



# BUDGET SPEECH

(1973)

of

Pu KHAWTINKHUMA

**Finance Minister of Mizoram**

**in the**

**Legislative Assembly of Mizoram**

**On 15.3.1973**

Mr. Speaker Sir, I rise to present the Revised Estimate for 1972-1973 and the Budget Estimate for 1973-1974 to the House.

The Hon'ble members are aware, that presentation of the Budget of Mizoram as an Union Territory to the Legislative assembly require prior approval of the Central Government. We have tried to make our Budget as an instrument and channel for realization of our economic and social objectives. I am pleased to mention that the Central Government continues to extend their sympathy and co-operation to us in this respect. As against the gross provision for the expenditure during 1972-1973 of Rs. 16.8 crores, the gross expenditure I shall present for the 1973-1974 budget is Rs. 23.6 crores. In addition to this, through the conscious effort made by our Chief Minister, the Planning Commission has agreed to give us an additional grant of Rs. One crore, which shall be included in the Revised Estimate and bringing thus the total to Rs. 24.6 crores for 1973-1974.

Hardly five months have passed since I had the privilege to present the Budget for 1972-1973 to this August body. The Hon'ble Members are aware that it had taken sometime to organize the Development Departments of this Government, and to put them into shape, and it was only about three months ago that the staff in strength were placed in position in various Departments and the Secretariat. As a result, the delay that had occurred in execution of some schemes was inevitable. In spite of these difficulties and the very limited time at our disposal, I am glad to mention that the development departments express their ability to utilize almost the entire fund at their disposal. It is encouraging to know that the central Government, in spite of their financial difficulties brought about by the last year droughts and other factors, have indicated their readiness to spare additional fund for us when demanded in our supplementary budget, provided we can only spend the present allotment well and in time.

In my Budget Speech of last year, I mentioned the difficult circumstances in which we were placed and how we were faced with the task of starting development works afresh after a long break caused by disturbances. It is sad to point out this time also that there was a failure of monsoon last year due to a severe drought. This led to a poor harvest and an extensive loss of crops by the cultivators and we are now faced with scarcity and great hardship this year also. This drought was nation wide and the loss it caused to the country was immense. I therefore, take this opportunity to remind the House of the great and difficult task that lies ahead and the need to make concerted and all-out efforts for achieving our targets.

To meet the immediate problem of scarcity condition the Government have started Stock-taking in rice and other essential commodities through the State Trading Scheme at the Headquarters and elsewhere.

The roadside centers have now been well stocked and the others that used to be fed by air previously are being supplied through head load. This policy has to be adopted for economic reasons and to give employment generation to those who are in need of such employment. Continued efforts are being made to make sugar, Salt and Kerosene Oil available to the people at a reasonable price. Let us not, however, forget that these are of temporary measures and it should be our concerted effort to stop dependence on outside supply of foodstuff and to achieve self-sufficiency.

### **Revised Estimate for 1972-1973**

Revised Estimate for the period from 3.5.1972 to 31.3.1973 is based on requirement of fund as demanded by the spending Departments. Measures taken in the Revised Estimate may be mentioned. As the Hon'ble Members may be aware, the Planning Commission made an allotment of an additional fund of Rs. 162 lakhs on top of the budget Provision of Rs. 275 lakhs in the Plan Schemes for 1972-1973. This additional allotment was received after the budget estimates were made and according to the instruction from the Planning Commission, the

Schemes under 162 lakhs were to be finalized during Plan discussion for 1973-1974. Finally, the government of India made allotment of the total sum of additional 162 lakhs for budgetary purpose and to that extent the Budget for the current year requires revision. Though the authority from the Central government was received late in regard to 162 lakhs of an additional fund, steps were taken by Development Departments to utilize this fund from the earlier period.

Another major revision of the Budget was necessary in regard to Police Department. With the approval of the central Government, Budget Estimates of 1972-1973 were made during last year for Police re-organization and Provisions for additional posts were accordingly made. The Central Government, however, subsequently suggested that the Police re-organization Scheme might not be implemented until further clearance was obtained. The case was taken up by our Home department with the Government of India and till recently no such clearance was received. This has resulted in the surrender of about Rs. 80 lakhs by the Police Department from the Budget Estimates. They have, however, indicated in their Message that the strengthening of the Police set up has been approved and it is hoped that more Police stations will be opened in 1973-1974. To supplement the Police force, the Home Guard Organization has been re-organized. On the other hand the Transport Wing of the Supply and Transport Department and the Medical Department require more fund than what was provided and an additional fund is given to such departments.

A large sum was to be provided for relief measures to meet the extreme food scarcity condition last year in addition to measures taken under Employment Generation Schemes, Test Relief and Gratuitous Relief. The Government sanctioned about 50 lakhs as Agriculture Distress Loan, to be repaid in one year with 5% interest by the Loaners. I am sorry to point out that the rate of repayment is far below our expectation and particularly in the Aizawl District. This has resulted in the cutting down of the fund available for other types of Loan during the current year. It is hoped that the Hon'ble Members of the House will help the Government and do their best in

inducing our people to honor the promises and the contracts made by them to repay the Loan if and when they are in a position to do so.

### **BUDGET ESTIMATES 1973-1974**

Budget estimates for a particular year are made generally in the months of September and October of the previous year. I may recall that our Budget for 1972-1973 was voted by this House only on the last week of October 1972. That was the time when we had no proper organization for various departments to implement the Schemes and to utilize the fund fruitfully was the immediate task of the Government Department during November 1972 and afterwards. That peculiar situation coupled with staff re-organization made it extremely difficult for the government departments to prepare budget estimates of 73-74 and with due apology I may state that our budget estimates under Non-Plan for 1973-1974 and the Plan Schemes for the period were made in a great hurry and taken to the Government of India at a very last state. Because of the special understanding shown to us by the Government of India we have been able to get the increased allotment of fund for the Budget Estimates for 1973-1974 as compared to the current year. The Plan Schemes which were discussed by the Development Departments with the Planning Commission in the Second Week of January, 1973 were considered and the approval of the Planning Commission for an allotment of Rs. 5 crores was received by us only in the third week of last month. The allotment of fund for the Plan Schemes of Rs. 5 crores was considered inadequate by us and immediately our Chief Minister rushed to Delhi and as I mentioned earlier, through his efforts the Planning Commission agreed to give us an additional fund of Rs. 1 crore. We have been told that Finance will not be a constraint for our development. But on our part, we have to create proper agencies and draw up Schemes, which are feasible and acceptable to the Planning Commission, and the Government of India. We know ours is yet an infant State but we are confident that in future we shall be better in every field of development.

It is fortunate that our people are always hungry in spite of having a vast land at their disposal. To improve their lots in these respect efforts have been made in different departments under various schemes to increase food production.

Under Plant Protection Schemes of the Agriculture Department 100 quintals of Pesticides and fungicides were procured for distribution to Farmers. A total area of 100 acres is covered with a total expenditure of Rs. 0.75 lakhs. Estimates for the year 1973-1974 under this Item is Rs. 1.00 lakhs. Different kinds of chemical fertilizers are being distributed during implication of Rs. 1.50 lakhs. Proposed expenditure under this item for 1973-1974 is Rs. 1.50 lakhs.

Under the Minor Irrigation Scheme 450 acres and 420 acres of land are being reclaimed for flow Irrigation and Lift Irrigation respectively for Wet-rice Cultivation. Total financial implication for 1973-1974 is Rs.1.60 lakhs. Proposed expenditure for 1973-1974 under this Scheme is Rs.2 lakhs. (Rs.1 lakh each for Flow Irrigation and Lift Irrigation). Improved Agriculture implements have been procured for sale to deserving cultivators at 50% subsidized rate. Total expenditure under this item during 1972-1973 is Rs. 1 lakh, Rs.2 lakhs will be spent during 1973-1974.

Under the Soil Conservation Programme a total area of 400 acres are being terraced and 224 acres of valley bottomland are being reclaimed with a financial implication of Rs. 3.30 lakhs. 108.88 acres of land have been selected for afforestation and Rs. 0.55 lakh is being spent for the purpose. Amount proposed to be spent for these areas during 1973-1974 is Rs.12.70 lakhs.

Under the Employment Generation Scheme a sum of Rs. 8.98 lakhs have been set aside for implementations of agricultural Programme during 1972-1973 (Rs. 4.81 lakhs for land reclamation and Rs. 4.17 lakhs for cost of inputs). 874.50 acre as of land has been reclaimed

under the Scheme (Aizawl district 546 acres, Lunglei districts 182 acres and Chhimtuipui district 147 acres). Under the CSRE Scheme 2090 acres of land has been reclaimed.

Under the Horticulture Scheme, 500 Nos. of Fruit Plants are being purchased for distribution and 140 acres of land is covered. The total expenditure under this item is Rs. 0.79 lakhs and a sum of Rs. 1.00 lakhs is proposed to be spent during 1973-1974.

Under the Fruit Processing Scheme machineries and accessories for production of Fruit Squash and Juices are procured and are being fixed at Vairengte with a total expenditure of Rs. 0.50 lakhs. The proposed expenditure of 1973-1974 is Rs. 1 lakh. A total amount of Rs. 1.78 lakhs is being placed for manufacture of unbleached Dry Ginger. 200 quintals will be produced at the end of the year. Target for 1973-1974 is 1000 quintals with an expenditure of Rs. 1 lakh.

It is proposed to extend plantation of Teak Wood during 1973-1974. Preparatory works have been taken up during 1972-1973 like survey, demarcation, clear felling, burning etc. total area proposed to be covered is 680 hectares with a total expenditure of Rs. 3 lakhs. It is also proposed to take up a new plantation covering 193 hectares during 1972-1973. Targets for 1973-1974 is 680 hectares with an expenditure of Rs. 3 lakhs. For rehabilitation of degraded forests 45 hectares of land has been selected for new plantation and work is in progress and the total expenditure by the end of the current financial year will be Rs. 0.25 lakhs. The target for 1973-1974 is 20 hectares with an expenditure of Rs. 0.20 lakhs. Mention may be made that a forest based industry of paper and pulp is proposed to be established at Bairabi. Raw materials survey by the Forest department is under progress. This industry, when established, will provide employment to several thousand persons. The Forest Revenue in 1970-1971 was 268,000/- Rs. 900,800/- in 1971-1973 and it will be more in 1972-1973.

### **ANIMAL HUSBANDRY**

Under the Cattle development Scheme, 50 Cows of gross-bred are being purchased for distribution on sale, free of transportation charges. During 1973-1974 a total amount of Rs. 1 lakh is proposed to be spent for purchase of 100 more Cows. An artificial insemination center has been started at Kolasib for which a sum of Rs. 0.37 lakhs has been spent during 1972-1973. Three new centers will be opened during 1973-1974 with financial implication of Rs. 1.70 lakhs. A Cattle Breeding Farm has been opened for production of Young Bull calves as well as for milk supply to Aizawl Town and its suburbs and a provision of Rs. 1.66 lakhs has been made for this and it will be spent fully during 1972-1973. Rs. 2 lakhs is proposed to be spent during 1973-1974 under this item. A Feed-Mill-Cum-Mixing Plant has been established during the year 1972-1973 with a total expenditure of Rs. 3.03 lakhs. Three small units of poultry Farm have been started with a total expenditure of Rs. 3.25 lakhs. A sum of Rs. 5.85 lakhs is proposed to be spent during 1973-1974 for Pig demonstration farms. A mobile Veterinary Dispensary has been started at Saiha with an expenditure of Rs. 1.50 lakhs. During 1973-1974 Rs. 7 lakhs is proposed to be spent under the scheme.

### **STATE TRANSPORT**

Mizoram State Transport has started functioning from June 1972 with a lone bus inherited from the District Council. Regular daily bus service has been started between Aizawl and Silchar. Buses between Aizawl and Lunglei are plying four times a week and a daily service is likely to start soon. A weekly private Bus service runs between Aizawl and Saitual. By the end of this financial year we hope to have 12 Big Buses, 8 mini Buses and 2 Taxis on road and we will then be having daily two services between Aizawl and Silchar and Aizawl and Lunglei and regular Bus service between Aizawl and Saitual. Land for construction of Bus Station is being acquired and construction of the Bus Station is expected to be completed soon. During the next year, we hope to acquire more buses and taxis to augment the existing services and to start new services towards Lawngtlai and Demagiri. A goods service is also likely to start next year.

### **HEALTH**

Under Health Program the following schemes have been taken up during the year 1972-1973. A 20 bedded T.B. Hospital has also been constructed at Aizawl. The Civil Hospital at Aizawl has been extended. The building of out door Department of the Civil Hospital has also been extended. Construction of a Central Go down at Aizawl has also been started during the year.

During 1973-1974, all the Institutions started in 1972-1973 are proposed to be furnished with requisite equipments, medical stores as well as staff and Doctors. The amount proposed to be spent during 1973-1974 is Rs. 13.85 lakhs.

### **PUBLIC WORKS DEPARTMENT**

The PWD in Mizoram is to bear the brunt of the development activities in the field of construction of roads and buildings, which are pre-requisites for developing the economy of any undeveloped state. The total workload of the PWD during 1972-1973 is about Rs. 258 lakhs and it is anticipated to be about Rs. 370 lakhs in 1973-1974 under both Non-Plan and Plan. The bulk of this amount will be spent on construction and maintenance of roads in Mizoram. For the execution of works which are several times more than in previous year. The PWD has been expanded by creation of three additional divisions and a Planning division attached to the Principal Engineer's Office.

Under the Annual Plan for construction of roads the PWD is now concentrating in construction of a few selected roads to be completed during the 4th Five Year Plan.

### **WATER SUPPLY**

Priority has been given to supply of safe and adequate drinking water under the Public Health Engineering department. To cope with the increased work, expansion of the Department is under active consideration of the Government. In the Annual Plan, an allocation of Rs. 60.04 lakhs was made out of which Rs. 40.32 lakhs is expected to be utilized during the current year.

During 1973-1974 the allocation is Rs. 66.89 lakhs and work is proposed to be taken on water supply scheme at Lunglei, Kolasib, Lokicherra, Serchhip and Saiha while the Aizawl Water Supply Scheme will reach near completion state.

### **POWER**

Practically all the works are being executed by the Assam State Electricity Board. It has been decided to take up an execution of electricity schemes in isolated areas under Government of Mizoram and a beginning has been made by creating a new electrical Division. Action is being taken to recruit a qualified and competent officer for the post of Executive Engineer (electrical).

The allocation under the Annual Plan for 1972-1973 is Rs. 54.98 lakhs while Rs 60 lakhs has been provided for 1973 –1974. At present it is proposed to extent lines from existing diesel stations to t h e adjoining villages and also to complete the 66 KV transmission line from Dullabcherra to Aizawl. With the completion of the 66 KV line during the 4 th Five Year Plan, the power supply position in the Northern parts of Mizoram is expected to improve considerably. The proposal for creating of a division for investigation of the Micro Hydel Project in Mizoram is also under consideration of the Government.

The existing Community Development Blocks in Mizoram are nine in number plus one special block at Saiha. During 1972-1973 a total amount of Rs. 8 lakhs have been sanctioned and used for the improvement of Communication, Agriculture, Health, Sanitation and social education. Our proposal to open eleven new a additional Blocks in 1973-1974 has approved by the Government of India and these new Blocks will be opened soon under Arunachal (NEFA) pattern in which Rs. 1.06 lakhs per block will be provided for the first year of the first stage.

Crash Scheme for Rural employment is a centrally sponsored Scheme taken under the community development department. A sum of Rs. 12.50 lakhs have been sanctioned and used

in 1972-1973 for construction of new roads, Playgrounds and reclamation of land for Wet Rice Cultivation.

55 Service Co-operative Societies are provided with financial assistance during the year 1972-1973 to strengthen their position. The Mizo Whole-Sale Co-operative Stores Ltd., Aizawl is being assisted with a sum of Rs. 3.06 lakhs this year. Two Dairy Farming Societies and four other types of societies are also assisted financially during the current year to improve their positions. During 1973-1974 the existing societies and new societies will be assisted financially to help them attain viability. There are proposals to establish an Apex Marketing Co-operative Society to cover the whole of Mizoram and to open a branch at Lunglei by the Mizo wholesale co-operative Stores Ltd. The fishing co-operative society at Demagiri, the two Dairy Farms and other existing societies of Industry, Handloom, livestock etc. are proposed to be strengthened further for attaining viability in their respective spheres of activities.

The Directorate of Information, Public Relations & Tourism has been strengthened by upgrading the two sub-divisional Officer at Lunglei and Saiha into that of District Offices and by the appointment of one Deputy Director, Besides its other functions the Directorate looks after the printing and publication works of the government and recently two new printing machines have been purchased and installed. One of its important activities is to project the image of Mizoram and introduce Mizoram to the outside world through the Media of press publicity and advertisements in all India papers.

Mention may be made of various types of loans generously extended to the public by the Government. I may be permitted to take this opportunity to remind the honorable Members that those loans are meant for use only for the purpose for which they are taken and to be repaid in time as per agreements. I may, therefore, be allowed to appeal for their sincere help in recovering these loans through their good offices.

There has been a further expansion of educational Institution in 1972-1973. This was desirable. At the same time, we are to see the interest of the State and the people primarily. It has been considered that, for the present, we should aim at consolidation and meeting the quality. In this context, emphasis will be laid on science education, training discipline and other measures, which contribute to the quality of our Educational Institutions.

The Government created Directorate of Land Settlement and Land records. It takes time to recruit suitable people and even now we have not been able to appoint a Director and a Settlement Officer. Four Assistant Settlements Officers Grade II were appointed and one of them has been posted at Lunglei. The Government has delegated Revenue Powers including land settlement to this Officer at Lunglei for Lunglei district. The Government have gone slow intentionally in regard to land allotment in the town because of the fact that there have been double all up proper land records. The survey of Aizawl Town was started but could not be completed due to shortage of Staff. Regarding the newly appointed work of tax assessment and collection, I am happy to note that the response to the tax demands has been encouraging. This has been so in spite of scarcity condition and the hardship faced by the people. Land Records have been built up in respect of Garden Passes according to the village area. It is hoped that the land Records preparation will be completed in respects of Wet Rice Cultivation land very soon.

Local Administration Department looks after town sanitation and the Village Councils. The Department is yet in the process of feeling organized. The responsibility of payment of street light charges in the territory of the Assam State Electricity Board falls on this department.

The three District Council namely Pawi, Lakher and chakma District Councils, which are under the Law Department, were given the Grant-in-aid of Rs. 12.75 lakhs and the additional amount of Rs. 2.25 lakhs will be released soon. There will be increased provision for grant-in-aid to the three District Councils in the Budget of 1973-1974. As the Hon'ble Members are aware, there were elections during the last December of these three new District Councils. The

need for speedy development of these district council's areas cannot be over emphasized and the Government will take measures to help the development of these district council areas.

The Industries Department is installing in 1972-1973, one hundred and two (102) combined Rice Huller and Oil Expeller/Maize Crusher in different part of Mizoram where Rice, Oilseeds & Maize are grown in large quantities. Selections of sites for two Industries Estates at Lunglei and Aizawl to cater for the needs of the small scale Entrepreneurs of the localities have been done. The cottage Industries Sales Emporium at Aizawl and Lunglei, which were closed down during disturbances, have been reorganised. Sericulture farms at Rangvamaul and Zemabawk have been renovated to produce more seed cocoon and also to help the individual sericulturist.

In 1973-1974, the department proposed to establish 3 units of Saw Mills and 5 Units of Mechanized Carpentry Workshops in the regions where good timbers are available. In the Sugarcane growing areas, it is proposed to install 20 centrifugal machines for production of Khansari Sugar.

It is also proposed to continue distribution of general Industries Loans to deserving Industrialists.

The Hon'ble Members will be conscious of the fact that our domestic Revenue Receipt in consideration of the size of our State and that of the population is negligible. Because of the lack of personnel, we have not been able to study in detail our resources position and the means to improve them. It will be turn increase our over-all develop potential expenditure. It is our intention to take measures in this line, however, without putting the burden of such measures too hard on the poorer section of the people. With this word, Sir, I present the Revised Estimate for 1972-1973 and the Budget Estimates for 1973-1974.

Jai Hind.