revised Estimates, 1967-68	Budget Estimates, 1968-69
Developmental :		
1. Agriculture	17·78	25·77
2. Animal Husbandry	0·73	1·25
3. Colonization and Land Reforms	2·16	3·58
4. Co-operation	0·45	0·71
5. Fisheries	0·20	0·62
6. Food Storage	0·52	1·35
7. Forests	1·16	1·58
Total	23·00	34·86

Sub-Sector	Revised Estimates 1967-68	Budget Estimates 1968-69
(Figures in crores of rupees)		
Non-Developmental :		
1. Agriculture	5.77	6.16
2. Animal Husbandry	1.53	1.73
3. Colonization and Land Reforms	0.34	0.35
4. Co-operation	0.73	0.74
5. Fisheries	0.11	0.12
6. Forests	3.04	3.28
Total	11.52	12.38
Grand Total	34.52	47.24

Activities under various sub-sectors of the Agriculture Sector are described briefly in the following paragraphs.

Agriculture Proper :

The Revised Estimates for the year, 1967-68 and the Budget Estimates for the year, 1968-69, both on the developmental and non-developmental sides are tabled below :—

Activities	Revised Estimates 1967-68	Budget Estimates 1968-69
(Figures in crores of rupees)		
Developmental :		
1. A D. C. and Allied Programme	10.63	15.06
2. Manure and Fertilizers .. .. .	.. .. .	0.02
3. Plant Protection	3.03	4.02
4. Seed Multiplication and Distribution	0.12	0.22
5. Mechanization	2.52	3.39
6. Soil Conservation	0.53	1.42
7. Statistics	0.02	0.06

Activities	Revised Estimates, 1967-68	Budget Estimates, 1968-69
(Figures in crores of rupees)		
8. Agricultural Marketing	0.01	0.05
9. Agricultural Extension	0.15	0.60
10. Agricultural Research	0.31	0.53
11. Agricultural Education	0.46	0.90
12. Under-developed Areas .. .. .	..	..
13. Tools and Plants .. .. .	..	..
<i>Deduct—Receipts</i> .. .. .	..	—0.50
Total	17.78	25.77
Non-Developmental :		
1. Direction	0.09	0.10
2. Superintendence	0.11	0.12
3. Subordinate and Expert Staff	0.02	0.01
4. Farms	0.26	0.27
5. Agricultural Demonstration and Propaganda including public exhibitions and fairs.	2.27	2.42
6. Agricultural Experiment and Research	0.64	0.70
7. Agricultural Education	0.21	0.24
8. Agricultural Engineering	1.35	1.39
9. Boring Operations	0.04	0.04
10. Botanical and Other Public Gardens	0.04	0.04
11. Schemes for Improvement of Agricultural Marketing .. .. .	..	..
12. Grant-in-Aid, Contribution	0.71	0.80
13. Works	0.03	0.03
Total	5.77	6.16

A brief description of the activities for the Agriculture proper sub-sector is given below :—

WEST PAKISTAN AGRICULTURAL DEVELOPMENT CORPORATION

Manures and Fertilizers :

A provision of Rs. 12.75 crores has been made in the next year budget on account of subsidy on the sale of fertilizers at 35 % as against the amount of Rs. 10 crores provided during the current financial year. The increase in the amount of subsidy is due to the fact that arrangements for procurement and distribution of 16 to 17 lacs tons of fertilizers in terms of Amunium Sulphate will be made during the next financial year as against 8.9 lacs tons procured and distributed during the current financial year.

Seed Multiplication and Distribution :

There is a provision of Rs. 0.37 crore on account of subsidy on seed in the next year's budget. About 16.34 lacs maunds of various seeds were procured and distributed during the current financial year. Besides 15,135 crates of potato seeds were procured and distributed. The A. D. C. is also laying great emphasis on the quality of seed. Keeping this objective in view, six Seed Testing Laboratories were established at different places where modern seed Cleaners have been brought into commission. During the year 1967-68, 3,611 samples representing 2,701 lacs maunds of wheat, gram, paddy, maize, etc., were analysed for purity and germination purposes. Field Inspection of Government Farms, A. D. C. Farms, etc., was also carried out by the Seed Certification Officer and 0.72 lac acres of cotton and paddy crops covered. The A. D. C. is also running 24 seed farms with the prime object of producing high quality foundation seeds. A sum of Rs. 0.02 crore has been provided for Seed Testing Laboratories in the next year's budget.

Agricultural Development Estates :

The A. D. C. has also been entrusted with the task of setting up Agricultural Development Estates around Rawalpindi/Islamabad, Hyderabad and Karachi. A provision of Rs. 0.36 crore has been provided for the Agricultural Development Estates, Islamabad and Karachi in the next year's budget.

AGRICULTURE DEPARTMENT

Plant Protection :

An enhanced provision of Rs. 4.02 crores, as against an amount of Rs. 3.75 crores during the current financial year has been made for the procurement of pesticides, spraying equipment, etc., during the next financial year.

Government have been subsidizing this service on 100 % basis but with effect from the 1st December, 1966, 25% of the cost of pesticides is being recovered from the beneficiaries.

During the current financial year an area of 16.94 lacs acres under preventive measures and 6.75 lacs acres under curative measures were covered. It is estimated that an area of 75 lacs acres under preventive measures and 51 lacs acres under curative measures will be covered during the next financial year.

Mechanization :

The Department has 7 main workshops and 6 sub-shops which have 1,096 bulldozers and 226 tractors. For tubewell installations the organization has 18 power rigs and 304 hand boring plants. It is estimated that under the Scheme "Additional Drilling

Capacity for Tube-wells" 100 hand boring plants will be added during the next financial year. The next year's provision stands at Rs. 3.39 crores. During the next financial year lining pipes of different diameters would be imported at a cost of Rs. 0.50 crore which will be sold to the farmers at cost price plus storage and handling charges. Lining pipes constitute one of the most important items required for sinking tube-wells. A scheme for "Additional Drilling Capacity for Tube-wells" has been continued for implementation during the next year at a cost of Rs. 0.25 crore which aims at development of underground water resources to help achieving self sufficiency in food by 1970.

Soil Conservation :

A sum of Rs. 1.42 crores has been provided for this activity as compared to the Revised Estimates for the current year of Rs. 0.53 crore. The achievement during the current financial year and the projection for the next year under this activity are tabled below :—

	Operation during 1967-68	Operation during 1968-69 (Projec- tions).
Earth Dams (Bund)	1136 Numbers	1200 Numbers
Pacca Spurs	8 ..	250 ..
Spilway structures (Silaba cultivation)	771 ..	3500 ..
Gully reclamation	231 Acres.	4000 Acres.

Agricultural Statistics :

The Statistics Cell is engaged in the compilation of statistics of agricultural crops, areas and production. The Revised Estimates for the current financial year stands at 0.02 crore. A provision of Rs. 0.06 crore has been made for the next financial year.

Agricultural Marketing :

The Directorate of Marketing has been established to supervise the functions of 105 existing Market Committees in the Province so that the interests of both the cultivators and consumers are safeguarded against the unhealthy manipulation of middle man. About 20 new regulated markets will be set up shortly in the Southern Region where the Market Act has been recently promulgated. Gazetted marketing staff will be appointed in another six selected Districts of West Pakistan to carry on the survey work of marketing of important agricultural commodities like wheat, maize, sugarcane, cotton and rice. A sum of Rs. 0.05 crore has been provided in the next year's budget.

Agricultural Extension :

A sum of Rs. 0.60 crore has been allocated for the next financial year as against the provision of Rs. 0.74 crore for the current financial year. The extension staff advises farmers on new crops, new varieties, better methods of cultivation and proper use of ferti-

lizers and important agricultural implements. Each Union Council has been provided with the services of one trained Field Assistant. Six to eight Field Assistants are supervised by one Agricultural Assistant who is a graduate in Agriculture. Blocked Demonstration Plots are being set up in each Union Council to serve as centres of Agriculture Department's activities. Literature and necessary material are made available to the Village Staff by the Bureau of Agriculture Information/Publication located at Lahore. The Bureau brings out fortnightly "ZARAAT NAMA" and quarterly "JOURNAL OF AGRICULTURAL RESEARCH".

Agricultural Research :

A sum of Rs. 0.53 crore has been provided in the next year's budget as against a sum of Rs. 0.51 crore provided in the current year's budget. There were 13 Research Schemes in operation during the current year and the same number of schemes would be in operation during the next financial year. Spectacular results have been achieved by extensive cultivation of newly evolved varieties of maize and wheat. Irr. Pak rice will be sown on extensive scale during the coming planting season. Accelerated improvement and productive programme for cotton and potatoes will also be taken up during 1968-69. Some of the important schemes under this sub-sector are :—

<i>Scheme</i>	<i>Provision</i> (Crore) Rs.
1. Expansion and intensification of research and introduction of new section at the Ayub Agricultural Research Institute, Lyallpur.	0.12
2. Expansion and strengthening of the existing Research Section and creation of new Research Station and Sub-station in Peshawar Region (Phase I to IV).	0.10
3. Expansion and intensification of Research and introduction of new Sections at the Agricultural Research Institute, Tandojam.	0.07
4. Creation of new Research Section, Research sub-stations and additional facilities for expansion of agricultural research in Quetta and Kalat Divisions.	0.06

Agricultural Education:

As against the nine schemes relating to Agricultural Education which were in operation during the current financial year, eleven such schemes will be in operation during the next financial year. The object of these schemes is to provide facilities for pre-service training of Field Assistants, Scholarships to deserving students and specialized teaching to post-graduate students. For the next financial year a sum of Rs. 0.90 crore has been provided for eleven schemes relating to the Agricultural Education as against a sum of Rs. 0.48 crore provided during the current financial year.

Miscellaneous:

A provision of Rs. 0.05 crore has been made in the next year budget for the construction of Agricultural Stores in West Pakistan. The scheme for improvement of saline and alkaline soils with Gypsum will be implemented at a cost of Rs. 0.02 crore during the next financial year. Activities of the Agricultural Publication Division would also be stepped up during the next financial year to help achieve self-sufficiency in Food by 1970.

ANIMAL HUSBANDRY

1. Budget Allocation:

The total budget provision proposed for both developmental and non-developmental activities relating to Animal Husbandry is Rs. 2,98.03 lacs (Rs. 1,25.21 lacs for development and Rs. 1,72.82 lacs for non-development) for the year 1968-69 as against Rs. 2,86.90 lacs. (Rs. 1,16.47 lacs for development and Rs. 1,70.43 lacs for non-development) provided for the year 1967-68.

Steady improvement is being maintained in all the activities relating to Animal Husbandry especially in the fields of disease control, livestock breeding, education, research and experiment and dairy farming.

2. Disease Control:

Disease Control Programme comprises activities in the following fields:—

(a) Veterinary Hospitals and Dispensaries.

(b) Employment of Stock Assistants in Union Councils.

In the Development Budget for 1968-69, a provision of Rs. 10.41 lacs has been proposed for establishment of new veterinary hospitals and for providing additional facilities in the existing hospitals.

In order to provide veterinary aid at the door of the farmers and livestock owners, a scheme for training of Stock Assistants, their employment in the Union Councils and provision of medicines at their disposal was initiated in 1965-66. This scheme is proving effective in the control of diseases. For 1968-69 a provision of Rs. 20.51 lacs has been proposed for the continuance and expansion of this activity.

A provision of Rs. 1.75 lacs has been proposed for 1968-69 for strengthening and extension of veterinary aid in Ghulam Muhammad and Gudu Barrages areas.

3. Livestock Breeding:

Extensive breeding work is being conducted at Government owned livestock experiment stations, grantee farms and livestock farms on resumed lands and uncommanded waste lands. A provision of Rs. 20.39 lacs has been provided in the Development Budget of 1968-69 for the expansion and improvement of the existing facilities in these farms, and for the other activities relating to livestock breeding.

4. Experiment and Research:

For improving breeds and also for making control of diseases more effective, experiments and research work are being continued. A number of previously unrecorded diseases have been registered. Thirty-four kinds of sera and vaccines are being prepared for the prevention and control of contagious diseases. Efforts are being made to introduce improved technique for the manufacture of standardized and safety tested sera and vaccines capable of conferring solid immunity for a period of longer duration. A provision of Rs. 13.55 lacs has been proposed in the Development Budget of 1968-69.

5. Milk Supply Schemes:

In order to improve the milk supply position at Lahore and Karachi two milk processing plants have been set up at those places. Both the plants are in operation. A provision of Rs. 6.10 lacs and Rs. 6.00 lacs for Karachi and Lahore Scheme respectively have been proposed in the Development Budget of 1968-69.

6. Education:

The College of Animal Husbandry, Lahore continues to provide graduates in the field of veterinary science to meet the shortage of qualified personnel. At present 341 students are on the roll of the College. For the year 1968-69, a provision of Rs. 4.65 lacs has been proposed in the Development Budget. This provision includes funds required for grant of 255 scholarships for attracting suitable candidates for prosecuting studies at the College.

7. Poultry:

In order to lessen burden on the mutton supply, Poultry Husbandry is being developed throughout the country. A provision of Rs. 15.01 has accordingly been provided in the Developmental Budget for the year 1968-69.

COLONIZATION AND LAND REFORMS

Land Disposal:

Ghulam Muhammad Barrage—The total commanded area is 28 lac acres out of which 16·53 lac acres comprise Nakabuli (State owned) and the remaining Kabuli (Private owned) land. A net area of 11·99 lac acres was disposed off to different categories of settlers upto the end of March, 1968 after allowing for cancellation of grants and surrender of land by the concerned departments. The remaining area is scheduled to be disposed off during the Third Plan Period.

Guddu Barrage—Out of a commanded area of 28·02 lac acres in Guddu Barrage, 6·06 lac acres is Nakabuli (State owned) land which is to be disposed off to different categories of settlers. An area of 3·18 lac acres was disposed off upto March, 1968. The disposal of the remaining area is proposed to be completed during the remaining two years of the Third Plan.

Land Development:

Ghulam Muhammad Barrage—Out of 28 lac acres of commanded area, 5 lac acres needed development by way of jungle clearance, shrubs eradication, levelling, etc. A scheme for developing 2·50 lac acres of State owned land was put into operation in 1961. Another scheme for development of remaining 2·50 lac acres of land was started in 1965. About 2·75 lac acres were developed upto the end of June, 1967, while the remaining area is proposed to be developed during the remaining two years of the Third Plan. A provision of Rs. 1,05·00 lac has been made for these schemes during the year, 1968-69.

Guddu Barrage—The scheme envisages development of 3·76 lac acres of Kabuli and Nakabuli Land in the Project area with the help of heavy earth moving machinery. The work was started in January, 1965. An area of 66,000 acres was developed till June, 1967. The remaining area is proposed to be developed during the remaining Third Plan Period. A sum of Rs. 1,47·00 lac has, therefore, been provided for the year, 1968-69.

Land Reforms:

Against an amount of Rs. 65·44 lac for the year, 1967-68 (Revised) a sum of Rs. 68·83 lac has been provided for the year 1968-69 for consolidation of land holdings as detailed below:—

	(in lac of rupees)
(i) Consolidation of land holdings in twenty-two districts of the former Punjab and N.-W.F. Provinces.	61·38
(ii) Extension of the scheme to three districts of the former Bahawalpur State.	4·45
(iii) Consolidation of land holdings in Ghulam Muhammad Barrage area.	3·00
Total ..	<hr/> 68·83 <hr/>

The consolidation fee expected to be realised from these operations during the year, 1968-69 is estimated at Rs. 53·00 lac.

Colonization:

An amount of Rs. 288·93 lac has been included in the Annual Development Programme for the year, 1968-69, against Rs. 150·86 lac for the Revised Estimate, 1967-68. Out of the provision of Rs. 288·93 lac, an amount of Rs. 6·86 lac is grant-in-aid and the remaining amount is to be released to the West Pakistan Agricultural Development Corporation as loan.

CO-OPERATIVE AND RURAL CREDIT

The total budget provision for Co-operation Department both for development and non-development activities is Rs. 1,44,38,900 (Rs. 70,54,000 for development and Rs. 73,84,900 for non-development) for the year 1968-69 as against the allocation of Rs. 1,34,12,400 (Rs. 59,92,000 for development and Rs. 74,20,400 for non-development) for the year 1967-68.

The important activities are explained below:—

Mechanized Farming—An area of 96000 acres has been brought under Co-operative mechanized farming.

Sheep Shearing—Co-operative sheep shearing societies have been set up in Cholistan (Bahawalpur), Thal, Tharparkar, Khairpur, Quetta and Kalat. The object is to give technical advice in scientific shearing of wool and provide facilities for marketing.

Co-operative Milk Collecting and Distribution Units at Multan—Milk Collecting, Processing and Distribution centres have been set up at Multan with a capacity of 500 maunds of milk per day.

Expansion of Pak-German Co-operative Agricultural Demonstration Farm Chack 5 Faiz Multan—This is an aided project. The object is to provide training and research facilities, in the field of agriculture and to provide farm mechanization demonstrations to farmers especially the use of tractors, machinery and implements, etc.

Border Mechanized Farming Societies Sulemanki and Jassar—The project envisages to develop land for cultivation. 2000 acres of land has been developed.

Reconstruction of Rural Credit and Agricultural Marketing—It envisages organization/reorganization of Co-operative Service Societies and formation of Co-operative Farm Service Centres at Union Council and Mandi level. The main objects are to provide funds/credit facilities for purchase of tractors, modern agricultural machinery/implements, fertilizers, seeds, diesel oil and pesticides. It will also provide facilities for marketing of agricultural produce for storage. The newly established Co-operative Farming Service Centres would also set up processing units to link up credit with the marketing. Besides facilities for maintenance of agricultural machinery, tube-wells and technical advice including cropping pattern and other modern farming techniques are proposed to be provided during the next year.

FISHERIES

Budget Allocation:

During the year 1968-69 a sum of Rs. 0.75 crore has been provided both for developmental and non-developmental activities of Fisheries sub-sector (Rs. 0.62 for developmental and Rs. 0.13 for non-developmental) as against the revised estimates of Rs. 0.31 crore (Rs. 0.20 for developmental and Rs. 0.11 for non-developmental) for the year 1967-68.

Activities:

All available sources such as water-logged areas, streams, dhands, lakes, artificial reservoirs, abandoned irrigational canals, tanks, ponds, etc., continued to be utilised for the production of edible fish. Angling in Province has also continued to be promoted by reserving several water areas for the purpose. Trout culture received great attention during the current year in Swat, Kaghan, Chitral and Quetta Areas. Experiments on the control of aquatic vegetation by use of Chinese-fish, feeding of fish, artificial breeding of fish and culture of prawn under controlled conditions continued during the year. The problems of fishermen and fisheries of coastal areas are also being tackled.

Production:

The annual fish production has increased from 5 lacs maunds to 6.75 lacs maunds per annum from 1960 to 1968. It will be apparent from the following table that the production and the income have both increased—

Year	Fish Farms Established	Production in Maunds	Income
			<i>Rs.</i>
1960-61	512	5,00,000	6,31,970
1961-62	732	5,20,000	8,85,370
1962-63	732	5,50,000	10,16,700
1963-64	800	5,70,000	10,61,200
1964-65	830	5,96,000	10,93,637
1965-66	845	6,25,000	14,43,875
1966-67	865	6,50,000	16,00,000
1967-68	880	6,75,000	17,00,000

New Schemes:

During the next financial year the following new schemes will be implemented :—

<i>Schemes</i>	Provision (in crores)
	<i>Rs.</i>
(1) Reclamation of Waste Water Areas in West Pakistan.	0.04
(2) Construction of Landing Jetties along Mekran Coast	0.05
(3) Construction of Fish Harbour at Gwadur	0.32
(4) Expanded training facilities at Chenawan	0.05

FORESTS

Non-Development Activities :

During 1968-69 an amount of Rs. 3,28,23,200 is proposed to be spent against anticipated receipts of Rs. 5,21,26,400, giving a surplus of Rs. 1,93,03,200.

It is proposed to regenerate 1,14,000 acres and afforest 70,000 acres in the existing forest area and maintain young plantation over, 1,50,000 acres. Approximately 45 lac cft. of soft and hard wood timber, 50 lac maunds of firewood, 1.78 lac maunds of resin, 50,000 maunds of ephedra and large quantity of mazri will be produced during, 1968-69. In addition substantial quantities of medicinal herbs, berries, etc., will be collected for export. It is proposed to distribute 60 million plants under 'Grow More Trees Campaign' and further extend plantation on private lands along roads and canals and wherever possible replace existing species with fast growing species to provide raw material to Match, Sports and other Wood Industries.

Developmental Activities:

The programme aims at afforestation of new areas, development of lands, planned watershed management, creation of linear plantation, improvement of communication to tap inaccessible forest resources and re-organise research in education for maximum economic gains. Considerable area will be devoted to the growth of fast growing industrial soft wood and walnut plantation.

During the year, 1968-69, in addition to the on-going schemes, new schemes for raising of roadside and railway side land strips plantations in Multan Division, Lahore Region and Khairpur Division will be introduced. Adequate measures are also being taken to preserve Wild Life in West Pakistan.

A major on-going development scheme relates to preparation of land use maps, forest inventories for untapped forest resources of north-western parts of West Pakistan. In addition to the afforestation and irrigated plantations to be raised for forest industries, the work regarding raising of linear plantation along roads, canals and railways will be given special attention during the year, 1968-69. The watershed management operations have been concentrated in the Mangla Watershed area. Under this scheme, an area of about 4,000 acres is to be tackled for afforestation and soil conservation measures. Other watershed management schemes are also being implemented.

The Research Institute will also carry out experiments designed toward finding new strains in industrial woods and also in connection with plant breeding and other branches of forestry research. Efforts will be made to organise the sericulture industry on scientific basis in order to produce disease free silk seed for distribution and also to introduce sericulture as a cottage industry. Programme of development and re-organization of Pakistan Forest Institute, Peshawar will be carried out.

For the year, 1968-69, besides the allocation of Rs. 1,53,24 lac for on-going schemes, a provision of Rs. 5.02 lac has been made in the Annual Development Programme for New Scheme. Next year's allocation includes Rs. 29.00 lac for on-going schemes of the West Pakistan Agricultural Development Corporation.

RURAL WORKS PROGRAMME

Rural Works Programme was introduced in West Pakistan in 1963. Grants from Government are received by District Councils and distributed to the lower bodies on the basis of the programme submitted by them. Supervision of the programme is also the responsibility of District Councils and monthly reports are submitted by Project Directors in the districts to Government. The Directorate of Rural Works Programme is responsible for evaluating the District Programme.

Since the inception of the Programme in West Pakistan, it has been possible to provide jobs opportunities to the unemployed rural population through the implementation of over 45,000 schemes of various types. Significant progress has also been made in building up of a rural infra-structure. The development of communications holds priority in the list of eligible schemes and 50 per cent of the total allocations under this Programme are to be spent in this sector. Roads are of vital importance in opening of rural areas and provide the basis for provision of agricultural inputs in the first instance and the transportation of agricultural produces to the markets subsequently. Besides communications, a large number of other schemes comprising all important aspects of community development are being undertaken to provide a basis for the development of the rural economy as the Works Programme is being implemented through the Local Council. These institutes have gained considerable experience in the technique of planning and executing schemes. This has contributed to a better management of local affairs and improvements in the system of local-self government.

The Rural Works Programme in West Pakistan has effectively achieved the objectives for which it was set-up. With the creation of Divisional Evaluation Teams and the introduction of a sophisticated reporting system the programme is being effectively monitored. Local Councils are putting the R.W.P. funds to best use for the alleviation of their local problems.

The programme has been included in the Third Five Year Plan, and a sum of Rs. 5 crores was made available in for 1966-67 and Rs. 10 crores in 1967-68. A provision of Rs. 15.00 crores has been made in the Development Programme for the year 1968-69.

PHYSICAL PLANNING AND HOUSING

All the activities of the Government relating to the preparation of Master Plans, General Housing Schemes, Rural and Urban Water Supply and Drainage Schemes, Government Servants Housing and construction of Government Offices and Buildings fall within the scope of the Physical Planning and Housing Sector. The allocation for this Sector in the Annual Development Programme 1968-69 is Rs. 13,32·94 lacs as compared with Rs. 11,63·22 lacs provided in the year 1967-68. The increase is mainly due to provision of more funds under the sub-sectors Basic Development, Aid to Local Bodies, Urban Water Supply Schemes and Government Offices and Buildings.

The Sub-Sectoral allocations for the year 1968-69 in respect of the various fields of activities covered under the Physical Planning and Housing Sector are given below:—

<i>Sub-Sector</i>	<i>Provision for 1968-69 (In lacs of rupees)</i>
Basic Development	.. 30·46
Aid to Local Bodies	.. 4,85·00
General Housing	.. 1,47·00
Rural Water Supply and Drainage Scheme	.. 57·30
Urban Water Supply and Drainage Schemes	.. 3,31·77
Government Servants Housing	.. 1,19·69
Government Offices and Buildings	.. 1,61·72
Total	.. 13,32·94

The programmes to be undertaken during the next financial year (1968-69) are reviewed below :—

Basic Development :

This Sub-Sector covers the activities of the Town Planning Department relating to the preparation of Master Plans for Urban areas, Outline Development Plans for small Towns, Aerial Survey and Topographical Maps etc. For the year 1968-69, a sum of Rs. 30·46 lacs has been provided for the various schemes covered under this Sub-Sector as compared to Rs. 19·93 lacs provided in 1967-68.

Besides the work on On-going Schemes of Master Plans of Multan, Rawalpindi and Karachi and Regional Development Plan for Peshawar Valley, etc., a new scheme 'Urban Development Plan for Quetta' would be undertaken for which a provision of Rs. 1·00 lac has been made.

Aid to Local Bodies :

An amount of Rs. 4,85·00 lacs has been provided in the Annual Development Programme 1968-69, as compared to Rs. 3,55·00 lacs provided under the Sub-Sector in 1967-68. The Lahore Water Supply, Sewerage and Drainage Project, Phase II would be implemented by the Lahore Improvement Trust for which a provision of Rs. 1,85·00 lacs has been made. For the Kacha Multan Road Scheme (2000 Acre Scheme) being executed by the Lahore Improvement Trust a sum of Rs. 75·00 lacs has been provided. For various schemes of Karachi Development Authority a provision of Rs. 2,25·00 lacs has been made.

General Housing :

An allocation of Rs. 1,47.00 lacs has been made for the implementation of Satellite Town and Housing Schemes at various places in West Pakistan. This includes Rs. 85.00 lacs for the Lahore Township Scheme.

So far 40 Satellite Town Schemes including 'C'/'D' type Colonies in different towns of West Pakistan have been set up. 14 Schemes have since been completed. About 84,294 families had been settled upto the end of the financial year 1966-67 and about 1500 families were expected to be settled by the end of the financial year 1967-68. Further 3,000 displaced families are expected to be rehabilitated during the year 1968-69.

Rural Water Supply and Drainage Schemes :

During the next financial year, 78 Rural Water Supply Schemes are expected to be taken up for which a provision of Rs. 57.30 lacs has been made. Upto June, 1967, 122 Rural Water Supply Schemes were completed by the Public Health Engineering Department and 50 were expected to be completed during 1967-68. Some of the important Water Supply Schemes which will be under execution in 1968-69 are mentioned below:—

<i>Serial No.</i>	<i>Name of Scheme</i>	<i>Provision (In lacs of rupees)</i>
1	Trial Boring in Rural Areas of West Pakistan	1.63
2	Water Supply Schemes, Talagang	2.00
3	Community Water Supply Scheme, Maira Matorewala Braham Kahuta	2.57
4	Water Supply Scheme, Dalbandin (Chagai)	4.24
5	Water Supply Scheme, Pasni (Mekran)	4.00
6	Water Supply Scheme, Mastung (Kalat)	2.93
7	Water Supply Scheme, Rabwah	2.00

Urban Water Supply and Drainage Schemes :

During the next financial year 30 Urban Water Supply and Drainage Schemes are expected to be undertaken for which a provision of Rs. 3,31.77 lacs has been made in the Annual Development Programme, 1968-69, as compared to Rs. 2,92.70 lacs provided in 1967-68 on this account. 10 Urban Water Supply Schemes were completed by June 1967 and 18 were expected to be completed by the end of the current financial year (1967-68).

Some of the important schemes included in this Sub-Sector are:—

<i>Serial No.</i>	<i>Name of Scheme</i>	<i>Provision (In lacs of rupees)</i>
1	Gujranwala Water Supply Scheme	64.04
2	Multan Water Supply Scheme	25.00
3	Quetta Water Supply Scheme	35.00
4	Nawabshah Water Supply Scheme	19.55
5	Peshawar Drainage Scheme	10.00

Karachi Water Supply Schemes would now be implemented by 1970 as it has been denied to complete both the phases of the scheme by that time.

Government Servants Housing :

A provision of Rs. 1,19·69 lacs has been made in the Annual Development Programme 1968-69, for Government Servants Housing Schemes. This includes an amount of Rs. 1,02·87 lacs for the various On-going Schemes and Rs. 16·82 lacs for New Schemes.

Some of the important Schemes are listed below :—

<i>Serial No.</i>	<i>Name of Scheme</i>	<i>Provision (In lacs of rupees)</i>
1	Construction of Residential Accommodation for Government Servants at Khairpur ..	12·90
2	Construction of Residential Accommodation for Government Servants at Hyderabad ..	11·00
3	Providing additional accommodation for various Government Departments at Divisional Headquarter, Peshawar ..	5·35
4	Construction of M.P.As. Hostel at Egerton Road, Lahore ..	3·00
5	Construction of Additional Quarters in Wahdat Colony, Lahore ..	5·00

Government offices and Buildings :

As compared to Rs. 1,21·93 lacs provided in the current year *viz.*, 1967-68 for construction of Government Offices and Buildings, an amount of Rs. 1,61·72 lacs has been provided for the year 1968-69. A sum of Rs. 1,30·71 lacs would be spent on On-going Schemes and Rs. 31·01 on New Schemes to be undertaken during the next year.

Some of the important On-going and New Schemes are given below:—

<i>Serial No.</i>	<i>Name of Schemes</i>	<i>Provision (In lacs of rupees)</i>
<i>On-going Scheme</i>		
1	Construction of West Pakistan House at Abbottabad ..	13·37
2	Construction of a Wing in High Court Building, Lahore for the Courts and Chambers of the Judges ..	11·87
3	Construction of District Jail at Lyallpur ..	10·78
4	Construction of Divisional Headquarter at Khuzdar ..	6·00
<i>New Schemes</i>		
1	Extension of Assembly Chambers, Lahore ..	5·00
2	Construction of Additional Block in the Office of the West Pakistan Public Service Commission, Lahore ..	3·05

INDUSTRIES

The provision for the Development of Industries in the Annual Development Programme 1968-69 is Rs. 17.74 crores as compared with the current year's figure of Rs. 15.91 crores. The break up of the allocation for the main agencies is as follows:—

	<i>(Rupees in lacs)</i>
Industries Department	45.63
W.P.I.D.C.	.. 12,30.00
Small Industries Corporation	.. 1,06.50
A.C. (Government of West Pakistan)	.. 3,75.00

A description of the Development Programme in respect of each agency for the year 1968-69 is briefly given as under :—

Large and Medium Industrial Estates in West Pakistan :

A planned industrial growth is one of the solutions to the problem of raising the living standard of the people. To achieve this, modern mechanized small industries provide a potent tool, and these industries would help to ensure balanced industrial development. For this purpose, industrial estates have been set up. An industrial estate provides not only land, water, sewerage, power, communications, but also takes care of such important aspects as housing colonies for labour. It represents all facets of country's economic, social and industrial life. It becomes a real university where all human skill could be learned by visual demonstration. And, therefore, the estates have to be planned with great care.

An amount of Rs. 29.00 lacs has been provided in the Development Programme 1968-69 for the following Industrial Estates :—

	<i>(Figures in lacs)</i>
(1) Industrial Estate, Sukkur	.. 6.00
(2) Industrial Estate, Peshawar	.. 3.00
(3) Industrial Estate, Multan	.. 10.00
(4) Industrial Estate, Sheikhpura	.. 10.00
Total	29.00

WEST PAKISTAN INDUSTRIAL DEVELOPMENT CORPORATION

General Review :

The Corporation has so far completed 48 industrial projects involving an outlay of Rs. 89.51 crore. Of these 19 are being managed by private enterprises while the remaining are under W.P.I.D.C.'s management. The completed projects cover industries like Fertilizer, Natural Gas, Shipyard, Sugar, Cement, Carpets, Woollen Textile, Chemicals, Paper, Board, Jute manufactures and Mining Ventures of Coal, Salt, Limestone and Gypsum, etc. Eleven projects involving an investment of Rs. 4.47 crore and comprising of two paper/board mills, two chemical plants, a woollen mill and 6 cotton ginning factories have been transferred to private management and are wholly owned by them.

Uptil 1964-65, Government had been realising returns on its investment in West Pakistan Industrial Development Corporation's projects in the form of dividends, whenever such dividends were declared in the case of individual project. It was decided in 1965-66 that the Corporation would pay a fixed return on the funds invested by Government in its completed projects. This return was fixed at 2 per cent for the year 1965-66 and 3 per cent for 1966-67 and equal to the rate of interest on Cash Development Loans with effect from 1967-68.

Programme for the year, 1968-69 :

The Development Programme has been oriented towards the development of heavy industry.

Some of the major activities of the Corporation are reviewed below.

1. Karachi Shipyard and Engineering Works, Ltd., Karachi (Provision for 1968-69 = Rs. 1,20.00 lacs)

The Part-I Phase II scheme of the Karachi Shipyard costing Rs. 32.00 million is presently under implementation. When completed, additional facilities of berthing and dry docking will be available at the Shipyard capable of meeting the growing demand for shipping facilities. The Shipyard will be able to construct three ships of over 12 000 D.W.T. in a year, besides, providing other facilities. Work is also in progress in respect of manufacture of Spheroidal Graphite Iron Casting at the KSEW. The unit will cost Rs. 1.83 million and will be able to produce 300 tons of High Cast/Iron per year. In addition, plans are being drawn for setting up a pipe spinning plant as an adjunct project to Karachi Shipyard capable of producing 7,500 tons of pipes per annum.

2. Heavy Mechanical Complex (Provision for 1968-69 = Rs. 5,50.00 lacs)

The scheme envisages the manufacturing of equipment for cement and sugar plants, low pressure package type boilers, travelling cranes, railway materials, road building machines, medium pressure vessels and miscellaneous steel structures. The annual turn-over of the Complex is estimated to be 14,500 tons.

3. Heavy Electrical Complex (Provision for 1968-69 = Rs. 50.00 lacs)

The production programme of this Complex as tentatively drawn up by an expert includes manufacture of items such as motors and generators, transformers, capacitors and control gears.

4. Fertilizer and Chemicals

Extension of Pak-American Fertilizer Ltd., Daudkhel for production of Ammonium Sulphate Nitrate Fertilizer Projects—Rs. 45.00 lacs.

This scheme involves an outlay of Rs. 28.31 lacs and is designed to produce 600,000 tons of Ammonium Sulphate Nitrate. The scheme has been approved subject to change its originally proposed location at Daudkhel to Multan. This was considered advantageous both from the point of view of transport and the use of gas as raw material. The development work is expected to be taken in hand during the year 1967-68 and would be completed by the end of 1969-70.

5. Small Industries Corporation

The Small Industries Corporation was set up in October, 1965 in order to give a fillip to the development of small scale industries in the Province. "Small Industry" has been defined in the Ordinance as "all industrial units using fixed assets valued at Rs. 5 lacs or less". The Corporation after its establishment has assumed responsibility for all the schemes started by the Small Industries Division of West Pakistan Industrial Development Corporation.

The total outlay on the on-going development schemes of the Corporation during 1968-69 will be Rs. 1,00.24 lacs; and for new schemes Rs. 6.26 lacs has also been provided, while an amount of Rs. 5.67 lacs has been earmarked in the non-development Budget for the Centres viz., Leather Centre, Hyderabad, Metal Surgical and Allied Industries Development Centre, Sialkot, Model Tanning and Footwear Centre, Gujranwala, and Pottery Centre, Shahdara.

6. Associated Cement (Government of West Pakistan) Factories (Provision for 1968-69 = Rs. 3,75.00 lacs)

The cement factories at Wah and Rohri owned by an Indian firm called Associated Cement Companies Ltd. and its offices at Karachi and Lahore were taken over on March 13, 1965, by the Provincial Government. The annual capacities of these factories were 271,000 tons and 90,000 tons, respectively. The Organization was placed under the control of the Director of Industries and Commerce, West Pakistan, with its offices at Karachi and Lahore. From 13th September, 1966, the Organization functions under the management of a Board, with its headquarter at Lahore; the controlling authority being the Industries Department.

Working :

During the year 1967-68, the production of cement of both the factories was 4.05 lacs tons. The sales for this period reached a figure of 4.00 lacs tons.

During the current year 1967-68 the organisation earned a profit of Rs. 70.27 lacs as compared with Rs. 68.88 lacs during the previous year 1966-67.

Scope of Activities during the year, 1968-69 :

Both the Cement Factories are embarking on an expansion and modernization scheme which when completed will increase the production by 2.8 lacs tons of cement.

The contract in this respect has been sanctioned and machinery would be coming in during the next year.

EDUCATION AND TRAINING

The revised Third Plan allocation for Education and Training Sector has been fixed at Rs. 99 crores. The total allocation of the developmental programme for the first three years of the Plan period (*i.e.* from 1965-66 to 1967-68) stood at Rs. 40.05 crores. The gross size of the programme for 1968-69 would be of the order of about Rs. 14.90 crores.

The total provision made for this sector in the next year's budget both for developmental and non-developmental expenditure is Rs. 47.94 crores as against the current years revised figure of Rs. 39.28 crores.

The gross allocations made in the Budget for 1968-69 for various sub-sectors in the field of Education are given below :—

	(In crores of rupees)	
	<i>Develop- mental</i>	<i>Non- Develop- mental</i>
(1) Universities ..	1.22	2.91
(2) Colleges ..	2.20	3.74
(3) Secondary Education ..	3.28	6.29
(4) Primary Education ..	0.99	16.15
(5) Special schools including Technical Education ..	4.23	2.05
(6) Scholarships ..	1.90	..
(7) Grant-in-Aid and other Miscellaneous items ..	.52	0.82
(8) Teachers Education ..	.54	0.02
(9) Merged Areas ..	..	0.03
(10) Tools and Plants ..	0.02	..
(11) Direction ..	..	0.34
(12) Inspection ..	..	0.69
Total ..	14.90	33.04

Activities under each sub-sector are summarised in the following paragraphs :—

Universities :

During the next financial year an amount of Rs. 4.13 crores both on developmental and non-developmental sides has been provided for the Universities.

The following table shows allocation for developmental and non-developmental expenditure of the various Universities during the year 1968-69:—

		(In crores of rupees)	
		<i>Non- Develop- mental</i>	<i>Develop- mental</i>
Universities :			
(1) Peshawar University	..	0.47	0.09
(2) Grant to Peshawar University for Agriculture College	..		0.04*
(3) Punjab University	..	0.53	0.38
(4) University of Engineering and Technology, Lahore..	..	0.45	0.55**
(5) Agricultural University, Lyallpur	..	0.65	0.55*
(6) Jamia Islamia, Bahawalpur	..	0.01	0.01
(7) Sind University including establishment of Engineering College at Hyderabad	..	0.29	0.33
(8) Karachi University	..	0.51	0.25
(9) Engineering Colleges at Peshawar and Hyderabad..	..		0.10
(10) Blanket provision for Ph. D. Courses	..		0.06
Total		2.91	1.22

College Education :

During 1968-69 a sum of Rs. 5.94 crores on development and non-development sides has been allocated for College education. On development side a sum of Rs. 2.20 crore has been provided as against an allocation of Rs. 1.90 crores provided for the current financial year. Some of the new schemes under this sub-sector admitted in the budget for 1968-69 are as under:—

<i>Schemes</i>	<i>(Provision in lacs of rupees)</i>
(1) Eight new Intermediate Colleges (work would be carried on 5 on-going schemes and 3 new schemes)	25.00
(2) Grant-in-Aid of 4 Intermediate non-Government Colleges	4.80
(3) Additions of degree classes in 10 existing Intermediate Colleges	8.00
(4) Establishment of 5 new degree colleges	40.00
(5) Improvement of Libraries and reading rooms	8.00

*Provision included in the Agriculture Sector. Hence excluded from the total.

**Provision included under Technical Education. Hence excluded from the total.

The number and enrolment of colleges in the province during the year 1967-68 is given below :—

Type	Number	Enrolment
Government ..	110	62,125
Non-Government ..	152	87,388
Total ..	262	1,49,513

During the year 1966-67, 254 Colleges had a total enrolment of 1,32,005 students.

Secondary Education :

During the financial year 1968-69 the total allocation for secondary education amounts to Rs. 9.57 crores. The developmental expenditure comes to Rs. 3.28 and the non-developmental expenditure Rs. 6.29 crores. Some of the important projects to be implemented during the financial year 1968-69 are detailed below:—

Project	Provision in lacs. of rupees
(1) Introduction of science as a compulsory subject in the secondary schools	..
(a) Provision of laboratories for 26 Government secondary schools.	} 22.75
(b) Provision of equipment for 100 secondary schools ..	
(2) Work on 16 single and double Section high schools ..	35.00
(3) Up-grading of 22 middle schools to High Schools (10 to start functioning) ..	12.10
(4) Establishment of 40 Comprehensive High Schools (16 existing and 8 new comprehensive High Schools will be benefited. 4 will start functioning next year).	147.00

The estimated number and enrolment of high schools during the year 1967-68 is given below :—

Type	Number	Enrolment
Government ..	653	3,76,417
Non-Government ..	1,171	5,94,336
Total ..	1,824	9,70,753

Primary Education :

The total allocation for primary education would be Rs. 17.14 crores during the year 1968-69. Out of this Rs. 0.99 crore would be for developmental expenditure and Rs. 16.15 crores for non-developmental expenditure. Some of important projects to be implemented during the year 1968-69 are as under:—

Project	Provision in lacs.	
		Rs.
(1) Opening of 1,500 new primary schools ..		30.00
(2) Improvement of existing 2,250 primary schools ..		22.50
(3) Upgrading of 150 primary schools to middle schools ..		37.31

The following projects were implemented during 1967-68.

Project	Physical target	Cost in lacs
		Rs.
(1) Mosque schools ..	400	1.72
(2) Opening of new primary schools ..	1,500	30.00
(3) Improvement of existing primary schools ..	1,500	15.00
(4) Upgrading of primary to middle schools ..	85	1.36

The estimated number and enrolment of primary and middle schools during 1967-68 in the Province is given below:—

Type of Schools	Number	Enrolment
Primary ..	37,918	32,00,000
Middle ..	3,066	7,30,384

Teachers Education :

A sum of Rs. 54.00 lacs has been provided on development side in the next year budget. Some of the important schemes which will be implemented during the next financial year are as under:—

Schemes	Provision in lacs
	Rs.
(1) Establishment of 3 Regional Education Extension Service Centres ..	9.87
(2) Provision for training of teachers for polytechnics and Science subjects for colleges and schools ..	12.00
(3) Establishment of 4 Centres for Inservice Training of Teachers of Primary and Middle schools ..	3.09

Scholarships :

The total amount allocated for scholarships during the year 1968-69 is Rs. 1·90 crores as against the provision of Rs. 1·81 crores during the year 1967-68. The total number of beneficiaries would be approximately the same as in the year 1967-68.

Technical Education :

During 1968-69 the allocation for technical education has been raised to Rs. 6·28 crores. The breakup of this allocation into developmental and non-developmental comes to Rs. 4·23 crores and Rs. 2·05 crores respectively. Some of the important projects to be implemented in 1968-69 are enumerated below:—

Project	Provision in lacs	
		Rs.
(1) Opening of 2 new Polytechnics with 6 technologies.	..	22·30
(2) Expansion of 8 existing polytechnics	..	70·00
(3) Completion of polytechnic at Multan	..	22·57
(4) (a) On-going schemes of 6 polytechnics for boys	..	60·00
(b) On-going schemes of 1 polytechnic for girls	..	6·00
(5) Expansion of existing 11 industrial schools and 25 vocational schools	..	20·00
(6) Establishment of 25 new vocational schools for boys	..	36·00

The number of Polytechnics/Commercial Institutes/Vocational and Industrial Schools and enrolments therein during 1967-68 is given in the following table:—

	Type	Number	Enrolment
(1) Polytechnics	Government	.. 14	6,571
	Non-Government	.. 3	429
	Total	..	17 7,000
(2) Commercial Institutes	..	22	3,650
(3) Vocational and Industrial Schools	..	33	3,815

A provision of Rs. 5 lacs has been made for the development of National College of Arts, Lahore in the next year budget. Private Vocational and Industrial schools will also get a Grant-in-Aid of Rs. 5 lacs during 1968-69.

Miscellaneous :

An allocation of Rs. 23 lacs has been made in the next year's budget to implement the recommendations of the report of the Student's Commission.

The Bureau of Education brought out two quarterly educational journals viz., Talim-o-Tadrees and Sanvi Talim for the benefit of all categories of primary and secondary school teachers including the teachers of Intermediate Colleges. The first issue of Sanvi Talim was bought out in June, 1967 and that of the Talim-o-Tadrees in October, 1967. A provision of Rs. 26,880 has been made in the next year budget for strengthening the Statistical Section of the Bureau of Education.

HEALTH

1. Budget Allocation :

The total budget provision proposed for both developmental and non-developmental activities relating to Health is Rs. 18,19.05 lacs (development Rs. 9,95.55 lacs and non-development Rs. 8,23.50 lacs) for the year 1968-69 as against Rs. 16,27.59 lacs (development Rs. 8,42.03 lacs and non-development Rs. 7,85.56 lacs) provided for the year 1967-68.

Various health programmes are briefly described in the following paragraphs :—

2. Malaria Eradication Programme :

The programme is to eradicate the menace of malaria from the country by 1974-75. The programme was started in 1960-61 and it is in progress. The amount proposed for 1968-69 is Rs. 2,94 lacs.

3. Family Planning Programme :

Based on the experience gained during the Second Plan period and similar experiences in other parts of the world an ambitious programme of Family Planning was formulated and launched during the year 1965-66. The objective of the programme is to reduce the rate of population growth from 3 per cent per annum to 2.5 per cent per annum by the end of the Third Plan period. It is proposed to allocate Rs. 3,00 lacs for 1968-69 for this programme.

4. Rural Health Centres :

The Rural Health Centres were designed to provide integrated preventive and curative medical services to the rural population. Each centre through its main and sub-centres, was to cover an average of 50,000 persons in the rural areas.

By the end of the Second Plan period, 71 Rural Health Centres were established and all of them are now functioning.

During the Second Plan, it was felt that these centres were not fulfilling the main objects for which they were established, and therefore, a pilot programme known as "Total Health Endeavour Programme" was started in Sheikhpura district to see how best the objects could be achieved.

The programme for the Third Plan period has been chalked out in accordance with the findings of the Total Health Endeavour Programme Report. The allocation proposed for 1968-69 for the construction of new Rural Health Centres is Rs. 30.00 lacs. In addition, it is also proposed to allocate Rs. 2.98 lacs for providing additional facilities in the existing Rural Health Centres during the year 1968-69.

5. Tehsil and District Headquarters Hospitals :

The opening of new hospitals at District and Tehsil Headquarters, where such hospitals had not already been established, and upgrading, improvement and expansion of the existing hospitals at these places to the level of standard hospitals are integral parts of Rural Health Programme as these hospitals serve as Referral Hospitals to which patients from the Health Centres are transferred for better diagnosis and treatment facilities.

Eight new tehsil headquarters hospitals have started functioning during 1967-68; and seven more are under construction. Construction of five new tehsil headquarters hospitals is proposed to be started in 1968-69. Expansion of four existing tehsil headquarters hospitals is under progress. The work relating to the upgrading of six tehsil headquarters hospitals is proposed to be undertaken in 1968-69. A provision of Rs. 51·37 lacs has been proposed for these purposes for 1968-69.

Four new district headquarters hospitals have started functioning in 1967-68. Out of these four, construction work is still in progress in respect of three hospitals. Construction of one more district headquarters hospital is in progress. Construction of two new district headquarters hospitals is to be undertaken. Upgradation of three district headquarters hospitals is expected to be completed soon. In 1968-69 it is proposed to undertake upgradation of six and expansion and improvement of five district headquarters hospitals. A provision of Rs. 57·16 lacs has been proposed for the year 1968-69.

6. Urban and Teaching Hospitals :

To improve the facilities in urban and teaching Hospitals, a provision of Rs. 1,31·61 lacs has been proposed in the development budget for 1968-69. The break up is as follows:—

	(Rupees in lacs)
(a) Lady Willingdon Hospital, Lahore	3·68
(b) Services Hospital, Lahore	2·00
(c) Liaquat Medical College Hospital, Hyderabad	7·07
(d) Nishtar Medical College Hospital, Multan	11·32
(e) Lady Reading Hospital, Peshawar	2·71
(f) Civil Hospital, Karachi	11·00
(g) Mayo Hospital, Lahore	45·25
(h) Khyber Medical College Hospital, Peshawar	35·00
(i) B. V. Hospital, Bahawalpur	2·70
(j) Sandeman Civil Hospital, Quetta	4·00
(k) Installation of stand-by electric generators in all the surgical theatres of teaching institutions and District Headquarters Hospitals.	1·80
(l) Scheme for construction of building for housing of Cobalt 60 Unit Therapy at Lady Reading Hospital, Peshawar; Nishtar Hospital, Multan and Mayo Hospital, Lahore.	5·08
Total	1,31·61

7. Other Hospitals and Dispensaries :

A provision of Rs. 7·20 lacs has been proposed in the development budget of 1968-69 for mental hospitals. Out of this, a sum of Rs. 2·00 lacs is meant for construction of Mental Hospital at Lahore and Rs. 5·20 lacs for improvement of the Mental Hospital at Dhudial.

A provision of Rs. 0·80 lacs has been proposed for providing equipment for Dental Clinics and Rs. 5·32 lacs for other dispensaries and hospitals.

8. T. B. Control :

Activities under the T. B. Control programme comprises—

- (a) B. C. G. Campaign.
- (b) Establishment of T. B. Clinics.
- (c) Increase in the number of T. B. beds in Hospitals and Sanatoria.

A gradual integration of the various constituents of the Programme is being effected as also the integration of the Programme as a whole with the district and tehsil headquarters hospitals and the rural health centres so that separate B.C.G. Programme may no longer be necessary and facilities for diagnosis and treatment for T. B. patients may be available at the district and tehsil headquarters hospitals and rural health centres. Accordingly a Provincial B. C.G. Office with six Regional B.C.G. Offices have been established during 1967-68. During 1967-68 a crash B.C.G. vaccination campaign without pre-testing has also been started. This Programme is proposed to be continued during 1968-69. A provision of Rs. 14.30 lacs has been proposed for the B.C.G. Programme for 1968-69.

An addition of 504 beds for T.B. patients in sanatoria and district headquarters hospitals is to be made during the Third P.an. A sum of Rs. 5.50 lacs has been proposed for 1968-69; and further a sum of Rs. 1.70 lacs has been provided for additional facilities in the existing sanatoria.

9. Medical Colleges and Hostels :

A provision of Rs. 23.92 lacs has been proposed for Medical Colleges and hostels for the year 1968-69, which includes a sum of Rs. 11.92 lacs for the Medical Colleges and Rs. 12.00 lacs for the hostels.

10. Stipends and Scholarships :

In order to maintain the steady increase in the number of technical personnel such as doctors, nurses, health technicians, lady health visitors, midwives and dais, scholarships and stipends to medical and para-medical personnel are continued to be granted. The allocation proposed for 1968-69 is Rs. 20.66 lacs.

11. Blood Transfusion Service :

To meet the ever increasing demand for blood transfusion facilities, a provision of Rs. 9.22 lacs has been proposed in the development budget of 1968-69 for purchase of equipment for divisional Blood Transfusion Units.

12. Laboratories :

For the year 1968-69, the following allocations have been proposed:—

	(Rupees)] in lacs)
(a) West Pakistan Drugs Laboratory, Lahore	.. 3.00
(b) Public Health Food Analysis Laboratory, Quetta	.. 1.00
(c) Public Health Food Analysis Laboratory, Multan	.. 1.00
(d) Chemical Examiner's Laboratory, Lahore	.. 0.17
Total	<hr/> .. 5.17 <hr/>

13. Public Health Schools :

A provision of Rs. 5.89 lacs has been proposed for Public Health Schools in the development budget of 1968-69, which includes (a) Rs. 1 lac for improvement of Public Health Nursing School at Lahore (b) Rs. 4.50 lacs for construction of building for Public Health School at Hyderabad, and (c) Rs. 0.39 lacs for the improvement of Public Health School at Quetta.

14. Eradication of Small-pox :

In order to eradicate small-pox, a scheme has been proposed with the assistance of W.H.O. Experts. The scheme is phased in three years.

A sum of Rs. 10.00 lacs has been proposed for the year 1968-69.

15. Compulsory Internship Scheme :

It is proposed to provide for the compulsory internship of the students passing out of 5 teaching institutions of the Province. This arrangement will not only provide opportunity for practical work to them but also lessen the need for additional doctors in the hospitals where the internees are posted. A provision of Rs. 10.00 lacs has been proposed for the purpose.

COMMUNICATIONS

A gross allocation of Rs. 18,03·00 lacs has been made for the construction and improvement of Roads and Bridges during the next year (1968-69) as compared to Rs. 15,46·58 lacs for the year 1967-68. Details of the gross allocation of Rs. 18,03·00 lacs are as under:—

	<i>Rupees in lacs</i>
(1) On Going Schemes	12,09·27
(2) New Schemes	5,93·73

Some of the important Road and Bridge construction Projects which will be under execution during the next financial year are given below:—

	<i>Provision in lacs of Rupees)</i>
1. Construction of Karachi-Hyderabad Super Highway ..	3,50·00
2. Construction of Karachi-Kalat-Quetta Dalbandin-Killa Sufaid Road (RCD Highway).	1,45·00
3. Construction of Lahore-Multan Section of National Highway including Design and Investigation.	60·00
4. Construction of Thatta-Sujawal Bridge	41·00
5. Construction of Lahore-Lyallpur Highway	1,00·00

A sum of Rs. 71·30 lacs has been allocated to the Agricultural Development Corporation for the execution of On-Going Schemes relating to the construction of Roads in the Ghulam Muhammad and Guddu Barrage Areas.

An allocation of Rs. 30·00 lacs has been made for 1968-69 for restoration of Flood Damages in West Pakistan. This provision is meant to cater to the urgent needs of repairs of roads damaged by floods or heavy rains.

The Road Programme included in the next year's Annual Development Plan envisages the construction of 150 miles of metalled black-topped roads in addition to the improvement of about 100 miles of unmetalled (Kacha) roads in the Province and the construction of several bridges. The following table shows the progressive increase in the mileage of roads constructed during the last decade:—

Period	Metalled Roads	Unmetalled Roads (shingle and katcha).	Total
1st July, 1960 ..	8,772	10,912	19,684
1st July, 1961 ..	8,827	11,554	20,381
1st July, 1962 ..	9,002	11,988	20,990
1st July, 1963 ..	9,327	11,680	21,007
1st July, 1964 ..	9,445	11,952	21,397
1st July, 1965 ..	10,007	12,024	22,031
1st July, 1966 ..	10,134	12,052	22,186
1st July, 1967 ..	10,309	12,152	22,461
1st July, 1968 (Expected) ..	10,459	12,252	22,711
1st July, 1969 (Expected) ..	10,609	12,352	22,961

In addition to the allocation for the construction of roads, a sum of Rs. 4,47·94 lacs has been provided in the Budget Estimates, 1968-69, for the normal maintenance and repairs of existing roads. This amount includes Rs. 10·80 lacs for improvement of roads in the Barrage Areas.

SOCIAL WELFARE

An amount of Rs, 74.68 lacs has been provided for Social Welfare Schemes in the Annual Development Programme for 1968-69. A summary of some of the schemes being run by the Directorate of Social Welfare, West Pakistan is given below—

<i>Particulars</i>	<u>1967-68</u>	<u>1968-69</u>
(i) Urban Community Development Projects	71	81
(ii) Homes for Destitutes and Under Privileged Women	2	2
(iii) Socio-Economic Centres	2	4
(iv) Child Welfare and In-service Training Institute, Lahore ..	1	1
(v) Pilot Rural Community Development Projects	14	22
(vi) Welfare Homes for the Training and Rehabilitation of Beggars	1	2
(vii) School Social Work Projects	6	9
(viii) Abandoned Babies and Destitute Children Homes	1	1
(ix) Model Orphanages	1	2

The scheme 'Welfare Homes for the Training and Rehabilitation of Beggars' mentioned at No. (vi) above is intended to help, train and rehabilitate beggars to earn their livelihood from sources other than beggary. One Welfare Home for the training and rehabilitation of beggars at Lahore was sanctioned as a Pilot Project in the Province during the last year. One more such Home is to be established at Rawalpindi during the year 1968-69;

A sum of Rs. 2 lacs has been provided as grant to the Universities of Sind and Peshawar for the training of Social Workers. Another grant-in-aid of Rs. 1.67 lacs has been sanctioned for the construction of a new Block for the Department of Social Work, University of Karachi and opening of a Social Research Centre.

A project has been designed to give part of the way in providing rural blind stable occupation, who leave their villages and seek relief in adjoining cities, ultimately making them self-supporting. A sum of Rs. 3 lacs has been provided as Grant-in-Aid to the West Pakistan Society for Blind for the purpose.

In order to check the mushroom growth of social welfare organizations in the Province a comprehensive scheme entitled 'Supervisory Services for Voluntary Community Development' has been framed for guidance, supervision and control of voluntary agencies by properly enforcing the provisions of the Voluntary Social Welfare Service Agencies (Registration and Control) Ordinance, 1961. This scheme will be put into effect from 1st July 1968 and a provision of Rs. 5.25 lacs has been made in the A. D. P. 1968-69 for the purpose.

The Provincial Government gives an annual grant to the Social Welfare Council for providing grants-in-aid for voluntary social welfare agencies. A provision of Rs. 7 lacs has been made in the Development Budget for 1968-69 as grant to the Social Welfare Council.

Apart from the schemes undertaken directly by the Social Welfare Department/Directorate, certain Social Welfare schemes, which relate to health, are being executed by the Health Department. For such schemes a provision of Rs. 2.67 lacs has been made in the year 1968-69.

MANPOWER AND EMPLOYMENT

An amount of Rs. 66.96 has been provided in the next year for Manpower and Employment. Out of this, an amount of Rs. 59.21 lac pertains to the on-going schemes of the Technical Training Centres, Hyderabad, Lahore, Peshawar, Multan. Construction of Foundry Pattern Shop at Technical Training Centre, Karachi (Seato-Pak Skilled Labour Project), Mines Rescue Centre, Quetta and Technical Training Centre for Defence Released Personnel at Jhelum. The rest of the amount, *i.e.* Rs. 7.75 lac pertains to new schemes *viz.* Technical Training Centre, Rahimyar Khan and construction of Tube-well and overhead Tank in Technical Training Centre, Peshawar.

On the non-developmental side, an amount of Rs. 18.98 has been provided in the Budget Estimate 1968-69 for the Technical Training Centres at Karachi, Hyderabad, Multan, Lahore, Jhelum and Peshawar.

FRONTIER REGIONS

The provision to the extent of Rs. 2.23 crore has been made in the Annual Development Programme for the year 1968-69 for Frontier Regions including merged areas.

Sector-wise allocation is shown as under:—

Serial No.	Sector	Provision made during 1968-69
		<i>(Figures in lakhs)</i>
1	Water and Power	85.16
2	Agriculture	18.14
3	Animal Husbandry	4.29
4	Fisheries	0.63
5	Forests	11.17
6	Rural Water Supply Scheme	0.30
7	Government Servant Housing	1.90
8	Government Offices and Buildings	0.33
9	Industries	1.25
10	Education and Training —	46.37
11	Health	9.60
12	Transport and Communication	42.75
13	Tools and Plants	1.13
	Total	2,23.02

A brief outline of some important schemes is given below:—

Water and Power: Rs. 85,16,000

Bara River Canal scheme which envisages irrigation of 50,000 acres of land has been approved by the National Economic Committee of the Cabinet at a total cost of Rs. 2,90.17 lakhs which will bring prosperity to the inhabitants of the Khyber Agency. Under this the hithertofore barren lands of Khajuri plain will be provided irrigation water for the first time thus opening the way for increasing agricultural activities in the tribal areas. In addition to these schemes funds to the extent of Rs. 7.47 lakhs have also been allotted for the improvement of existing and construction of new small irrigation schemes.

Agriculture Sector: Rs. 18,14,000

In the Agriculture Sector emphasis is being laid on the Reclamation and Development of land in Frontier Regions. The estimated cost of the scheme in Peshawar and D.I.Khan Divisions is Rs. 66,00,000 with a foreign exchange component of Rs. 5,44,000. The scheme envisages reclamation of 20,510 acres of land over a period of 5 years. At present 22 bulldozers are available for this work and it is hoped that by the end of the 3rd Plan period 19 new bulldozers would have been added to the number. By the end of the current financial year 4,000 acres of land will be reclaimed whereas in the next financial year it is hoped that an additional 4,000 acres will be reclaimed.

A workshop is proposed to be constructed during the next year and a provision of Rs. 1.00 lakh has been made in the Budget for this purpose.

Attention is also being paid to the control of insect pest and fungal diseases. In addition scholarships are also awarded to deserving tribal students for B.Sc. Agriculture course.

Education Sector: Rs. 46,37,000

In the Education Sector emphasis is being laid on the award of scholarships for which an amount of Rs. 15,00,000 has been provided in the next financial year. It is also hoped that the Intermediate College, Thana for which a provision of Rs. 2,88,000 has been made in the next financial year would be completed. The establishment of this College, would indeed go a long way in meeting the demands of the people of Malakand Agency and the surrounding tribal area for higher and better education. Attention is also being paid to the opening of Primary, Middle and High Schools.

A provision of Rs. 29.24 lakhs has been made in the next year's budget for construction of various Primary, Middle and High Schools in Frontier Regions and merged areas.

Health: Rs. 9,60,000

A sum of Rs. 9.60 lakhs has been provided in the Budget for the next year for this Sector. The main expenditure relates to the construction of various Dispensaries, Hospitals and purchase of equipment, etc.

Transport and Communication: Rs. 42,75,000

In the Tribal and Merged Areas attached to Peshawar and D.I.Khan Divisions efforts are being made to open up more and more areas by constructing both metalled and shingled roads. The highway between Chakdara and Temurgara is being black-topped in order to provide a better link with Chitral eventually. The merged area of Hazara District which is physically a difficult area is also being improved by constructing roads from Battagram to Thakot, Dilbori to Kuzabanda and Oghi to Shergarh, etc.

General:

In addition to the above provision made in the Annual Development Programme, an amount to the extent of Rs. 2.19 crore has been provided in the Non-Developmental Budget including Merged Areas for the year 1968-69.

VII—REGIONAL DEVELOPMENT

The following table shows the comparative picture and Regional allocations in the Development Programme for the next financial year and the development programme for 1967-68.

[Rupees in crores]

	Development Programme 1967-68	Development Programme 1968-69
Former N.-W. F. P.	14·41	16·78
Former Punjab	59·52	62·18
Former Bahawalpur	3·32	4·54
Former Sind	28·23	35·25
Former Baluchistan	7·24	8·68
Karachi Area	10·78	10·81
Frontier Regions	3·19	4·12
Provincial Schemes	91·19	96·21
<i>Less Short-fall</i>	(—)21·00	(—)26·00
Total	1,96·88	2,12·57

Provincial Schemes—Schemes which cannot be easily identified with any particular area are known as Provincial Schemes; these schemes are not strictly related to development of any particular Region therefore, their allocation has been shown for the Province as a whole. If, however, the allocation for Provincial Schemes is also broken up and included in Regional allocation, the total allocation for each Region will be substantially higher than that shown in the above table.

The allocation for Provincial Schemes has increased from Rs. 69·73 crores in 1965-66 to Rs. 96·20 crores in 1968-69. It means an increase of 37·9% in the period of three years.

Divisional and Regional Break-up of the A. D. P. 1968-69—The following table shows the Sector-wise break up of the A. D. P. 1968-69 among various Divisions and Regions of the Province :

REGIONAL BREAKUP OF A. D. P. 1968-69

(Rupees in lacs)

Serial No.	Division/Region	Water and Power	Agriculture	Industries	Transport and Communications	Physical Planning and Housing	Education and Training	Health	Social Welfare	Manpower	Rural Works Programme	Block Provision	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Peshawar Division	2,98.70	50.67	72.41	1,13.81	41.07	30.25	61.77	1.18	9.52	1,24.39	..	8,03.77
2	D. I. Khan Division	2,76.96	9.02	0.63	15.85	12.43	..	3.00	..	..	43.14	..	3,61.03
3	Divisional Basis ..	..	..	..	..	2.00	..	..	..	..	..	..	2.00
4	Regional Basis ..	5,10.16	1.17	..	..	..	..	..	..	..	..	..	5,11.33
5	Total N.-W.F.P.	10,85.82	60.86	73.04	1,29.66	55.50	30.25	64.77	1.18	9.52	1,67.53	..	16,78.13
6	Rawalpindi Division	50.65	3,40.13	8,19.21	1,26.52	35.05	12.05	10.23	3.25	10.00	1,33.37	..	15,40.46
7	Sargodha Division ..	45.27	81.06	76.97	1,30.44	43.68	30.30	11.07	..	..	1,68.46	..	5,96.25
8	Lahore Division ..	1,12.90	94.05	52.78	40.53	5,52.14	1,41.00	78.73	3.92	18.79	1,77.42	..	12,72.25
9	Multan Division ..	1,07.45	47.02	16.06	74.79	37.72	32.57	36.77	0.18	2.00	1,79.67	..	5,34.23
10	Divisional Basis ..	4,01.41	..	..	..	..	..	..	..	..	..	..	4,01.41
11	Regional Basis ..	18,17.30	56.20	..	..	..	..	..	..	..	..	..	18,73.50
12	Total Punjab ..	25,34.98	6,18.46	9,65.02	3,72.27	6,68.53	2,24.92	1,36.80	7.35	30.79	6,58.92	..	62,18.10
13	Bahawalpur Division	1,50.31	16.90	4.01	1,46.80	9.30	11.80	4.05	..	7.50	91.61	..	4,42.28
14	Divisional Basis ..	11.88	..	..	..	0.01	..	..	..	..	..	..	11.89
15	Total Bahawalpur	1,62.19	16.90	4.01	1,46.80	9.31	11.80	4.05	..	7.50	91.61	..	4,54.17

Serial No.	Division/Region	Water and Power	Agriculture	Industries	Transport and Communications	Physical Planning and Housing	Education and Training	Health	Social Welfare	Manpower	Rural Works Programme	Block Provision	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14
16	Hyderabad Division	2,22.13	1,70.54	8.37	1,68.76	60.32	29.19	27.46	1.18	9.92	1,35.51	..	8,33.38
17	Khairpur Division..	3,93.62	1,92.95	1,98.29	1,24.28	53.25	1.00	23.73	..	..	1,31.03	..	11,08.15
18	Divisional Basis ..	9,66.81	..	..	1,75.00	..	..	..	..	..	..	..	11,41.81
19	Regional Basis ..	4,16.25	19.43	..	..	5.00	1.02	..	..	..	..	..	4,41.70
20	Total Sind ..	19,88.81	3,82.92	2,06.66	4,68.04	1,18.57	31.21	51.19	1.18	9.92	2,66.54	..	35,25.04
21	Quetta Division ..	90.41	17.20	1,09.00	42.80	63.90	..	7.39	0.18	7.87	85.46	..	4,24.21
22	Kalat Division ..	12.12	47.29	0.79	5.50	19.49	..	4.13	..	..	69.12	..	1,58.44
23	Divisional Basis ..	24.10	..	..	..	20.23	..	..	..	..	..	..	44.33
24	Regional Basis ..	29.62	12.21	..	1,45.00	4.00	..	..	..	..	..	50.00	2,40.83
25	Total Baluchistan..	1,56.25	76.70	1,09.79	1,93.30	1,07.62	..	11.52	0.18	7.87	1,54.58	50.00	8,67.81
26	Total Karachi Division.	1,54.48	27.36	3,52.60	2,37.80	2,72.61	74.12	17.05	10.88	1.20	33.43	..	10,81.43
27	Frontier Regions ..	85.16	34.23	*62.30	42.75	2.53	46.37	9.60	..	..	1,27.39	..	4,11.46**
28	Provincial Basis ..	19,48.23	23,03.00	1,01.49	32,85.16	1,00.74	11,17.67	7,10.17	53.91	0.16	..	..	96,20.63
	GRAND TOTAL	81,15.92	35,20.43	17,74.81	46,75.78	13,35.47	15,36.34	10,05.15	74.68	66.96	15,00.00	50.00	2,38,56.67

*This includes Rs. 61.05 lacs of W.P.I.D.C. financed schemes in Dir and Swat States.

**It includes Tools and Plants of Rs. 1.18 lacs.

	Rs.
GRAND TOTAL ..	2,38,56.67
Less Shortfall ..	26,00.00
Net Total ..	<u>2,12,56.67</u>

ALLOCATIONS FOR DEVELOPMENT SCHEMES

Former N.-W. F. P.—Allocations for development in the former N.-W. F. P. Region have gone up from Rs. 5.55 crores in 1965-66, (the first year of the Third Five Year Plan, to Rs. 16.8 crores in 1968-69 showing an increase of 202% over a period of three years. The highest single allocation in the Region goes to Water and Power Sector, followed by Rural Works Programme and Transport and Communications Sector.

Former Punjab Region—In the former Punjab Region, the allocation for development schemes have increased from Rs. 29.2 crores in 1965-66 to Rs. 62.2 crores in 1968-69 showing an increase of 113%. The highest allocation in the Region goes to Water and Power Sector followed by Industries, and Physical Planning and Housing.

Former Bahawalpur Region—The Development allocations in this Region have increased from Rs. 1.5 crores in 1965-66 to Rs. 4.5 crores in 1968-69 showing a rise of 207%. The highest allocation goes to Water and Power Sector followed by Transport and Communications and Rural Works Programme.

Former Sind Region—The allocations in this Region have increased from Rs. 24.6 crores in 1965-66 to Rs. 35.3 crores in 1968-69. The percentage increase over a period of three years comes to 43%. The bulk of allocation is consumed by Water and Power followed by Transport and Communications, Agriculture and Rural Works Programme.

Karachi Region—The allocation for development schemes of different Sectors in Karachi Region/Division has gone up from Rs. 4.3 crores in 1965-66 to Rs. 10.8 crores in 1968-69 showing an increase of 149% during past three years.

Former Baluchistan Region—As against the development allocation of Rs. 3.2 crores for this Region in Annual Development Programme 1965-66, Rs. 8.7 crores have been provided for the development schemes in the year 1968-69 which shows an increase of 172%. The major share of allocation goes to Transport and Communications, Water and Power, Rural Works Programme and Industries. A block provision of Rs. 0.50 crores have also been provided for the development of this Region.

Frontier Regions—The allocation for development schemes of various Sector for the Frontier Regions in the year 1965-66 was Rs. 1.95 crores which has been increased now to Rs. 4.1 crores an increase of about 110% in the three years.