

**GOVERNMENT OF THE PUNJAB  
FINANCE DEPARTMENT**



**WHITE PAPER  
ON THE BUDGET  
1990-91**

**June 9, 1990.**

## INTRODUCTION

The White Paper is, as usual, being released on the budget day. The purpose of issuing this document is to assist the reader in understanding the budget documents which accompany the announcement of the budget so as to provide a picture of the budget as a whole and to offer some comparison with previous budgets. Although the White Paper has been reshaped this year, the Finance Department would nevertheless welcome suggestions regarding possible improvements in its format for the next year. These suggestions may please be sent to the Additional Finance Secretary (Budget) in the department.

I would like to take this opportunity to thank Mr. Arif Azim, Deputy Secretary (Resources) in the Finance Department, for compiling this document.

JUNE 9, 1990

ZULFIQAR ALI SHAH  
FINANCE SECRETARY  
GOVERNMENT OF THE PUNJAB

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**BUDGET AT A GLANCE****(Rs. in crore)**

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	Budget 1989-90	Revised 1989-90	Budget 1990-91
General Revenue Receipts	2451.15	2456.84	2566.41
Non-development Revenue Expenditure	2675.66	2523.67	2902.11
Revenue Deficit:	(-) 224.51	(-) 66.83	(-) 335.70
General Capital Receipts	69.09	95.78	69.46
Non-development Capital Expenditure	104.68	191.75	100.40
Net Capital Receipts:	(-) 35.59	(-) 95.97	(-) 30.94
Public Account Receipts	1649.79	1792.04	1797.88
Public Account Disbursements	1587.49	1718.93	1723.98
Net Public Account Receipts:	62.30	73.11	73.90
Net deficit in the Non-development Account:	197.80	89.69	292.74

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## BUDGET IN BRIEF

### I. NON-DEVELOPMENT ACCOUNT

(Rs. in crore)

	Budget <u>1989-90</u>	Revised <u>1989-90</u>	Budget <u>1990-91</u>
<b>A: NON-FOOD ACCOUNT</b>			
<b>GENERAL REVENUE RECEIPTS</b>			
Federal Divisible Taxes	1441.77	1703.18	1885.88
Provincial Tax Receipts	304.78	316.92	332.27
Income from property and enterprises	6.38	11.56	6.53
Receipts from Civil Administration and other functions :			
General Administration	7.57	8.17	8.62
Law and Order	26.53	26.80	28.82
Community Services	13.84	14.46	16.25
Social Services	44.24	46.13	63.78
Economic Services	157.73	152.68	157.10
Miscellaneous (including ad-hoc Federal Grants)	448.31	176.94	67.16
<b>Total General Revenue Receipts:</b>	<b>2451.15</b>	<b>2456.84</b>	<b>2566.41</b>
<b>NON-DEVELOPMENT REVENUE EXPENDITURE</b>			
General Administration	318.06	244.74	337.07
Law and Order	212.92	213.68	291.82
Community Services	116.05	112.69	110.96
Social Services	959.30	906.60	1018.56
Economic Services	341.21	333.39	346.42
Subsidies	135.02	64.86	64.86
Debt-servicing, Investible Funds and Grants	593.07	647.68	732.39
Miscellaneous (Unallocable)	0.03	0.02	0.03
<b>Total Non-development Revenue Expenditure :</b>	<b>2675.66</b>	<b>2523.67</b>	<b>2902.11</b>
<b>a: Revenue deficit</b>	<b>224.51</b>	<b>66.83</b>	<b>335.70</b>

(Rs. in crore)

	<u>Budget</u> <u>1989-90</u>	<u>Revised</u> <u>1989-90</u>	<u>Budget</u> <u>1990-91</u>
<b>GENERAL CAPITAL RECEIPTS</b>			
Federal Grants	5.00	0.02	1.00
Extraordinary Receipts	11.11	17.65	19.00
Public Debt	14.07	65.71	6.22
Recoveries of Loans and Advances	38.91	12.40	43.24
<b>Total General Capital Receipts:</b>	<b>69.09</b>	<b>95.78</b>	<b>69.46</b>
<b>NON-DEVELOPMENT CAPITAL EXPENDITURE</b>			
Highways, Roads and Bridges	5.00	0.02	1.00
Debt Servicing	71.26	128.96	71.28
Loans and Advances	30.00	63.17	29.70
State Trading in Medical Stores and Coal	(-) 1.58	(-) 0.40	(-) 1.58
<b>Total Non-Development Capital Expenditure:</b>	<b>104.68</b>	<b>191.75</b>	<b>100.40</b>
<b>b: Net Capital Receipts (General Capital Receipts minus Non- development Capital Expenditure)</b>	<b>(-) 35.59</b>	<b>(-) 95.97</b>	<b>(-) 30.94</b>



	(Rs. in crore)		
	<u>Budget</u> <u>1989-90</u>	<u>Revised</u> <u>1989-90</u>	<u>Budget</u> <u>1990-91</u>
<b>PUBLIC ACCOUNT RECEIPTS</b>			
Unfunded Debt	86.50	103.13	104.00
Deposits and Advances	598.77	601.00	605.98
Remittances	964.52	1087.91	1087.91
Total Public Account Receipts :	1649.79	1792.04	1797.89
<b>PUBLIC ACCOUNT DISBURSEMENTS</b>			
Unfunded Debt	24.31	- 30.12	30.15
Deposits and Advances	598.66	600.90	605.93
Remittances	964.52	1087.91	1087.91
Total Public Account Disbursements:	1587.49	1718.93	1723.99
c: Net Public Account Receipts:	62.30	73.11	73.90
Net deficit in the Non-development Account (a+b+c):	197.80	89.69	292.74
<b>B: FOOD ACCOUNT - STATE TRADING IN FOODGRAINS AND SUGAR</b>			
<b>RECEIPTS</b>			
Loans from Commercial Banks	604.11	680.38	752.14
<b>EXPENDITURE</b>			
Foodgrains (Net)	(-) 79.47	361.22	61.66
Repayment of Bank Loans	683.58	319.16	690.48
Total Expenditure:	1208.22	1360.76	1504.28

## II-DEVELOPMENT ACCOUNT

	Budget 1989-90	(Rs. in crore) Budget 1990-91
<b>A: FEDERAL ASSISTANCE:</b>		
Cash Assistance		
a) Cash grants (Revenue Accounts)		
Subsidy on Tubewells	0.60	..
Sub total (a) Cash Grants:	0.60	..
b) Cash Grants (Capital Accounts)		
Japanese Grant	4.50	4.50
Sub total (b) Cash Grants:	4.50	4.50
c) Cash Development Loans	703.65	757.20
Sub total Cash Assistance (a+b+c):	703.65	757.20
<b>B: FOREIGN PROJECT ASSISTANCE:</b>		
a) Foreign Loans	8.15	4.30
b) Foreign Grants		..
Sub total Foreign Project Assistance:	8.15	4.30
<b>TOTAL RESOURCES (A+B):</b>	<b>716.90</b>	<b>766.00</b>

**TAMEER-E-WATAN PROGRAMME 1990-91**

	Budget 1989-90	Revised 1989-90	Budget 1990-91	% of Total
Agriculture	141.99	143.21	143.69	15.97
Rural Development	20.50	97.32	20.00	2.22
Industries	3.54	9.08	4.05	0.45
Water and Power	36.50	28.08	37.00	4.11
Roads and Bridges	65.00	58.45	68.00	7.56
Physical Planning and Housing	155.13	167.62	175.00	19.45
Education and Training	121.78	104.02	115.15	12.80
Information and Culture	1.26	0.82	1.30	0.14
Health	130.00	119.64	135.00	15.01
Tourism	1.50	1.50	0.10	0.01
Social Welfare	0.50	0.20	0.75	0.08
Manpower Training	2.74	2.04	2.74	0.30
Planning & Development	0.76	1.62	15.00	1.66
Priority Programmes	18.00	..	15.00	1.66
MKDA	2.50	..	2.50	0.27
Cholistan Development Authority	0.72	..	0.72	0.08
Dera Ghazi Khan Development Authority	5.00	..	2.50	0.27
Bahawalpur Development Authority	2.00	..	2.50	0.27
Rawalpindi Development Authority	2.00	..	..	..
Special Programme for Education and Local Development	98.58	..	117.74	13.10
Grants for Development Works of Local Councils	..	..	41.26	4.59
<b>Total Development Expenditure (Net)</b>	<b>810.00</b>	<b>733.60</b>	<b>900.00</b>	<b>100.00</b>

## **CHAPTER I**

### **NON-DEVELOPMENT BUDGET**

The non-development or the current budget of the Government of the Punjab comprises Non-development Revenue Account, Non-development Capital Account and Public Account of the Province.

#### **I. NON-DEVELOPMENT REVENUE ACCOUNT:**

The Non-development Revenue Account of the provincial government consists of general revenue receipts and non-development revenue expenditure. General revenue receipts include proceeds of taxes (including the provincial share of federal divisible taxes), charges for services rendered by government agencies, income from commercial activities undertaken by some departments, return on investments in property, securities and enterprises, interest on loans advanced to public corporations, local bodies and government servants and revenue incidental to control functions of the government (fines and forfeitures).

The non-development revenue expenditure represents current expenditure on salaries, allowances of serving and pensions of retired civil servants, maintenance of socio-economic infrastructure, service of public debts, disaster relief, consumption subsidies and other liabilities to be discharged in connection with the day-to-day functions of the government. Originally estimated at Rs. 2451.15 crore, the general revenue receipts increased during the year to Rs. 2456.84 crore in the revised estimates 1989-90 and are expected to increase further to Rs. 2566.41 crore in 1990-91.

The non-development revenue expenditure of the provincial government is incurred on general administration, law and order, community services, social services, economic services, subsidies, debt servicing, investible funds and grants. Although it came down from Rs. 2675.66 crore in the budget estimates 1989-90 to Rs. 2523.07 crore in the revised estimates 1989-90, it is expected to go up to Rs. 2909.11 crore in 1990-91.

A break-up of the general revenue receipts and non-development revenue expenditure, according to the main sources and categories, is given in Table 1.

**TABLE 1**  
**REVENUE ACCOUNT**

	(Rs. in crore)		
	Budget <u>1989-90</u>	Revised <u>1989-90</u>	Budget <u>1990-91</u>
<b>A: GENERAL REVENUE RECEIPTS</b>			
Federal Divisible Taxes	1441.77	1703.18	1885.88
Provincial Tax Receipts	304.78	316.92	332.27
Income from Property and Enterprises	6.38	11.56	6.53
Receipts from Civil Administration and other functions	249.91	248.24	274.59
Miscellaneous (other sources)	448.31	176.94	67.16
<b>Total General Revenue Receipts:</b>	<b>2451.15</b>	<b>2456.84</b>	<b>2566.41</b>
<b>B: NON-DEVELOPMENT REVENUE EXPENDITURE</b>			
General Administration	318.06	244.74	337.07
Law and Order	212.92	213.68	291.82
Community Services	116.05	112.69	110.96
Social Services	959.30	906.60	1018.56
Economic Services	341.21	333.39	346.42
Subsidies	135.02	64.86	64.86
Debt servicing, investible funds and grants	593.07	647.67	732.39
Miscellaneous (unallocable)	0.03	0.02	0.03
<b>Total Non-development Revenue Expenditure:</b>	<b>2675.66</b>	<b>2523.67</b>	<b>2902.11</b>
<b>Revenue deficit (B-A):</b>	<b>(-) 224.51</b>	<b>(-) 66.83</b>	<b>(-) 335.70</b>

The decrease in the revenue deficit from Rs. 224.51 crore in the budget estimates to Rs. 66.83 crore in the revised estimates 1989-90 was on account of the following factors :

- i: an economy cut of 5% on the grants of Irrigation, Police, Education and Health and 3% on the grants of other departments in addition to a complete ban on purchase of durable goods and creations of new posts;
- ii: an increase in receipts particularly from stamp duty and the provincial share in the federal divisible pool;
- iii: a decrease in the expenditure on wheat subsidy due to increase in support price.

Despite an anticipated increase in provincial receipts, the revenue deficit of the Punjab government is expected to increase to Rs. 335.70 crore in 1990-91. The primary reasons for the rise in the revenue deficit are increase in the debt servicing liability, enhanced expenditure on law and order and larger allocations for the social, economic and community services. The deficit, however, is likely to be contained during the year on account of an anticipated decrease in debt servicing and stringent economy measures.

## **II. NON-DEVELOPMENT CAPITAL ACCOUNT :**

This account is composed of general capital receipts and non-development capital expenditure. The general capital receipts, which accrue partly to Account No. 1 (Non-food Account) and partly to Account No. II (Food Account) of the provincial government, consist of grants from the Federal Government, extraordinary receipts, public debt, recoveries of loans and advances granted by the provincial government and temporary advances from commercial banks under counter-finance arrangements with the State Bank of Pakistan for financing operations of state trading in foodgrains.

The non-development capital expenditure also pertains both to the Account No. 1 and Account No. II of the provincial government. It includes expenditure on highways, roads and bridges, repayments of debt, loans and advances by the provincial government, state trading in medical stores and coal and repayment of loans obtained from commercial banks for commodity operations.

The non-development capital account shows an excess of payments over receipts amounting to Rs. 35.59 crore in the budget estimates 1989-90, Rs. 95.97 crore in the revised estimates 1989-90 and Rs. 30.94 crore in 1990-91.

### III. PUBLIC ACCOUNT OF THE PROVINCE :

The public account transactions of the provincial government, which are outside the Provincial Consolidated Fund both on the receipt and expenditure side, comprise unfunded debt, deposits and advances and remittances.

Net public account receipts in the budget estimates 1989-90 anticipated a surplus of Rs. 62.30 crore. In the revised estimates 1989-90, net receipts went up to Rs. 73.11 crore and are expected to increase further to Rs. 73.90 crore in the budget estimates 1990-91. The surplus in the public account transactions is on account of higher receipts from contributions of government employees into the provident fund as compared to disbursements. These transactions are reflected under unfunded debt.

#### CONCLUSION :

The details of the net surplus/deficit accruing from the three accounts comprising the non-development budget are given in Table 2 below :

<b>TABLE 2</b>			
<b>NET SURPLUS/DEFICIT IN THE NON-DEVELOPMENT BUDGET</b>			
	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
Revenue deficit	(-) 224.51	(-) 66.83	(-) 335.70
Deficit in Capital Account	(-) 35.59	(-) 95.97	(-) 30.94
Net Public Account Receipts	62.30	73.11	73.90
<b>Total deficit:</b>	<b>(-) 197.80</b>	<b>(-) 89.69</b>	<b>(-) 292.74</b>

Table 2 reveals that the net deficit in the non-development budget of the Punjab Government has decreased from Rs. 197.80 crore in the budget estimates 1989-90 to

Rs. 89.69 crore in the revised estimates but is expected to go up to Rs. 292.74 crore in the budget estimates 1990-91.

The deficit is primarily on account of the growing gap between the general revenue receipts and non-development revenue expenditure (growing at a very high rate on account of government's investments in social, economic and community services) and the federal government's decision to freeze federal transfers to the provinces (i.e. provincial share in the federal divisible taxes and grant for meeting the provincial budgetary deficit) at the level of 1988-89. The deficit will be met through economy measures and mobilization of resources, improving collection, plugging leakages and recovering arrears.



## CHAPTER 2

### GENERAL REVENUE RECEIPTS

General revenue receipts of the province include the following:

- a: proceeds from taxes (including the provincial share of federal divisible taxes);
- b: charges for services rendered by government agencies;
- c: income accruing from commercial activities undertaken by some departments;
- d: return on investment in properties, securities and enterprises;
- e: interest on loans advanced to public corporations, local bodies and government servants, and
- f: revenue incidental to control functions of the government (fines and forfeitures).

Originally estimated at Rs. 2451.15 crore, general revenue receipts increased by Rs. 5.69 crore during the year and stood at Rs. 2456.84 crore in revised estimates 1989-90. These are expected to rise to Rs. 2566.41 crore in the budget estimates 1990-91 implying an increase of Rs. 115.26 crore over the budget estimates for the previous financial year. A break-up of the general revenue receipts has been given in the first half of Table 1.

#### 1. FEDERAL DIVISIBLE TAXES:

The formula for determining the share of the provincial governments in the divisible pool of federal taxes, which is a constitutional requirement, is based on Distribution of Revenues and Grant-in-Aid Order of 1985 (President's Order No. 2 of 1975), which lays down that provinces shall be allocated 80% of the net proceeds of the following federal taxes:

- i: export duty on cotton;
- ii: taxes on sales and purchases, and
- iii: taxes on income, including corporation tax but excluding taxes on remuneration paid out of the Federal Consolidated Fund.

The percentage share of the provinces in the aforesaid divisible pool, based on their respective population of 1981, is as follows:

Punjab	57.97
Sindh	23.34
N.W.F.P.	13.39
Baluchistan	5.30
-----	
Total:	100.00
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The details of receipts from federal divisible taxes and other taxes collected by the federal government for the provinces, as intimated by the Federal Government, are indicated below:

**TABLE 3**

**FEDERAL DIVISIBLE TAXES**

	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
Customs	111.82	159.71	190.05
Income Tax	651.47	689.69	756.53
Sales Tax	678.48	653.78	939.30
Total:	1441.77	1703.18	1885.88

**OTHER TAXES COLLECTED BY THE FEDERAL GOVERNMENT**

Central Excise Duties	6.87	6.79	7.25
Royalty on Natural Gas	5.79	5.64	7.43
Total:	12.66	12.43	14.68
Grand Total:	1453.43	1715.61	1900.56

## **II. PROVINCIAL TAX RECEIPTS:**

The income from provincial taxes has increased from Rs. 304.69 crore in the budget estimates 1989-90 to Rs. 318.60 crore in the revised estimates and is expected to increase further to Rs. 334.35 crore during the next financial year. The details are available in Table 4 on the following page.

Indirect taxes show an increase of Rs. 7.52 crore in the revised estimates over the budget estimates 1989-90. The receipts from stamp duty have registered a slight increase over the budget estimates but on the whole, indirect taxes, with the exception of entertainment tax, have shown improvements during the year as against the estimates. Direct taxes have shown a moderate increase on account of an increase in receipts from mutation fee.

Provincial tax receipts are likely to increase in the budget estimates 1990-91 by Rs. 15.75 crore over the revised estimates 1989-90 primarily on account of anticipated improved collection and an expected increase in receipts on account of stamps duty and electricity duty.

## **III. INCOME FROM PROPERTY AND ENTERPRISES:**

Income from property and enterprises represents mark-up on soft loans advanced by the provincial government to its employees for construction of houses and purchase of conveyance, to farmers for purchase of agricultural inputs and sinking of tubewells etc., and to the local councils and provincial public corporations for financing their development programmes. It also includes dividends on provincial government's investment in government securities. Receipts from this source are expected to aggregate at Rs. 6.53 crore during 1990-91 against Rs. 11.56 crore in the revised estimates 1989-90 and Rs. 6.38 crore in the budget estimates 1989-90.

**TABLE 4**  
**PROVINCIAL TAX RECEIPTS**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
<b>DIRECT TAXES:</b>			
Agriculture Income Tax	0.04	..	..
Urban Immovable Property Tax	8.07	8.99	9.89
Tax on Transfer of property	12.22	12.22	12.64
Land Revenue	35.95	41.21	42.75
Tax on Professions, Trades and Callings	3.50	3.75	4.00
<b>Total Direct Taxes:</b>	<b>59.78</b>	<b>66.17</b>	<b>69.28</b>
<b>INDIRECT TAXES:</b>			
Excise Duty on Natural Gas	6.78	8.54	9.39
Provincial Excise	3.53	4.71	4.90
Sale of Opium	0.46	0.45	0.49
Stamp Duty	120.63	126.61	129.68
Motor Vehicle Tax	50.18	49.59	55.79
Entertainment Tax	18.32	16.37	17.40
Education Cess	0.07	0.07	0.07
Cotton Fee	18.05	19.00	19.00
Tax on Hotels	1.10	1.15	1.15
Electricity Duty	24.32	24.42	25.68
Others	1.47	1.59	1.59
<b>Total Indirect Taxes:</b>	<b>244.91</b>	<b>252.43</b>	<b>265.07</b>
<b>Total Provincial Taxes:</b>	<b>304.69</b>	<b>318.60</b>	<b>334.35</b>

#### IV. RECEIPTS FROM CIVIL ADMINISTRATION AND OTHER FUNCTIONS.

Table 5 contains the broad details of receipts incidental to law enforcement and other control functions of the government and charges on account of services rendered by government agencies.

**TABLE 5**  
**RECEIPTS FROM CIVIL ADMINISTRATION AND OTHER FUNCTIONS**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
General Administration	7.57	8.18	8.62
Law and Order	26.53	26.80	28.82
Community Services	13.84	14.46	16.25
Social Services	44.24	46.13	63.78
Economic Services	157.73	152.68	157.10
Total:	249.91	248.25	274.57

Non-tax receipts of civil administration departments include income on account of fines imposed by courts, driving licence fee etc., receipts on account of community, social and economic services include fees charged by various educational institutions, hospital receipts, sale proceeds of forest produce, water rate (abiana), hire charges of agricultural machinery, income from tolls, sale of tender forms and stationery etc., and printing charges recovered by the Government Press.

Details of receipts on account of civil administration and other functions of the government are given in Table 6.

**TABLE 6****A: RECEIPTS FROM CIVIL ADMINISTRATION AND LAW AND ORDER**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
General Administration	7.57	8.18	8.62
Administration of Justice	6.81	6.48	7.01
Police	17.49	18.09	19.55
Jails	2.20	2.20	2.23
Civil Defence	0.03	0.03	0.03
Total:	34.10	34.98	37.44

Receipts from civil administration and law and order accrue from general administration, administration of justice, police, jails and civil defence.

Receipts from general administration include examination fees, receipts-in-aid of superannuation and receipts under the Weights and Measures and Trade Employees Act. Receipts under administration of justice mainly comprise general fees, fines and forfeitures, receipts from record rooms and collection of payments for services rendered. Receipts from the police include charges for force supplied to the Federal Government and government departments, fees, fines and forfeitures. In respect of jails, receipts mainly accrue from sale of manufactured goods, and in case of civil defence, these are reimbursements from the Federal Government and realization of fines. The increase of Rs. 0.70 crore in the revised estimates over the budget estimates is due to an increase in fees and fines.

**TABLE 7****B: RECEIPTS FROM COMMUNITY AND SOCIAL SERVICES**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
Buildings	3.25	3.63	4.01
Communications	8.34	8.58	10.00
Public Health	2.25	2.25	2.25
Education	21.83	22.34	40.33
Health	8.00	8.41	8.84
Manpower Management	0.16	0.19	0.20
Housing and Physical Planning	13.50	14.39	13.60
Receipts under the Wild Birds and Wild Animals Protection Act	0.75	0.80	0.80
Total:	58.08	60.59	80.03

Receipts from community and social service accrue from works, public health, education, health, manpower management, housing and physical planning and receipts under the Wild Birds and Wild Animals Protection Act.

Receipts from buildings and communications are derived from civil works, tolls on roads and bridges, sale of tender forms, registration fee of contractors and confiscation of earnest money. In respect of public health, these include collection of payments for services rendered, recovery of departmental charges etc. As for education, the main source of receipts are fees in schools, colleges and other educational institutions. Receipts from health include hospitals receipts and fees charged by medical colleges. Manpower management receipts include receipts from employment organizations and receipts under the West Pakistan Shops and Establishments Ordinance, 1969. Housing and Physical Planning receipts are from the sale of plots and buildings, income from satellite town

schemes and collection of payments for services rendered etc. Receipts under the Wild Birds and Wild Animals Protection Act include receipts collected under various provisions of the Act.

Receipts from economic services accrue from agriculture, fisheries, animal husbandry, forests, cooperation, irrigation, printing, stationery and industries. Details are given in Table 8.

**TABLE 8**

**C:**

**RECEIPTS FROM ECONOMIC SERVICES**

	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
Agriculture	19.64	21.08	22.35
Fisheries	1.85	2.08	2.18
Animal Husbandry	6.75	6.63	7.55
Forest	20.69	15.00	21.13
Cooperation	0.15	0.14	0.17
Irrigation	98.52	97.42	93.49
Printing	5.27	5.26	5.26
Stationery	2.59	2.59	2.61
Industries	2.27	2.48	2.36
<b>Total :</b>	<b>157.73</b>	<b>152.68</b>	<b>157.10</b>

Agricultural receipts are receipts from experimental seed farms, hire charges of bulldozers, boring operations, research stations and soil conservation. Animal husbandry generates receipts from livestock and broiler farms, insemination fees and income from research institutes. Forest income includes sale proceeds of timber and other produce and from the Jallo Rosin Factory. Cooperation receipts are mainly on account of income from demonstration farms and training institutes. Irrigation receipts are derived from water rates, direct receipts from canals, land reclamation and irrigation research institutes.



Receipts under printing and stationery include printing charges, sale of government publications, forms, registers and stationery while receipts from industries come from sale proceeds of finished goods, store purchases and fees etc.

The decrease in the revised estimates 1989-90 as compared with the budget estimates 1989-90 is due to lower receipts from forests on account of a ban on tree felling as also due to a slight fall in irrigation dues. Receipts from economic services, however, are likely to improve during the next financial year.

#### **V: MISCELLANEOUS**

Miscellaneous receipts include federal grants including deficit grant. Against Rs. 448.31 crore in the budget estimates 1989-90, the revised estimates 1989-90 have been fixed at Rs. 176.94 crore. The fall is due to a decrease in the deficit grant on account of improvement in Punjab's share in the divisible pool and a similar decrease in subsidy as a result of the increase in the support price of wheat. Budget estimates 1990-91 have been fixed at Rs. 67.16 crore.

## CHAPTER 3

### NON-DEVELOPMENT REVENUE EXPENDITURE

The non-development revenue expenditure of the provincial government is incurred on general administration, law and order, community, social and economic services, subsidies, debt servicing, investible funds and grants.

The expression non-development expenditure is a misnomer because it tends to convey the impression that all current expenditure on the day-to-day business of the government is unproductive and, therefore, wasteful. This is entirely misleading. In fact, the so-called non-development expenditure has a strong socio-economic bias as it is not only necessary to maintain assets created by investment in the development programme of the government but also to provide essential services necessary for progress. No meaningful development can take place without expenditure on maintenance of law and order, administration of justice and the maintenance of existing socio-economic infrastructure. A school or a hospital building would be useless without teachers, doctors or equipment which are provided from the non-development expenditure. Communication or irrigation networks would become a liability rather an asset if these were not properly maintained.

The general impression that non-development expenditure is mostly incurred as wasteful expenditure on administration is also not correct. In the first instance, a major portion of the expenditure is incurred on social, economic and community services. In the budget estimates 1990-91 the share of these sectors comes to 50.86 per cent of the budget. Secondly, only a small percentage of the budget is spent on the so-called non-development departments within these services. In this way, the expansion of the physical infrastructure is met from the development budget while the expenditure on its maintenance as well as on the social infrastructure takes place through the non-development budget.

While formulating the budget estimates 1990-91, an effort has been made to make the non-development budget complementary to the development effort of the province. To

meet this objective, the following guiding principles have been adopted :

- i: to maximise the provision of commodities and services contributing to the social welfare and development functions of the government;
- ii: special allocations should be made, where necessary, to improve the maintenance of the capital assets of the government, and
- iii: in order to ensure a reasonable level of operational efficiency in government, adequate funds should be provided to cover the expenditure on consumable items like stationery, equipment etc.

In order to translate these guidelines into budgetary allocations, detailed programmes have been chalked out to make up deficiencies in neglected areas of maintenance of physical assets and in provision of social services. Specific and separate yard-sticks for the allocation of funds have been determined for different fields like the repair of buildings, roads, irrigation canals and the provision of medicines and services in hospitals.

Non-development revenue expenditure was estimated at Rs. 2675.66 crore in the budget estimates 1989-90. In the revised estimates 1989-90, the expenditure has been curtailed to Rs. 2523.67 crore but will go up to Rs. 2902.11 crore in the budget estimates 1990-91.

The major reduction of Rs. 151.99 in expenditure in the revised estimates 1989-90 over the corresponding budget estimates is attributable to austerity measures, a cut-down on non-essential expenditure, an across-the-board economy cut, a ban on purchase of durable goods and an embargo on creation of new posts.

The budgetary proposals have been formulated under severe resource constraints on one hand and rising demands from administrative departments on the other. In any case, annual increase in salaries, rise in prices and enhanced rates of electricity, telephone, postage and POL Charges had to be accounted for. In order to control the worsening trend in law and order, a large allocation of Rs. 249.98 crore for police had to be provided. Other expenditures that have contributed to the increase in the budget estimates for 1990-91 are as follows :

- i: an allocation of Rs. 45.00 crore has been made to allow 5% increase in salaries of employees in BS-1 to BS-16. The 5% increase was held over from the previous financial year due to resource constraints and could not be delayed any further due to a rise in the consumer prices ;
- ii: a provision of Rs. 18.00 crore has been made for the purchase of an aeroplane for the Governor's Fleet ;
- iii: Rs. 10.00 crore have been set aside for the Bait-ul-Maal established by the Punjab Government during 1989-90 ;
- iv: a similar provision has also been made towards the Jahez Fund ;
- v: the establishment of 11 new intermediate colleges, upgradation of 132 high schools to higher secondary standard, 435 middle schools to high schools and conversion of 1250 mosque schools into regular primary schools will cost about Rs. 15.27 crore ;
- vi: an amount of Rs. 16.00 crore has been set aside for the Primary Education Project ;
- vii: lump sum provisions to cover medical treatment abroad, transfer of completed development schemes to the non-development budget, enhanced cost of utilities and additional facilities in the Dental Hospital, Lahore, will cost about Rs. 13.79 crore.

The non-development revenue expenditure in terms of its functional distribution is discussed as under :

## 1. GENERAL ADMINISTRATION

The broad details of expenditure of general administration are given in Table 9.

<b>TABLE 9</b>			
<b>EXPENDITURE ON GENERAL ADMINISTRATION</b>			
	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
Organs of State	50.98	59.20	55.89
Fiscal Administration	256.05	172.45	269.69
Economic Regulation	3.17	3.14	3.30
Statistics	4.11	3.91	4.21
Publicity and Information	3.75	6.04	3.98
<b>Total :</b>	<b>318.06</b>	<b>244.74</b>	<b>337.07</b>

Although the expenditure on general administration has gone down significantly from Rs. 318.06 crore in the budget estimates to Rs. 244.74 crore in the revised estimates, it is likely to rise to Rs. 337.07 crore during 1990-91 on account of usual budgetary enhancements.

## II. LAW AND ORDER :

This includes expenditure on the administration of justice, the police and civil armed forces, jails, civil defence etc., as detailed in Table 10.

**TABLE 10**  
**EXPENDITURE ON LAW AND ORDER**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
Justice : Law Courts	16.64	16.86	18.32
Police and Civil Armed Forces	171.05	172.17	245.78
Jails and Detention Places	19.92	19.73	22.01
Civil Defence	1.44	1.36	1.51
Training and Research in Law and Order	3.87	3.56	4.20
<b>Total :</b>	<b>212.92</b>	<b>213.68</b>	<b>291.82</b>

The slight increase in the revised estimates over the budget estimates 1989-90 is due to additional expenditure incurred on the strengthening of the police force.

The increase in the budget estimates 1990-91 over the budget estimates 1989-90 is due to an aggregate increase of Rs. 74.73 crore in the expenditure of the police force as a result of revision in pays and allowances and purchase of new equipment.

The expenditure on jails and detention places is expected to increase to Rs. 22.01 crore on account of recruitment of additional supervisory staff.

### III. COMMUNITY SERVICES :

Community services include the road communication network, government buildings, water supply, sanitation and sewerage arrangements. Details of expenditure on community services are given in table 11.

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
Works	107.47	104.17	101.95
Public Health Services (water-supply, sanitation, sewerage and refuse disposal)	7.50	7.47	7.88
Other Community Services	1.08	1.05	1.13
<b>Total :</b>	<b>116.05</b>	<b>112.69</b>	<b>110.96</b>

The responsibility for providing community services vests solely in the government for the obvious reason that these services cannot be provided individually in the private sector.

Revised estimates 1989-90 show a decrease of Rs. 3.36 crore mainly due to reduction in expenditure relating to works. The fall in budget estimates over the budget and revised estimates 1989-90 is primarily due to economy in expenditure on works.

### IV. SOCIAL SERVICES :

The details of expenditure on social services are indicated in table 12.

**TABLE 12**  
**EXPENDITURE ON SOCIAL SERVICES**

	Budget	Revised	(Rs. in crore)
	1989-90	1989-90	Budget 1990-91
Education	734.68	681.91	782.54
Health	184.70	172.80	187.75
Manpower and Labour Management	4.81	4.67	4.84
Housing and Physical Planning	4.63	5.62	4.74
Sports and recreational facilities	5.06	4.91	5.16
Social security and social welfare	21.76	32.14	29.94
Natural calamities and other disasters	1.02	2.02	1.08
Religious affairs	2.64	2.53	2.51
<b>Total :</b>	<b>959.30</b>	<b>906.60</b>	<b>1018.56</b>

A decrease of Rs. 52.70 crore has been registered in the revised estimates 1989-90 over the corresponding budget estimates. The budget estimates 1990-91 for social services show an increase of Rs. 111.96 crore over the revised estimates 1989-90. The main increase is in the fields of education and health.

**V. ECONOMIC SERVICES :**

Detailed expenditure on economic services is indicated in Table 13.

The expenditure on economic services shows a decline of Rs.7.82 crore in the revised estimates over the budget estimates 1989-90 on account of monitoring of disbursements/expenditures.

**TABLE 13**  
**EXPENDITURE ON ECONOMIC SERVICES**

	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
Agriculture and Food	143.33	141.09	152.11
Irrigation	161.99	156.35	156.57
Land Reclamation	2.70	2.60	3.77
Rural Development	15.24	15.47	14.24
Industrial and Mineral Resources	17.95	17.88	19.73
<b>Total :</b>	<b>341.21</b>	<b>333.39</b>	<b>346.42</b>

The increase in the budget estimates 1990-91 over the revised estimates 1989-90 amounting to Rs. 13.03 crore is mainly reflected in agriculture and food and industries.

**VI: SUBSIDIES:**

Revised estimates 1989-90 indicate a fall of Rs. 70.16 crore over the corresponding budget estimates. The decrease is due to an increase in the support price of wheat. The estimates for 1990-91 have been kept at Rs. 64.86 crore. This is discussed in greater detail in Chapter 5.

**VII: DEBT SERVICING, INVESTIBLE FUNDS AND GRANTS:**

Expenditure under this head is mainly incurred as payment of mark-up on provincial debt. It also includes grants made by the provincial government to autonomous bodies and other institutions like the Punjab Economic Research Institute, Cholistan Development Authority and the Punjab Land Utilisation Authority.

Debt servicing liability of the province under this head was projected at Rs. 593.07 crore in the budget estimates 1989-90. It increased to Rs. 647.68 crore in the revised



estimates due mainly to an increase in the quantum of cash development loans obtained from the Federal Government for investment in the Annual Development Programme and larger payments of mark-up on loans given by the Federal Government for commodity operations. In the Budget 1990-91, this is estimated at Rs. 732.39 crore.

**VII: MISCELLANEOUS (UNALLOCABLE) ITEMS OF EXPENDITURE:**

The budget estimates 1989-90 showed an amount of Rs. 0.03 crore under this head which has been repeated for 1990-91.

## CHAPTER 4

### GENERAL CAPITAL RECEIPTS

General capital receipts accrue partly to Account No. 1 (Non-food Account) and partly to Account No. II (Food Account) of the provincial government maintained with the State Bank of Pakistan. The non-development capital receipts, which accrue to Account No. 1, comprise :

- i: grants from the federal government;
- ii: extraordinary receipts;
- iii: public debt, and
- iv: recoveries of loans and advances extended by the provincial government.

The receipts forming part of Account No. II consist of temporary advances from commercial banks under counter-finance arrangements with the State Bank of Pakistan for financing operations of state trading in foodgrains. The cash credit limit for food advances is fixed by the Federal Government. These advances are secured against food stocks which constitute the primary security for the commercial banks. Account No. II is maintained with the State Bank of Pakistan exclusively for the transactions relating to receipts and expenditure of the Food Department. The quantum of such temporary advances estimated at Rs. 604.11 crore in the budget estimates 1989-90 has increased to Rs. 680.38 crore in the revised estimates 1989-90 due to larger procurement of wheat. The target for 1990-91 has been fixed at Rs. 752.14 crore keeping in view the anticipated procurement.

Details of the capital receipts accruing to Account No. I are given in Table 14 on the following page. These show an increase of Rs. 26.71 crore in the revised estimates 1989-90 over the budget estimates and are likely to be around Rs. 69.46 crore in 1990-91.

**TABLE 14**  
**NON-DEVELOPMENT CAPITAL RECEIPTS**

	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
Grants from the Federal Government	5.00	0.02	1.00
Extraordinary Receipts	11.11	12.40	19.00
Public Debt (Borrowing)	7.95	7.86	0.10
Recoveries of Loans and Advances	38.91	17.65	43.24
Domestic Debt	6.12	57.85	6.12
<b>Total :</b>	<b>69.09</b>	<b>95.78</b>	<b>69.46</b>

**1. FEDERAL GRANTS :**

The federal government reimburses expenditure incurred on improvement of national highways and construction of certain other roads and bridges of national importance. A sum of Rs. 5.00 crore was expected from the federal government during 1989-90. The revised estimates 1989-90 have been fixed at Rs. 0.02 crore in the light of releases made by the federal government. A provision of Rs. 1.00 crore has been made in the budget estimates 1990-91 in anticipation of such receipts.

**2. EXTRAORDINARY RECEIPTS:**

Extraordinary receipts accrue mainly from the sale of government land. The revised estimates of Rs. 12.40 crore reflect an increase of 12 per cent over the budget estimates of Rs. 11.11 crore for 1989-90. These are estimated at Rs. 19.00 crore for 1990-91.

**3. PUBLIC DEBT:**

Public debt includes domestic and floating debts. The domestic permanent debt of the provincial government represents market loans and land commission compensation bonds. The floating debt represents temporary borrowings from the State Bank of Pakistan

commonly known as ways and means advances. Market loans are long-term loans obtained by the provincial government from the general public and financial institutions. Ways and Means advances are resorted to as and when the provincial government's cash balance with the State Bank of Pakistan falls below the minimum required to be maintained as a result of uneven flow of receipts into government account or delay in the release of funds due from the federal government. Public debt receipts have decreased from Rs. 7.95 crore in budget estimates 1989-90 to Rs. 7.86 crore in the revised estimates 1989-90 and are estimated at Rs. 0.10 crore for 1990-91.

#### **4. RECOVERY OF LOANS AND ADVANCES:**

The provincial government advances loans to its employees, cultivators and to various local and autonomous bodies for specific purposes. Loans are advanced to government servants for purchase of residential plots, purchase, repair and construction of houses and for the purchase of motor cars, motor cycles and bicycles.

The provincial government also gives short-term and medium-term loans to the cultivators for purchase of agricultural implements and inputs. Loans to local bodies are advanced mostly for financing their water supply, sewerage and drainage schemes. Similarly, autonomous bodies of the provincial government are given loans for financing specific development projects. Recoveries of such loans are reflected in the budget under this head. Receipts on account of recoveries of loans and advances have decreased from Rs. 38.91 crore in the budget estimates to Rs. 17.65 crore in the revised estimates 1989-90. A provision of Rs. 43.24 crore has been made in anticipation of recoveries of loans and advances during the financial year 1990-91.

#### **5. DOMESTIC DEBT :**

Against the budget estimates of Rs. 6.12 crore, these were estimated at Rs. 57.85 crore in the revised estimates and are again fixed at Rs. 6.12 crore for 1990-91.

## CHAPTER 5

### NON-DEVELOPMENT CAPITAL EXPENDITURE

As in the case of general capital receipts, the non-development capital expenditure also pertains both to Account No. I and Account No. II of the provincial government maintained with the State Bank of Pakistan. The expenditure in Account No. I relates to:

- a: highways, roads and bridges;
- b: repayment of debt;
- c: loans and advances by the provincial government, and
- d: state trading in medicines and coal.

The net expenditure on state trading in foodgrains and the repayment of loans taken from the commercial banks for state trading operations of the Food Department are included in Account No. II.

Details of the non-development capital expenditure are given in Table 15.

#### 1. HIGHWAYS, ROADS AND BRIDGES.

The work relating to the construction of national highways and certain other roads and bridges of national importance is executed by the provincial highways department on behalf of the federal government. Expenditure on these works is, therefore, exhibited in the provincial budget as capital expenditure outside the Annual Development Programme. Allocation for such works has decreased from Rs. 5.00 crore in the budget estimates 1989-90 to Rs. 0.02 crore in the revised estimates due to the release of lesser funds by the federal government and has been fixed at Rs. 1.00 crore for 1990-91.

**TABLE 15****NON-DEVELOPMENT CAPITAL RECEIPTS**

	(Rs. in crore)		
	Budget 1989-90	Revised 1989-90	Budget 1990-91
<b>ACCOUNT NO. I</b>			
Roads and Bridges	5.00	0.02	1.00
Debt Servicing	71.26	128.96	71.28
Loans and Advances	30.00	63.17	29.70
State Trading in Medicines and Coal	(-) 1.58	(-) 0.40	(-) 1.58
<b>Total Account No. I:</b>	<b>104.68</b>	<b>191.75</b>	<b>100.40</b>
<b>ACCOUNT NO. II</b>			
State Trading in Foodgrains (Net)	(-) 79.47	361.22	139.11
Debt Servicing	653.58	319.16	690.48
<b>Total Account No. II:</b>	<b>574.11</b>	<b>680.38</b>	<b>829.59</b>
<b>Grand Total Accounts I &amp; II:</b>	<b>678.79</b>	<b>872.13</b>	<b>929.99</b>

**II. DEBT SERVICING IN ACCOUNT NO. I:**

Debt servicing in Account No. I consists of repayment of domestic debt comprising market loans, ways and means advances, federal government loans and foreign debt.

The expenditure has increased from Rs. 71.26 crore in budget estimates 1989-90 to Rs. 128.96 crore in the revised estimates due to interest paid on ways and means advances. Budget estimates 1990-91 have been fixed at Rs. 71.28 crore.

**A. MARKET LOANS:**

The details of market loans outstanding at the end of the financial year 1989-90 are given in Table 16 :

**TABLE 16**  
**MARKET LOANS OF PUNJAB GOVERNMENT**

Name of the loans	Year Issue	Date of maturing	(Rs. in crore)
			Account
10.75% Punjab Loan 1991	1981	27.8.1991	7.52
10.75% Punjab Loan 1992	1982	13.9.1992	9.05
10.75% Punjab Loan 1994	1984	21.6.1994	10.52
10.75% Punjab Loan 1996	1986	13.9.1996	2.73
10.75% Punjab Loan 1997	1987	27.8.1997	5.06
10.50% Punjab Loan 1998	1988	12.10.1998	7.58
10.50% Punjab Loan 1999	1989	17.9.1999	7.85

**B: REPAYMENT OF FEDERAL LOANS:**

Since 1970, the Annual Development Programme has been financed mostly through borrowings from the federal government and foreign agencies. Rupee loans received from the federal government are repaid in equal instalments over a period of 20 years after an initial grace period of five years. The terms and conditions of repayment of foreign exchange loans by the province are the same as those between the federal government and lending agencies. In case of USAID Counterpart Fund loans, these are generally repaid in 61 half-yearly instalments with an initial grace period of ten years. For the repayment of the German Counterpart Fund loans, the terms and conditions are the same as those for repayment of cash development loans obtained from the federal government.

At the end of the financial year 1989-90, the total debt liability of the Punjab Government to the federal government will be Rs. 5116.08 crore which is as follows:

	(Rs. in crore)
a: on account of rupee loans received from federal government	4329.70
b: on account of counterpart fund rupee loans	26.88
c: on account of foreign exchange loans	759.50

The details are as under:

**TABLE 17**  
**FEDERAL GOVERNMENT LOANS OUTSTANDING AGAINST**  
**PUNJAB ON 30.6.1989**

	(Rs. in crore)	
i: Cash Development Loans (1973-74 to 1989-90)	4076.06	} 4329.70
ii: Cash Development Loans for SCARP tubewells Project (1974-75 to 1987-88)	252.20	
iii: Others (since 1974-75)	1.44	
iv: Counterpart Fund Rupee Loans	26.88	} 786.38
v: Foreign Exchange Loans	759.50	
Total:	5116.08	

### C. WAYS AND MEANS ADVANCES

The punjab government can draw ways and means advances from the State Bank of Pakistan at a mark-up of 9% upto Rs. 54 lac and at 10% on amounts exceeding Rs. 54 lac upto a limit of Rs. 558 lac. Thus a total amount of Rs. 612 lac can be drawn at a time. Table 18 indicates the ways and means advances drawn by the provincial government during the year 1983-84 to 1988-89 and from July 1989 to April 1990. Interest paid on such advances is also shown at the foot of the table. There were no such advances in 1984-85 and 1988-89.



**TABLE 18**

**WAYS AND MEANS ADVANCES**

(Rs. in crore)

	<u>1983-84</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1989-90</u>
July	..	6.12	..	6.12	..
August	..	6.12	..	12.24	..
September	..	..	..	..	12.24
October	0.61	2.00	..	..	6.12
November	..	6.12	..	..	6.12
December	6.12	..	..	..	2.77
January	..	..	..	..	..
February	..	..	0.09	6.12	6.12
March	..	..	6.12	..	6.12
April	..	..	..	6.12	6.12
May	..	..	..	12.24	..
June	..	..	..	7.91	..
<b>Total:</b>	<b>0.61</b>	<b>20.36</b>	<b>6.21</b>	<b>50.75</b>	<b>45.61</b>
<b>Interest paid:</b>	<b>Rs. 3,000</b>	<b>0.08</b>	<b>Rs. 24,000</b>	<b>0.31</b>	<b>0.13</b>

**III. LOANS AND ADVANCES:**

As explained earlier, the provincial government advances loans to government servants, cultivators and local/autonomous bodies for specific purpose. A provision of Rs. 30.00 crore was made in the budget estimates 1989-90 for the grant of such loans and advances. It has gone upto Rs. 63.17 crore in the revised estimates 1989-90 while the budget estimates 1990-91 show an allocation of Rs. 29.70 crore on this account. The increase in the revised estimates 1989-90 over the budget estimates is mainly due to loans amounting to local and provincial autonomous bodies.

#### **IV. STATE TRADING IN MEDICINES AND COAL:**

This component of the non-development capital expenditure has been dealt with in the next chapter on state trading in both Accounts I and II.

## CHAPTER 6

### STATE TRADING

State trading operations of the provincial government pertain to foodgrains, sugar, medical stores, coal and coke. Transactions pertaining to state trading operations concerning foodgrains are kept separate and their receipts and expenditure are credited and debited to the Food Account of the provincial government with the State Bank of Pakistan. The expenditure on state trading in foodgrains is met from borrowings from the commercial banks.

The details of receipts and expenditures of different state trading schemes of the provincial government are given in Table 19.

**TABLE 19**  
**STATE TRADING SCHEMES**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
<b>A-FOODGRAINS</b>			
Gross Expenditure on Purchase of Foodgrains	761.02	935.22	940.33
Deduct recoveries	840.49	574.00	801.22
Net Expenditure	(-) 79.47	361.22	139.11
<b>B-STATE TRADING IN MEDICAL STORES:</b>			
Expenditure	61.68	61.59	61.73
Deduct	(-) 61.68	(-) 61.59	(-) 61.73
Net Expenditure:	..	..	..
<b>C-STATE TRADING IN COAL:</b>			
Expenditure	0.11	0.05	0.10
Deduct Recoveries	(-) 1.69	(-) 0.55	(-) 1.68
Net Expenditure:	(-) 1.58	(-) 0.40	(-) 1.58
Total Net Expenditure:	(-) 81.05	360.82	137.53

## I. FOODGRAINS:

The expenditure on purchase, handling and storage of wheat during 1989-90 has increased from the estimated amount of Rs. 761.02 crore to Rs. 935.22 crore in the revised estimates 1989-90 as a consequence of enhancement in the target from 28.00 lac metric tons to 30.98 lac metric tons. The rate of purchase price of wheat has also been enhanced from Rs. 2,125 per metric ton to Rs. 2,400 per metric ton.

In the budget estimates 1989-90, receipts from the sale of foodgrains were estimated at Rs. 840.49 crore. In the revised estimates 1989-90, receipts amounting to Rs. 574.00 crore are anticipated. The decrease is on account of lesser sale of wheat of 19.69 lac metric tons against the original estimate of 31.12 lac metric tons.

The procurement price of wheat for 1990-91 has been fixed at Rs. 2,400 per metric ton. The incidental charges have been fixed at Rs. 604.11 per metric ton. In order to purchase, handle and store, 28.00 lac metric tons of indigenous wheat and 3.00 lac metric tons of imported wheat, an amount of Rs. 940.33 crore has been provided in the budget estimates 1990-91. Receipts from the sale of foodgrains are estimated at Rs. 801.22 crore which will accrue from the sale of 29.23 lac metric tons of wheat.

## III. STATE TRADING IN COAL, COKE AND MEDICINES

The expenditure on state trading in medical stores is completely covered by receipts and recoveries.

The provincial government procures coal and coke through the Trading Corporation of Pakistan and then sells it for use in the public and private sectors. In the budget 1989-90, sale proceeds of coke from the stocks were estimated at Rs. 1.69 crore against an expenditure of Rs. 0.11 crore, thereby showing a surplus of Rs. 1.58 crore. However, in the revised estimates 1989-90, the surplus came to Rs. 0.40 crore. During 1990-91, against an expenditure provision of Rs. 0.10 crore, recoveries are likely to be made to the extent of Rs. 1.68 crore due to sale of coal and coke giving a surplus of Rs. 1.58 crore.

**CHAPTER 7**  
**PUBLIC ACCOUNT TRANSACTIONS**

The public account transactions of the provincial government outside the Provincial Consolidated Fund broadly fall under unfunded debt, deposits and advances and remittances.

Table 20 shows the receipts and disbursements from the public account transactions and their net effect as per budget and revised estimates 1989-90 and the budget estimates for 1990-91.

**TABLE 20**  
**PUBLIC ACCOUNT TRANSACTIONS**

	Budget 1989-90	Revised 1989-90	(Rs. in crore) Budget 1990-91
<b>RECEIPTS</b>			
Unfunded Debt	86.50	103.13	104.00
Deposits and Advances	598.77	601.00	605.98
Remittances	964.52	1087.91	1087.91
<b>Total :</b>	<b>1649.79</b>	<b>1792.04</b>	<b>1797.89</b>
<b>DISBURSEMENTS</b>			
Unfunded Debt	24.31	30.12	30.15
Deposits and Advances	598.66	600.90	605.93
Remittances	964.52	1087.91	1087.91
<b>Total:</b>	<b>1587.49</b>	<b>1718.93</b>	<b>1723.99</b>
<b>NET</b>			
Unfunded Debt	62.19	73.01	73.85
Deposits and Advances	0.11	0.10	0.05
Remittances	..	..	..
<b>Total:</b>	<b>62.30</b>	<b>73.11</b>	<b>73.90</b>

## **I. UNFUNDED DEBT:**

Unfunded debt consists of the provincial government liability on account of balances in the various provident funds of government employees. Since the number of government employees increases from year to year, their contribution to the provident fund also increases. This results in an increased liability, as the payments into such funds usually exceed withdrawals therefrom. The net receipts in the revised estimates 1989-90 are estimated at Rs. 103.13 crore. For budget estimates 1990-91, these have been fixed at Rs. 104.00 crore.

## **II. DEPOSITS AND ADVANCES:**

Deposits and advances cover a large number of items of miscellaneous receipts and expenditure, most of which do not follow any fixed pattern. This is specially true of receipts and expenditures pertaining to personal ledger accounts of autonomous and local bodies of the provincial government kept with government treasuries. This also applies to receipts and expenditure pertaining to various suspense accounts. Whether net receipts from suspense accounts will be positive or negative depends entirely on whether misclassification in respect of receipts has been greater than that in respect of expenditure and vice versa. Therefore, for purposes of budgeting, the net effect of such receipts and expenditure is assumed to be nil.

## **III. REMITTANCES:**

The net effect of the transactions pertaining to the remittance heads, including the inter-provincial suspense accounts and the adjusting account between the federal government and the provincial government, has also been assumed to be nil during 1990-91 as was done for 1989-90.

## CHAPTER 8

### ANALYSIS OF THE NON-DEVELOPMENT REVENUE ACCOUNT

The non-development account includes tax receipts from the federal divisible taxes and provincial taxes, revenue emanating from economic services, civil administration and other functions of the government. It also includes receipts on account of transfers derived from income from property and enterprises, receipts-in-aid of superannuation and federal grants.

#### I. REVENUE RECEIPTS:

The budget estimates 1990-91 project the provincial government's general revenue receipts at Rs. 2506.37 crore. A major part of these receipts, amounting to Rs. 2218.15 crore and constituting 86.4 per cent of the total revenue income, will accrue from taxes. The rest of the provincial government's revenue receipts will accrue on account of non-tax-revenues and from transfers. The composition of the non-development revenue receipts for 1989-90 and 1990-91 is given in table 21.

#### TAX RECEIPTS:

The tax receipts for 1990-91 constitute 86.44% of the total non-development revenue receipts against 71.25% in the budget estimates 1989-90.

#### NON-TAX RECEIPTS:

The sources of non-tax receipts of the provincial government are fees, rates, charges and miscellaneous receipts for services rendered, commodities sold and fines levied by government departments. Table 21 shows that non-tax receipts, other than transfers, account for 10.2% of the total revenue receipts estimated for 1989-90 and 10.1% in the revised estimates. These are expected to rise to 10.69% in the budget estimates 1990-91. Tables 5 to 8 in Chapter 2 give details of non-tax receipts of the provincial government.

TABLE 21

## NON-DEVELOPMENT REVENUE RECEIPTS

(Rs. in crore)

	Tax receipts	%	Non-tax receipts	%	Transfer receipts	%	Total
Budget 1989-90	1746.55	71.25	249.91	10.20	454.69	18.55	2451.15
Revised 1989-90	2020.10	82.23	248.24	10.10	188.45	7.67	2456.79
Budget 1990-91	2218.15	86.44	274.56	10.69	73.66	2.87	2566.37
Tax receipts:	Federal divisible taxes plus provincial taxes (direct and in direct).						
Non-tax receipts:	Receipts from civil administration and other functions minus receipts-in-aid of superannuation.						
Transfer receipts:	Interest receipts plus federal grants plus receipts-in-aid of superannuation.						

**TRANSFER RECEIPTS:**

Included in transfer receipts are interest receipts, federal grants and receipts-in-aid of superannuation. Table 21 shows that transfer receipts constitute only 2.87% of the total revenue receipts estimates for 1990-91.

**CLASSIFICATION OF TAX REVENUE:**

The distribution of tax revenue between receipts from direct and indirect taxes is given in Table 22.

The ratio between direct (income tax plus the direct provincial taxes) and indirect taxes (export duty on cotton, sales tax and indirect provincial taxes) works out at roughly 37:63 in the budget estimates 1990-91 as compared to 41:59 in the budget estimates for 1989-90.



**TABLE 22**  
**CLASSIFICATION OF TAX REVENUE**

					(Rs. in crore)
	DIRECT		INDIRECT		Total
	Amount	%	Amount	%	
Budget 1989-90	711.25	40.72	1035.30	59.28	1746.55
Revised 1989-90	755.85	37.42	1264.24	62.58	2020.10
Budget 1990-91	825.81	37.23	1392.34	62.77	2218.15

A major part of the tax receipts of the province is drawn from the federally collected divisible taxes. Table 23 indicates the ratio such taxes bear to the receipts of provincial government from other taxes.

**TABLE 23**  
**RATIO OF RECEIPTS FROM FEDERAL DIVISIBLE TAXES AND PROVINCIAL TAXES**

					(Rs. in crore)
	Federal Divisible Taxes		Provincial Taxes		Total
	Amount	%	Amount	%	
Budget 1989-90	1441.77	83	304.78	17	1746.55
Revised 1989-90	1703.18	84	306.92	16	2020.10
Budget 1990-91	1885.88	85	332.27	15	2218.15

The percentage of the federal divisible taxes in the total tax receipts of the provincial government will increase from 83% in the budget estimates 1989-90 to 85% in the budget estimates 1990-91.

The large proportion of federal taxes in the total tax receipts of the province is explained by the fact that most of the important direct and indirect taxes are constitutionally within the jurisdiction of the federal government. Table 24 shows federal divisible taxes which are passed on to this province in terms of percentage of total receipts from this source.

**TABLE 24**  
**COMPOSITION OF THE PUNJAB SHARE OF FEDERAL DIVISIBLE TAXES**

(Rs. in crore)

	Budget 1989-90		Revised 1989-90		Budget 1990-91	
	Amount	%	Amount	%	Amount	%
Income Tax	651.47	45	689.69	41	756.53	40
Sale Tax	678.48	47	853.78	50	939.30	50
Customs	111.82	8	159.71	9	190.05	10
<b>Total:</b>	<b>1441.77</b>	<b>100</b>	<b>1703.18</b>	<b>100</b>	<b>1885.88</b>	<b>100</b>

A comparison of the receipts from different taxes levied and collected by the provincial government is given in Table 25.

Stamp duty continues to be the largest contributor to provincial tax receipts with a share of 39% in the total tax receipts for 1990-91. Motor vehicles tax is the second largest source with a contribution of 17% of the total revenue. Other important sources of provincial tax receipts are land revenue which will contribute 13% electricity duty with 8% and cotton fee with 6%.

**TABLE 25**  
**PROVINCIAL TAX RECEIPTS**

(Rs. in crore)

	Budget 1989-90		Revised 1989-90		Budget 1990-91	
	Amount	%	Amount	%	Amount	%
Agriculture income tax	0.04	..	..	..	..	..
Urban immovable property tax	8.07	3	8.99	3	9.89	3
Taxes on transfer of property	12.22	4	12.22	4	12.64	4
Land revenue	35.95	12	41.20	13	42.75	13
Excise duty on natural gas	6.87	2	6.79	2	7.25	2
Tax on professions, trades and callings	3.50	1	3.75	1	4.00	1
Provincial excise	3.53	1	4.71	1	4.89	1
Sale of opium	0.46	..	0.45	..	0.49	..
Stamp duty	120.63	40	126.61	40	129.68	39
Motor vehicles tax	50.18	16	49.59	16	55.79	17
Entertainment tax	18.32	6	16.37	5	17.40	5
Education cess	0.07	..	0.07	..	0.07	..
Cotton fee	18.05	6	19.00	6	19.00	6
Tax on hotels	1.10	..	1.15	..	1.15	..
Electricity duty	24.32	8	24.42	8	25.68	8
Others	1.47	1	1.59	1	1.59	1
<b>Total:</b>	<b>304.78</b>	<b>100</b>	<b>316.91</b>	<b>100</b>	<b>332.27</b>	<b>100</b>

**II: CURRENT EXPENDITURE:**

The current expenditure of the provincial government comprises :

- a: consumption expenditure (payments on account of wages, and salaries, goods and services) and
- b: transfer payments (interest on provincial debt, subsidies, pensions, grants, etc.).

Table 26 indicates the trend of the current expenditure, showing an increase of Rs. 166.29 crore in the consumption expenditure and Rs. 60.16 crore in the transfer payments in the budget estimates 1990-91 as compared to the budget estimates 1989-90.

**TABLE 26**

**CURRENT EXPENDITURE**

	(Rs. in crore)				
	CONSUMPTION EXPENDITURE		TRANSFER PAYMENTS		Total
	Amount	%	Amount	%	
Budget 1989-90	1947.57	73	728.09	27	2675.66
Budget 1990-91	2113.86	73	788.25	27	2902.11

**FUNCTIONAL DISTRIBUTION OF CURRENT EXPENDITURE**

The functional distribution of non-development revenue expenditure of the provincial government is shown in Table 27.

**TABLE 27**

**FUNCTIONAL DISTRIBUTION OF CURRENT EXPENDITURE**

	(Rs. in crore)					
	Budget 1989-90		Revised 1989-90		Budget 1990-91	
	Amount	%	Amount	%	Amount	%
General Administration	318.06	12	244.74	10	337.07	12
Law and order	212.92	8	213.68	8	291.82	10
Community services	116.05	4	112.69	4	110.96	4
Social services	959.30	36	906.60	36	1018.56	35
Economic services	342.21	13	333.39	13	346.42	12
Subsidies	135.02	5	64.86	3	64.86	2
Deb servicing, Investible funds and grants	593.07	22	647.68	26	732.39	25
Unallocable	0.03	..	0.02	..	0.03	..
<b>Total:</b>	<b>2675.66</b>	<b>100</b>	<b>2523.67</b>	<b>100</b>	<b>2902.11</b>	<b>100</b>

Social services continue to consume the largest proportion of current expenditure. Education alone consumes Rs. 782.54 crore and health services Rs. 187.75 crore out of the budget estimates 1990-91.

## CHAPTER 9

### FINANCING OF TAMEER-E-WATAN PROGRAMME

#### I. TAMEER-E-WATAN PROGRAMME 1989-90:

The gross size of the Tameer-e-Watan Programme for 1988-89 was fixed at Rs. 810.00 crore against an estimated resource availability of Rs. 716.90 crore with an operational shortfall of Rs. 93.10 crore.

#### II. TAMEER-E-WATAN PROGRAMME 1990-91:

Federal Assistance amounting to Rs. 757.20 crore in the shape of CDL and foreign assistance to the extent of Rs. 8.80 crore will provide a total resource availability of Rs. 766.00 crore for the Tameer-e-Watan Programme 1990-91. Financing of the programme for 1989-90 and 1990-91 is given in Table 29.

TABLE 28

#### FINANCING OF THE TAMEER-E-WATAN PROGRAMMES 1989-90 AND 1990-91

	Budget 1989-90	(Rs. in crore) Budget 1990-91
<b>A: FEDERAL ASSISTANCE:</b>		
i: Cash Grants	0.60	..
ii: Cash Development Loans	703.65	757.20
Total:	704.25	757.20
<b>B: FOREIGN ASSISTANCE:</b>		
i: Japanese Grant	4.50	4.50
ii: Foreign Loans	8.15	4.30
Total:	12.65	8.80
Grand Total:	716.90	766.00

In addition to the above allocations, a sum of Rs. 448.24 crore is expected to flow in the form of foreign assistance which is over and above the normal programme. The spread of this additional amount is given in Table 29.

**TABLE 29**  
**FOREIGN AIDED PROJECTS**

<u>Name of Sector</u>	<u>Amount</u> (Rs. in crore)
i: Agriculture	30.49
ii: Livestock Development	6.00
ii: Fisheries	1.60
iv: Water and Power	37.00
v: F.M.R.	95.00
vi: Urban Development	28.00
vii: Education	115.15
viii: Health	135.00
Total:	448.24

The gross size of the Tameer-e-Watan Programme 1990-91 has been fixed at Rs. 900.00 crore against the estimated resource availability of Rs. 766.00 crore whereas in 1989-90 it was fixed at Rs. 810.00 crore with resource availability of Rs. 716.90 crore. The gap between the available resources and the gross size of the Tameer-e-Watan Programme for 1990-91 is expected to be met by an operational shortfall of Rs. 134.00 crore.

## CHAPTER 10

### SECTORAL ALLOCATIONS

Sectoral allocations in the Tameer-e-Watan Programme for 1990-91 are given in Table 30. For comparison, allocations made in 1989-90 have also been indicated with percentage shares. Salient features of the programme for 1990-91 are :

1. The policy to invest heavily in rural areas will be continued during 1990-91 and about 80% of the development funds would be spent on projects in the rural areas.
2. In order to develop backward areas, priority would be attached to fourteen backward districts of the province. 45% of the development outlay will be allocated for projects in such districts as compared to 43% during 1989-90, despite the fact that the population of these districts is only 40% of the total. In addition, special allocations have been made for Murree Kahuta Development Authority (Rs. 2.50 crore), Cholistan Development Authority (Rs. 0.72 crore), Bahawalpur Development Authority (Rs. 2.50 crore) and Dera Ghazi Khan Development Authority (Rs. 2.50 crore). The allocation for development of "barani" areas has been increased from Rs. 121.25 crore to Rs. 141.64 crore.
3. An amount of Rs. 95 crore will be spent on farm-to-market roads.
4. During 1990-91, 1070 water-courses will be improved and subsidy would be provided for 1100 diesel tubewells and 395 lift pumps.
5. An area of 14300 acres will be covered under the afforestation programme and a total length of one thousand road miles would be lined with trees during 1990-91.
6. 800 miles of canals and drains will be improved during the year.



7. An amount of Rs. 102 crore will be spent on rural water supply schemes and 475 drainage schemes will be completed during 1990-91. An estimated population of 1.64 million will benefit from these investments.
8. An allocation of Rs. 135 crore has been made for health. Basic Health Units in 300 union councils and 6 Rural Health Centres would be completed during the year. Improvement and expansion of 600 Basic Health Units and 50 Rural Health Centres shall be undertaken during the course of year; 2 tehsil headquarter hospitals and 3 district headquarter hospitals will also be completed.
9. Out of the allocation of Rs. 115 crore for education, 65% will be spent on primary and secondary education. 1481 new girls primary schools will be opened, 125 mosque schools will be converted into regular schools and 2050 shelterless primary schools will be provided buildings. 150 primary schools will be upgraded to the middle level and 150 middle schools to the high school level. Buildings of 74 higher secondary schools and 12 degree colleges will also be constructed during the year and four new intermediate colleges will be opened.
10. Two lac 7-marla plots and three thousand 3-marla plots will be developed and distributed amongst needy families during 1990-91.
11. An amount of Rs. 20 crore will spent on provision of basic facilities to "katchi abadis" in the province. By the end of 1990-91, the total amount spent on such "abadis" shall reach approximately Rs. 60 crore.

**SECTORAL ALLOCATIONS IN TAMEER-E-WATAN PROGRAMME**

**TABLE 30**

(Rs. in crore)

	Budget 1989-90		Budget 1990-91	
	Amount	%	Amount	%
Agriculture	141.99	17.53	143.69	15.97
Rural Development	20.50	2.53	20.00	2.22
Water & Power	36.50	4.51	37.00	4.11
Industries & Minerals	3.54	0.44	4.05	0.45
Roads & Bridges	65.00	8.02	68.00	7.56
Information & Culture	1.26	0.16	1.30	0.14
Physical Planning & Housing	155.13	19.15	175.00	19.45
Education & Training	121.78	15.03	115.15	12.80
Health	130.00	16.04	135.00	15.01
Social Welfare	0.50	0.06	0.75	0.08
Manpower & Training	2.74	0.34	2.74	0.30
Planning & Development	0.76	0.09	15.00	1.66
Tourism	1.50	0.19	0.10	0.01
Priority Programme	18.00	2.22	15.00	1.66
MKDA	2.50	0.31	2.50	0.27
Cholistan Development Authority	0.72	0.09	0.72	0.08
D.G. Khan Development Authority	5.00	0.62	2.50	0.27
Bahawalpur Development Authority	2.00	0.25	2.50	0.27
Grant for Development Works of Local Councils	..	..	41.26	4.59
Rawalpindi Development Authority	2.00	0.25	..	..
Special Programme for Education and Local Development	98.58	12.17	117.74	13.10
<b>Gross Total:</b>	<b>810.00</b>	<b>100</b>	<b>900.00</b>	<b>100</b>
<b>Less Operational Shortfall</b>	<b>93.10</b>	<b>..</b>	<b>134.00</b>	<b>..</b>
<b>Total Development Expenditure (Net)</b>	<b>716.90</b>	<b>..</b>	<b>766.00</b>	<b>..</b>

## 1. AGRICULTURE

In view of the pivotal position of agriculture to the economic prosperity of the province, agriculture and its related sectors e.g. livestock, forestry, fisheries, cooperatives, farm-to-market roads and food storage, taken together have been provided an allocation of Rs. 143.69 crore. This is almost 16% of the total development outlay during 1990-91. If the proposed allocation of Rs. 37.00 crore for Water and Power, which are key inputs for agricultural development, are also added, the share of agriculture and its related sectors adds up to 20% of the total investment.

An allocation of Rs. 125.49 crore has been proposed for Agriculture during 1990-91. The major emphasis has been, as before, on physical infrastructure with FMR programme accounting for 75.70% of the total outlay. Apart from this, large allocations have been made for water management, agricultural extension and agricultural research. The sub-sectoral position of this distribution is shown in the Table 31.

TABLE 31  
SUB-SECTORAL ALLOCATIONS FOR AGRICULTURE

Sub-sector	(Rs. in crore)
Farm-to-Market Roads	95.00
Tubewell Electrification by PLUA	2.81
Water Management	10.75
Agriculture (Extension)	7.04
Agriculture Mech. Water Resources Development	1.03
Agriculture Research	0.20
Agriculture Economics and Marketing	0.65
Regional Planning	0.60
Total:-	125.49

## 2. LIVESTOCK AND DAIRY DEVELOPMENT

This sector has been allocated an amount of Rs. 6.00 crore as is shown in Table 32.

**TABLE 32**  
**SUB-SECTORAL ALLOCATIONS FOR LIVESTOCK AND**  
**DAIRY DEVELOPMENT**

Sub-sector	(Rs. in crore)
Livestock Production	4.30
Animal Health	0.63
Poultry Production	0.64
Science and Research	0.43
Total:	6.00

The main focus in this sector is on research, breed improvement, livestock management programme, health coverage and increase in the supply of fodder.

## 3. FORESTRY, WILDLIFE AND FISHERIES

An allocation of Rs. 11.60 crore or 1.29% of the total has been made for this sector during 1990-91. The main emphasis in Forestry would be on raising compact plantation in irrigated, riverain and bela areas. Afforestation, Range Management and Parks and Recreation would also be given priority. Programme-wise details are given in Table 33.

**TABLE 33**  
**SUB-SECTORAL ALLOCATIONS FOR FORESTRY,**  
**WILDLIFE AND FISHERIES**

Sub-sector	(Rs. in crore)
a: FORESTRY	
1. Afforestation	2.49
2. Social Forestry	1.12
3. Management of Forests and Buildings	0.93
4. Range Management	1.12
5. Parks & Recreation	0.68
6. Research & Education	0.34
7. Sericulture	0.05
b: WILDLIFE	3.27
c: FISHERIES	1.60
Total:	11.60

An allocation of Rs. 1.60 crore has been provided for Fisheries during 1990-91. Efforts will be made for improvement and identification of fish culture activities in the private sector and development of natural and other feasible resources in the public sector. Public sector activities have mainly been confined to creation of infrastructure for establishment of hatcheries and nurseries in addition to providing research, training and extension services.

#### 4. INDUSTRIES AND MINERAL DEVELOPMENT

An allocation of Rs. 4.05 crore has been proposed for this sector during 1990-91. The break-up is given in Table 34.

**TABLE 34**  
**SUB-SECTORAL ALLOCATIONS FOR INDUSTRIES**  
**AND MINERAL DEVELOPMENT**

(Rs. in crore)

<u>Sub-sector</u>	
Directorate of Industries	0.74
Punjab Small Industries Corporation	2.45
Punjab Mineral Development Corporation	0.86
Total:	----- 4.05

Major emphasis in this area is being placed on small industries due to their tremendous potential for growth and employment.

#### 5. WATER AND POWER

An allocation of Rs. 37.00 crore has been earmarked for Water and Power Programme against an allocation of Rs. 36.50 crore in 1989-90. In addition, an amount of Rs. 37.00 crore will flow to the Water Sector from the following foreign aided projects:

1. Command Water Management;
2. Scarp Transition Pilot Project;
3. Irrigation System Rehabilitation Phase-II;
4. Small Dams in the Barani Areas.

#### 6. ROADS AND BRIDGES

An allocation of Rs. 68.00 crore has been provided during 1990-91 for this sector. A major allocation of Rs. 60.20 crore has been made to complete on-going schemes. Programme-wise details are given in Table 35.

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**TABLE 35****SUB-SECTORAL ALLOCATIONS FOR ROADS AND BRIDGES**

<u>Sub-sector</u>	(Rs. in crore)
1. Widening/Improvement	60.20
2. New Roads	6.30
3. Bridges	1.50
	-----
Total:	68.00

---

It will be seen that a major point of emphasis is on widening and improvement of the deteriorating road network. This programme will get Rs. 60.20 crore which is 88.5% of the total allocation.

**7. RURAL WATER SUPPLIES**

Keeping in view the policy to provide clean and hygienic water and drainage facilities to rural population, an allocation of Rs. 102.00 crore has been proposed for rural water supplies during 1990-91. Out of the total allocation, Rs. 100.00 will be spent on the on-going schemes.

**8. URBAN DEVELOPMENT**

An amount of Rs. 28.00 crore has been provided for Urban Development during 1990-91. Details of sub-sectoral allocations are given Table 36.

**TABLE 36**  
**SUB-SECTORAL ALLOCATIONS FOR URBAN DEVELOPMENT**

Sub-sector	(Rs. in crore)
1. Lahore Development Authority	3.95
2. Faisalabad Development Authority	12.70
3. Multan Development Authority	7.35
4. Rawalpindi Development Authority	2.00
5. Gujranwala Development Authority	2.00
Total:	28.00

### 9. EDUCATION AND TRAINING

Table 37 gives details of allocation for various sub-sectors of education:-

**TABLE 37**  
**SUB-SECTORAL ALLOCATIONS FOR EDUCATION**

Sub-sector	(Rs. in crore)
1. Primary Education	22.21
2. Secondary Education	52.76
3. Teacher Education	2.64
4. Technical Education	4.92
5. College Education	22.85
6. Special Education	1.35
7. Scholarships	5.49
8. Regional Planning	0.23
9. Miscellaneous	2.70
Total:	115.15



A sum of Rs. 115.15 crore has been provided for Education during 1990-91. A major part of the allocation relates to the achievement of targets laid down under accelerated programme for rural education.

#### 10. HEALTH

An amount of Rs. 135.00 crore has been proposed for Health during 1990-91 with the following break-down:

**TABLE 38**  
**SUB-SECTORAL ALLOCATIONS FOR HEALTH**

<u>Sub-sector</u>	(Rs. in crore)
1. Teaching Hospitals	18.97
2. District Hospitals	11.02
3. Tehsil Hospitals	3.59
4. Medical Education	24.64
5. Stipends & Scholarships	6.96
6. Miscellaneous	7.37
7. Rural Health Programme	62.65
<b>Total:</b>	<b>135.00</b>

Highest priority has been given to the Rural Health Programme by earmarking 46.40% of the total allocation. This is followed by 18.25% allocation for medical education and 14.05% for teaching hospitals.