



BUDGET SPEECH

(1987-1988)

of

Pu ZORAMTHANGA

Finance Minister, Mizoram

in the

Legislative Assembly of Mizoram

On 20th March 1987.

Mr. Speaker Sir, I rise to present before the Assembly the supplementary Demands for the year 1986-1987 and Budget Estimates for the year 1987-1988. This is the first Budget being laid in the Mizoram State Legislative Assembly. The Financial provisions in the Revised Estimates for 1986-1987 and Budget Estimates for the year 1987-1988 are as follows:-

The Revenue Receipt for the year 1987-1988 is estimated at Rs. 14890.79 lakhs as against Rs.16561.05 lakhs of the Revised Estimates for 1986-1987. The estimated expenditure on Revenue Account for 1987-1988 is Rs. 16422.79 lakhs as against Rs. 17910.53 lakhs of the Revised estimates for 1986-1987. On the Capital side, the receipts during 1987-1988 are estimated at Rs. 4611.70 lakhs as against Rs. 3750.86 lakhs of Revised Estimates for the year 1986-1987. Capital expenditure including Loans and Advances during 1987-88 are estimated to be Rs.6513.10 lakhs as against and Rs.5652.26 lakhs of Revised Estimates for the year 1986-1987.

STATE PLAN OUTLAY FOR 1987-1988

As the Hon'ble Members are aware, the outlay for the State Annual Plan for 1987-1988 is fixed at Rs. 7000.00 lakhs as against Rs. 5950.00 lakhs for 1986-1987. Sectoral –wise distribution of this outlay is depicted in Annexure –I of the Explanatory Memorandum.

CENTRAL PLAN/CENTRALLY SPONSORED SCHEME

The total outlay NEC Schemes during 1987-1988 is Rs. 534.81 lakhs as against Rs. 433.83 lakhs in the Revised Estimates for 1986-1987. The outlay for Centrally Sponsored Schemes is Rs.61.58 lakhs for 1987-1988 as against Rs. 1886.32 lakhs in the Revised Estimates for 1986-1987. I may mention in this connection that statement of approved expenditure in respect of some of the Central Plan/Centrally Sponsored Schemes for the year 1987-1988 have not yet been received till now and therefore, only token provisions are indicated for these schemes. Details of the Centrally Sponsored Schemes and schemes under NEC of General

Provident Fund, supervision of Treasuries etc. is the responsibility of the Directorate of Accounts and Treasuries. During 1986-1987, 242 pension cases have been disposed of and payment of 97 cases of insurance money finalized. Out of the 24622 General Provident Fund Accounts maintained, 281 cases of financial payment have also been settled. The local audit wing of the Department had audited accounts of 26 offices during the year.

The main functions of Excise and Taxation Department are collection of various taxes and duties and prevention and detection of Excise crimes. For enforcement of the Mizoram Excise Act 1973, 2 bonded Warehouse Licence-cum-wholesale licenses were issued along with 16 retail licences at Aizawl and 5 at Lunglei for selling Indian Made Foreign Liquor. 3 bars and 2 club-bar licences were issued at Aizawl while one bar licence was issued for Lunglei. Chhimituipui District could not be adequately covered due to shortage of staff. During the current year, considerable quantities of intoxicating and dangerous drugs, such as heroin, ganja and phensydl were seized by the Excise personnel. The Excise Department also discovered and destroyed 18 acres of opium plantation and 1 acre of ganja cultivation in the southern belt bordering Burma. 264 illegal traders in liquor were arrested. A sum of Rs. 112.19 lakhs was realized towards Excise duty as against B.E Rs. 86.04 lakhs during the year 1985-1986. It is expected that the income from Excise would be Rs. 200.00 lakhs at the end of the current financial year. The Taxation Wing of the Department has collected Rs, 34.26 lakhs as taxes under various Acts and Regulations upto 31.1.1987.

PRINTING & STATIONERY DEPARTMENT

A sum of Rs. 172.00 lakhs has been provided during 1986-1987 with which new machines were purchased and commissioned which considerably improved the efficiency and output of the Government Press. A sum of Rs. 224.90 lakhs has been provided for 1987-1988. It is proposed to set up a branch of the Government Press at Lunglei which will take up printing works of Lunglei and Chhimituipui Districts. A plot of land has already been acquired at Lunglei for construction of the building.

EDUCATION DEPARTMENT

The approved Plan outlay of the Department for 1986-1987 is Rs.360.00 lakhs out of which Rs.250.00 lakhs was earmarked for Elementary Education, Rs.100.00 lakhs for Secondary Education, Rs.35.00 lakhs for Higher Education and Rs.30.00 lakhs for Technical Education. 32 private Middle Schools, 5 private High Schools and 2 Colleges were given deficit grant-in-aid, more teachers. A separate Directorate of Sports and Youth Welfare has been created. The approved Plan outlay of Rs.495.00 lakhs for 1987-88 will be utilized mainly for continuation and expansion of the on-going schemes. Particular attention will be paid to introduction of 10+2 system of higher education which will involve vocationalisation of education, which is urgently required for Mizoram.

SOCIAL WELFARE DEPARTMENT

The target of rehabilitation of 120 destitute women under Women and Child Welfare Scheme has been achieved. As many as 80 Pre-school Centres are continued to be maintained in places where Integrated Child Development Scheme Projects have not been implemented. In the Training-cum-Production Centres for physically handicapped persons, the intake capacity of 25 persons each for male and female has been increased to 45 each. 373 handicapped students reading in Class I-VIII have been awarded stipends during the year. 1563 persons have been benefited by the Scheme of Assistance to the aged 234 voluntary organizations have been grants-in-aid. One new Integrated Child development Project has been started at Darlawn during the year.

LABOUR AND EMPLOYMENT

During the year, the Industrial Training Institute at Aizawl imparted training in 9 vocational trades. Construction of a hostel for women is nearing completion. A number of apprentices have been trained under the Apprenticeship Training Scheme under which each trainee is paid Rs.150.00 per month as gratia allowances. The state Employment Market Unit has been set up during the year. The Labour Department had been strengthened for better

enforcement of labour laws. Minimum wages have also been prescribed as a labour welfare measure.

PUBLIC HEALTH ENGINEERING DEPARTMENT

The Department comes to be headed by its own Chief Engineer during the year. The Department, at present has one Circle and 6 working Divisions. The Planning Commission has already approved proposal for creation of another Circle, 2 working Divisions, one Mechanical Division and a Testing Laboratory. There is a provision of Rs. 715.00 lakhs during the year 1986-1987 and it is expected that the target of 67 villages for Rural Water Supply Scheme would be achieved. About 240 villages, Constituting 32% of problem villages in Mizoram have already been covered under Rural Water Supply Schemes. A sum of Rs. 350.00 lakhs has been provided during the year for implementation of Greater Aizawl Water Supply Scheme Phase-I is expected to be commissioned in June, 1987.

HEALTH AND FAMILY WELFARE DEPARTMENT

“Health for all by 2000 A.D.” is the strategy and objective of the Department. A sum of Rs. 290.00 lakhs was provided for 1986-1987 which is being utilized for strengthening Health Services, establishment of new Primary Health Centres and Sub-Centres. 4(four) Primary Health Centres having 10 beds are proposed to be set up at Khawhlailung, Haulawng, Phuldungsei and Lunglei and these are expected to be completed during this financial year. The existing 10 bedded Primary Health Centre at Kawrthah is to be upgraded to 30 bedded during this year and 12 new sub-centres have also been established at various places. Master plan for expansion of Civil Hospital at Aizawl having 300 beds has been implemented and the first and second phase for accommodating 40 beds have been completed.

REHABILITATION DEPARTMENT

The Government of India sanctioned Rs. 191.00 lakhs during 1986-1987 for rehabilitation of MNF personnel who came over ground as a result of the Peace Accord.

Rs. 13.00 lakhs was sanctioned as initial Grant for 650 MNF personnel at Rs. 2000.00 each. 40 (forty) persons were given agricultural grants at the rate of Rs. 9,720 .00 each while 554 persons were given Rs. 20,000.00 each for starting grocery shops for their rehabilitation. A provision of Rs. 20.00 lakhs has also been made for housing assistance at the rate of Rs. 5000.00 each.

PLANNING DEPARTMENT

The Plan outlay for 1986-1987 for the Department is Rs. 7.00 lakhs during the current year which has been utilized for strengthening the Department by creation of posts. A sum of Rs. 9.00 lakhs has been allotted during 1987-1988 for further strengthening of the Department. It is proposed to create one post of Adviser and one post of Deputy Adviser with supporting staff to strengthen the State Planning Board.

RURAL DEVELOPMENT DEPARTMENT

This Departmental executes 2 types of scheme-Community Development Schemes under State Sector and IRDP, NREP, RLEGP, etc. under Central Sector. The provision during 1986-1987 in the State Section was Rs. 80.00 lakhs and the following works have been taken up. Construction of 60 Community Halls, 60 playgrounds, 85 water points, 290 kms. Inter-village paths and it also provides Rs. 4.00 lakhs worth material assistance to social organizations. The outlay for 1987-1988 is Rs. 88.00 lakhs and the Department proposes to construct 82 community halls, 60 playgrounds, 80 RCC water tanks, 10 km. Jeep road, 40 urinal sheds and construction of Directorate building. Under the Central Sector 7000 families living below the poverty line are given assistance. Under NREP Schemes, various works such as construction of School buildings, playgrounds, community halls, suspension bridges, drinking water points, rural roads and steps were taken up. 385 Kms. Rural link roads have been constructed under RLEGP. 1493 families have been given assistance for minor irrigation, land development, distribution of mini kits etc. under ASMF.

ECONOMIC AND STATISTIC DEPARTMENT

The main function of this department is collection of vital statistics relating to Agriculture, Industry, Education, Roads, Rainfall, Births and Deaths etc. The department had taken up National Sample Survey and agriculture census. The department brings out some periodic publications pertaining to statistical and other related information of Mizoram.

INDUSTRIES DEPARTMENT

Construction of the main factory building of Ginger dehydration plant at Sairang has been completed. The ginger oil and oleoresin plant is expected to be commissioned shortly. Construction of building at Aizawl for Rural Industries Development Centre, which will serve as training-cum-workshop facilities for entrepreneurs, has been completed and installation of machineries is in progress. Construction of buildings for Information Centre at Serchhip and Knitting and Tailoring Centre at Lunglei has been completed. With a view to encourage local entrepreneurship, 3 Entrepreneurs Development Programme courses were held at Aizawl, Lunglei and Saiha attended by 96 persons. 15 persons were sent for further training at Industrial development Institute, Ahmedabad. As many as 547 artisans were assisted by supply of sewing and knitting machine, carpentry and blacksmithy tool. Etc.

SERICULTURE DEPARTMENT

A sum of Rs. 80.00 lakhs was allotted during the current year. 18900 Kgs of cocoons and 4500 kgs. of raw silk were produced. Silkworm rearing has benefited 4200 families. The approved outlay for 1987-1988 is Rs. 100.00 lakhs which will be utilized for strengthening the existing set-up, construction of grainages, rearing houses and godowns as well as training in sericulture and marketing.

COOPERATION DEPARTMENT

A sum of Rs. 52.00 lakhs have been provided to the department during 1986-1987. 23815 quintals of ginger, some quantities of chillies and broom-sticks have been procured through

MIZOFED. The POL Depot of IOC at Vairengte has also been taken over and proposals are under way for opening POL retail outlets at Hnahthial and Vairengte. With a view to enable the MIZOFED to diversify its activities, Government of India has agreed to sanction Rs. 1.0 crore as working capital for taking up public distribution system and sanction of Rs. 12.52 lakhs has been accorded for opening 7(seven) new branches of the federation for the benefit of the rural poor. Government of India, through the National Cooperative Department corporation, have also sanctioned for the first time a sum of Rs.10.00 lakhs margin money, Rs.10.40 lakhs for construction of 5(five) godowns, purchase of one truck and re-imburement of Rs. 2.04 lakhs to strength en the administrative set up of MIZOFED and two more Group A post have been related. Feasibility report for setting up an integrated fruit and vegetable project in the cooperative sector at an estimated cost of Rs. 301.43 lakhs, with an annual capacity of 13000 MT has already been submitted to the Central Government. The plan outlay of Rs. 84.00 lakhs during 1987-1988 will be utilized for continuing and expanding the existing schemes.

AGRICULTURE

The Annual Plan Outlay for 1986-1987 is Rs. 281.00 lakhs 3 new Agriculture Sub-Divisions were opened at Tuipang, Tlabung and Hnahthial. Rs. 32.00 lakhs was spent as price support subsidy for purchase of Ginger through MIZOFED, which procured 2,500 MT of Ginger, under the New Land Use Policy, (NLUP)1,773 families were selected during the year and 2855 families were selected 1984-1985 and 1985-1986 were continued t o be maintained. Production of rice is expected to go up from 45,000 MT last year to 50,000 MT this year. 6.25 MT high yielding variety seeds are produced from the departmental seed farms. The target of distribution of 7 MT pesticides has also been achieved. The various schemes for training of farmers were continued and agricultural implements including tractors and powers tillers were supplied to selected cultivators. 3.15 lakhs planting materials and 4 MT of improved seeds were distributed to the cultivators. Additional areas of 615 ha. of land were covered under Minor Irrigation. Larger areas have been brought under double cropping and cultivation of pulses and oil-seeds have been made possible with increased irrigation facilities.

FISHERIES

The department was allotted a sum of Rs. 29.75 lakhs during 1986-1987. The 2 Fish Seed Farms at Thenzawl and Chemphai have produced 2.13 lakhs fish seeds. 13.81 lakhs fish seeds have been procured and supplied to pisciculturist at 50% subsidized rate. The department has a program to bring about 400 acres of additional water areas under pisciculture during this year and also various program for training of fish farmers and demonstrations. The approved outlay for 1987-1988 is Rs. 30.00 lakhs. The Department proposes to bring more than 160 ha. Of additional water area under pisciculture during the next year. It is also proposed to set up an Indoor Hatchery Unit at Bilkhawthlir and 2 Fry Distribution Centres at Thingdawl and Lokicherra. It is expected to produce 2500 MT fish during the year 1987-1988.

SOIL AND WATER CONSERVATION DEPARTMENT

The department has attached great importance to the settlement of jhummia families to permanent way of cultivation during the Seventh Plan period. To achieve this objective, schemes such as terracing, cash crop cultivation and construction of link roads were taken up. During 1986-1987, a sum of Rs. 172.32 lakhs were allocated out of which Rs. 110.74 lakhs was spent for implementation of family oriented schemes. A number of schemes were undertaken to check soil erosion and for reducing susrface run-off. 346 hectares of land covered under gully control scheme, 540 hectares under the scheme to control stream bank erosion, 552 hectares under contour bunding and 280 hectares under water harvesting schemes.

The approved plan outlay of the department during 1987-1988 is Rs. 180.00 lakhs out of which a sum of Rs. 75.50 lakhs has been earmarked for settlement of jhummia families. It is proposed to settle 660 families under cash crop plantation and 1350 families under terracing and irrigation programs. 445 hectares of land are also proposed to be covered under Soil Conservation department plantations, cash crop nursery, etc. during 1987-1988.

ANIMAL HUSBANDRY & VETERINARY DEPARTMENT

A sum of Rs. 185.00 lakhs was allotted during 1986-1987 out of which Rs. 70.00 lakhs has been earmarked for family oriented schemes, particularly for settlement of 2180 jhummia families in dairy farming, hill cattle farming, piggery and other livestock farming. The Rural Animal Health Centres at Kawnpui, Lungsen and Sangau have been upgraded to dispensaries status. 10 (ten) more such Centres have also been opened at Saiphai, Lallen, Bukpui, Lungpho, Lungrang, New Saiha, Zawngling, Bungtlang (S), Chapui and Borapansury, About 500 families have been making dairy farming their sole occupation. The department has acquired liquified nitrogen plant for introduction of frozen semen technique which is expected to considerably improve the genetic quality of cattle in Mizoram. The NEC has also sanctioned schemes for Broiler Chicken production costing Rs. 50.00 lakhs and fodder seed farm costing Rs. 25.00 lakhs. A sum of Rs. 197.00 lakhs have been allotted to the department for the year 1987-1988. The fund is proposed to be utilized for expansion of veterinary services, expansion of existing farms at Lunglei and Dampui, research and education as well as continuation of the existing schemes.

FOREST DEPARTMENT

During the year, 13987 hectares of plantation area have been created. During 1987-1988, it is proposed to create 3000 hectares of plantation under plan schemes and 3500 hectares under New Land Use Policy. Construction of 74 buildings and 61.08 Kms roads was completed. A sum of Rs.50.00 lakhs has been allotted for 1987-1988 for construction of 50 buildings and 10 Kms of roads. There is also a proposal to open Research and Development Circle which will look after the existing 6 functional Divisions and 3 more functional Divisions.

POWER AND ELECTRICITY DEPARTMENT

A sum of Rs. 769.35 lakhs has been provided for 1986-1987 and Rs. 1971.00 lakhs for 1987-1988. Work on the 132 KV Aizawl-Lunglei line was intensified and Aizawl-Serchhip section was completed by May, 1986. The entire work is expected to be completed by March,

1987. Construction of 132 KV Aizawl Sub-Station is expected to be partly completed during the current year and it will be possible to receive power from NEEPCO's Sub-station at Luangmual. The program for 1986-1987 envisages electrification of 50 villages during the year out of which 30 villages have already been electrified by January, 1987. 60 villages are proposed to be covered under the Electrification Program during the next year. Setting up of wind Electric Generators, one each at Hmuifang and Sangau will be taken up soon. 5 villages are expected to be electrified through Solar Photo Voltaic System by March, 1987. Integrated Rural Energy Program undertaken in Reiek Community Block is continuing and one more Community Development Block is proposed to be covered under Integrated Rural Energy Program during 1987-1988.

SUPPLY & TRANSPORT DEPARTMENT

Supply Wing:- Procurement of essential commodities such as rice, sugar iodised salt, POL, controlled cloth and cement and their distribution is the main function of the department. The supply position during the year has been year very comfortable. With the provision of Rs. 27.10 lakhs during the year, 10 godowns and 13 staff quarters were constructed 23 Fair Price Shops were opened against the target of 20, thus making a total of 790 Fair Price Shops in the State.

Transport Wing:- The strength of the fleet has been increased from 69 last year to 89 during the current year. 6 more buses are expected to join the fleet by the end of the current year. Construction of building for Central Workshop at South Hlimen has commenced. 13 private buses and 33 taxies have been pressed into service during the year. With the Plan outlay of Rs. 160.00 lakhs during 1987-1988, the main thrust will be replacement of 23 old buses and luggage vans, construction of Central Workshop, additional bus terminal buildings at Aizawl and bus stations at Vairengte and Thenzawl.

Weight & Measures Wing:- The wing filed 52 cases in the Courts of violation of Weights & Measures Acts and Rules. During the year, 65,121 weights and measures instruments were verified and stamped.

INFORMATION, PUBLIC RELATIONS & TOURISM DEPARTMENT

The Department has completed opening of offices in all Districts and sub-divisional headquarters during the year. To promote national integration, the scheme of Inter-state Cultural Exchange was intensified and as many as 250 youths had been sent to various places of India on 6 occasions. In turn, Mizoram received cultural troupes from the Goa, Uttar Pradesh, Maharashtra, Gujarat, Manipur and Madhya Pradesh, Press and photo-coverage are regularly carried out for the VIPs visiting Mizoram as well as tour of local VIPs, 9 Community T.V. sets and 10 Community Receiving sets have been installed at various places of Mizoam. To facilitate wider coverage, a low power transmitter-cum-production Centre is under construction at Durtlang. With a view to encourage tourism, Tourist Lodge at Aizawl was constructed having 14 room, Conference Hall and Dining Hall. Another Tourist Lodge having 5 rooms, dormitory and common room had also been constructed at Kolasib. Sanction has also been received for construction of Yatri Niwas at Aizawl at a cost of Rs. 34.00 lakhs and a Tourist Lodge with 15 rooms at Champhai at a cost of Rs. 18.00 lakhs.

PUBLIC WORKS DEPARTMENT

A sum of Rs. 1000.00 lakhs has been provided for road communication during 1986-1987. It is expected to complete 90 kms. Formation cutting, 33 kms widening and improvement works, 180 culverts and minor bridges, 93 kms. soling and metalling, 40 kms black topping and construction of 3 bridges. A 24 metres span bridge over Vanva nad 52 metres span bridge over Tlawng on Aizawl – Thenzawl- Lunglei road were completed during the year and one foot suspension bridge over river Kolodyne is also expected to be completed during this year. A sum of Rs.1127.00 lakhs has been approved for 1987-1988. In addition, Rs.180.00 lakhs has also been provided for upgrading Kolasib - Bairabi road. It is proposed to complete 84 Kms and

formation cutting, widening and improvement, construction of 350 culverts and minor bridges, soling and metalling of 105 Kms, black topping of 70 Kms of roads, construction of 3 bridges and 3 truck terminals.

DISTRICT COUNCIL AFFAIRS DEPARTMENT

The 3 District Councils are allotted Rs. 114.37 lakhs during 1986-1987 under Non-Plan and Rs. 36.00 lakhs under Plan. The Plan funds are utilized for execution of schemes under Rural Communication, sanitation, Water Supply, Forest, Arts & Culture, etc. The Planning Commission has allotted Rs. 400.00 lakhs during 1987-1988 for execution of additional schemes under Rural development, Agriculture, Soil Conservation, Community Project, Social Welfare, Animal Husbandry, Industries and Forestry.

I have briefly reviewed the activities and achievements of the Departments of the Government and their programs. I also wish to mention that the Government has opened a separate Department to deal with trade and commerce. This department is expected to act as a catalyst to improve economic condition of the people of Mizoram by discovering better avenues of trade and commerce. Tourism used to be dealt with by the department of Information and Public Relations. The Government has now established a separate Directorate to promote Tourism in the State. The Government is also concerned with the unsatisfactory working environment of the Ministers and Government servants due to lack of proper accommodation while at the same time huge expenditure has to be incurred for renting private buildings. The Government would pay close attention to this problem and would try to solve the acute accommodation problem by constructing more administrative and residential buildings as Plan program.

You would have noticed from the annual Financial Statement that the estimated revenue receipts for 1986-1987 is considerably less than the Revised Estimate of 1986-1987. This should be no cause for alarm. The shortfall is only due to the fact that the Government has not so far

received the approved allocations aid for financing Centrally Sponsored Schemes/Central Plan, etc. and only token provisions have been indicated in the Budget Estimates for 1987-1988.

It may also be noticed that the estimated internal revenue receipts of the state for 1987-1988 is Rs. 788.30 lakhs only. From this, it is evident that major portion of our revenue expenditure is being met by Grants-in-aid from the Central Government I may also point out at this stage that our target for mobilization of additional resources is Rs. 476.00 lakhs. Though there is no proposal in the Budget for introduction of new taxes, the additional resources have to be mobilized by increasing certain taxes and duties. The Revenue Department has proposed increased of land revenue from Rs. 13.00 per bigha to Rs. 20.00 per bigha. It is also proposed to increase, to some extent, the fees for land recording and redemption fees. It is also necessary to revise the tariff rates for electricity and also taxes on vehicles and bus fares. The Excise duty exemption granted earlier to military and para-military forces has recently been withdrawn which netted considerable income for the State Government. Efforts are also being made to mobilize additional resources through State Lotteries and it is expected that more than Rs. 263.00 lakhs towards royalty from the State Lottery would be secured by the Government.

We have now attained statehood. While we rejoice over this fact, we should also realize that greater responsibility has now evolved on everyone of us. We are now fully responsible for our welfare and development and we can no longer shift the responsibility upon the Central Government. While the Central Government has given us assurance of full co-operation and support, we have to learn to stand on our own feet. The people of Mizoram may be called upon in the near future to shoulder heavier burden by way of contributing to meet at least a small portion of the expenditure required to run the administration and to meet the growing developmental expenditure. I am happy to inform you that the Government has formed a Resources mobilization Committee, which will study ways and means to increase the resources of the new State. We should all co-operate with this Committee by supporting the recommendations and also by giving constructive ideas and suggestions.

While locating additional sources of income is very essential, it is equally important that we should avoid excessive and unproductive Government spending.

I would be failing in my duty if I do not express my appreciation to all the Departments and in particular to the officials of the Finance department and the Government Press whose dedication and hard work has enabled me to present this Budget within a very short time.

Mr. Speaker Sir, I thank you and all the Members of the House for giving me your attention. I now place the Supplementary Demands for 1986-1987 and Budget Estimates for 1987-1988 for consideration and approval of this august House.

Thank you

Jai Hind.