



Government of Mizoram

Budget 1979-80

Speech of

Pu Lalhmingthanga

Finance Minister of Mizoram

in the

Legislative Assembly of Mizoram

on

17th August 1979

Mr. Speaker Sir,

I rise to present before the House the Budget Estimate for 1979-80.

As the Honourable Members are aware a Vote-on-Account for the first five months of the current financial year was approved by the Parliament during President's Rule. Honourable Members are being supplied separately with copies of the Annual Financial Statement, Demands for Grants, Explanatory Memorandum and Statement in Lok Sabha by Minister of Finance, Government of India on 12th March, 1979. Explanatory Memorandum indicates the broad features of the variation between the Budget Estimate 1978-79 and revised Estimate 1978-79 on the one hand and the Budget Estimate 1978-79 and Budget Estimate 1979-80 on the other. The Detailed Demand for Grants in one Volume with the Appendix and the Schedule of Public Works are also being supplied separately. We are now seeking the approval of the Legislature for the annual appropriation.

The present Ministry which assumed office in May '79 have returned with a clear verdict given by the people at the Poll held in April '79. The popular mandate given to the Ministry by the people is a reaffirmation of their faith in the Ministry for pursuing the path of peace and for bringing about rapid economic development, particularly in respect of our six basic necessities like food grain, drinking water supply, electricity, communication and rural development, etc.

In my Budget Speech last year I mentioned that Mizoram was passing through a difficult period due to Thingtam famine. The Administration had tackled the situation successfully. The Administration have provided alternative source of income to the affected persons through Employment Generation Schemes, construction of rural link roads, agriculture roads and some

roads of Public Works Department. Consumption Loan as well as Seed Loans were given to the distressed families to the tune of 90 lakhs. Gratuitous Relief Grants were given to handicapped, old and infirm individual. No one was allowed to go through undue hardship during that period.

During the current year there was unprecedented drought in Mizoram. The drought condition has created a serious problems to the Administration. Due to long spell of heat wave and complete absence of rain there was acute scarcity of water for drinking and domestic purposes and extensive damage has also been caused to the paddy, other crops and to livestock. The Administration has drawn up 'Emergency Relief Scheme' for providing relief to the affected people. Supply of drinking water to town and selected villages by carriage of trucks was arranged. Medical aids are given to the people with prophylactic measures. Seeds for supplementary crops were provided to the affected people whose crops have been affected by heat wave and long spell of drought and in worst affected areas E.G. Schemes are being implemented. On our request a Central team led by the Additional Secretary, Ministry of Agriculture visited Mizoram to assess the extent of damage caused by drought and they have gone back fully convinced of the critical condition in Mizoram.

ACCOUNT FOR 1977-78

For the year 1977-78 the total budget estimate both under Revenue and Capital Accounts was Rs. 5003.84 lakhs. The Budget envisaged a balance position of the Consolidated Fund at the close of the year 1977-78 but the same closed with a minus balance of Rs.191.81 lakhs. Such a heavy minus closing balance is attributed to non-affording of the corresponding grants-in-aid of Rs.545.39 lakhs on account of expenditure on construction of Border Road in that year. Thus, there would have been a plus balance of Rs.353.58 lakhs at the end of the year 1977-78 and this due amount of grants-in-aid has been released by Government of India. However, the Revised Estimate for 1978-79 provided for wiping of this minus balance by sanction of additional grants-in-aid of Rs.549.39 lakhs by Government of India. I shall explain in

brief the summary of the Budget Estimate for 1979-80 as compared to the Revised Estimate of 1978-79.

(In lakhs of Rupees)		
A – Revenue Account	<u>R.E. 78-79</u>	<u>B.E. 79-80</u>
(i) Gross Expenditure:		
(a) Non-Plan	2432.67	2886.87
(b) U.T Plan	1013.15	993.10
(c) N.E.C. Plan	137.51	108.59
(d) Central/Centrally Sponsored Plan Scheme	213.88	79.57
(e) Central Road Schemes/Construction of Road by BRTF	639.25	600.96
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Total :	4436.46	4669.09
(ii) Revenue Receipts	179.88	220.64
(iii) Recoveries of Expenditure	75.17	117.44
(iv) Grants in aid from Central Government	4373.22	4331.01
(v) Opening balance	(-) 191.81	-
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Total:	4436.46	4669.09
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B- Capital Account:		
(i) Gross Expenditure:		
(a) Non-Plan	1387.02	1663.47
(b) U.T. Plan	651.66	778.90
(c) N.E.C. Plan	14.92	12.06
(d) Central/Centrally Sponsored Scheme	31.75	0.03

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	Total: 2085.35	2454.46
(ii) Recoveries of Expenditure	978.21	1335.80
(iii) Capital Receipts	97.30	104.50
(iv) Loans from the Govt. of India	1009.84	1014.16
	Total: 2085.35	2454.46
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Gross Total Revenue and Capital Expenditure	6521.81	7123.55
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The approved Plan Outlay for 1979-80 is Rs.17.72 crores as against Rs.16.65 crores for 1978-79. Apart from that a sum of Rs.5.40 crores has been provided for meeting committed expenditure of the Fifth Five Year Plan. The Sector-wise distribution of the Plan outlay for 1979-80 has been shown in Annexure to the Explanatory Memorandum on the Budget for the current year. The total outlay for NEC Plan Schemes for 1979-80 is Rs.1.21 crores as against the final allocation of Rs.1.52 crores for 1978-79. The estimates for 1979-80 also includes an outlay of Rs.0.80 crore for Central and Centrally Sponsored Schemes as against the last years allocation of Rs.2.46 crores. In addition to above we have a provision of Rs.6.01 crores for 1979-80 under the Central Plan for construction and maintenance of Border Roads by the BRTF as against the final provision of Rs.6.39 crores for 1978-79. Thus, total Plan Outlay for 1979-80 stands at Rs.25.74 crores. I shall now mention briefly the activities and achievements of various Departments.

AGRICULTURE, SOIL CONSERVATION AND FISHERIES

Agriculture is the main activity in the territory providing sustenance to bulk of our population. The traditional and unscientific method of cultivation of jhumming are being given

up and a well-thought Plan for permanent cultivation is being implemented. Large area are brought under permanent cultivation and more areas are being reclaimed. 2300 hectares of valley land has been reclaimed and 1000 hecs. Of land has been terraced. During the current Financial Year the Plan aims at full settlement of 4,354 families and part settlement of 1,845 families. During the year it is proposed to reclaim 4,354 hectares of land and also to construct 427 K.M. of Agriculture Link Roads. It is also proposed to irrigate 3000 hectares of land by constructing irrigation channels storage tanks, dams etc. 800 hectares of land will be brought under cultivation of sugarcane at Kawnpui and Tlabung.

The strategy of agriculture development is to identify areas and people for growing species crops of economic importance. Emphasis is laid on potato cultivation and ginger cultivation. The Department has been procuring seeds and seedlings and distributing to the cultivators at subsidised rates. Similarly manure and other inputs have been distributed to the cultivators at subsidised rate.

The cultivators who have been suffering a lot in spite of incentive given to them by the Government for the last 2 years have been seriously affected by the drought. This drought has seriously affected agriculture production in Kharif season which is the main season of cereal crops. Apart from the cereal crop the loss of paddy crop is to the extent of 70%. The loss of crops and paddy will lead to the serious food shortage and economy of the cultivator in general will be shattered. Seeds suitable for growing during the remaining season of Kharif like Soya Bean, French Bean, Sweet potato, Local pulses, topioca, Maize, Colacisia, Arhar have been provided to the cultivators on loan-cum-subsidy. These supplementary crops will give support to the cultivators, who lost their paddy and other crops.

Emphasis has been laid for development of Fisheries as fishes locally available are being rapidly depleted as a result of indiscriminate fishing. The production of fish in the U.T has

reached a level of 600 M.T. and by the end of current financial year the level of production will reach 900 M.T.

ANIMAL HUSBANDRY AND DAIRY DEVELOPMENT

The Animal Husbandry and Veterinary Department has undertaken multipurpose scheme with a view to fostering economic stability as well as self employment of the rural population. The Sixth Five Year Plan Outlay is Rs.324.78 lakhs with a provision of Rs.55.00 lakhs in the rolling Plan for the current financial year. Milk Supply Scheme have been implemented with two main objectives i.e. first, to offer remunerative prices to the producer and secondly, to distribute milk to urban consumer at reasonable rate. Cows of high yielding variety have been distributed at 50% of cost price covering the whole of Mizoram thereby augmenting milk supply not only in Aizawl town but also in a number of Group Centres and townships. 160 more cows of high yielding variety are proposed to be distributed during the current year.

In poultry development a Broiler Farm at Selesih has been established during the last Financial Year. During the current year it is proposed to take up a large scale distribution of crossed-bull to all the pockets in Mizoram for Rural Cattle Development Colony and Heifer Rearing Programme.

FOREST

Having endowed with abundant forest wealth the emphasis in forestry will be a programme of plantation not only to replenish the denuded forest with quick growing species but also to plant valuable trees which would grow to increase our forest wealth. Exploitation of forest wealth is a basic requirement since many industrial unit and other consumers depend upon forest products. During the Sixth Five Year Plan an outlay of Rs.250 lakhs is provided for development of forest and the annual allotment for the current year is Rs.40 lakhs. During the current year it is proposed to create plantation of 2300 hecs. with fast growing and economically

important species in addition to preliminary work on plantation. During the year 1978-79 two divisions have been created and there is a proposal for further strengthening of the Forest Department during the current year.

As far as Wild Life is concerned in addition to the existing Dampa Wild Life Game Sanctuary, it is proposed to create another Wild Life Sanctuary at Tawi.

INDUSTRY

Mizoram has so far been lagging behind in Industrial development. The new Industrial policy of the Government of India will go a long way in covering the gap. Under this scheme two District Industry Centres have been established and the remaining one will be established within a year or so. The District Industry Centre in conjunction with Small Scale Industries Corporation will now be in a position to provide all services that are needed for setting up new Industries. During the Sixth Plan there is a provision of Rs.3.35 crores and the Annual Plan Outlay fixed for 1979-80 is Rs.53 lakhs. To encourage Small Industries Loans and Grant in aid to entrepreneurs and artisans were distributed. 20 Weaving Centres have been organized and another 10 such centres are proposed to be added during the current year. Some of the schemes which the Government proposed to establish during the current year are : setting up of Ginger oil and Oleo Resin Plant, Saw Mill cum Wood Seasoning Plant at Sairang, mini Sugar Plant at Kawnpui and Industrial Estate at Sairang.

EDUCATION AND SOCIAL WELFARE

The main thrust of our education policy is towards improvement of elementary and adult education hand in hand with expansion of secondary and higher education. Emphasis has been laid on the qualitative improvement. For qualitative improvement of school education, a massive programme of inservice training for teachers of all categories was organized and is being continued. With a view to achieve universalisation of elementary education during the Sixth Plan period 100 posts of Primary School Teachers and 133 Pre-Primary School Teachers were created. It is also expected that additional number of Middle Schools and Non-formal Education

Centres are expected to be opened for the children of the age group of 9 to 14. Supply of free text books and uniform to poor students and Book Bank is proposed to be increased to benefit 5000 more children. It is also proposed to open 10 Creche/Day Centres for children of the age group of 0-5 in places where there is concentration of poor women and casual workers.

Special Nutrition Programme was started in Mizoram with the object of preventing mal-nutrition among the children of the weaker section of the society particularly children of rural areas and also of expectant /nursing mothers by providing supplementary nutritious food. Two new Children Homes were organized by voluntary organization under Centrally Sponsored Scheme at Mualpui and Electric Veng, Aizawl. One ICDS Centre was opened at Lungdar and another will be opened at Hnahthial during the current year.

The Pachhunga College has been taken over by North Eastern Hill University. The NEHU opened post-graduate classes in English, Education and Economics at Aizawl from the current years session.

HEALTH & FAMILY WELFARE

The medical care available to the people is inadequate. Government has been making strenuous effort to improve medical facilities to the town and rural areas. The Sixth Five Year Plan outlay for Health and Family Welfare is Rs.5.35 crores while the outlay of the rolling Plan for the current year is Rs.90 lakhs and in addition a sum of Rs.32.25 lakhs have been transferred to non-plan Sector as committed expenditure. During the current year construction of six Primary Health Centres and 92 Sub-Centres are taken up. Construction of additional 140 bedded Ward at Aizawl Civil Hospital including other items of improvement like X-ray Building, incinerator extension of Gynaecological Ward, Gas Plant etc. are also taken up. The Public Health Laboratory attached to Aizawl Civil Hospital was expanded to undertake all major investigation like Culture media, Blood Biochemistry in addition to routine investigation including blood examination etc. A Department of Cardiology has been opened with ECG and monitoring pace

maker facilities and the long awaited Blood Bank has been opened and functioning in the Civil Hospital. The Leprosy Control Unit and 20 bedded Leprosy Hospital has been constructed at Tlabung. The programme for the current year also includes setting up of new STD Clinic at Saiha, new 20 bedded T.B. Hospital at Lunglei. The number of seats reserved for MBBS has been raised from 10 to 15, and a number of Doctors have been sponsored for post graduate studies.

During the year 1978-79, 40 Dispensary cum Quarters and 77 Staff Quarters of the Sub-Centres in various interior places in Mizoram has been constructed.

SUPPLY AND TRNSPORT

Despite our best effort the State is deficit in foodgrain production. The crop production during the last two preceeding years was not successful due to Thingtam, drought, insects and pests. The Department continued to import foodgrain through F.C.I. and maintain buffer stock of foodgrain. There is a provision of 13.36 crores for trading in foodgrains.

During 78-79, the operation of Mizoram Transport expanded considerably. During the current year it is proposed to purchase more Buses to enable the Department to open new route and also to increase frequencies of Bus service in the major routes.

PUBLIC WORKS DEPARTMENT, POWER INCLUDING WATER SUPPLY

A good network of roads and bridges is a vital part of infra-structure for development. The Administration has laid great emphasis on development of communication in the Union Territory. Formation cutting of 150 K.M. and black topping of 20 K.M. were achieved during the year 1978-79 against the 172 K.M. for formation cutting and 27 K.M. for black topping. Also 70% of works against target for metalling of 100 K.M. have been done. In the Sixth Five Year Plan special emphasis has been laid on linking undeveloped area by a net-work of dependable

road. Within the outlay of Rs.24 crores the Sixth Five Year Plan targets at achieving 618 K.M. of formation cutting, 452 K.M. of metalling and 434 K.M. of black topping. It is intended that all villages having a minimum population of 1500 be linked by road during the Sixth Plan.

Apart from road construction and maintenance of a major work undertaken by P.W.D. is construction of building. This include not only office building but also residential quarters. To provide proper accommodation to the officer and staff it is proposed to construct 177 Units of residential buildings at Luangmual. The Plan outlay of Rs.30 lakhs has been earmarked for construction of Mizoram House in Delhi and Silchar and this work along with construction of Mizoram House at Calcutta have been entrusted to CPWD.

Power is an essential component of basic infra-structure required for economic progress. There has been considerable shortage of power in Mizoram. In addition to power available from Diesel generator we are receiving about 1 M.W. of grid power through 66 K.V. transmission line. Another 2 M.W. is expected from Kardam-Kalai Power Station. New Diesel power Stations are proposed to be installed at Biate and Chawngte. During the Sixth Five Year Plan it is aimed at electrification of 88 villages covering about 40% of the total villages and 62% of rural population. The N.E.C. has already approved construction of transmission line from Jiribam to Aizawl during the Sixth Five Year Plan. For attaining self reliance in power, emphasis have been given to investigation of Hydro-Electric potential of Mizoram rivers. The N.E.C. have already been persuaded to make preliminary investigation of Tuivai river for major Hydel Project. Our P.W.D. has already taken up preliminary investigation of Tlawng river for medium project.

One of the basic need of the Society is regular and safe drinking water. Therefore, the Administration of Mizoram has accorded priority to the task of providing drinking water to the people. The President of India, during hi visit to Aizawl in February 1979 has laid a foundation stone of Aizawl Water Supply Augmentation Scheme at Tuikhuahtlang. This Scheme will provide water to the present population of Aizawl town and suburb area of more than 60,000.

Water Supply Augmentation scheme for Lunglei Town is under process. Substantial progress has been made on another 47 on-going Water Supply Schemes. The Annual Plan for the current year provide for completion of 15 schemes and continuation of work in another 32 on-going scheme in addition to 28 new schemes.

During the current year it is proposed to strengthen the P.W.D. establishment by creation of 2 Circles and 7 Divisions.

CO-OPERATION

Co-operative movement in Mizoram play a vital role in the Public distribution system of essential commodities of mass consumption and consumer goods. During the current financial year it is proposed to spend Rs.40 lakhs for implementation of various schemes. This amount will be distributed to as many as 82 Co-operative Societies including four State Level Co-operative Societies in the shape of Grant in aid, Loan and Capital investment.

At present there are six State Level Co-operative Societies namely Mizoram Apex Marketing Society Ltd. Mizoram Wholesale Co-operative Society Store, Mizoram Apex Weaver Co-operative Society, the Mizoram Apex Bank Ltd. and Mizoram Co-operative Union functioning with different assignment of work. The Mizoram Co-operative Bank Ltd. has been organized recently and is expected that the Society will effectively undertake its responsibility of financing the Co-operative. During the Sixth Plan period 4 LAMPS will be organized as State Level Co-operative Society.

LAND REVENUE

During the year 1978-79 as many as 397 Patta for agriculture land for various purposes covering an area of 3872 bighas had been allotted to individuals. In Aizawl and Champhai house site to 348 and 31 respectively have been allotted.

Cadastral survey of agriculture land covering an area of 13.55 hecs. has been carried out against the target of 2,000 hecs. during the current year. During the current year it is proposed to send 18 candidates to undergo survey training at Survey Training Institute at Hyderabad.

ECONOMIC AND STATISTIC

The Department has maintained a tempo of providing the Government with all informations and vital statistics pertaining to all development activities in order to enable the Government to formulate Plan Policy and programmes in a realistic manner. The Department has also been entrusted with the task of coordination of statistics collected by different Departments, publication of price statistics and Quarterly Progress Report. The Department has also taken up additional responsibility of statistical works such as economic census, cottage and small scale industrial survey, distribution trade survey, agriculture census and National Service Schemes.

DISTRICT COUNCILS

The quantum of Grant in aid to the District Councils has been enhanced to enable them to meet the administrative expenditure. In addition a number of schemes have been entrusted to the District Council for execution. During the current Financial year a sum of Rs.7 lakhs has been allocated by the planning Commission in addition to Rs.4.11 lakhs transferred to non-plan sector as committed expenditure. It is proposed to construct 42 K.M. Jeepable road, 84 K.M. of inter-village path, 15 wooden bridges and 48 water tanks.

HOUSING

For the benefit of persons belonging to economically weaker section of society the U.T. Administration has taken up scheme of Middle Income Group Housing, Low Income Group and Village Housing Scheme. During 1978-79 about 300 persons have been given loan under Middle and Low Income Group. In addition a number of additional Loan have been given to persons who could not complete the construction of their house from the previous loan.

COMMUNITY DEVELOPMENT

The Department is mainly engaged in various developmental works in rural areas. During the current year it is proposed to construct 10 K.M. of jeepable road, 100 K.M. of inter-village path, 25 playgrounds and 25 Community Halls. Musical instruments, sports goods, and other materials required for social services are supplied to the deserving group at subsidized rate.

The Plan Outlay for the Sixth Five Year Plan under Community Development is Rs.130 lakhs and the Annual Plan for the current year is Rs.26 lakhs.

REHABILITATION

During the current year there is a budget provision of Rs.70 lakhs under grant and Rs.10 lakhs under Loan. The implementation of the scheme for Rehabilitation of MNF returnees was intensified since 1978-79. The Rehabilitation Grant at the rate of Rs.1000/- has been given so far to about 766 returnees. The procedure for disbursement of cash Rehabilitation Grant in 2 installments with a gap of 5 months between the first and the second installment was modified and now the grant is paid in one lumpsum of Rs.1000/-. 120 MNF returnees have been rehabilitated under normal agriculture scheme of land reclamation and 200 returnees were also selected for potato cultivation scheme. Another 63 MNF returnees were given Loan for Dairy Farming and 103 returnees were sanctioned Rice Huller on Hire Purchase basis. A separate cell is being organized to look after the work of MNF returnees rehabilitation more effectively.

As the Honourable Members are aware Mizoram attained Union Territory only in 1972. The task of socio-economic development is gigantic. But with our firm determination and cooperation of Honourable Members, I am sure we will succeed in our mission. I earnestly request the Honourable Members to give the Government their full support and cooperation. We will welcome their valuable and constructive suggestions and criticism for improving

Administrative system and procedure and for economy in public expenditure. I would like to make a mention of the need of financial discipline without which the utmost use of resources would not be possible. What we lack in resources has to be made good through judicious and economic use of the available resources.

With your permission, Sir, I place the Budget for 1979-80 before the House for consideration and approval.

Jai Hind