



ANNUAL PLAN 1980-81

PLANNING COMMISSION, GOVERNMENT OF PAKISTAN,
ISLAMABAD.



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PART I

ECONOMIC FRAMEWORK

CHAPTER 1

OUTPUT, INVESTMENT AND SAVINGS

I. REVIEW OF 1979-80

With the end of the financial year 1979-80, two years of Fifth Plan have been completed with significant gains in many sectors of the economy. Although budgetary and balance of payments problems persisted, the year witnessed a high rate of economic growth.

Domestic Product

2. Gross Domestic Product for 1979-80 is estimated to increase by 6.2 per cent, somewhat short of the 6.5 per cent planned target and sur-passing the previous year's growth of 5.9 per cent. Thus yet another year has been added to a period of sustained growth of the economy, now spanning three years. The sectoral composition of incremental GDP also presents a satisfactory picture. Growth in the commodity producing sectors of 7.4 per cent has exceeded the plan target and is substantially higher than the growth in the services sector. This has served the dual purpose of controlling inflation and reducing trade deficit. Details may be seen at Annexure I.

3. Agriculture and manufacturing are the two key sectors which impart stimulus to the rest of the economy. In 1979-80 these two sectors accounted for 47 per cent of gross domestic product and contributed about 48 per cent to the incremental gross domestic product, of which over 55 per cent was contributed by major crops and large scale manufacturing.

4. The agriculture sector, which covers major and minor crops, livestock, fisheries and forestry, is still the biggest sector of the economy, contributing over 32 per cent to gross domestic product. In 1979-80, gross value-added in this sector registered a growth rate of 6.0 per cent, comprising of 7.6 per cent in major crops, 5.5 per cent in minor crops and 3.4 per cent in livestock, fisheries and forestry. Growth in major crops has fallen significantly short of the annual plan target of 9.8%. On the other hand minor crops and other sub-sectors performed well and attained a growth of 4.1 per cent against the Annual Plan target of 2.5 per cent, thus enabling the agriculture sector as a whole to achieve an overall growth of 6.0 per cent against the planned target of 6.6 per cent.

5. Although overall growth achieved in agriculture sector is lower than the planned target, it is the highest recorded since 1969-70. Furthermore, the shortfall from the planned value added target reflected an exceptionally sharp increase in fertilizer use rather than output failure. Major crops output depicted strong gains, particularly for wheat, maize, and cotton which together account for nearly 60 per cent of the total output of major crops. Wheat output of 10.76 million metric tonnes is about 3 per cent higher than the target of 10.64 million tonnes. For cotton, a bumper crop of 4.17 million bales has been estimated against a target of 3.65 million bales. Although production of rice and sugarcane fell short of expectations, major crops as a whole performed well. The output of minor crops, livestock, fisheries and forestry also registered significant increase and growth in these sub-sectors was higher than in the previous year. A comparative statement for major crops is given at Annexure II.

6. The level and pattern of agriculture output in 1979-80 could, to some extent, be attributed to weather conditions but the gains during the last two years were largely in response to the following policies and actions designed to induce and sustain growth :

- (i) Support prices of crops were fixed at remunerative levels and brought nearer to world prices.
- (ii) High quality domestic seeds of wheat and cotton were supplied at subsidised rates and were supplemented with import of rust-resistant wheat varieties.
- (iii) Agriculture extension work was stepped up and, in particular, the Cotton Maximization Programme was successful in bringing about significant changes in cropping practices.
- (iv) Credits for inputs were expanded and provided on liberal terms to the small farmers and to cooperative undertakings.

- (v) Adequate supplies of fertilizers were arranged and the logistics of distribution streamlined to ensure timely availability.
- (vi) Prices of fertilizer were subsidised to encourage greater use and better balance between phosphatic and nitrogenous fertilizer.

7. Fertilizer consumption increased sharply over the past two years at an estimated annual rate of 24 per cent. However, this rapid increase together with escalating import prices made the subsidy bill inordinately large. As such, fertilizer prices were raised by about 50 per cent in February, 1980. Crop procurement prices were also suitably revised in order to maintain incentives.

8. As a result of higher growth the share of agriculture sector in gross domestic product, which has been gradually declining, maintained its last year's level of 32.5%. This increased production also had a favourable effect on prices. The rising trend in prices of major crops was checked and price increase dropped from 9.7% in 1978-79 to 6.6% in 1979-80. The prices of minor crops, however, increased by 9.1% in 1979-80 as against 4.4% in the previous year.

9. Although manufacturing industry contributes only about 16 per cent to GDP, its significance cannot be over-emphasised as it represents the secondary stage of economic development of a country. In view of this, the Fifth Plan had assigned a leading role to this sector in terms of output expansion. Large scale manufacturing was envisaged to contribute about 23 per cent to the incremental gross domestic product and its relative share in domestic product was planned to increase from 12 per cent in 1977-78 to over 15 per cent in 1982-83. These objectives can be achieved if the output in this sub-sector increases at a rate of 12 per cent per annum.

10. However, in the context of the expectations, the performance of large scale manufacturing during the first two years presents a disappointing picture. So far, output of this sector has lagged far behind the Fifth Plan target and its relative share in domestic product has remained virtually static at the 1977-78 level. Compared with the Fifth Plan target of average annual growth rate of 12 per cent, an average rate of 6 per cent per annum has been attained in the first two years. It however, represents a major improvement over the average growth rate of 2.2 per cent during 1970-78. Besides, it is encouraging to note that 8.5 per cent growth in 1979-80 represents substantial improvement over 3.7 per cent of the previous year.

11. Three main factors are responsible for the slower than anticipated growth. Firstly, slow growth in cloth output, associated with the diversion of production from the mill sector to the small scale sector, appears to have continued despite removal of fiscal discrimination. However, this transfer should reflect in a higher growth in the small scale sector. Secondly, there was an unforeseen decline in sugar output during the first two years of the Plan owing to inadequate supplies of sugarcane to the mills. Thirdly, the under construction large public sector plants for fertilizers, cement and steel did not come into production on schedule. A substantial part of Fifth Plan growth was to stem from these plants. The targets and achievements of major manufacturing industries are placed at Annexure III.

12. On the basis of a survey, the small scale manufacturing sector is assumed to grow at an annual rate of 7.3 per cent. Extraneous but related information on exports and raw material use in the small scale sector indicate that the assumed rate is by no means on the high side. The small scale sector of late is displaying greater activity than the large scale sector.

13. Trade is the third largest sector of the economy. Its performance depends directly on the level of marketed output in agriculture and manufacturing sectors and on import of consumer goods. Although an increase of 6.7 per cent was recorded in the output of agriculture and manufacturing sectors together during 1979-80, the wholesale and retail trade sector increased by only 5.5 per cent mainly for two reasons. Firstly, the increase in the agricultural output was concentrated in relatively non-traded crops and, secondly, the share of consumer goods in the import bill declined.

14. The construction sector, which has become a leading sector in terms of growth, once again registered a relatively high growth of 10.4 per cent. Increased availability of cement provided an impetus to this sector which has already achieved over 41 per cent of the whole Fifth Plan target.

National Resources

15. Gross National Product at factor cost, which in the past has been yielding a higher growth rate than Gross Domestic Product, has for the first time registered a lower growth of 5.7 per cent in 1979-80. Although net factor income from abroad increased by 22.2 per cent in money terms, in real terms, it has declined due to an increase of 22.4 per cent in the import unit value index during the year. Gross per capita income in real terms is thus 2.6 per cent higher in 1979-80 as compared to the previous year.

16. Gross National Product at current market prices has increased by 20.4 per cent during the year under review. Since foreign resources increased by 14.6 per cent over the year, total resources available in the country yielded an increase of 20.1 per cent. With the tight resource position during the year, Government pursued a vigorous demand management policy as a consequence of which consumption rate as per cent of GNP declined somewhat. Restrained public sector consumption expenditures coupled with relatively lower private consumption have contributed to a fall in the overall rate of consumption from 88.5 per cent of GNP to 88.2 per cent in 1979-80. On the investment side, public investment as a proportion of GNP has also fallen slightly but the overall rate of gross fixed investment has been maintained at 15.7 per cent of GNP. Details of National Resources are placed at Annexure IV.

Investment and Savings

17. As a result of poor investment climate, tight resource position and strained balance of payments, investment growth in the country continues to be disappointing. Although monetary investment outlays had increased considerably during the year 1979-80, their impact was eroded by a steep rise in prices.

18. An increase of 10.8 per cent in gross fixed investment in nominal terms was planned for 1979-80. It was expected that private investment which contributes about one third to total investment effort will increase by 20.4 per cent and public investment by 6.5 per cent. The growth differential between the two sectors reflected the policy of encouraging new private investment and containing public investment to the on-going commitments. Fixed investment outlays during 1979-80 are estimated to have increased by 20.6 per cent, private sector by 26.0 per cent and public sector by 18.3 per cent. Thus, both private and public sectors have exceeded the planned targets in monetary terms. However, this increase of 20.6 per cent in fixed investment flows was reduced by price escalation of investment goods to a negative figure in real terms. The Investment Price Index is provisionally estimated to have registered an increase of 28% during the year. Nevertheless as a proportion of GNP, gross investment has remained constant at 16.5 per cent during the last two years. So has gross fixed investment at 15.7 per cent.

19. The squeeze on investible funds has emanated from two sources. One is the public sector domestic resource constraint resulting from recent Government measures to restrict inflationary spending and the simultaneous need to absorb imported inflation. The other is the restricted external resource availability. Although net foreign inflows have increased by 14.6 per cent, over the last year in nominal terms, in terms of goods and services they have actually dropped by about 9 per cent.

20. The overall financing of investment is given at Annexure V. The share of foreign resources has fallen from 30.1 per cent of total gross investment to 28.6 per cent during 1979-80. The share of national savings has consequently gone up to 71.4 per cent. The degree of self-reliance in financing investment was thus higher than has been the case in recent years. This increased national effort was sustained by accompanying growth in output and, more commendably, was brought about together with a lower level of deficit financing than in the previous year. The impact of the investment expenditure on price level was consequently minimal. Thus a heartening feature of the resource picture is the increase in national savings rate to 11.8 per cent of GNP from 11.5 per cent in the previous year, yielding a marginal rate of savings of 13 per cent for the year under review. With the external resource inflow stagnating, greater effort was made on the domestic front in order to bridge the resource gap. National savings, thus, increased by about 23 per cent and financed a greater portion of incremental investment during the year.

21. Nearly one-fourth of national savings have been contributed by the public sector during the year. The rest have come from the private sector. It may, however, be noted that these private savings also include forced savings resulting from credit expansion for investment both in the public and private sectors.

Public Sector Investment

22. In reviewing and analysing the public sector investment flows certain specific considerations arise which need to be borne in mind. Public sector investment is largely directed towards the creation and strengthening of the economic infrastructure and overhead capital i.e. public industries, transport and communications facilities, public utilities and health, education and other social facilities. By their very nature, the projects in these sectors involve considerable investment over an extended period and, at the same time, generally give a low return in recognizable financial terms. It is often several years before the impact of such investment becomes visible. Besides, the implementation and the subsequent operation of the projects in the public sector creates a basic requirement for a large number of skilled managers. The country is not sufficiently well-endowed in the resources of skilled managerial manpower. The supply being well short of demand the available managerial resources are spread rather thinly. This factor reduces the effectiveness of public investment flows, further prolonging the already lengthy gestation periods, and lowering further the returns that may accrue.

23. Public sector investment is conceptually different from public sector development expenditure. Details of calculations of investment are given at Annexure VI. Public sector investment is observed to have increased by 18.3 per cent during 1979-80, while Annual Development Programme of the Government rose by only 8.6 per cent. Government corporations in large scale manufacturing industries and enterprises in the energy sector account for a substantial part of the public sector investment.

24. Percentage shares of various sectors in the ADP are given at Annexure VII. Agriculture, Water, Energy, Industries and Transport and Communications sectors have been given priority over other sectors. Several important public sector projects were completed during 1979-80. In the energy sector the projects completed include the 5,000 barrel topping plant at Attock Refinery and 125 m.w. gas turbine at SITE, Karachi. The Pipri marshalling yard, doubling of railway track from Kotri to Hyderabad, Kotri Bridge, Nowsheera bridge and the airport at Saidu Sharif were completed in the Transport and Communications sector. In the Industries sector, the Heavy Foundry and Forge at Taxila reached completion stage.

25. An unusual and self-financed increase was recorded in investment in the Transport and Communications sector mainly contributed by Pakistan International Airlines and Pakistan National Shipping Corporation. In the case of PIA, the aircraft fleet was substantially increased to keep in step with the increasing passenger and cargo load. The PNSC also expanded its fleet, by purchasing new ships, to meet its operational requirements.

26. The year under review has demonstrated greater self reliance in financing of public sector investments. The proportion of public sector investment financed by its own savings increased from 9.2 per cent to 25.8 per cent during the year. Public savings increased from Rs. 2.1 billion in 1978-79 to Rs. 7.0 billion in 1979-80, more than three fold increase in one year. Break-up of public savings are given at Annexure VIII.

Private Sector Investment

27. The private sector investment is more susceptible to short-term developments than the public sector investment. The savings pattern in the society also influences the level and the direction of investment flows. The recent years have seen changes in the sources of savings. The emigrant Pakistanis account for increasing proportion of national savings. Alongwith this development there has also been a far reaching change in the asset preference shown by the private investor in his choice of investment. Long-gestation investments, which require a pool of skills, advance planning and information, and may also involve relatively larger financial outlays, are being avoided. Preference is shown increasingly for relatively low-cost, low-risk and quick pay-back investments where acquisition is relatively simple (in that it does not involve too many administrative sanctions and other formalities) and operation relatively straight forward, preferably capable of being managed personally by the owner.

28. The above mentioned influences are evident in the pattern of private investment during 1979-80. The private investors' preferences are reflected in the fact that the funds largely went to tractors (Agriculture sector), low cost transportation vehicles (Transport and communications sector), private housing, (Ownership of dwellings sector) and perhaps small scale industry. In case of

Ownership of Dwellings and small scale industries the reported investment may be a gross understatement. The rate of capital formation attributed to these sectors by the statistical authorities is based on certain given growth rates arrived through surveys several years old by now. Since then observation points to a considerably higher level of activity in both these sectors but lack of data does not permit reflection of this change.

29. Keeping in view private investment during 1978-79 and priorities laid down in the Fifth Plan aiming at revival of investment activity in the industrial sector, an investment of Rs.12 billion was planned in the private sector for the year 1979-80. Out of this Agriculture sector claimed 21.3 per cent, Manufacturing 23.8 per cent, Transport 17.5 per cent and about 22.5 per cent were to be invested in Ownership of Dwellings. Against this Rs.12.1 billion private investment was achieved. Transport and Ownership of Dwellings sectors, which involved small risk and ensured quick returns, responded well and investment in these two sectors increased by 48 and 33 per cent respectively during 1979-80. High growth rates were also recorded in services and agriculture sectors while increase in the manufacturing sector was moderate. Sectoral distribution of private investment is given at Annexure IX and the relative shares at Annexure X.

30. Although planned target of private investment appears to have been achieved during the year, it conceals the fact that price increases were much more than anticipated. In spite of an increase of 26 per cent in current prices, private investment has declined in real terms during the year. Continued shyness of investment climate is mainly responsible for low investment activity in the private sector.

31. Private investment is financed largely through private savings, more than half of which is composed of own savings and the rest is bank credit. Foreign resources contribute a small proportion estimated roughly at about 10 per cent of the total private investment. Private savings, derived as a residual of public savings, are estimated at Rs.22.4 billion for 1979-80. Thus, less than half of the total private savings is absorbed in private sector investment, the rest is transferred to the public sector. Private savings have shown an increase of only 2.8 per cent during the year under review.

II TARGETS FOR 1980-81

32. The Annual Plan for 1980-81 (mid year of the Fifth Plan) has been prepared against the back drop of real gains in some areas combined with significant financial difficulties and unceasing pressures in the external sector. The Plan has attempted to consolidate the gains and make concerted efforts to overcome financial imbalances.

Domestic Product

33. Gross domestic product is projected to increase by 6.6 per cent, the target for agriculture sector being 5.0 per cent and that for manufacturing 10.6 per cent. The commodity sectors covering agriculture, manufacturing, mining, electricity and gas and construction activities are planned to grow at 7.2 per cent as against 5.8 per cent projected for the services sector.

34. In the agriculture sector, a targetted growth of 5.8 per cent for major crops is expected to be achieved through increase in the output of wheat, rice, maize, sugarcane, and cotton. Value-added in large scale manufacturing is projected to increase by 12 per cent. Main contribution to growth in large scale manufacturing is expected from sugar, cement, m.s. products and fertilizer. The sector-wise growth targets of GDP are shown in Annexure I.

35. With the achievement of targets set out for 1980-81, about 48 per cent of the Fifth Plan targets of incremental gross domestic product are likely to be achieved. In the commodity sector a growth rate slightly lower than that achieved in 1979-80 has been planned mainly due to lower growth rates expected for cotton crops.

36. *Agriculture.*—Value-added in agriculture is envisaged to increase by 5 per cent and in major crops by 5.8 per cent. Increases of 6 to 9 per cent are forecast for wheat, rice, maize and sugarcane. In view of the bumper crops in 1979-80, a moderate increase of 5.5 per cent is planned for cotton. The production targets of major crops are given at Annexure II.

37. The major portion of growth is planned to be achieved through improvement in per/hectare yields. For this purpose fertilizer off take is proposed to be increased from 1.1 million n/tonnes in 1979-80 to 1.2 million n/tonnes in 1980-81. Thus fertilizer use per cropped hectare comes to about 61 kg. Fertilizer off-take during 1980-81 is anticipated to increase at a lower rate than during the previous two years. One of the reasons is the 50 per cent increase in fertilizer prices in February, 1980, despite an upward revision of crop procurement prices. Another reason is more effective usage of fertilizer expected to be brought about through extension services. Besides, about 0.52 million hectares would be covered through aerial spray compared to 0.41 million hectares covered in 1979-80. However, availability of water at farm gate will more or less remain at 1979-80 level of 94.14 MAF.

38. In addition to key inputs, price incentives and other measures are also proposed to ensure the planned growth. Support prices for some of the crops have already been raised to provide incentives. Good quality seed will be made available in time and adequate credit will be provided to the farmers.

39. *Industry.*—In terms of GDP growth, the Fifth Plan had assigned leading role to large scale manufacturing. Compared with the Fifth Plan target of annual average growth rate of 12 per cent, achievement by the end of 1980-81 is expected to average about 8.0 per cent per annum.

40. Value-added in the manufacturing sector is envisaged to grow by 10.6 per cent in 1980-81, large scale by 12.0 per cent and small scale by 7.3 per cent. With these growth rates, about 37.2 per cent of the Fifth Plan's manufacturing growth target is likely to be achieved. It implies that during the last two years of Fifth Plan, the large scale manufacturing sector must attain an annual growth rate of about 16 per cent per annum to ensure achievement of Fifth Plan target. The estimated output in 1979-80 and projections for 1980-81 are given in Annexure III.

41. Main contribution to growth is expected from sugar, cement, m.s. products and fertilizer. The 30 per cent planned increase in the output of sugar incorporates an element of recovery. In the case of cement, two additional plants of Javedan and Mustehkam Cement factories would go into production. Increase in fertilizer is mainly expected from Pak-Saudi and Pak-Arab Fertilizer Factories. Besides, four textile mills in the public sector are also expected to be operative in 1980-81. The new capacity together with improved utilisation of existing capacity should enable realization of about 12 per cent increase in output of large scale manufacturing.

National Resources

42. For the purposes of macro-economic framework, it has been assumed that overall prices, on an average, will increase by 7.5 per cent in 1980-81. The gross domestic product at current factor cost will increase by 14.6 per cent as against the real growth rate of 6.6 per cent, given an increase of 7.5 per cent in the price level during 1980-81. While indirect taxes are projected to increase by 18.8 per cent, subsidies are expected to decrease by 17.0 per cent mainly due to the reduction of subsidy on wheat and fertilizer. The GDP at current market prices, therefore, will increase by 16.0 per cent. Net factor income from abroad is expected to increase by 11.2 per cent resulting in an overall increase of about 15.7 per cent in GNP at current market prices.

43. Net foreign resources or the current account balance of payments deficit is expected to remain at the same level during 1980-81. As a result the total resources available in the country are projected to increase by 15.0 per cent.

44. The sources and uses of national resources during 1979-80 alongwith projections for 1980-81 are shown in Annexure IV. Total consumption is projected to increase by 15.1 per cent during 1980-81 against an increase of 20.0 per cent in the previous year. Its components, public and private consumption, are also separately planned to grow at lower rates compared to the previous year. Private consumption in current prices is projected to increase by 15.3 per cent, the increase in real terms would be around 7 per cent thus ensuring about 4 per cent increase in real *per capita* consumption.

45. Gross fixed investment is planned to grow by 13.3 per cent and inventory build-up by 40.0 per cent. Total investment thus shows an increase of 14.6 per cent for the year 1980-81. As a proportion of GNP, total investment is projected at 16.4 per cent, slightly short of the previous year.

The policy of encouraging private investment during the last few years is reflected in the planned effort to increase the share of private sector in the country's fixed capital formation. This share is projected to increase from 30.9 per cent in 1979-80 to 32.7 per cent in 1980-81.

Investment and Savings

46. A gross fixed investment of Rs.44.4 billion has been programmed for 1980-81. Of this 67 per cent is planned to be channelled through the public sector and the rest through the private sector. This investment programme aims at consolidating the achievements of the initial two years of the Fifth Plan and attempts to lay the foundations for future growth. The Annual Plan projects an increase of 13.3 per cent in gross fixed capital formation in current prices. In real terms, the increase projected would be about 6 per cent, assuming a 7.5 per cent increase in investment costs. This puts investment growth somewhat behind growth in out-put and leads to a fall in gross fixed investment/GNP ratio from 15.7 per cent to 15.4 per cent in 1980-81. The rate of increase in private investment is expected to be higher than the aggregate growth rate whilst the public sector's investment flows are projected to increase at a somewhat lesser pace. An object of the constrained growth in the public sector investment projections is to meet the imperative of consolidating the self-financing effort mounted in the previous year.

47. On the financing side, about 25 per cent of gross investment in 1980-81 is planned to be financed through external sources and the remaining 75 per cent through national savings. As against this, domestic effort was 71 per cent in 1979-80. This reflects planning greater self-reliance for purposes of investment. National savings are projected to increase by 20.4 per cent during the year. The average rate of savings is thus estimated to increase to 12.3 per cent of GNP from 11.8 per cent for the previous year. The planned incremental investment of Rs. 6 billion is expected to be financed largely through domestic effort. Marginal rate of savings works out to 15.3 per cent for 1980-81. It was 13.0 per cent for the previous year in comparison. Details of financing are given in Annexure V.

Public Sector Investment

48. An investment of Rs.29.9 billion is planned for the public sector for 1980-81 visualising an increase of 10.3 per cent over the previous year. This increase is essential to accommodate a major thrust in social services and regional development alongwith sufficient allocation for completing on-going projects and adequate amount for new essential programmes. Public investment figures are given at Annexure VI.

49. The public sector investment programme consists largely of infra-structure projects and within the 1980-81 Annual Development Programme almost 80 per cent of the allocation is for five major sectors, viz; agriculture, water, energy, industry and transport and communications. The relative shares of these five sectors continue to be approximately same as in the previous year with the exception of energy sector, which has received a higher allocation for oil exploration. Sectoral details of ADP are placed at Annexure VII.

50. Major projects expected to reach completion during 1980-81 include new generation capacity of 490 mw in the Energy Sector. This would be a direct result of completion of the generation scheme at Mangla (Units 7 and 8), Warsak (Units 5&6) and Guddu (Unit 3). The additional generation capacity would be instrumental in increasing the number of consumers. Also PARCO pipeline from Karachi to Multan is expected to be completed during the year. This pipeline would facilitate the up-country movement of oil and its products and thus ease the pressure on the existing rail and road facilities. Several major projects are also expected to be completed in the Transport and Communications sector during the year. Attock and Napier Mole bridges, four berths at Port Qasim and the oil yard at Mahmood Kot will reach completion. In the case of public sector industries, substantial new capacity for cement is expected to be added during 1980-81. Details of these and other projects being completed during 1980-81 are presented in the relevant sectoral chapters.

51. In terms of institutional mechanisms, public sector investment would be financed through domestic and foreign capital receipts of the government and transfers from the private sector and, to a limited extent, through the deficit finance mechanism. A notable feature of the financing plan is that the level of deficit financing proposed in 1980-81 is considerably less than that in 1979-80.

8

Details of Public Sector Development Programme financing are discussed in a separate chapter. Public Sector's own savings are expected to be of the order of Rs. 11.5 billion in 1980-81, an increase of about 64 per cent over the previous year. Thus the rate of self-financing in the public sector is planned to increase from 26 per cent in 1979-80 to 39 per cent in 1980-81. Details are given at Annexure VIII.

Private Sector Investment

52. The 1980-81 target for private investment is set at Rs.14.5 billion, which envisages about 20 per cent increase over the previous year's level. This expectation is based partially on the policies initiated with the 1980-81 budget. The sustained growth in output over the past three years has increased the public's confidence in the basic soundness of the country's economy which would also be a positive influence, on private investment decisions. The new policies include rationalisation of laws and regulations relating to the corporate sector as well as Islamisation of the economy through the proposed term-participation certificates and the mudaraba schemes. These measures may well provide a further impetus to private investment.

53. The sectoral break-up and sectoral shares of private investment are given at Annexures IX and X. The sectoral shares in the projections are largely on the pattern of the previous year. Four sectors account for 85 per cent of the projected private investment. These four sectors are agriculture, industry (large and small scale), transport and communications and private housing. In agriculture, 20,000 new tractors and related implements together with almost 18,000 tubewells account for by far the largest part of that sector's projected investment, the balance being land development, channel improvement and non-monetized investment. In the case of industry, the projected increase of 25 per cent over the previous year is in line with the industrial investment schedule and supported by forecasts by PICIC and IDBP of a 24 per cent increase during 1980-81 in their sanctions accompanied by a virtual doubling of their disbursements.

54. The projections for large scale manufacturing industry are also in consonance with the Finance Minister's undertaking in his budget speech that as long as private investment in forthcoming the public sector will not take up any new large industrial projects. The projections for the Transport and Communications sector are based on the likely import and sale of vehicles during 1980-81. This sector's investment comprise entirely of motorised vehicles. Adequate number of buses and trucks have been provided for and, alongwith this feature, the plan also fully recognises the recent shift towards low-cost vehicles. The increase in private housing takes into account both the increased cost of cement and the substantially increased as well as interest-free finances of HBFC, while adjusting for the lack of credit from the commercial banks. In the "others" sector, the main identifiable element is the service industry which allows for adequate investment in medical and recreational facilities as well as hotel industry.

55. The financing of private sector investment is achieved mainly through the private sector's own savings, with a limited contribution from foreign loans in case of agriculture and industry. There is, of course, fairly developed institutional mechanism in the private sector (consisting of specialised and commercial banks, stock market and related financial institutions) to enable smooth transfer of resources, within the private sector as well as between the private sector and public and foreign sectors, in line with investment policies. Private savings are expected to increase by about 7 per cent in 1980-81. As in the past, about half of private savings are expected to be invested in the private sector, the other half will be transferred to the public sector.

GROSS DOMESTIC PRODUCT

(Per cent annual growth)

Sector	1978-79		1979-80		1980-81 Target
	(Achievement)	Target	Achievement	Target	
A. Commodity Sectors	5.0	7.1	7.4	7.2	
1. Agriculture	4.2	6.6	6.0	5.0	
(a) Major Crops	5.2	(9.8)	(7.6)	(5.8)	
(b) Minor Crops	2.4	(3.5)	(5.5)	(4.0)	
(c) Others	3.0	(2.1)	(8.4)	(4.2)	
2. Industry	6.0	7.7	9.3	10.2	
(a) Manufacturing	4.8	8.1	8.3	10.6	
(Large Scale)	(3.7)	(8.5)	(8.5)	(12.0)	
(Small Scale)	(7.3)	(7.3)	(7.3)	(7.3)	
(b) Mining	3.3	6.0	10.1	5.0	
(c) Construction	9.1	7.6	10.4	12.0	
(d) Electricity & Gas	8.1	6.5	13.7	5.6	
B. Services	6.5	5.8	4.6	5.8	
Trade & Transport	7.2	6.5	5.0	7.2	
Public Admin. & Defence	7.4	5.0	3.5	3.8	
Others	5.8	5.3	4.3	5.2	
Total GDP	5.9	6.5	6.2	6.6	

MAJOR CROPS PRODUCTION

(Million Metric Tonnes)

Major Crops	1978-79	1979-80		1980-81	
		Target	Achievement	Target	% increase over 1979-80
Wheat	9.94	10.64	10.76	11.44	6.3
Rice	3.27	3.35	3.22	3.47	7.8
Maize	0.80	0.87	0.88	0.94	6.8
Sugarcane	27.33	30.34	27.20	29.67	9.1
Cotton (Million bales of 177.8 Kg. each)	2.66	3.65	4.17	4.40	5.5
Overall Growth Rate : (Per cent)	5.20	9.80	7.60	5.80	

LARGE SCALE MANUFACTURING PRODUCTION

	Unit	1978-79	1979-80		1980-81	
			Target	Achievement	Target	% increase over 1979-80
Cotton Yarn	Mill. Kgs.	328	365	365	380	4.1
Cotton Cloth	Mill. sq. metre	339	400	348	360	3.4
Vegetable Ghee	000 M. tonnes	422	466	447	480	7.4
Sugar	"	607	800	576	750	30.2
Cement	"	3022	3450	3340	3,700	10.8
Soda Ash	"	71	84	80	84	5.0
Caustic Soda	"	36	36	40	42	5.0
Nit. Fertilizer	000 M. N. tonnes	328	473	400	496	24.0
Phosphatic Fertilizer	"	29	75	50	64	28.0

NATIONAL RESOURCES

(Rs. billion in current prices)

	1978-79	1979-80	1980-81 (Target)
GDP at factor cost	177.7	210.6	241.4
Indirect taxes less subsidies	15.4	21.6	28.0
GDP at Market prices	193.1	232.2	269.4
Net factor income from abroad	13.9	17.0	18.9
GNP at market prices	207.0	249.2	288.3
Foreign Resources	10.3*	11.8*	11.8*
Total Resources	217.3	261.0	300.1
Private consumption	161.5	194.7	224.4
Public consumption	21.6	25.1	28.5
Total consumption	183.1	219.8	252.9
Gross Fixed Investment	32.5	39.2	44.4
Private	9.6	12.1	14.5
Public	22.9	27.1	29.9
Changes in stocks	1.7	2.0	2.8
Total investment	34.2	41.3	47.2
Total Uses	217.3	261.0	300.1

* These figures do not tally with the Balance of Payments figures due to the adjustment made for the purchase of aircrafts and ships by PIA and PNSC. This adjustment was necessitated because of estimation on the basis of physical arrival of goods.

Annexure V**FINANCING OF INVESTMENT**

(Rs. billion in current prices)

	1978-79	1979-80	1980-81
Total Investment	34.2	41.2	47.2
Finance by :			
National Savings	23.9	29.4	35.4
Of which :			
Public Savings	2.1	7.0	11.5
Private Savings	21.8	22.4	23.9
Foreign Resources	10.3	11.8	11.8

Annexure VI**PUBLIC INVESTMENT**

(Million Rs.)

	1978-79	1979-80 (Revised)	1980-81 (Budget)
Annual Development Programme	20,181	21,916	26,464
Less :			
(i) Development Subsidies	2,100	2,468	2,478
(ii) Oil Exploration	100	192	400
(iii) Other Non-Investment (2% of ADP)	1,410	1,536	1,850
Investment Component in ADP	16,571	17,720	21,736
Plus :			
(i) Investment portion in Current Account (2.5% of current budgets)	970	1,010	1,150
(ii) Investment Outside ADP	3,500	4,150	4,500
(iii) PIA and PNSC	1,088	3,131	1,174
(iv) Local Bodies	525	817	950
(v) Banks and Insurance	199	271	350
Total Public Investment	22,853	27,099	29,860

ANNUAL DEVELOPMENT PROGRAMME

(Per cent)

Sector	1978-79	1979-80		1980-81
		Allocation	Revised Estimate	Allocation
A. Agriculture	10.60	15.27	15.85	14.54
Water ..	13.75*	12.33	11.36	11.82
Power ..	14.54	15.00	12.95	15.08
Fuels ..	**	3.42	3.26	5.63
Industry ..	22.66	18.79	20.34	15.28
Minerals ..	3.30	0.44	0.29	0.36
Transport and Communications	18.63	17.70	18.19	18.30
Physical Planning and Housing	7.60	6.61	6.79	6.87
Mass Media ..	—	0.45	0.50	0.42
Education ..	3.82	4.13	4.38	4.84
Health ..	2.81	3.32	3.35	3.53
Population Planning ..	0.56	0.78	0.75	0.60
Social Welfare ..	0.08	0.15	0.11	0.14
Manpower ..	0.20	0.27	0.24	0.17
Rural Development ..	1.06	0.94	1.53	1.91
B. Earthquake Relief	—	0.25	0.24	0.27
C. Crash Programme	—	0.02	0.06	—
D. Block Allocation	0.30	0.13	—	0.28
Total	100.00	100.00	100.00	100.00

* Includes expenditure on Indraprastha/Tarola.

** Expenditure on Fuels is included in Power Sector.

PUBLIC SAVINGS

Annexure VIII

(Million Rs.)

	1978-79	1979-80 (Revised)	1980-81 (Target)
1. Revenue Account	2,839	7,245	11,194
(i) Surplus	716	3,826	7,413
(ii) Repayment of Debt	1,479	2,627	2,870
(iii) Repayment by guaranteed debt (excluding PIA)	644	792	911
2. Capital Account	77	110	124
3. Self financing by Public Corporations	1,075	1,777	2,476
(i) Through budget	975	1,507	2,226
(ii) Outside budget	100	200	250
4. Investment portion in current account	970	1,010	1,150
5. Investment of local bodies	525	817	950
6. Investment by banking, insurance and other financial institutions	199	271	350
7. Less	3,610	4,196	24,728
(a) Dev. subsidies met from revenue	2,100	2,468	2,478
(b) Non-investment Dev. outlay	1,410	1,536	1,850
(c) Oil exploration	100	192	400
Total Public Savings	2,075	6,964	11,516

Annexure IX

PRIVATE INVESTMENT

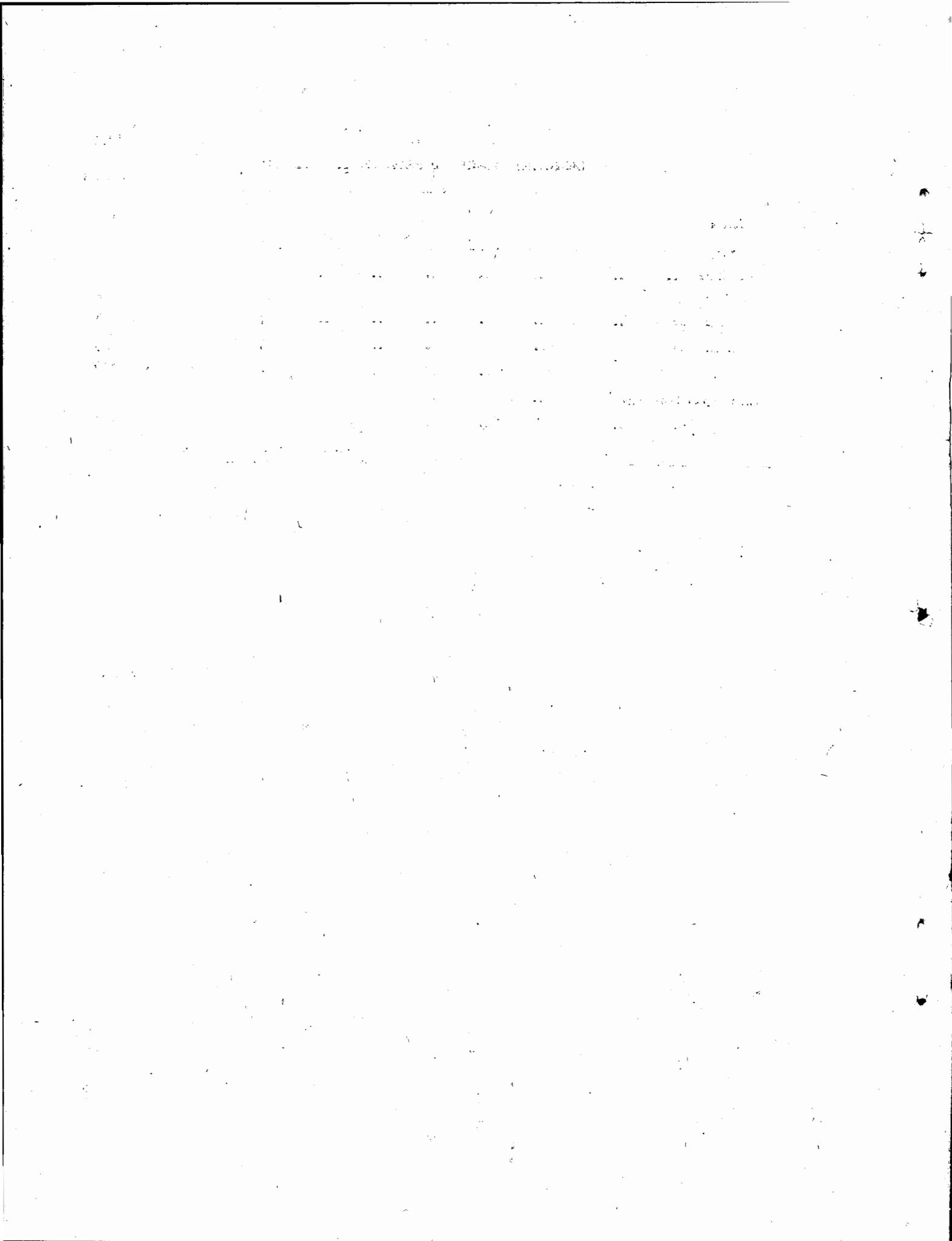
(Million Rs.)

Sector	1978-79	1979-80		1980-81	Per cent increase over 1979-80
		Target	Achievement		
Agriculture	2,072	2,550	2,452	2,995	22.1
Manufacturing	2,336	2,850	2,612	3,264	25.0
Large scale	(1,638)	(2,100)	(1,823)	(2,278)	(25.0)
Small scale	(698)	(750)	(789)	(986)	(25.0)
Fuel, Mining and Quarrying	44	50	49	60	22.5
Transport	1,396	2,100	2,070	2,443	18.0
Ownership of Dwellings	2,273	2,700	3,022	3,545	17.3
Services/Others	1,498	1,750	1,883	2,193	16.5
Total	9,619	12,000	12,088	14,500	20.0

SECTORAL SHARE OF PRIVATE INVESTMENT

(percent)

Sector	1978-79	1979-80	1980-81
Agriculture	22	20	21
Manufacturing	24	22	23
Large scale	(17)	(15)	(16)
Small scale	(7)	(7)	(7)
Transport	14	17	17
Ownership of Dwellings	24	25	24
Services/Others	16	16	15
Total ...	100	100	100



CHAPTER 2

PUBLIC SECTOR DEVELOPMENT PROGRAMME

Review of 1979-80

The Public Sector Development Programme for 1979-80 envisaged an outlay of Rs. 25,747 million, out of which Rs. 21,597 million was to be financed from budgetary resources and Rs. 4,150 million from the credit budget by the Public Sector Corporations/Agencies. It may be pointed out that the original size of the Annual Development Programme 1979-80 had to absorb 12.58% and 10% or agreed cuts due to resource constraint caused by a host of external and domestic factors. The net size of the programme thus stood at Rs. 21,597 million. The provisions by executing agencies are summarized below :

		(Million Rs.)
A. Annual Development Programme (ADP)		
(a) Federal Government .. .. .	.. .. .	17,532
(b) Provincial Governments .. .. .	.. .. .	4,065
Sub-Total (a + b)	.. .. .	21,597
B. Outside = ADP		
(a) Federal Programme .. .. .	.. .. .	3,651
(b) Provincial Programme .. .. .	.. .. .	499
Sub-Total (a + b)	.. .. .	4,150
Total—(A + B)	.. .. .	25,747 ✓

2. According to the latest indications, the revised estimate of ADP for 1979-80 is Rs. 21,916 million against the budget provision of Rs. 21,597 million, showing a utilization of 101 per cent. The comparative position of budget provision and estimated expenditure during 1979-80 by the executing agencies is as follows :

TABLE I
ADP 1979-80 : Provision and Utilization

		(Million Rs.)		
Executing Agency		Provision for 1979-80	Estimated Expenditure 1979-80	Percentage utilization (Col. 3 of Col. 2)
1		2	3	4
A. Federal Government		17,532	17,536	100
B. Provincial Governments.. .. .		4,065	4,380	108
Punjab		2,196	2,353	107
Sind		820	878	107
N.W.F.P.		690	703	102
Baluchistan		359	446	124
Total—(A + B)		21,597	21,916	101

3. In overall terms, the estimated expenditure/investment during 1979-80 including the investment in the Semi-Public Sector (outside-ADP) of Rs. 4,150 million is Rs. 26,066 million against the target of Rs. 25,747 million showing an increase of 1.24 per cent.

Public Sector Development Programme 1980-81

4. The fiscal year 1980-81 is the mid-year of the Fifth Plan (1978—83) and the achievements during this year will be crucial to the overall success of the Plan. The overall objectives/targets and strategy of the programme for 1980-81 have been framed in this perspective. The programme for 1980-81 envisages a total outlay of Rs. 30,964 million—Rs. 26,464—million to be financed *via* normal budget and Rs. 4,500 from the credit budget. The provisions by executing agencies are summarised below :

(Million Rs.)

A. Annual Development Programme (ADP)	
(a) Federal Government	21,568
(b) Provincial Governments	4,896
Sub—Total (a + b)	26,464 ✓
B. Outside-ADP	
(a) Federal Programme	3,880
(b) Provincial Programme	620
Sub—Total (a + b)	4,500
Total—(A + B)	30,964

5. The sector-wise details of the Public Sector Development Programme for 1980-81 are given in Annexure I.

ANNUAL DEVELOPMENT PROGRAMME 1980-81

6. The total ADP provision for 1980-81 is Rs. 26,464 million against Rs. 21,597 million during 1979-80 showing an increase of around 22.5 per cent. Of this, the Provincial ADPs add up to Rs. 4,896 million as against Rs. 4,065 million in 1979-80 which shows an increase of 20.4 per cent. While the financial performance during 1979-80 compared with its reduced size was satisfactory, the implemented development programme fell short of the Plan projection and left a back-log. The back-log was more pronounced in the social sectors as immediate requirements of the on-going projects like Pakistan Steel Mills, the Fertilizer Factories, Fertilizer Subsidy, Port Qasim, Tarbela Dam etc. pre-empted the bulk of the available resources. The key consideration, therefore, in the formulation of the ADP 1980-81 was to make a beginning towards clearing this back-log. The sector-wise details by executing agencies are given in Annexure II. The relative sectoral priorities in the ADP 1980-81 compared with 1979-80 are given in Annexure III.

Objectives

7. The main objectives of the ADP 1980-81 are :

- (a) To provide adequate funds for on-going projects to facilitate their speedy completion.
- (c) To give priority to such foreign aided projects which are in consonance with our national objectives since any reduction in the expenditure on aided projects would also reduce resource availability.
- (e) To avoid over-extension and thin spread of limited resources.
- (d) To make adequate provision for agricultural inputs to maintain the tempo of agricultural growth.

(e) To make a major thrust in the critical energy sector to reduce dependence on imports.

(f) To increase provisions for social sectors to clear the past back-log as far as possible.

(g) To accelerate the development of rural areas.

8. Provisions for major projects/programmes have been made in the light of the above objectives and within the over-all ADP size of Rs. 26,464 million. Priorities have been given to some major projects/programmes under the Federal and Provincial ADPs either by increasing their provisions or by providing for their minimum essential requirements in order to protect the Fifth Plan priorities and targets as far as possible.

9. Under the Federal and Provincial Programmes increased provisions have been made for the following major projects/programmes :

TABLE II

Major Projects/Programmes receiving increased provisions during 1980-81

(Million Rs.)

Sl. No.	Project/Programme	Provision for 1979-80	Provision for 1980-81	Absolute increase
1	2	3	4	5
A. Federal				
1.	Fertilizer Subsidy	2,115	2,423	308
2.	Agriculture Research Divn.	46	79	33
3.	Food Grain Storages	100	405	305
4.	Agriculture Universities	17	36	19
5.	Khanpur Dam	80	123	43
6.	Chashma Right Bank Canal	149	204	55
7.	Karachi Irrigation Project (Hub Dam)	122	150	28
8.	SCARPs	677	700	23
9.	Indus Basin/Tarbela	894	1,008	114
10.	Flood Control	146	200	54
11.	Tarbela Hydro Electric Power Station (Units 9 & 12).	1	18	17
12.	50 MW Gas Power Turbine Power Station Kotri (Units 5& 6)	72	128	56
13.	500 KV Faisalabad-Multan-Guddu-Karachi Transmission Line	292	555	263
14.	Second Circuit 500 KV Tarbela-Faisalabad Transmission Line	4	16	12
15.	220 KV/DC Tarbela-Wah (Burhan) Transmission Line	6	37	31
16.	Secondary Transmission and Grid Stations	561	750	189
17.	Power Development in Azad Kashmir	25	38	13
18.	Distribution of power and Village Electrification	580	700	120

1	2	3	4	5
19.	Diesel Generation Sets in Baluchistan	5	19	14
20.	Expansion of WAPDA, Training Institute ..	5	16	11
21.	Fuel Reprocessing Plant	314	400	86
22.	Development of Solar Energy	—	13	13
23.	O.G.D.C.	611	989	378
24.	Directorate of Petroleum Concessions	68	280	212
25.	Supply of Gas to Quetta	57	200	143
26.	Supply of Gas to Mirpur	—	15	15
27.	Export Processing Zone	37	50	13
28.	Pakistan Security Printing Corporation	—	95	95
29.	Investment in IDBP	—	50	50
30.	Shahdadt Textile Mills	31	51	20
31.	Hazara Urea Fertilizer Plant	100	149	49
32.	B & M Foundary at Naya Daur Motors (phase-II)	25	61	36
33.	B & M Machine Tools Die Shop at Naya Daur Motors	21	36	15
34.	Manufacture of Wheel Rims	39	66	27
35.	PIDC Minerals	10	33	23
36.	FUTCs	246	400	154
37.	Telegraph & Telephones	350	520	170
38.	Pakistan Railways	833	1,150	317
39.	Gawadar Fish Harbour	4	15	11
40.	Third IBRD Highway	44	200	156
41.	National Highways	71	251	180
42.	Attock Bridge	4	20	16
43.	D.I. Khan-Darya Khan Bridge	20	51	31
44.	Civil Aviation	179	212	33
45.	NLC Priority Roads	40	100	60
46.	Ghazi Ghat Bridge	35	45	10
47.	CDA	191	278	87
48.	Works Division	70	105	35
49.	Primary Education	18	30	12
50.	Universities	105	163	58
51.	Teacher's Education	7	27	20

1	2	3	4	5
52.	Curriculum Development	8	39	31
53.	Archaeology & Archives	12	27	15
54.	Islamabad Sports Complex	84	120	36
55.	Hockey Stadium, Karachi	—	10	10
56.	Installation of Computer system at Statistics Division	—	21	21
57.	Women Division	20	40	20
58.	Bolan Medical College	50	83	33
59.	Islamabad Hospital	24	70	46
60.	Ayub Medical College	18	30	12
61.	Improvement of JPMC, Karachi	—	10	10
62.	Expanded Programme of Immunization in Pakistan.	9	43	34
63.	Polio Vaccine Equipment	3	22	19
64.	Earthquake Reconstruction Programme	55	72	17
65.	Azad Kashmir	169	225	56
66.	Northern Areas	106	139	33
67.	FATA	197	225	28
68.	FATA-DC	55	69	14
	Total (A) ..	10,237	14,905	4,668

B. Provincial

Punjab

69.	On farm water management Project	37	50	13
70.	Augmentation of Drilling capacity of Agriculture Engineering	5	19	14
71.	Crop Intensification Programme in Sahiwal ..	—	18	18
72.	Supply of Pacca Nakkas for 11000 water courses ..	—	25	25
73.	Subsidy on inputs to farmers holding 12-1/2 to 25 acres of land (5 to 10 hectares).. ..	—	20	20
74.	Tubewell-cum-Electrification	—	30	30
75.	Farms-to-Market Roads	—	89	89
76.	Construction of Khairwala Tiles Drainage Project.	—	30	30
77.	Lahore Greater Water Supply, Sewerage and Drainage project	130	152	22
78.	Greater Faisalabad Water Supply Sewerage and Drainage Project	61	94	33

1	2	3	4	5
<i>Sind</i>				
79.	Hub Dam Water Supply Scheme	—	*100	100
80.	Hyderabad Water Supply & Sewerage Project	40	70	30
81.	Block Allocation to Local Bodies for Rural Water Supply & Drainage Schemes.	—	15	15
82.	Construction of 200 new primary schools in rural areas	—	13	13
83.	Block Grant-in-aid to Local Bodies for provision of Health facilities in Rural Areas	—	10	10
<i>N.W.F.P.</i>				
There is no project in N.W.F.P. ADP for 1980-81 for which increased provision of more than Rs. 10 million over 1979-80 is provided				
<i>Baluchistan</i>				
84.	Baluchistan Livestock Development Project	—	16	16
Total—(B)		273	751	478
Total—(A+B)		10,510	15,656	5,146

Note.—In Table II above only those projects are listed for which increased provision of more than Rs. 10 million have been provided in the ADP 1980-81 over ADP 1979-80.

10. In overall terms, against the total increase of Rs. 4,867 million in the ADP 1980-81 over 1979-80, an amount of Rs. 5,146 million has been pre-empted by increased provision for the major projects/programmes while reducing the provision for low priority projects/programmes. In the case of Federal ADP 1980-81, against the total increase of 4,036 million over 1979-80, an amount of Rs. 4,668 million has been pre-empted by increased provision for the major projects/programmes. In the case of Provincial programmes for 1980-81, against the total increase of Rs. 831 million over 1979-80, an amount of Rs. 478 million has been pre-empted by increased provision for major projects/programmes.

National Priority Programmes

11. As regards the formulation of Provincial programmes, the National Economic Council decided that the block allocation to the Provinces should be subject to broad directives with regard to priorities of the Fifth Plan. In view of the resource constraint in the Provincial sphere also and to protect priority programmes, like ground plant protection, seed, livestock, extension services, foodgrain storages, on-farm-water-management, urban and rural water supply and sanitation, improvement of katchi abadies, low income housing, primary education and rural health, the allocation for these specific programmes will be treated as grants to the Provinces which will be specific for the given programmes and not transferable to other sub-sectors.

*This includes Rs. 90 million special grant for this scheme.

12. An amount of Rs. 1,835.357 million has been provided in the Provincial ADPs for priority programmes for 1980-81 with the following break-up :

								(Million Rs.)
Province								Amount
Punjab	..	..	..	..	..	..	..	1,084.451
Sind	..	..	..	..	..	..	..	438.031
N.W.F.P.	..	..	..	..	..	..	..	219.017
Baluchistan	..	..	..	..	..	..	..	93.858
Total								1,835.357

13. The sector and project-wise details of Priority Programmes are given in Annexure IV.

Programmes to be Implemented by Local Bodies

14. According to the present indications, programmes amounting to Rs. 1,130.640 million will be implemented by Local Bodies under the Federal Government (the Federal Capital Area, Azad Kashmir, Northern Areas and the Federally Administered Tribal Areas) and the Provincial Governments.

15. The agency-wise break-up is as follows :—

								(Million Rs.)
Agency								Amount
A. Federal	..	..	..	..	..	..	..	121.652
B. Provincial	..	..	..	..	..	..	..	1,008.988
Punjab	..	..	..	..	..	..	..	629.237
Sind	..	..	..	..	..	..	..	107.409
N.W.F.P.	..	..	..	..	..	..	..	228.070
Baluchistan	..	..	..	..	..	..	..	44.272
Total—(A+B)								1,130.640

16. The sector and agency-wise details of the Programmes to be implemented by the Local Bodies are given in Annexure V.

17. The broad features of Sectoral Programmes are given below :

18. *Agriculture.*—The provision for agriculture sector has increased by 17.6 per cent from Rs. 3,297.163 million in 1979-80. to Rs 3,877.630 million during 1980-81. However, provision excluding fertilizer subsidy increased from Rs 1,181.763 million in 1979-80 to Rs. 1,429.297 million in 1980-81 showing an increase of 21 per cent. Adequate provisions have been made for fertilizer subsidy, plant protection, foodgrain storages, forestry, improved seeds etc. The major crop production targets are given in Chapter 7 on Agriculture.

19. The other major physical targets in respect of this sector during 1980-81 are: the fertilizer off-take of 1.2 million N/tonnes increasing the use of fertilizer per cropped hectare to 61 Kg; plant protection coverage through ground operation and aerial spray of 3.04 million and 0.52 million hectare respectively; distribution of 84,203 thousand tonnes of improved quality seeds; and construction of additional foodgrain storage capacity of 594 thousand tonnes which will raise the total storage capacity to 3,338 thousand tonnes by the end of 1980-81.

20. *Water Resources.*—The provision for Water Resources Sector has increased by 18.4 per cent from Rs. 2,662.253 million in 1979-80 to Rs 3,152.530 million in 1980-81. Adequate provisions have been made for Indus Basin Tarbela, Hub Dam, Khanpur Dam, Chashma Right Bank Canal Project and On—Farm water Management during 1980-81.

21. The major physical targets of water sector include the water availability of 94.22 MAF at farmgate, completion of Hub Dam by June, 1981 while the Khanpur Dam will reach an advanced stage of completion; energization and replacement of 500 tubewells under the accelerated programme; drain earth work excavation of 121 MCF; improvement of 415 water courses under water management programme and about 410 MCF of extension and strengthening of flood embankments under the on-going work of flood control programme. Work on the construction of Chashma Right Bank Canal Project shall remain in progress.

22. *Power.*—The provision has increased by 24.1 per cent from Rs. 3,238.936 million in 1979-80 to Rs. 4,019.836 million in 1980-81. The major components of power sector programme consist of WAPDA and PAEC's development schemes.

23. In the Power Generation sub-sector of WAPDA, work will reach an advanced stage of execution on Tarbela Hydro-Electric Units 5—8, 50 MW Gas Turbine Power Station at Kotri and 25 MW Gas Turbine Power Station at Quetta. Detailed investigations and studies will be carried out in respect of major hydro-electric schemes of Kalabagh Hydel Project, Tarbela Units 9—12 and Lakhra Coal Fired Power Station. Besides, Warsak Hydel Units 5 & 6, Guddu Thermal stage II and Mangla Hydel units 7 & 8 will be completed and start producing 490 MW of electricity during 1980-81.

24. In the Secondary Transmission sub-sector, the transmission lines of 512 KM length will be erected through the execution of major projects viz., 132 KV single circuit, 132 KV double circuit, 66 KV single circuit and 66 KV double circuit. Work on the 500 Kv Faisalabad-Multan-Guddu-Karachi Transmission line and 220 KV Tarbela-Mardan Transmission line will reach an advanced stage of execution while work on the erection and setting up of 44 Grid Stations will be undertaken during 1980-81.

25. In case of power distribution and village electrification, the broad targets are: general consumers 2,35,200 ; industrial consumers 6,300 ; agricultural consumers 5,082 ; and villages 1,000. In addition to its share of 450 villages in the Federal programme for rural electrification, the Government of the Punjab is preparing a scheme for tubewell irrigation-cum-village electrification for which specific provision has been made in the Punjab ADP.

26. In Azad Kashmir, Northern Areas and FATA, the work includes setting up of small hydel power stations, erection of transmission lines, setting up of sub-stations and extension of distribution facilities.

27. *Fuels.*—A provision of Rs. 1,500.300 million has been made which shows an increase of 103 per cent as against Rs. 739.062 million in 1979-80. Of this, the OGDC has been provided Rs.989 million. The physical targets of OGDC include the exploration and development of 8 wells under concession and Joint Ventures another ten wells will be drilled. The total domestic consumption of oil product will be 4737 the metric tons, and new gas connections will be 99,262 during 1980-81. The work on Quetta Natural Gas Pipe Line Project will be accelerated.

28. *Industry.*—A provision of Rs. 4,074.406 million has been made as against Rs. 4,057.131 million in 1979-80. Major allocations in this sector are primarily meant for the requirements of Karachi Steel Mills, Fertilizer, Projects Cement, Plants, Textile Mills and other industrial projects. Besides, Rs. 1,141.805 million will be spent by State Enterprises from the credit budget (Outside-ADP). The production targets of selected industries are given in Chapter 12.

29. In overall terms, the growth rate of 10.6 per cent is projected in the manufacturing industry during 1980-81 as compared to 8.5 per cent during 1979-80. The large-scale manufacturing is expected to grow at 12 per cent with major growth coming from cement, sugar, chemical fertilizers and basic metals. It is also expected that projects which went on stream in 1979-80 would improve their capacity utilization during 1980-81.

30. In addition, some projects would also go on stream during 1980-81 e.g., Mustehkam Cement (Expansion) Project would produce 3,00,000 tons of additional cement per annum. Five textile mills namely Shahdadkot, Tarbela, Harrapa, Lasbela and Bolan with 1,925 looms and 120,000 spindles would also become operational during 1980-81. In addition, two sugar mills at Gcra and Summundri each with 2,000 tonnes crushing capacity per day, and two vegetable ghee units at Dargai and Haripur each with 9,000 tonnes capacity per annum, will also go into production. It is also expected that the first blast furnace of Pakistan Steel Mills will be fired in 1980-81 to produce 350,000 tonnes of pig iron and 215,000 tonnes of coke per annum.

31. *Minerals*.—A provision of Rs. 95.986 million has been made during 1980-81 as against Rs. 96.045 million in 1979-80. During the year, work on the feasibility study of Saindak Integrated Mineral Project, Chaghai District, Baluchistan will remain in progress.

32. In overall terms, the mineral production is projected to increase by 15% during 1980-81 with major leads in the development/production of those minerals which would ultimately feed the Pakistan Steel Mills and reduce its dependence on the imported stocks. Item-wise targets of various minerals for 1980-81 are given in Chapter 13.

33. *Transport and Communications*.—In the Transport and Communications Sector, the provision has been increased by 27.4 per cent from Rs. 3,821.917 million in 1979-80 to Rs. 4,867.858 million in 1980-81. The programme for 1980-81 includes the development of Railways, Ports and Shipping (including Port Qasim), Post Offices, Telephone and Telegraphs, Civil Aviation, Roads and Bridges, Urban Transport Corporations and Special Communications Organization etc. The detailed physical targets are given in Chapter-14.

34. The major physical targets for this sector include the re-engining of 19 BGDE Locomotives and manufacture and rehabilitation of 166 passenger coaches, complete track, rail and sleeper renewal of 135 Kms, 56 Kms & 128 Kms, respectively. The roads programme includes the construction of 1217.55 Kms of high and low type of new roads, improvement and rehabilitation of 1048.0 Kms of existing roads and improvement of 48.3 Kms of urban roads. As far as bridges are concerned, Attock Bridge will be completed while Dadu Moro Bridge will reach an advanced stage of completion.

35. Under the tele-communications sub-sector, 20,000 new telephone connections would be provided besides setting up of 40 small exchanges and 29 public call offices in the rural areas during 1980-81. The work on the construction of 84 Post Office Buildings and 309 residential quarters for Post Offices Department will remain in progress. The work on Port Qasim relating to 4 berths of the marginal wharf and Jinnah Bridge are expected to be completed by June, 1980-81. In the urban roads transport sub-sector, 283 new buses will be added to the existing fleet besides the fabrication of bodies on chassis and import of machinery for workshop as well as the rehabilitating of 386 buses during 1980-81. Under the Civil Aviation Programme, the execution of Panni and Ormara Aerodrome, Strengthening of Multan Runway and work on the programme for flight safety will remain in progress during 1980-81.

36. *Physical Planning and Housing*—A provision of Rs. 1,831.296 million has been made for 1980-81 against Rs. 1,426.766 million in 1979-80 showing an increase of 28.3 per cent. During 1980-81, high priority has been given to water supply and sewerage schemes. In housing sub-sector, the funds would be used for development of serviced plots leaving actual construction of houses to the private sector. The major physical targets for this sector during 1980-81 including the completion of construction of Presidential Estate Complex, 3,008 A to D type quarters at Islamabad, 214 houses for staff of the President Secretariat and 4,217 residential units for government servants. Sixty per cent work (over all) on the Simly Dam will be completed by June 1980-81. The dam on completion by June, 1982 would provide 24 MGD of water to Islamabad. Civil Works on the National Assembly Building will also be completed.

37. *Mass Media*.—A provision of Rs. 112.068 million has been made in 1980-81 for Mass Media Sector as compared to Rs. 97.213 million in 1979-80 showing an increase of 15.5 per cent. Pakistan Broadcasting Corporation has been provided an amount of Rs. 31.458 million to complete work on 2 x 250 KW/MW and 2 x 100 KW MW Transmitter, Islamabad; 10 KW MW Transmitter, D. I. Khan; 1,000 KW MW Transmitter, Islamabad; Broadcasting House, Islamabad; 300 KW MW Transmitter, Peshawar; 150 KW MW Transmitter; Quetta 100 KW MW Transmitted Khairpur

and Village broadcasters each at Khuzdar and Turbat. A provision of Rs. 80.000 million has been made for Pakistan Television Corporation to be spent on Islamabad, Lahore, Karachi, Quetta and Peshawar T.V. Centres during 1980-81 with the distribution of Rs. 31.347 million Rs. 10.580 million, 12.536 million, Rs. 16.234 million and Rs. 9.303 million, respectively.

38. *Education and Training.*—A provision of Rs. 1,291.580 million has been made for Education Sector for 1980-81 as against Rs. 891.132 million in 1979-80 showing an increase of 45.0 per cent. These allocations reflect the Fifth Plan Priorities and programmes which lay special emphasis on the quantitative and qualitative expansion of primary education and consolidation of educational programmes at all other levels of education by improving their physical facilities and teaching programmes. The major physical targets for this sector include opening of 1,536 primary and 698 mosque/mohallah schools, construction of buildings of 212 primary schools and 102 residences for female teachers, upgradation of 217 primary and 92 middle schools, completion/construction of 135 middle school and 158 high school buildings, construction of 18 student hostels and 16 teachers residences for secondary schools, upgradation of 13 intermediate colleges to degree level, completion/continuation/start of work on 46 college buildings, construction of nine student hostels and two hostels for lady teachers, and supply of scientific equipment. Some of the other programmes include construction of academic/residential buildings of universities, provision of science equipment and books, award of 75,714 scholarships and interest free loans at various levels including foreign training of 353 university and college teachers, strengthening of text books printing presses in the country, continuation of construction of the sports complex at Islamabad, installation of computer and repair of airconditioning plant at Karachi, and continuation and expansion of the programme launched by Women's Division last year for the upliftment of women.

39. *Health.*—A provision of Rs. 942.458 million has been made for Health Sector during 1980-81 as against Rs. 716.984 million in 1979-80, showing an increase of 31.4 per cent. The programme of 1980-81 is a step towards improvement of health facilities in rural areas.

40. Physical targets for 1980-81 include the construction of 328 basic health units, 54 rural health centres, 3038 hospital beds and carrying out of immunization campaign against preventable diseases. During the same period, 3012 doctors, 1020 nurses and 2797 paramedicals will be produced under the health manpower development programme.

41. *Population Planning.*—A provision of Rs. 160.000 million has been made for the Population Programme in 1980-81 as compared to Rs. 169.000 million in 1979-80 showing a decrease of 5.3 per cent. The major physical targets to be achieved during 1980-81 are as follows :—

S. No.	Item	Targets for 1980-81
1.	Reduction in Crude Birth rate	From 41.6 to 40.1/1000
2.	Reduction of Fertility Level by	3.1%
3.	Enlisting of additional acceptors	2.39 million.

42. *Social Welfare.*—A provision of Rs. 38.334 million has been made for Social Welfare Sector in 1980-81 as against Rs. 31.875 million showing an increase of 20.3 per cent. The development programme for 1980-81 envisages the continuation and expansion of various social welfare programmes with special emphasis on child welfare, women welfare, rehabilitation services and promotion of voluntary social work at federal and provincial levels.

43. The programme envisages continuation and expansion of 155 on-going social services units and establishment of 35 new social services units throughout Pakistan. The infrastructural and supportive programmes include disbursement of financial assistance to 1901 voluntary welfare agencies and 1142 lady industrial homes as well as organisation of 32 social work training courses and construction of 7 buildings to house social welfare institutions.

44. *Manpower and Employment.*—The provision has been reduced from Rs. 59.361 million in 1979-80 to Rs. 44.800 million in 1980-81 showing a decrease of 24.5 per cent mainly due to the discontinuation of NDVP and shift of a few schemes to non-development budget.

45. During 1980-81, 12 technical training apprenticeship training centres will be financed : viz 5 in Punjab, 3 in Sind and 4 in NWFP. Besides this, provision has also been made for international Weights and Measures Laboratories, Karachi; construction and extension of Labour Colony in Quetta; Hostel for Trainees at Artisan Training Centre, improvement of Factory Inspectorate and 2 low-cost housing colonies for labourers Quetta ; and vocational training institute, Lahore.

46. *Rural Development.*—The rural development programme, in view of its multi-sectoral nature, has a share in the sectors like Agriculture, Water, Power, Physical Planning and Housing, Education, Health, Rural Roads and Small-scale Industries. The provisions and targets of these sectors, therefore appear in the chapters concerned. However, a separate provision of Rs. 507.082 million has been made in 1980-81 as against Rs. 202.682 million in 1979-80, showing an increase of 149.7 per cent. This provision will be utilized by the Rural Development Organization and the newly elected representatives of local bodies for the implementation of the specific development projects.

47. In the Punjab, an amount of Rs. 355.088 million has been provided and the main targets include the construction of 163 miles of metalled and soled roads, wat bundi of 8.283 acres, running of 3,000 adult literacy centres for women, construction of farms to market roads and execution of other small village level schemes.

48. In Sind, an amount of Rs. 30.000 million has been provided for rural development which includes Rs. 4.000 million provided for construction of roads alongwith a bridge. Besides, Rs. 26 million shall be given grant in aid to Union Councils for undertaking small development works.

49. In NWFP, an amount of Rs. 41.000 million has been earmarked for the execution of schemes like maintenance, improvement and construction of rural roads etc. in different agencies of the Province.

50. In Baluchistan, a provision of Rs. 22.000 million has been made for two schemes namely, Rural Development through World Food Programme, and Rural Development under British Government Fertilizer Grant.

51. *Earthquake Relief & Reconstruction Programme.*—For this programme, a provision of Rs. 72.000 million has been made for 1980-81 as against Rs. 55.075 million for 1979-80 showing an increase of 30.7 per cent.

52. *Investment Programme outside ADP and its financing.*—An investment programme of Rs. 4,500 million has been envisaged for 1980-81 against the expected level of investment of Rs. 4,150 million during 1979-80, showing an increase of 8.4 per cent. This level of investment is slightly higher than the Fifth Plan Phasing of Rs. 4,000 million for 1980-81. The investment programme of public sector corporations outside ADP is mainly financed from foreign project aid and foreign equity directly committed for projects, borrowing from banks/market and self-financing from own resources. The programme of Rs. 4,500 million include various projects/programmes of autonomous/semi-autonomous agencies in the fields of Agriculture, Power, Fuels, Industry, Minerals, Transport and Communications and Housing. Sector-wise summary of semi-public sector investment programme for 1980-81 with its financing is given at Annexure VI.

Annexure

PUBLIC SECTOR DEVELOPMENT INVESTMENT PROGRAMME - 1980-81

(Million Rs.)

Sl. No.	Sector	ADP 1980-81	Outside ADP 1980-81	Total PSDP 1980-81
1	2	3	4	5
1. Agriculture	..	3,878	60	3,938
2. Water	..	3,153	—	3,153
3. Power	..	4,020	1,387	5,407
4. Fuels	..	1,500	954	2,454
5. Industry	..	4,074	4,341	8,415
6. Minerals	..	96	7	103
7. Transport and Communications	..	4,868	470	5,338
8. Physical Planning & Housing	..	1,831	390	2,221
9. Mass Media	..	112	—	112
10. Education & Training	..	1,292	2	1,294
11. Health	..	942	—	942
12. Population Planning	..	160	—	160
13. Social Welfare	..	38	—	38
14. Manpower & Employment	..	45	—	45
15. Rural Development	..	507	—	507
16. Earthquake Reconstruction Programmes	..	72	—	72
17. Block Allocation/Miscellaneous	..	74	89	163
Total - (Gross)		36,832	4,500	41,332
Less Shortfall		158	—	158
Total - (Net)		36,674	4,500	41,174

CONSOLIDATED ANNUAL DEVELOPMENT PROGRAMME 1980-81
(SUMMARY)

Sl. No.	Sector	Total 1980-81		Federal		Total Provincial		Punjab		Sind		N.W.F.P.		Baluchistan	
		ADP	FEC	ADP	FEC	ADP	FEC	ADP	FEC	ADP	FEC	ADP	FEC	ADP	FEC
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1.	Agriculture	3877.699	254.080	3,156,560	118,766	721,070	135,314	454,262	75,612	108,818	14,307	93,270	21,092	64,720	24,393
2.	Water	3452.390	792.160	2,603,000	760,908	547,530	31,252	316,550	19,800	97,500	—	62,210	6,638	71,279	4,814
3.	Power	4,019.856	1333.990	4,015,836	1355,990	4,000	—	—	—	—	—	4,000	—	—	—
4.	Fuels	1500.300	985,512	1,500,000	985,512	0,300	—	—	—	—	—	0,300	—	—	—
5.	Industry	4,074,406	1447,934	3,967,281	1428,242	107,175	19,692	53,542	—	12,837	1,973	18,796	16,965	22,000	0,733
6.	Minerals	95,986	36,204	83,669	13,340	12,317	22,864	1,500	—	—	—	10,317	22,864	0,500	—
7.	Transport & Communications	4857,838	1271,737	4,147,527	1248,737	720,331	23,000	258,200	—	219,000	23,000	158,331	—	84,800	—
8.	Physical Planning & Housing	1831,206	115,992	561,086	33,269	1270,210	82,723	684,074	77,773*	379,930*	4,980	144,293	—	61,913	—
9.	Mass Media	112,068	30,925	111,458	30,925	0,610	—	0,610	—	—	—	—	—	—	—
10.	Education	1291,580	237,727	693,975	203,535	597,605	34,192	271,956	12,373	128,000	9,210	189,190	5,672	38,459	6,937
11.	Health	942,459	164,182	413,685	148,782	528,803	15,400	320,750	—	70,415	—	117,500	4,000	20,138	11,400
12.	Population Planning	160,000	65,474	160,000	65,474	—	—	—	—	—	—	—	—	—	—
13.	Social Welfare	38,334	—	7,796	—	30,538	—	21,666	—	1,500	—	5,000	—	2,379	—
14.	Manpower and Employment	44,800	7,094	13,100	7,450	31,700	0,544	23,700	—	1,000	0,137	3,793	—	3,267	0,407
15.	Rural Development	507,082	4,461	58,994	—	448,088	4,461	355,088	1,491	30,000	—	41,000	—	22,000	2,970
16.	Earthquake Reconstruction Programs	72,000	2,181	72,000	2,181	—	—	—	—	—	—	—	—	—	—
17.	Block Provision/Miscellaneous	74,318	—	—	—	74,318	—	44,652	—	13,000	—	—	—	16,666	—
Total—(Gross)		26,662,482	6,772,553	21,567,887	6,403,111	5094,595	369,442	2806,580	187,049	1062,000	53,577	818,000	77,162	408,045	51,654
Less (Shortfall)		(—) 198,045	—	—	—	(—) 198,045	—	(—) 198,000	—	—	—	—	—	(—) 30,045	—
Total—(ADP)		26,464,437	6,772,553	21,567,887	6,403,111	4896,550	369,442	2608,580	187,049	1062,000	53,577	818,000	77,162	408,000	51,654

*Includes Rs. 90 million as special grant by Federal Government for Hub, Dam, Water Supply Schemes.

Annexure III

RELATIVE SECTORAL PRIORITIES IN ANNUAL DEVELOPMENT PROGRAMME 1979-80 AND 1980-81

Sl. No.	Sector	ADP 1979-80	Percentage Share	ADP 1980-81	Percentage share	Percentage Increase/ Decrease in 1980-81 over 1979-80
1	2	3	4	5	6	7
		(Million Rs.)	(%)	(Million Rs.)	(%)	(%)
1.	Agriculture	3,297	15.3	3,878	14.5	17.6
2.	Water	2,662	12.3	3,153	11.8	18.4
3.	Power	3,239	15.0	4,020	15.1	24.1
4.	Fuels	739	3.4	1,500	5.6	103.0
5.	Industry	4,057	18.8	4,074	15.3	0.4
6.	Minerals	96	0.4	96	0.4	—
7.	Transport & Communications	3,822	17.7	4,868	18.3	27.4
8.	Physical Planning and Housing	1,427	6.6	1,831	6.9	28.3
9.	Mass Media	97	0.5	112	0.4	15.5
10.	Education and Training	891	4.1	1,292	4.8	45.0
11.	Health	717	3.3	942	3.5	31.4
12.	Population Planning	169	0.8	160	0.6	(—)5.3
13.	Social Welfare	32	0.1	38	0.1	18.8
14.	Manpower & Employment	59	0.3	45	0.2	(—)23.7
15.	Rural Development	203	0.9	507	1.9	149.7
16.	Earthquake Reconstruction Programme	55	0.3	72	0.3	30.9
17.	Block Provision/Miscellaneous	35	0.2	74	0.3	114.3
	Total (Gross)	21,597	100.0	26,662	100.0	23.5
	Less—Shortfall	—		(—) 198		
	Total—(Net)	21,597		26,464		22.5

Note 1— Some of the Percentages in column No. 7 will not tally with those worked out in the text due to rounding up of ADP Allocations in this table.

PRIORITY PROGRAMMES AS REFLECTED IN THE PROVINCIAL ADPs FOR 1980-81

(Million Rs.)

Sector	Punjab	Sind	N.W.F.P.	Baluchistan	Total
1	2	3	4	5	6
Agriculture					
Ground Plant Protection	—	—	11.900	7.000	18.900
Agriculture extension	50.268	20.267	8.006	—	78.541
Seed Industry Project	14.706	—	1.550	3.500	19.756
Seed Corporation	—	28.200	—	—	28.200
Subsidy on Seed distribution	30.000	2.400	2.009	0.500	34.909
Watershed Management	3.500	—	—	—	3.500
Completion of Storages/construction of new storages	65.280	5.500	3.417	1.458	75.655
Livestock Development	—	—	—	23.485	23.485
Acquaculture	—	6.000	—	—	6.000
Total—(Agriculture)	163.754	62.367	26.882	35.943	288.946
Water					
On-Farm Water Management	50.000	10.000	5.630	2.500	68.130
Industry	55.042	12.837	—	—	67.879
Physical Planning and Housing					
Rural Water Supply	104.400	50.000	60.811	20.445	235.656
Urban Water supply and Sanitation	323.982	124.130	—	—	448.112
Improvement of Katchi Abadies	40.000	6.650	—	—	46.650
Low-income Housing	70.000	2.000	—	—	72.000
Urban Development	—	27.000	—	—	27.000
Grant-in-Aid to Local Bodies	—	15.000	—	—	15.000
Total—(PP & H)	538.382	224.780	60.811	20.445	844.418
Education					
Primary Education	86.173	43.291	71.473	23.325	224.262
Up-gradation of Primary Schools	26.600	26.931	—	—	53.531
Special Areas	—	0.090	—	—	0.090
Total—(Education)	112.773	70.312	71.473	23.325	277.883
Health					
Rural Health Programme	164.500	27.735	54.221	11.645	258.101
Rura Developmen					
Rural Development Grants	—	30.000	—	—	30.000
Grand Total	1084.451	438.031	219.017	93.858	1835.35

SELECTED PROGRAMMES TO BE IMPLEMENTED THROUGH LOCAL BODIES DURING

(Million Rs.)

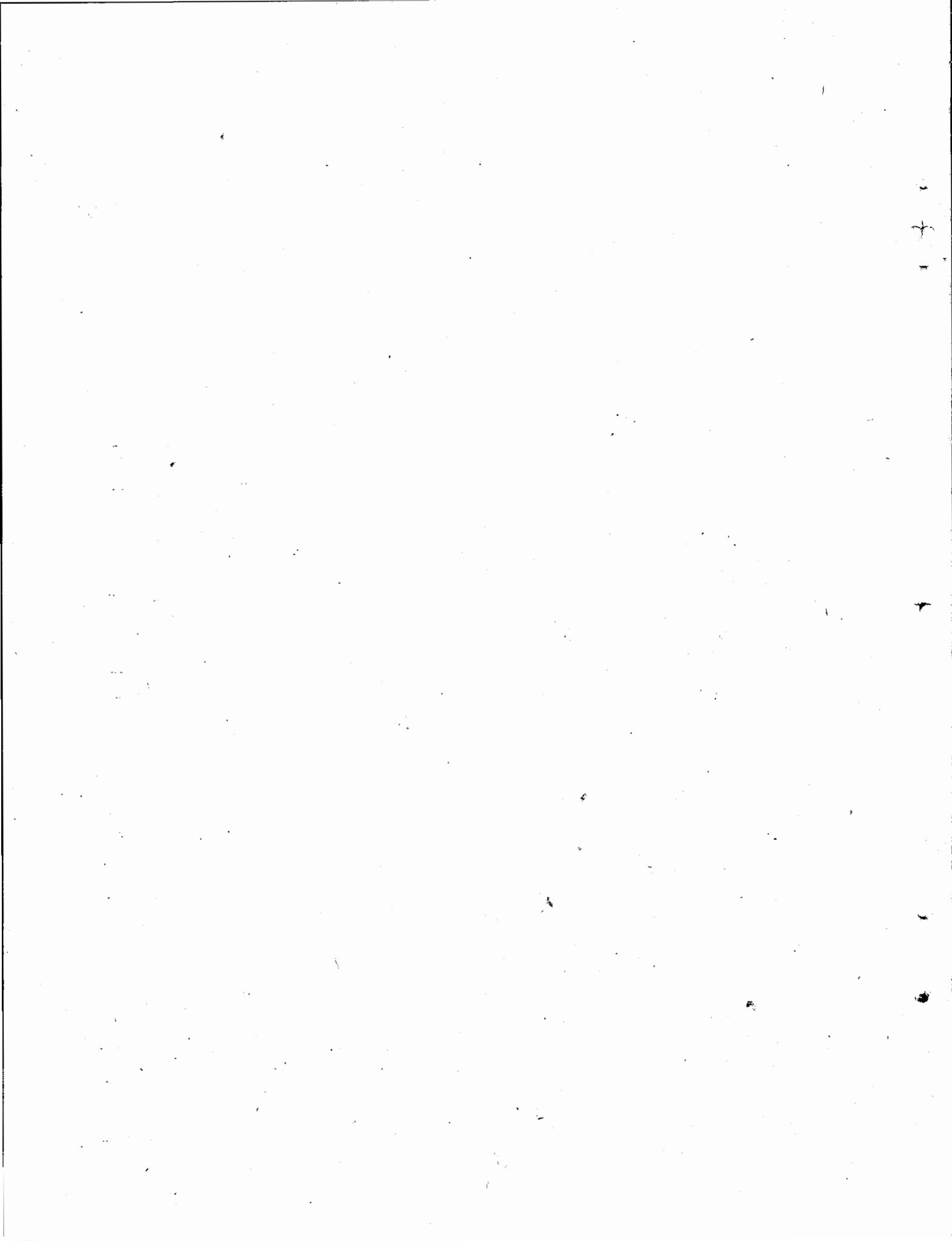
Sector	Punjab	Sind	N. West P. Bahawalpur	Total Provincial	Federal	Total	
1	2	3	4	5	6	7	
Physical Planning & Housing ...	157.200	44.673	76.083	—	277.956	—	277.956
Rural Water Supplies ...	157.200	14.673	71.083	—	242.956	—	242.956
Grant-in-Aid to Urban Local Bodies	—	30.000	5.000	—	35.000	—	35.000
Education ...	160.985	22.736	65.301	13.800	262.822	54.260	317.082
Primary Education ..	160.985	22.736	65.301	13.800	262.822	27.610	290.432
Secondary Education ..	—	—	—	—	—	26.650	26.650
Health ..	164.502	10.000	45.686	5.472	225.660	17.494	243.154
Rural Health Dispensaries	164.502	10.000	45.686	5.472	225.660	17.494	243.154
Rural Development ...	140.550	30.000	41.000	29.000	240.550	49.898	290.448
Total ..	629.237	107.409	228.070	44.272	1008.988	121.652	1130.640

**SEMI-PUBLIC SECTOR DEVELOPMENT PROGRAMME 1980-81
(OUTSIDE ADP)**

Agencies/Sector	Total Out side ADP	Local Component			Foreign Component	
		Bank Credit	NDFC	Self Financing	Credit	Equity
1	2	3	4	5	6	7
I. Agriculture	60.000	60.000	—	—	—	—
(Federal) :						
(i) R.E.C.P.	60.000	60.000	—	—	—	—
II. Power	1387.241	490.000	—	404.880	492.361	—
(Federal)						
(i) K.E.S.C.	1387.241	490.000	—	404.880	492.361	—
III. Fuels	953.612	579.179	110.000	237.513	26.920	—
(Federal) :						
(i) O.G.D.C.	90.100	—	—	90.100	—	—
(ii) Dir. of Oil Operations	503.000	330.000	110.000	53.000	10.000	—
(iii) Dir. of Gas Operations	360.512	249.179	—	94.413	16.920	—
IV. Industry	1140.805	1114.807	20.998	5.000	—	—
(Federal) :						
(i) Karachi Steel Mills	750.000	750.000	—	—	—	—
(ii) Other Corporations	270.805	244.807	20.998	5.000	—	—
(Provincial) :						
(iii) P.I.D.B.	100.000	100.000	—	—	—	—
(iv) S.D.A.	20.000	20.000	—	—	—	—
V. Minerals	7.500	7.500	—	—	—	—
(Federal) :						
(i) Gemstone Corp.	7.500	7.500	—	—	—	—
VI. Transport and Communications	469.900	100.000	—	300.000	69.900	—
(Federal) :						
(i) K.P.T.	360.000	—	—	300.000	60.000	—
(Provincial) :						
(ii) Roads Transport Corps	109.900	100.000	—	—	9.900	—
VII. Physical Planning and Housing	390.000	390.000	—	—	—	—
(Provincial) :						
(i) K.D.A.	340.000	340.000	—	—	—	—
(ii) L.D.A.	50.000	50.000	—	—	—	—
VIII. Education	2.000	2.000	—	—	—	—
(Federal) :						
(i) Islamabad Club	2.000	2.000	—	—	—	—
IX. N.D.F.C.	88.942	—	—	—	88.942	—
(i) N.D.F.C.	88.942*	—	—	—	88.942	—
Total—(Outside ADP)	4500.000	2743.486	130.998	947.393	678.123	—

*The project-wise details of NDFC foreign credit of Rs. 88.942 million are not yet available.

Note:— In order to control credit expansion during 1980-81, a review exercise for Bank Credit/NDFC rupee credit was carried out in September, 1980 and effect of relevant changes shall be taken into account in the revised estimates.



CHAPTER 3

FINANCING OF PUBLIC SECTOR DEVELOPMENT PROGRAMME

The original budget for the financial year 1979-80 included strong resource mobilization measures reflecting Government's resolute effort to cut down heavy reliance on deficit financing which had become a built-in part of budgetary mechanism over the past several years. However, soon after the announcement of the budget, many changes became unavoidable due to such factors as increase in POL and fertilizer prices and the need to provide relief to low paid personnel. Keeping in view the heavy taxation imposed in the budget as well as the increase in the cost of living, some of the taxes levied in the budget were withdrawn. Despite these changes, the Government held fast to its desire for keeping deficit financing to a minimum by reducing the development as well as non-development expenditure. The relief to low paid employees, with drawal of some of the taxes and the increase in POL and fertilizer prices were almost offset as a result of the reduction in expenditure. The basic structure of the budget thus remained intact.

2. Taking into account the modifications introduced by Government after the announcement of the budget, the Annual Plan for 1979-80 envisaged an expenditure of Rs. 25,747 million as public sector development programme. Out of this outlay, a sum of Rs. 21,597 million pertained to the development expenditure to be implemented *via* the normal budget. The balance of the allocation related to the programme of public sector undertakings to be financed from resources outside the budget. The ADP of Rs. 21,597 million was expected to be financed by Rs. 13,258 million of external resources and Rs. 8,339 million of domestic resources including an uncovered gap of Rs. 3,279 million. Thus, the non-inflationary domestic resources for 1979-80 were estimated at Rs. 5,060 million.

REVIEW OF 1979-80

3. The budgetary position underwent further changes during the course of the year. The following measures were taken to improve the fiscal situation :

- (a) Adjustments in railway charges were made in July, 1979 and again in January, 1980. The passenger fares for longer distances were enhanced in July, 1979 by about 20% on an overall basis. An increase of 30% in passenger fares and of 25% in coaching/goods rates was made in January, 1980.
- (b) The domestic tariff of PIA was increased by 25% in October, 1979.
- (c) In order to meet the increased cost of crude oil and refined petroleum products announced by OPEC which became effective from 1st November, 1979, the internal prices of POL products were raised in December, 1979 in the range of 14% to 100%. A further increase in the range of 16 paise to 62 paise per litre was made in May, 1980.
- (d) Fertilizer prices were increased in February, 1980 reducing thereby the subsidy on fertilizer. The subsidy on pesticides was substantially withdrawn.
- (e) To compensate the growers for higher cost of inputs and with a view to continuing the policy of rationalizing subsidies, price corrections were made in agriculture by increasing the procurement price of wheat from Rs. 45 per md. to Rs. 46.65 per md., basmati from Rs. 60 per md. to Rs. 70 per md., IRRI-6 from Rs. 30 per md. to Rs. 36 per md., sugarcane from Rs. 6.75—Rs. 7.15 per md. to Rs. 8.75—Rs. 9.15 per md., and cotton from Rs. 138—Rs. 160 per md. to Rs. 160—Rs. 182.40 per md.

4. Zakat and Usher Ordinance was promulgated on 20th June, 1980. Actual collection started from 21st June, 1980.

5. An attempt was made during the course of the year to improve the budgetary situation by intensifying tax collection efforts. It is estimated that the collections of major tax receipts of the

Federal Government during 1979-80 will be higher than the estimate by about 7%. As a result, the revenue assignments to provinces have gone up, correspondingly reducing grants-in-aid provided to them. Relatedly, the overall non-development expenditure of the Federal Government also came down.

6. The net capital receipts of the Federal Government declined substantially during 1979-80 due mainly to lower receipts under State Trading, withdrawal of funds against Government Treasury Deposit Receipts instead of deposits provided for this item in the budget, higher repayment of food credits and short-term borrowings and debit balances of Pakistan Railways. Self-financing by autonomous bodies also reduced.

7. The inflow of Foreign aid for financing the ADP was higher than the estimate due mainly to an increase in the availability of short-term credits.

8. The size of the ADP is estimated to exceed the plan provision. Details are given in the chapter on Public Sector Development Programme.

9. Table I below indicates the position of financing the ADP for 1979-80, as shown in the Annual Plan and the performance on the basis of revised estimates.

TABLE I
Financing of ADP, 1979-80

(Million Rs.)

	1979-80 (Plan Target)	1979-80 (Revised Estimate)
A. Domestic Resources..	5,060	4,498
(i) Federal Government	2,741	2,721
(ii) Provinces	131	270
(iii) Autonomous Bodies	2,188	1,507
B. External Resources ..	13,258	13,610
(i) Project Aid	5,506	4,831
(ii) Commodity Aid	2,299	1,776
(iii) Food Aid	548	321
(iv) Other Aid	4,905	6,682
C. Gap between Development Expenditure and Resources	3,279	3,808
D. Total Financing	21,597	21,916

10. As indicated in the Table I, the overall position leads to a budgetary gap of Rs. 3,808 million in the revised estimates for 1979-80. However, the end-year estimates reveal that deficit financing during the year is higher than this amount. Details may be seen in the chapter on Monetary Policy and Credit Plan.

Public Sector Undertakings

11. Investment by the Public Sector Undertakings is estimated to remain at the original level of Rs. 4,150 million. Detailed position in this regard is given in the chapter on Public Sector Development Programme.

FINANCING OF PUBLIC SECTOR PROGRAMME FOR 1980-81

12. The year 1980-81 is the mid year of the current Five Year Plan (1978—83). For 1980-81, the budgetary goals have been set within the overall framework of the Five Year Plan. The size of the Public Sector Programme for 1980-81 has been fixed at Rs. 30,964 million. The total allocation for the programme to be implemented *via* the normal budget has been kept at a level of Rs. 26,464 million. Public sector undertakings will invest Rs. 4,500 million outside the ADP.

Financing of Public Sector Budgetary Outlay

13. The public sector outlay of Rs. 26,464 million to be implemented *via* the normal budget is expected to be financed from domestic resources to the extent of Rs. 13,494 million and the balance of Rs. 12,970 million from foreign assistance. The overall position of financing of ADP as budgeted for 1980-81 is shown in Table II below.

TABLE II
Financing of ADP, 1980-81

	(Million Rs.)
A. Domestic Resources	13,494
(a) Without New Measures	8,558
(i) Federal Government	6,025
(ii) Provinces	306
(iii) Autonomous Bodies	2,227
(b) New Fiscal Measures	1,436
(i) Tax Measures	1,400
(ii) Pricing of Goods and Services	1,136
(iii) Concession and Relief to Government Servants	(—) 1,100
(c) Borrowing from the Banking Systems	3,500
B. External Resources	12,970
(a) Project Aid	5,100
(b) Commodity Aid	2,404
(c) Food Aid	847
(d) Other Aid	4,619
C. Total Financing	26,464

14. Annexure I indicates broad details of various estimates for 1980-81 as compared to the estimates for the year 1979-80. The various components of the estimates are discussed in the subsequent paragraphs:

Revenue Receipts of the Federal Government

15. The gross tax receipts of the Federal Government for 1980-81 at 1979-80 rates are projected at Rs. 35,402 million as against the previous year's revised estimates of Rs. 30,335 million. Customs duties account for an improvement of Rs. 1,150 million, excise duties for Rs. 1,587 million, sales tax for Rs. 669 million and taxes on income for Rs. 1,000 million. Other taxes and surcharges indicate an increase of Rs. 661 million. The estimates of tax receipts assume normal growth in the economy and the continuance of a liberal import policy. In the case of surcharges, the receipts are estimated to be higher during 1980-81 due to an upward revision of prices of fertilizer and POL products.

16. The non-tax receipts of the Federal Government are estimated to improve from Rs. 8,377 million in the revised estimates for 1979-80 to Rs. 8,951 million during the year 1980-81. The

Improvement of Rs. 574 million is likely to occur despite a reduction of Rs. 137 million in the trading profits and of Rs. 54 million in various departmental receipts. These reductions are likely to be more than offset by increased recoveries of interest including dividend on investment from various agencies (Rs. 624 million), an improvement of Rs. 100 million in the profits of State Bank of Pakistan and an increase of Rs. 41 million in the net receipts of Post Office and T&T departments.

17. Revenue transfers to the provinces including shared taxes, transfer of gift tax and the excise duty/royalty on natural gas are estimated at Rs. 7,172 million during 1980-81 without taking into account the effect of new tax measures announced in the federal budget. Excluding these transfers, the net revenue receipts of the Federal Government during 1980-81 are estimated at Rs. 37,181 million without effect of new tax measures. This indicates an improvement of Rs. 4,519 million over the revised estimates for 1979-80.

Non-Development Revenue Expenditure

18. Excluding the effect of new measures taken in the Federal Budget for 1980-81, the non-development expenditure of the Federal Government is estimated to increase from Rs. 28,937 million in the revised estimates for 1979-80 to Rs. 31,349 million during 1980-81. Defence and debt services constitute about 70 per cent of the total provision for 1980-81. The provision for defence services including defence administration indicates an increase of Rs. 1,528 million over the revised estimates for 1979-80. Expenditure on debt services is budgeted at Rs. 8,017 million as compared to the previous year's estimates of Rs. 7,190 million. The debt services estimates do not take into account the repayment of short-term credits (Rs. 2,990 million in the revised estimates for 1979-80 and Rs. 1,505 million for 1980-81) which is charged direct to the capital account.

19. Expenditure on subsidies is estimated to decline from Rs. 2,807 million in the revised estimates for 1979-80 to Rs. 2,576 million during 1980-81, without taking into account the effect of the increase in the issue price of wheat announced in the budget for 1980-81. The share of subsidy on food items has, however, increased from Rs. 1,668 million in 1979-80 (revised) to Rs. 1,894 million during 1980-81 mainly due to an increase in the provision of subsidy on edible oil which is estimated to go up from Rs. 884 million in 1979-80 to Rs. 1,118 million during 1980-81. Excluding the effect of increase in the issue price of wheat announced as a new measure in the budget for 1980-81, the provision of subsidy on wheat was contained around the level of 1979-80 (Rs. 777 million during 1980-81 as compared to Rs. 784 million in the revised estimates for 1979-80). The subsidy on wheat will come down by Rs. 440 million after taking into account the effect of new issue price of wheat. Of a total provision of Rs. 682 million for other subsidies, Rs. 650 million will arise out of export rebate on cotton manufactures. The provision on account of losses of Cotton Export Corporation has however, decreased from Rs. 575 million in 1979-80 to only Rs. 7.5 million during 1980-81. The provision for general administration, economic, social and community services etc. stands at Rs. 5,570 million as compared to Rs. 5,176 million provided in the revised estimates for 1979-80. Major increase in these expenditures pertain to general administration (Rs. 154 million), law and order (Rs. 117 million) and education (Rs. 125 million). Grants to provinces and local bodies are estimated at Rs. 1,103 million in the budget for 1980-81 (excluding the effect of new measures) as against Rs. 1,209 million in the revised estimates for 1979-80.

Net Capital Receipts

20. The net capital receipts are estimated at Rs. 193 million for 1980-81 as against a negative figure of Rs. 1,004 million in the revised estimates for 1979-80. The improvement is based on an increase on the receipts side, and a decrease in non-development capital payments. Broad details of various components of capital receipts and non-development capital expenditures are shown in Annexure I. On the receipts side, substantial increases are estimated in the net proceeds of small savings schemes and miscellaneous receipts. In case of disbursements, the estimates on account of repayment of foreign debt and non-development loans are substantially lower than the revised estimates for 1979-80.

Contribution of Provinces

21. The Provincial contribution to the financing of the ADP is estimated to increase from Rs. 270 million in the revised estimates for 1979-80 to Rs. 306 million during 1980-81. The entire amount of Rs. 306 million represents contribution of the Punjab Government for financing their ADP.

Autonomous Bodies

22. The position of self-financing by Autonomous Bodies is shown in Table III.

TABLE III
Self-financing by Autonomous Bodies

(Million Rs.)

	1979-80 Budget	1979-80 Revised	1980-81 Budget
WAPDA	1,482	1,250	1,732
Railways	263	7	235
BIM Corporations	228	129	255
CDA	10	10	—
PMDC	10	8	5
Others	103	103	—
Total ..	2,095	1,507	2,227

As indicated in the table above, self-financing by autonomous bodies is estimated to increase from Rs. 1,507 million in the revised estimates for 1979-80 to Rs. 2,227 million during 1980-81. The increase is mainly contributed by WAPDA, Railways, State Cement Corporation, and Pakistan Automobiles Corporation. Self-financing by Rice Export Corporation and Export Processing Zone Authority which is placed at Rs. 103 million during 1979-80 is estimated to be nil during 1980-81.

External Resources

23. The estimates of foreign assistance for 1980-81 are placed at Rs. 12,970 million including Rs. 5,100 million for project assistance, Rs. 2,404 million of rupee generating aid, Rs. 847 million of food aid and Rs. 4,619 million of other assistance (including Rs. 2,000 million as extraordinary aid or debt relief for balance of payments support). Detailed projections and assumptions for adopting these estimates are shown in the chapter on Balance of Payments.

New Fiscal Measures

24. The gap between the ADP and the available resources required additional effort. New measures were also necessitated by the concession and relief provided to Government servants. Specifically, the following considerations weighed principally in the formulation of budgetary proposals for 1980-81 :—

- (a) To promote savings and investment and economic vitality in the private sector.
- (b) Readjustment of some prices in order to bring the price patterns in closer conformity with international ratio and also to move away from the structural dependence on subsidies.
- (c) Raising on the one hand additional revenues for financing the development programme and promoting on the other hand improvements in productivity, exports, capital formation, capacity utilization and development of backward regions.

25. The specific measures are indicated in Annexure II.

Overall position

26. The new fiscal measures taken by the Federal Government are estimated to bring net additional revenue yield of Rs. 1,436 million as per details in Annexure III. This still leaves a gap of Rs. 3,500 million to be met by borrowing from the banking system.

Relative Contribution of Domestic Resources in Financing the A.D.P.

27. As a result of Government efforts to raise the contribution of domestic resources to finance ADP, there has been a significant improvement in the total domestic resources which have increased from Rs. 8,306 million in the revised estimates for 1979-80 to Rs. 13,494 million during 1980-81. It is important to note that the composition of domestic resources shows a perceptible decrease in the reliance on deficit financing. Table IV below indicates the position for these two years.

TABLE IV

Financing of ADP during 1979-80 and 1980-81

(Million Rs.)

	1979-80 Budget	1979-80 Revised	1980-81 (Budget including new fiscal measures)
1. Non-inflationary domestic resources	6,740	4,498	9,994
2. Gap between development expenditure and resources (including deficit financing)	3,002	3,808	3,500
3. Total Domestic Resources	9,742	8,306	13,494
4. External Resources	13,258	13,610	12,970
5. Total financing	23,000	21,916	26,464
A. Domestic Resources as percentage of total financing	42.4%	37.9%	51.0%
B. External Resources as percentage of total financing	57.6%	62.1%	49.0%

Growth of Public Revenues and Non-Development Expenditure

28. The position of public revenues and non-development expenditure during 1977-78 to 1980-81 (Budget) is shown in Annexure IV. The annual compound growth rate in the revenue receipts of the Federal and Provincial Governments during this period is estimated at 21.0 per cent as compared to a growth of 15.9 per cent in the non-development revenue expenditure. Tax receipts of both the federal and provincial governments are estimated to witness an annual compound growth rate of 22.0 per cent during this period. Total revenue receipts of the Government account for 17.9 per cent of GNP in 1980-81 compared to 15.6 per cent in 1977-78. Bulk of the realisation during 1980-81 is expected to be in the form of taxes (14.9 per cent of GNP) supplemented by non-tax revenue (3.0 per cent of GNP). At Rs. 46.48 billion, the total revenue receipts of the Government in 1980-81 are estimated to show an increase of Rs. 7.33 billion over the revised estimates for 1979-80. The non-development expenditure is estimated to increase from Rs. 35.51 billion in 1979-80 to Rs. 38.93 billion in 1980-81.

Public Sector Undertakings

29. The mode of financing of the investment programme of public sector undertakings amounting to Rs. 4,500 million is indicated in the chapter on Public Sector Development Programme.

FINANCING OF ANNUAL DEVELOPMENT EXPENDITURE

	1979-80 Budget	1979-80 Revised	1980-81* Budget
(Million Rs.)			
A. Domestic Resources :			
(a) Federal Government :			
(1) Revenue Receipts (Gross)	37,182	38,712	44,353
(i) Tax Receipts	28,841	30,335	35,402
Direct Taxes	4,103	5,121	6,145
Taxes on Income and Corporation	3,620	5,000	6,000
Wealth Tax, Gift Tax, Estate Duty	456	95	115
Welfare Tax	27	26	30
Indirect Taxes	24,738	25,214	29,257
Import Duties	11,774	12,380	13,500
Export Duties	150	220	250
Federal Excise	9,711	9,483	11,070
Sales Tax	2,231	2,331	3,000
Surcharges	929	796	1,433
Stamps	3	4	4
(ii) Non-Tax Receipts	8,341	8,377	8,951
Interest Receipts including dividends	4,974	5,050	5,654
Post Office and T&T	938	913	954
Profits of SBP	400	400	500
Trading Profits	708	615	478
Others	1,321	1,419	1,365
Less Transfers to Provinces	4,720	6,050	7,172
Net Revenue Receipts	32,462	32,662	37,181
(2) Non-Development Expenditure	29,353	28,937	31,349
Defence including Defence Administration	11,743	12,555	14,083
Debt Services	7,457	7,190	8,017
Subsidies	3,017	2,807	2,576
General Administration including Law and Order	2,400	2,363	2,634
Economic, Social and Community Services	2,458	2,808	2,936
Grants to Provinces and Local Authorities	2,060	1,209	1,103
Others	218	5	—
(3) Revenue Surplus	3,109	3,725	5,832

* Excluding the effect of new measures.

	1979-80 Budget	1979-80 Revised	1980-81* Budget
(4) <i>Net Capital Receipts</i>	1,405	(-)-1,004	193
(i) <i>Capital Receipts</i>	7,950	6,280	5,882
Unfunded Debt	1,425	1,426	1,505
Recoveries of Loans	953	1,250	1,278
Deposits Non-interest bearing (Net)	3,757	3,486	2,881
Deposits Interest Bearing (Net)	111	111	125
State Trading (Net)	639	487	(-)-254
Others	1,065	(-)-480	267
(ii) <i>Capital Payments</i>	6,545	7,284	5,609
Repayment of Foreign Debt	5,699	5,617	4,375
Government Investments	242	99	548
Non-Development Loans	127	1,154	169
Others	477	414	517
Total (Federal Government)	4,514	2,721	6,025
(b) <i>Self-financing by Auto nomous Bodies</i>	2,095	1,507	2,227
WAPDA... .. .	1,482	1,250	1,732
Railways	263	7	235
BIM Corporations	228	129	255
CDA	10	10	—
PMDC	9	8	5
Others	103	103	—
(c) <i>Provincial Contribution</i>	131	270	306(A)
(d) <i>Total Domestic Resources (1979-80 rates)</i>	6,740	4,498	8,558
(e) <i>Effect of New Fiscal Measures</i>	—	—	1,436
(f) <i>Total Non-inflationary Domestic Resources</i>	6,740	4,498	9,994
(g) <i>Gap between Development Expenditure and Resources</i>	3,002	3,808	3,500
(h) <i>Total Domestic Resources</i>	9,742	8,306	13,494
B. EXTERNAL RESOURCES	13,258	13,610	12,970
Project Aid	5,506	4,831	5,100
Commodity Aid	2,299	1,776	2,404
Food Aid	548	321	847
Other Aid	4,905	6,682	4,619
C. Total Financing	23,000	21,916	26,464

(A) As assumed in the Federal Budget for 1980-81.

NEW FISCAL MEASURES ANNOUNCED IN BUDGETS FOR 1980-81

FEDERAL GOVERNMENT

I. Customs

1. The duty on imports of machinery for BMR purposes for the following industries has been totally exempted :—

- (i) Tanning industry ;
- (ii) Cutlery industry ;
- (iii) Surgical goods industry ;
- (iv) Sports goods industry ; and
- (v) Leather garments and gloves industry.

This exemption is limited only to the machinery not manufactured locally.

2. The benefit of exemption for BMR purposes to the textile industry has been extended to shuttle-less looms and to the looms of 72 inches width and above but automatic cone-winders have been excluded from this concession.

3. The duty on import of machinery for establishing units in the industrial estates in the following areas have been exempted :—

- (i) The whole of NWFP.
- (ii) Districts of D.G. Khan, Mianwali and Tehsil of Khushab, in the Province of Punjab.
- (iii) Districts of Shikarpur, Jaccobabad and Dadu excluding Kotri, in the Province of Sind.

Industrial estates in areas other than 13 notified developed regions will be eligible for exemption in duty on imported machinery in excess of 10%.

4. The duty on machinery imported under NRI Scheme has been reduced from 10% to 3%. In the areas of 20% duty imports of machinery under NRI Scheme will be eligible for 15% duty and in industrial estates eligible for 10% duty, the rate will be 7-1/2%.

5. The duty on hosiery needles has been reduced from 40% to 20%.

6. The requirement of bank guarantee in case of imports of raw materials by capital goods and allied industries has been substituted by insurance guarantee.

7. The duty on ship for breaking up has been reduced from 50% to 30% and levy of sales-tax has been withdrawn.

8. Ores have been totally exempted from customs duty.

9. The duty on polyster and other fibres has been increased from Rs. 11.00 per kg. to Rs. 15.00 per kg. The raw materials for the total manufacture of polyster fibre have been exempted from duty. The duty on artificial yarn has been increased by Rs. 10.00 per kg.

10. The duty on calcium carbide has been increased from 40% to 70% and on PVC resins and other primary plastic materials, of Chapter 39 of Pakistan Customs Tariff from Rs. 7.50 per kg. to Rs. 11.00 per kg.

11. The local formulators of baby milk food have been allowed repayment of sales-tax paid on the imported milk and customs duty and sales-taxes paid on aluminium foil.

12. Local printing ink industry has been allowed repayment of duty in excess of 40% paid on raw materials used in the local manufacture of printing ink.

13. Exemption of duty on naphthalene crude has been allowed to the local manufacturers of naphthalene balls.

14. Export duty on molasses and wet blue leather has been increased from 20% to 25%.
15. The duty on buses and trucks in CKD form has been reduced from 40% to 30%. The incidence of taxes on raw materials for the local manufacture of auto-parts has also been reduced from 40% to 30%.
16. The duty on microfilming equipment has been reduced from 120% to 40% of duty and sales tax from 20% to 10%.
17. The concessional rate of 40% on graphic art films and plates, previously available only to industrial consumers, has been allowed to all importers.
18. The import of raw materials for the manufacture of artificial parts of human body by all orthopaedic workshop has been exempted from customs duty.
19. Pakistan Customs Tariff has been revised and brought in line with the International Customs Nomenclature (CCCN). All exemption notifications issued from time to time under the Customs Acts have been revised, consolidated and rescinded.

II. Central Excise

1. Central Excise Duty on cigarettes consist of two-slab structure which is linked to the retail prices. The rates of duty in both the slabs have been enhanced by 2%.
2. Banderolling system for the collection of central excise duty on the matches has been discontinued. The incidence of duty has been converted into percentage terms and linked to the retail price.
3. The limit of daily room rent of any room or apartment for the services rendered by hotels has been increased from Rs. 25 to Rs. 50 for the purpose of exemption from the levy of central excise duty.
4. Corrugated paper and corrugated paper board has been exempted from the levy of central excise duty.
5. Metal containers, composed of 75% or more of chip board in terms of value, have been exempted from the levy of central excise duty.
6. Small manufacturers who braid the duty-paid wires and cables on cottage industry basis have been exempted from the levy of central excise duty.

III. Sales Tax

1. Sales tax on locally manufactured artificial leather/rexine has been reduced from 20% to 10%. The rate of tax on imported artificial leather/rexine has been raised from 10% to 25%.
2. Locally manufactured components for bus and truck engines and chassis have been exempted from 20% sales tax subject to certain conditions.
3. Steel wires of certain specifications manufactured locally have been exempted from the levy of 20% sales tax. Sales-tax rate on similar imported wires has been increased from 10% to 20%.
4. Re-engining kits imported by Pakistan Railways for overhauling its fleet of locomotives have been exempted from 10% sales tax.
5. Locally manufactured desert coolers have been exempted from sales tax.
6. Locally manufactured type-writers have been exempted from sales tax. Rate of sales tax on imported type-writers, other than electric type-writers, has been increased from 10% to 30%.
7. Sales tax on imported motor cars has been raised from 20% to 30%.

IV. Wealth Tax

1. Where a property unit stands registered in the name of more than one individual, the unit will be treated as a property owned by an AOP and shall be assessed in the hands of the AOP. The shares held by an individual in such a property and taxed in the hands of the AOP shall neither be taxed in his own hands nor considered for the purposes of clubbing together of property held by the individual his/her spouse and minor children.

2. Penalty for failure to file return within the prescribed time has been enhanced to Rs. 100 per day. In prisonment for one year or fine or both has also been provided for.

3. For concealment of correct particulars or deliberate furnishing of inaccurate particulars, quantum of penalty has been increased which is equal to 2-1/2 time the amount of tax sought to be evaded. Further in prisonment of 5 years or fine or both has been provided for.

4. The rate of additional tax on account of delayed payment of tax has been enhanced from 8% to 15%.

5. Provision has been made for the inclusion of the post of inspector in the administrative set up of Wealth Tax Administration.

6. With the introduction of Zakat in the country, wealth tax shall no more be leviable on such wealth as is subject to compulsory deduction of Zakat under the Zakat and Usher Ordinance, 1980.

V. Income Tax

1. Tax has been levied on returnable and unadjustable advance rent or pugree.

2. Previously, non-resident air and shipping enterprises were charged to tax on net Pakistan income basis computed with reference to net world income. The basis has been changed to tax as percentage of gross Pakistan billings.

3. The surcharge on jewellers has been raised from 6% to 10% of their income.

4. Repair allowance in respect of property income has been enhanced from 1/6th to 1/5th of the gross annual letting value.

5. Limitation on admissibility as business expense, of perquisites paid by an employer to an employee has been raised from 30% to 50% of the salary of the employee.

6. A relief of 5% in super tax admissible to small industrial companies which was expiring on 30th June, 1980 has been extended upto 30th June, 1983. This relief would be admissible to companies owning assets of the value of Rs. 5 million as against Rs. 3 million prescribed previously.

7. In case of investment made in the name of a minor child from gifted money on which gift tax has been paid the minor's share income will not be clubbed with his parent's income.

8. Rebate on surcharge on retained earnings has been enhanced. The rebate will now bear the same ratio with surcharge as the retained income bears with after-tax profits. However, this concession will not be available to those companies whose free reserves exceed 150% of the paid up capital.

9. Exemption of income from literary and artistic work of non-professional writers has been raised from Rs. 5000 to Rs. 15,000.

10. Rate of depreciation allowance on technical books has been raised from 10% to 20%.

11. Rate of depreciation allowance on residential quarters for industrial labour has been raised from 5% to 10%.

12. Period limit of two consecutive months on usage of plant and machinery for depreciation allowance has been removed.

13. There would be no super tax on a Pakistani construction company earning income from construction contracts abroad on repatriation of such profits to Pakistan.

14. A rebate of 30% of tax relatable to income from consultancy services earned abroad has been allowed in non-company cases in the year in which such income is repatriated to Pakistan.

15. Listed holding companies have been allowed to set off current losses of a wholly owned subsidiary company against current year's income. The concession will be available for three assessment years, and will be subject to the condition that the holding company gives a scheme of revival of the sick Mill duly approved by a financial institution namely; PICIC, IDBP, NDFC or Bankers, Equity and submits a yearly progress report to the said financial institution showing that progress is in accordance with the scheme of rehabilitation.

16. The limit on investment allowance has been raised from 30% to 33-1/3% of the total income and the absolute limit has been enhanced from Rs. 35,000 to Rs. 40,000.

17. The professionals, like doctors, lawyers, Chartered Accountants, have been allowed an additional benefit in respect of premium paid towards an annuity scheme approved by Central Board of Revenue allowing old age annuity beginning after the age of 60 years and before the age of 70 years. Such premium shall not exceed 5% of such income subject to a maximum of Rs. 10,000 per annum. The allowance shall be in addition to Investment allowance and shall be allowed on average tax rate basis.

18. Exemption limit of interest on accumulated balance of Provident Fund standing to the credit of an employee has been raised from 12% to 14%.

19. Self Assessment scheme has been further liberalised by extending its scope to all types of limited companies as well.

20. Initial depreciation allowance to industrial machinery and buildings which was going to expire on 30th June, 1980 has been extended upto the end of the Plan period i.e. 30th June, 1983.

21. Tax holiday for five years has been extended to industries set up in the approved industrial estates in the whole of N.W.F.P. Districts of D.G. Khan, Mianwali and Teshil Khushab in Punjab and District of Dadu excluding Kotri, Districts of Jacobabad and Shikarpur in Sind.

22. Exemption to income from poultry farming and dairy farming, fish catching and cattle and sheep breeding which was going to expire on 30th June, 1980 has been extended upto 30th June, 1983.

23. Exemption to capital gains which was going to expire on 30th June, 1980 has been extended upto 30th June, 1983.

24. Exemption has been granted to income from poultry processing derived from 1st July, 1980 to 30th June, 1983.

25. Exemption granted to income from manufacturer of agricultural implements has been extended upto 30th June, 1983.

26. Exemption on income from renting of agricultural or pest control machinery has been extended upto 30th June, 1983.

27. Existing exemption to newly constructed houses and flats completed upto 30th June, 1980 has been extended to houses and flats completed upto 30th June, 1983.

28. A with-holding tax on passenger transport vehicles with registered seating capacity of 20 passenger or more shall be collected with effect from 1st July, 1980 at the following rates :—

Buses plying within city limits	..	Rs. 15 per seat per annum.
Other buses	..	Rs. 20 per seat per annum.

Tax shall not be withheld if the bus is more than ten years old.

29. Any amount paid to a "Mudaraba" or to a Participation Term Certificate shall be allowed as a deductible business expense.

VI. Pricing of Goods and Services

1. *Sugar*.—To absorb the increase in the cost of imported and domestically produced sugar the issue price of sugar has been increased from Rs. 4.80 per kg. to Rs. 6.00 per kg. for domestic users and from Rs. 6.90 per kg. to Rs. 9.00 per kg. for commercial users.

2. *Wheat*.—In line with the increase in the procurement price, the issue price of wheat atta to the consumers has been increased to Rs. 135 per quintal (Rs. 50.15 per maund).

3. *Telegraph and Telephone Rates*.—(i) Local Calls rate (including STD and NWD) have been increased from 50 to 60 paise.

(ii) Trunk Call rates for manually booked calls have been raised by 50%.

(iii) Inland telex rate has been raised from paise 15 to paise 20 per 30 seconds.

(iv) In order to eliminate bogus applications, a registration fee of Rs. 100 will be collected alongwith each application made on or after 1st July, 1980 for new telephone connection.

4. *Public Services*.—In regard to price adjustments, the organizations dealing with public services have been allowed to adjust the tariff rates and prices of their products as and when necessary in order to meet the rising costs ; subject to a scientific analysis of cost to save the consumers from undue burden. On this basis, the Pakistan Television Corporation enhanced T.V. licence fee to Rs. 200 per annum for domestic licenses and to Rs. 400 per annum for commercial licences.

VII. Concession and Relief to Government Servants and Fixed Income Groups

(i) An additional dearness allowance of Rs. 30.00 per month to all civil servants and defence personnel drawing pay upto Rs. 1,500 per month, has been granted.

(ii) Rates of conveyance allowance have been increased in the case of various groups of government servants.

(iii) An *ad hoc* increase of Rs. 40 per month has been granted, subject to certain conditions, to the employees in the private sector in respect of wages not exceeding Rs. 1,500 per month.

(iv) Under the previous pension rules, pension was allowed at 70% of reckonable emoluments but the excess over Rs. 1,000 was reduced by one half. In respect of government servants who are retired after 1st July, 1980 this cut-off point has been raised to Rs. 2,000 with the provision that the minimum benefit shall not be less than Rs. 40 per month.

(v) The pensions of existing pensioners have been increased on a rising scale ranging from Rs. 40 to Rs. 200 on the basis of grades from which the *ex-employee* might have retired.

(vi) The pension of Army reservists has also been increased.

PROVINCIAL GOVERNMENTS

Punjab

(a) In order to simplify the accounting of electricity duty which was being charged at fixed rate of Rs. 1.50 per unit on industrial and agricultural consumption and Rs. 2.50 per unit on domestic and commercial consumption giving an average of about 7.6% of electricity tariff in case of domestic consumption, 4.8% in the case of agricultural consumption, 2.9 per cent in the case of industrial consumption and 2.8% in the case of commercial consumption, it has been decided to express the rates of electricity duty as percentage of the electricity tariff payable by different categories of consumers. The new rates will be 7% of the electricity tariff for domestic consumption, 4% for agricultural consumption and 3% for commercial and industrial consumption. The rate for bulk supplies will continue to be 4%. The new rates will give a significant relief to all domestic and agricultural consumers while for others the rounding off will keep the charge roughly the same.

(b) The rates of fee for registration of motor vehicles have been revised as Rs. 100 for motor cycles, Rs. 450 for light vehicles, Rs. 1,000 for heavy transport vehicles and Rs. 100 for temporary registration of all categories of vehicles. The previous rates of registration fee for motor vehicles i.e. Rs. 50 for motor cycles, Rs. 150 for light vehicles, Rs. 300 for heavy transport vehicles and Rs. 50 for temporary registration of all categories of vehicles were low considering the huge amount a person is prepared to pay for a motor vehicle. The revision of rates will result in an additional revenue of about Rs. 5 million during 1980-81.

(c) In order to regulate the working of the Real Estate Agents and Motor Vehicles Dealers, it has been decided to make it compulsory for all such agents to get themselves registered with the Excise and Taxation Department on payment of an initial registration fee of Rs 2,000 with an annual renewal fee of Rs. 600. Besides regulating the business of Real Estate and motor vehicles, it will give an additional income of about 3 million during 1980-81.

(d) It has been decided to slightly adjust and rationalise the rates of capital gains tax on profit or gains arising from sales, exchange or transfer of urban immovable property. During 1979-80 gains up to Rs. 10,000 were exempt from tax and the next amount of Rs. 20,000 was subject to tax at the rate of 5%. This exemption limit and the rate will be maintained. On the next amount of gains of Rs. 70,000, the 1979-80 rate of capital gains tax was 7.5% which has been increased to 10% of the profits or gains. On the next amount of gains from Rs. 100,000 to Rs. 200,000, the 1979-80 rate of 10% has been increased to 15%. Any amount of gains exceeding Rs. 200,000 will continue to be subject to a tax at the rate of 20% as in 1979-80. This will give an income of Rs. 1 million during 1980 81.

(e) Due to substantial increase in the rates of electricity charges and cost of POL, the expenditure on operation and maintenance of the Irrigation system has considerably increased since 1977-78 and is estimated at Rs. 705 million during 1980-81 whereas the total income of the Irrigation Department inclusive of water charges would be Rs. 402 million involving a loss of Rs 303 million on the supply of irrigation water to the farmers. It has therefore, been decided to increase the water rate by 25% to keep the irrigation service going. Despite this increase, there will still be a loss of more than Rs. 200 million during 1980-81 on the operation of this service.

(f) The work relating to distribution of pesticides has been transferred to private sector and the subsidy on the sale of pesticides has been abolished.

Sind

(a) Taxes on motor vehicles have been slightly increased. The increase is Rs. 40 per annum in respect of private motor cars, Rs. 20 per annum in respect of heavy motor cycles, Rs. 14 per annum in respect of lighter motor cycles and Rs. 35 to Rs. 375 per annum in respect of commercial vehicles in relation to their capacity. These revisions will yield an estimated additional income of Rs. 15 million.

(b) The tax on Trades, Professions, Callings and Employment has been rationalised and increased in some categories of professions. The rate of this tax on income tax assesseees has been raised from Rs. 50 to Rs. 100. In case of public and private limited companies importers, contractors and suppliers, the tax has been increased from Rs. 100 per annum to a range of Rs. 500 to Rs. 5,000 depending upon the number of employees, share capital and financial turnover of such establishments. The tax on shops, small commercial and industrial establishments remains unchanged at a nominal sum of Rs. 50 a year. This measure will yield an extra income of Rs. 10 million.

(c) The large luxury hotels which have a room rent more than Rs. 500 per day will pay a Tax of Rs. 30 per lodging unit. Small hotels which have room rents of less than Rs. 50 per day have been exempted from this tax. About 400 such hotels will benefit by this concession.

(d) The stamp duty on certain types of documents and bills of lading has been raised to yield an additional revenue of Rs. 3 million.

(e) In order to rationalise the schedule of motor vehicle taxes, the surcharge of Rs. 25 on goods transport and Rs. 50 on passenger buses has been abolished.

(f) Tax levied on shops, commercial and industrial establishments run on ownership basis and without any employee have been exempted from the payment of tax on professions and trades.

(g) The previous rate of entertainment duty on amusements and games catering primarily to children which was 75 to 100% of the admission charge has been reduced to 25% in case of items of amusement and recreation, 10% in respect of dramas and stage plays and 5% for sports.

N. W. F. P.

(a) Rates of taxes on vehicles have remained unchanged in N.W.F.P. since 1978-79, in spite of the fact that vehicle prices have since increased by as much as 40%. To mobilize the provincial resources for the maintenance of roads in the province, taxes on all vehicles, except buses have been raised to yield an additional revenue of Rs. 7.1 million.

(b) Buses are taxed according to the route classification. In view of mounting expenditures, taxes on buses have been increased to Rs. 168, Rs. 120 and Rs. 80 on A, B and C routes, respectively. This measure would yield a revenue of Rs. 2.5 million.

(c) Rates of route permits issued to the vehicle owners by Provincial Transport Authority were fixed in 1969. The vehicles using these permits, however, are charging fares, enhanced thereafter. To rationalize the situation, fees of route permits have been increased. This would give an additional income of Rs. 0.5 million.

(d) The rent of bulldozers has been increased by reducing the rebate allowed thereon from 62% to 50%. This would yield an income of Rs. 6 million.

(e) Arms licence fee has remained unchanged in the province since December 1975. This was 100% to 120% less as compared with other provinces. The fee has been doubled providing additional revenue to the tune of Rs. 3.4 million.

(f) Excise duty on liquor has been raised from 33% to 100% yielding an additional revenue of Rs. 0.5 million.

(g) Water connection rates in the Rural and Urban areas have been increased, respectively from Rs. 8 to Rs. 10 and from Rs. 10 to Rs. 15. This would yield a revenue of Rs. 2 million.

(h) The Development cess on sugar cane and sugar beet has been raised from 20 paise per maund to 25 paise per maund. This would give an income of Rs. 1.5 million.

(i) Water rate has been increased by 25%, yielding an additional income of Rs. 4.5 million.

(k) Collections of urban property tax will, in future, be transferred in full to the Municipal and Town Committees instead of 85% in the past. This would reduce provincial government's revenues to the extent of Rs. 1.3 million.

(l) The surcharge of Rs. 25 and Rs. 50 imposed, respectively on trucks and buses has been abolished. The provincial government would incur a loss of Rs. 0.6 million on this account.

(m) Stamp duty on commercial and industrial loan documents has been reduced from 3% to 2%.

(n) Rebate on full payment in lumpsum of tax on vehicles has been increased from 10% to 15%, resulting in a revenue loss of Rs. 6.3 million.

(o) The annual rental value limit of houses for the exemption from property tax has been increased from Rs. 2,400 to Rs. 4,800.

Baluchistan

(a) The rates of royalty have been increased from Rs. 75 to Rs. 80 per ton for marble, from Rs. 5.00 to Rs. 6.00 per ton for barytes, from Rs. 7.00 to Rs. 9.00 per ton for coal, from Rs. 2.00 to Rs. 3.00 per ton gypsum, from Rs. 3.50 to Rs. 5.00 per ton for magnesite and from Rs. 2 to Rs. 3 per ton for quartzite.

(b) Registration and driving licence fee for motor vehicles have been enhanced. Motor cycles registration fee has been increased from Rs. 5 to Rs. 50 and that of Motor Cars and trucks/buses from Rs. 10 to Rs. 200 and from Rs. 30 to Rs. 500, respectively. The driving licence fee has been increased from Rs. 5 to Rs. 10 for the purposes of learning, renewal and test. Driving licence fee has been increased from Rs. 15 to Rs. 20.

(c) A toll tax on Hub River Bridge, at the rate of Rupee one for light and Rs. 3.00 for heavy vehicles has been levied.

(d) To bridge the deficit in respect of irrigation supplies, abiana rates have been increased by 25%.

**REVENUE EFFECT OF FEDERAL GOVERNMENT'S NEW FISCAL MEASURES 1980-81
(BUDGET)**

		(Million Rs.)
A. Tax Measures		(+) 1,400
(1) Customs		(+) 202
(2) Federal Excise		(+) 610
(3) Sales Tax		(+) 88
(4) Income Tax		(+) 500
B. Pricing of Services & Goods		(+) 1,436
(1) Sugar		(+) 384
(2) Wheat		(+) 440
(3) T. & T.		(+) 312
C. Concession & Relief to Govt. Servants		(-) 1,100
	(Total Net Effect)	(+) 1,436

**RELATIONSHIP OF PUBLIC REVENUES AND NON-DEVELOPMENT EXPENDITURE
WITH GNP**

(Million Rs.)

	1977-78	1978-79	1979-80 Revised	1980-81 Estimates	Annual Compound Growth Rate %
GNP (CFC)	1,68,701	1,91,584	2,27,617	2,60,280	15.6
1. Tax Receipts (As % of GNP)	21,506 (12.7)	25,085 (13.1)	32,144 (14.1)	38,735 (14.9)	22.0
(a) Federal Government (As % of GNP)	20,040 (11.8)	23,475 (12.3)	30,335 (13.3)	36,802 (14.1)	22.5
(b) Provincial Governments (A) (As % of GNP)	1,466 (0.9)	1,610 (0.8)	1,809 (0.8)	1,933 (0.8)	9.6
2. Non-Tax Receipts (As % of GNP)	4,878 (2.9)	5,561 (2.9)	7,013 (3.1)	7,749 (3.0)	16.7
(a) Federal Government (B) (As % of GNP)	4,141 (2.5)	4,820 (2.5)	6,420 (2.8)	7,090 (2.7)	19.6
(b) Provincial Governments (C) (As % of GNP)	737 (0.4)	741 (0.4)	593 (0.3)	659 (0.3)	
3. Total Revenue Receipts... (As % of GNP)	26,384 (15.6)	30,646 (16.0)	39,157 (17.2)	46,484 (17.9)	21.0
(a) Federal Government (As % of GNP)	24,181 (14.3)	28,295 (14.8)	36,755 (16.1)	43,892 (16.9)	22.0
(b) Provincial Governments (As % of GNP)	2,203 (1.3)	2,351 (1.2)	2,402 (1.1)	2,592 (1.0)	5.6
4. Non-Development Expr. (As % of GNP)	24,961 (14.8)	29,865 (15.6)	35,510 (15.6)	38,926 (14.9)	15.9
(a) Federal Government (D) (As % of GNP)	18,856 (11.2)	23,350 (12.2)	27,860 (12.2)	30,698 (11.8)	19.6
(b) Provincial Governments (E) (As % of GNP)	6,105 (3.6)	6,515 (3.4)	7,650 (3.4)	8,228 (3.1)	10.4

(A) Excludes transfer of taxes from the Federal Government.

(B) Excludes interest receipts from the Provinces.

(C) & (D) Excludes grants-in-aid by the Federal Government.

(E) Excludes interest payments to the Federal Government.

CHAPTER 4

MONETARY POLICY AND CREDIT PLAN

Containing inflationary pressures remained the major objective of the monetary and credit policy during 1979-80. In its meeting held on 28th July 1979, the National Credit Consultative Council approved the credit Plan for 1979-80 and placed the total domestic credit expansion at Rs. 10,760 million or 13.9 per cent. After allowing for an accumulation of Rs. 1,080 million in the foreign exchange reserves, the total monetary expansion was planned at Rs. 11,840 million or 15.2 per cent for the year. Out of this, a sum of Rs. 5,180 million was allocated to private sector (proper), while Rs. 2,480 million was allocated for the public sector enterprises. An amount of Rs. 3,600 million was allocated for the Government Sector both for budgetary support and commodity operations. Rs. 3,000 million was allocated for budgetary support while Rs. 600 million was for Government Commodity Operations.

2. Subsequently, the National Credit Consultative Council re-assessed the credit needs of various sectors of the economy in the light of unfolding economic situation in its meeting held on 26th January, 1980, and worked out the total domestic credit expansion at Rs. 11,927 million or 15.4 per cent for the year. After taking into account the expansionary impact of Rs. 658 million in the foreign sector, the total monetary expansion was estimated at Rs. 12,585 million or 16.2 per cent for 1979-80. Accordingly sectoral estimates were also revised upward for the private sector (proper) and the Government Sector. Of the total projected domestic credit expansion, the credit expansion in the Government Sector was estimated at Rs. 4,649 million—Rs. 3,949 million on account of budgetary support and Rs. 700 million for commodity operations. Total expansion under private sector proper was estimated at Rs. 5,298 million for the year 1979-80. The original estimate of public sector enterprises was retained unchanged at Rs. 2,480 million. The projections originally drawn up by the National Credit Consultative Council in July, 1979, and the revision made at the time of mid-term review in January, 1980 are given below :

TABLE I

Original and Revised Credit Plan 1979-80

		(Million Rs.)	
		1979-80	
		Original Estimate	Revised Estimate
1.	Private Sector (including public sector enterprises)	7,660	7,778
	(a) Private Sector (Proper)	5,180	5,298
	(b) Public Sector Enterprises	2,480	2,480
2.	Government Sector	3,600	4,649
	(a) Budgetary Support	3,000	3,949
	(b) Commodity Operations	600	700
3.	Foreign Sector	1,080	658
4.	Other Factors	-500	-500
	Total Change	11,840	12,585

REVIEW OF 1979-80

Monetary Assets

3. The latest data indicates that monetary assets, which amounted to Rs. 82,049 million at end of June, 1979 increased by Rs. 14,589 million up to the end of June, 1980 or by about 17.8 per cent as compared to an increase of Rs. 13,205 million or by about 19.2 per cent during the same period last year. The following table shows changes in monetary assets with causative factors leading to the changes in money supply during 1978-79 and 1979-80.

TABLE II

Causative Factors Affecting changes in Monetary assets

(Million Rs.)

	July, 1979 to June, 1980	July, 1978 June, 1979
Private Sector	+7909	+6936
(a) Private Sector (proper)	+5996	+4364
(b) Public Sector Enterprises	+1913	+2572
Government Sector	+5834	+9246
(i) Commodity Operation	+1043	+1077
(ii) Budgetary Support	+4791	+8169
Foreign Sector	+3814	--1868
Other Factors	-2968	-1109
Total ..	+14589	+13205

4. Expansion in the monetary assets depicted in the above table is mainly the combined effect of expansionary forces of private sector, including public sector enterprises and the Government sector. At the same time, foreign sector also exercised an expansionary impact on the monetary assets. On the other hand, other factors contributed a contractionary impact on monetary assets. The increase in monetary assets was contributed by all the sectors except other factors, but it was more significant in case of foreign sector which expanded by Rs. 3,814 million as compared to a decline of Rs. 1,868 million during the same period last year, and against the projected expansion of Rs. 658 million by NCCC for the year 1979-80.

5. The Credit Expansion in the private sector (including public sector enterprises) during 1979-80 was originally estimated at Rs. 7,660 million, of this Rs. 5,180 million was estimated for private sector proper and Rs. 2,480 million for public sector enterprises. In its meeting held in January, 1980 the NCCC estimated a credit expansion of Rs. 7,778 million in private sector, of which Rs. 5,298 million was estimated for private sector proper and Rs. 2,480 million for public sector enterprises. Against this, the actual total expansion in the Private sector was Rs. 7,909 million upto June 1980. The credit to the private sector proper expanded by Rs. 5,996 million against an expansion of Rs. 4,364 million during the same period last year. The credit to public sector enterprises expanded by Rs. 1,913 million as against Rs. 2,572 million during the corresponding period last year. A higher level of credit utilization in the private sector proper is attributable mainly to heavier financing requirements for handling and movement of bigger cotton crop and due to larger turn-over of internationally traded goods.

6. The credit expansion emanating from the public sector enterprises during July, 1979 June, 1980 amounting to Rs. 1,913 million is substantially lower compared with Rs. 2,572 million during the same period last year, as also compared to the credit allocation for the current year. A lower level of bank borrowing during the year compared to their annual credit limit of Rs. 2,480 million from the Commercial Banks is due to the improved resource position of some of corporations consequent upon price revisions during the year particularly in the case of cement and fertilizer.

7. The credit expansion of Rs. 5,834 million in the Government sector was substantially lower as compared with an expansion of Rs. 9,246 million in 1978-79. The credit expansion in the Government Sector both for budgetary support and commodity operations during 1979-80 was originally estimated at Rs. 3,600 million. An amount of Rs. 3,000 million was estimated for budgetary support and Rs. 600 million for commodity operations. This limit was later revised by NCCC in its meeting held in January, 1980 to Rs. 4,649 million. A sum of Rs. 3,949 million estimated for budgetary support and Rs. 700 million for commodity operations of the Government. The actual credit expansion emanating from the Government Sector amounted to Rs. 5,834 million up to the end of June, 1980 as against Rs. 9,246 million during 1978-79. Out of this bank financing required for budgetary support amounted to Rs. 4,791 million as against Rs. 8,169 million during the corresponding period last year, while commercial borrowings for financing state trading operations increased by Rs. 1,043 million compared with an increase of Rs. 1,077 million during the same period last year.

8. Originally Government borrowing for budgetary support was estimated at Rs. 3,000 million. Later it was revised to Rs. 3,949 million due to post budget development :

- (i) Increase in edible oil subsidy
- (ii) Increase in development expenditure on oil related imports and
- (iii) short-fall in surpluses of autonomous bodies.

9. The foreign sector has exerted an expansionary impact of Rs. 3,814 million as compared with a contractionary influence of Rs. 1,868 million during the corresponding period last year. The original estimate for this sector was Rs. 1,080 million which was later revised to Rs. 658 million by NCCC for the year 1979-80. This large increase in foreign sector was mainly due to an improvement in balance of payment position on account of higher level of exports and home remittances coupled with inflow of larger foreign aid.

10. The component-wise break up of monetary assets during 1979-80 shows that a large part of increase in monetary assets occurred in money supply *i.e.* currency in circulation and demand deposits. During the period under review, money supply went up by Rs. 9,011 million as against Rs. 9,905 million during the corresponding period last year. The increase in money supply was about 16.7 per cent against, 17.8 per cent in the monetary assets. The currency in circulation increased by Rs. 3,981 million while demand deposits expanded by Rs. 5,030 million as against Rs. 5,532 million and 4,373 million, respectively, during the corresponding period last year. Deposit money went up by Rs. 10,608 million or 73 per cent of the total increase in monetary assets, as against Rs. 7,674 million or 58 per cent during the same period last year. The currency in circulation increased by Rs. 3,981 million and constituted 27 per cent of the total increase in the monetary assets, against 42 per cent during 1978-79. The demand deposits went up by Rs. 5,030 million and constituted 34 per cent of the total increase in monetary assets, against Rs. 4,373 million or 33 per cent during the same period last year. Time deposits increased by Rs. 5,519 million or by 38 per cent of the total increase in monetary assets against Rs. 3,271 million or 25 per cent during the corresponding period last year.

11. Ratio of increase in time deposits indicates that the trend remained in favour of time deposits as compared to other components of monetary assets. This trend has been strengthened by a number of factors. There has occurred a diversion of investment funds to interest bearing deposits pending their utilization. This includes funds made available to some Government agencies for their projects which they have not been able to utilize immediately after release and have been placed in the form of time deposits with banking system. Moreover, the rapid development of the corporate sector had also contributed to the higher time deposits. The capital resources accumulated in anticipation of expenditure on expansion or declaration of dividends have been generally held as time deposits. Besides, foreign remittances and bank branch expansion have been the major factors for attracting time deposits.

12. The Component-wise break-up of increase in monetary assets during 1978-79 and 1979-80 is given in table below :

TABLE III

Component-wise Break-up of the Change in Monetary Assets

(Million Rs.)

			July, 79 to June, 80	Percentage change	July, 78 to June, 79	Percentage change
1. Currency in circulation	..	..	+3981	+16.6	+5532	+30.1
2. Demand Deposits	..	..	+5030	+16.7	+4373	+17.0
3. Time Deposits	..	..	+5519	+21.0	+3271	+14.2
4. Other Deposits	..	..	+59	+3.4	+29	+1.8
		Total	+14589	+17.8	+13205	+19.2

Credit Control Measures

13. During 1979-80, the State Bank of Pakistan introduced the following credit control measures with a view to containing credit expansion within reasonable limits, ensuring use of credit for productive purposes and discouraging hoarding and speculation :—

- (i) Finance by banks under the Export Finance Scheme is provided at 3 per cent rate of interest and the State Bank provides refinance at zero rate of interest.
- (ii) Financing of exports of locally manufactured machinery is done at the rate of interest of 2 per cent and the State Bank provides refinance at zero rate of interest. For financing local sales, concessional rate is charged by PICIC, IDBP and NDFC which is 2 per cent below the rate of interest at which foreign currency loans are given for import of similar machinery. The State Bank provides refinance at 2 per cent below the rate charged by the financial institutions concerned.
- (iii) Financing of fixed industrial and agricultural investment is done at 11 per cent rate of interest.
- (iv) The minimum rate of interest on credit against finished goods (excluding capital goods) has been fixed at 13 per cent.
- (v) Farmers or tenant cultivators owning/tilling "subsistence holdings" are eligible for interest free production loans upto Rs. 5,000 per year.
- (vi) Minimum rate of interest on bank advances in cases other than those covered by (i) to (iv) above has been fixed at 11 per cent and maximum rate at 14 per cent.
- (vii) Liquidity ratio @35% to be maintained by commercial banks with the State Bank in the form of cash in hand, balance with the State Bank, and gold or unencumbered approved securities.
- (viii) Statutory reserve requirement at 5% of total demand and time liabilities of the bank.
- (ix) Selective credit control measures are taken from time to time to regulate credit flows in the desired directions and to prevent misuse of credit for speculation and hoarding.

Selective credit control measures

14. The following selective credit control measures were taken during the year :

1. With effect from 30th July, 1979, the minimum margin requirement for opening of letter of credit for import of Tallow by industrial importers, was reduced from 100 per cent to 50 per cent. Letter of credit margin for import of Tallow by commercial importers remained unchanged at 100 per cent.

2. The following changes were made in minimum margin requirements on 5th August, 1979 :

I. ADVANCES AGAINST FOOD ITEMS :

MINIMUM MARGIN.

- (i) Wheat and Wheat flour to flour mills (maximum period of advance 6 months). Reduced from 30 % to 25%.
- (ii) Rice and Paddy (both coarse and superior varieties) to rice mills and authorised dealers (maximum period of advance 3 months). Do.
- (iii) Oil Seeds (other than cotton seeds) to Oil Extraction Units. Reduced from 50 % to 25%.
- (iv) Cotton Seeds to solvent Oil Extraction Units. Reduced from 30 % to 25%.

II. ADVANCES AGAINST RAW MATERIALS TO MANUFACTURING UNITS.

- (i) Raw cotton (both phutti and lint cotton) to balers. 20 % as against nil margin earlier.
- (ii) Other raw materials (excluding raw cotton to cotton textile mills, ginners and balers, cotton yarn to cotton textile mills and tobacco to cigarette manufacturing units). Increased from 35 % to 50%.

III. ADVANCES AGAINST RAW MATERIALS TO TRADERS

Other raw materials (excluding raw cotton to traders and cotton commission agents).

Increased from 50 % to 75%.

IV. ADVANCES AGAINST FINISHED GOODS TO MANUFACTURING UNITS.

Increased from 35 % to 50 % in the case of finished goods other than indigenous cotton textiles, woolen textiles, artificial silk mixed fabrics, matches, auto-spares and tea. These specific goods were already subject to 50 % margin requirement.

V. ADVANCES AGAINST FINISHED GOODS TO TRADERS :

Increased from 50 % to 75 % in the case of goods other than imported manufactured consumer goods (including all types of imported textiles) for which the margin requirement was already 75%.

VI. OTHER ADVANCES :

Against bank's own cumulative deposits certificate 40 % as against nil earlier %.

VII. MARGIN ON OPENING OF IMPORT LETTERS OF CREDIT :

- (i) For import of medicinal herbs, crude drugs, pharmaceutical raw materials and cement. Increased from 10 % to 25%.
- (ii) For import of industrial raw materials spices, electric bulbs, films unexposed, synthetic fibre. Increased from 25 % to 50%.
- (iii) For import of raw rubber for manufacture of tyres and tubes and for raw jute. Increased from 10 % to 50%.

- (iv) For import of all items not specifically listed in BCD circular No. 10 dated 5th August, 1979. Increased from 40% to 100%
3. Effective from 16th September, 1979 the minimum margin requirement on the following items was relaxed as under :
 - (i) Margin on advances against " Bagasse " to paper manufacturing mills was reduced to 35%.
 - (ii) Minimum margin was withdrawn on opening of letters of credit for import of Electro-Medical Equipment (Not manufactured in the country); and
 - (iii) In the case of Surgical instruments, apparatus and appliances (not manufactured in the country), raw jute and wood pulp it was reduced to 25%.
 4. With effect from 24th September, 1979 the minimum margin on opening of letters of credit for import of vessels scrapped for break-up was fixed at 50 per cent.
 5. From 28th October, 1979 imports by the Trading Corporation of Pakistan have been excluded from the minimum margin requirements prescribed by the State Bank. However, the domestic letters of credit opened in favour of TCP in relation to import of any commodities through them have been subjected to the same minimum margin requirements as are prescribed for import letters of credit for the same commodities under State Bank's general instructions issued from time to time.
 6. From the same date, the minimum margin on advances against wood pulp to manufacturing units was reduced from 50 per cent to 35 per cent.
 7. The minimum margin requirement for opening of letters of credit for the import of truck Bus chassis (CKD) was withdrawn with effect from 13th November, 1979.
 8. The minimum margin requirement for advances against raw cotton to ginners only was withdrawn on 24th November, 1979.
 9. From 26th November, 1979 the minimum margin requirement for opening of letters of credit for the import of Jeeps (CKD) was withdrawn.
 10. On 12th December, 1979 banks were advised that since the advances against kariana goods are banned, they should not provide credit facilities for making or storage of Gur.
 11. Effective from 20th December, 1979 the minimum margin on opening of letters of credit for the import of (i) raw materials for the manufacture of tyres and tubes and (ii) for the import of wood and timber by the plywood industry only was reduced to 25 per cent. It was also decided on the same date, to withdraw the minimum margin requirement for the import of chemicals and tin plate by Ghee Industry.
 12. The minimum margin requirement for opening of letters of credit for the import of Raw Wool by all manufacturing units, was reduced from 50 per cent to 25 per cent with effect from 27th February, 1980.
 13. Effective 12th March, 1980 the margin on advances against raw wool (Imported as well as indigenous) to all manufacturing units was reduced to 25 per cent.

The minimum margin requirement on opening of letters of credit for the import of Asbestos Fibre from Barter Sources was withdrawn and for the import of Aluminium Alloy Ingots, Alloy Steel Flat Bars, Copper Strips, Brass Sheets and Brass Strips by manufacturers of machinery and Electrical Equipment was reduced to 25 per cent from the same date.
 14. The minimum margin requirement for opening of letters of credit for the import of " artificial limbs and hearing aids and parts thereof " was withdrawn, with effect from 24th March, 1980.
 15. On 2nd April, 1980 the minimum margin requirement on opening of letters of credit for the import of all raw materials by manufacturers of " Machinery " and " Electrical equipment " was withdrawn and for the import of " Asthma Inhalers " was reduced to 25 per cent.
 15. On 25th October, 1979 Part II of the Export Finance Scheme was modified. Banks were advised that limits under Part II of the Scheme may be allowed by them upto 33-1/3 per cent.

(instead of 25 per cent) of the previous year's export earnings of the exporters. The period of monitoring the loans was extended from three to four months. These instructions were given retrospective effect from 1st July, 1979.

Credit Budget

16. The system of credit budgeting introduced by Government in 1972 was also followed during 1979-80. The National Credit Consultative Council is charged with the responsibility of preparation of credit targets each year in the light of the priorities and targets of the Annual Plan. The major objective of credit budgeting is to check undue expansion of bank credit to the private sector, while at the same time ensuring adequate flows to the preferred sectors.

17. As already indicated the revised credit plan envisaged credit expansion of Rs. 7,778 million for the private sector, of which Rs. 5,298 million was earmarked for private sector proper. The actual total expansion in the private sector proper turned out to be Rs. 5,996 million. If the contractionary impact of Rs. 887 million upto 19th June, 1980 in the other items is included, total actual expansion comes to Rs. 5,109 million. The available data for 1979-80 indicate that up to 19th June, 1980 loans by commercial banks amounted to Rs. 3,592 million, local currency loans through ADBP, IDBP, Scheduled Co-operatives banks and State Bank loans to PICIC, ICP HBFC, Bankers Equity Limited and others were of the order of Rs. 251 million, 347 million, 441 million and 806 million respectively.

18. Within the overall sectoral credit targets approved by the National Credit Consultative Council, the State Bank of Pakistan prescribed mandatory credit targets for the priority sectors for every nationalized commercial bank of credit for priority sectors covers small loans for seasonal agricultural production, small business and industry and loans for purchase of tractors and tubewells and for land improvement etc. For the first time during the year banks have been given separate mandatory credit targets for fixed investment and working capital purposes and small business and industry.

19. The credit targets set for preferred sectors, and small loans are expected to achieve the target. The details of the targets and actual disbursements upto March, 1980 are given in the following table :

TABLE IV

Mandatory Credit Targets for Commercial Banks and Actual Achievements

(Million Rs.)

	Credit Targets 1979-80			Actuals July, 1979 March, 1980		
	Fixed Investment	Working Capital/ Seasonal Finance	Total	Fixed Investment	Working Capital/ Seasonal Finance	Total
1. Small Loans:						
(a) Agricultural Production (gross disbursements).	—	637	637	—	525.7	525.7
(b) Small business (net increase)	70	142	212	(—)39.8	384	344.2
(c) Small Industry (Net increase)	200	530	730	262.1	442.2	704.3
(d) Housing	110	—	110	139.4	—	139.4
2. Loans for Tractors, Tubewells, and Land Improvement etc., (Net increase)						
	323	—	323	112.0	—	112.0

20. It will be seen that the targets given to the banks for 1979-80 have exceeded in case of loans for small business and housing. Loans for small business amounting to Rs. 344.2 million upto March, 1980 against the target of Rs. 212 million for the whole year. At the same time loans for housing amounted to Rs. 139.4 million against the target of Rs. 110 million for the whole year.

Loans for agricultural production (gross) amounted to Rs. 525.7 million—upto March, 1980 against the target of Rs. 637 million for 1979-80. Loans for small industry and purchase of tractors and tubewells and land improvement etc. amounted to Rs. 704.3 million and 112 million against the targets of Rs. 730 million and Rs. 323 million respectively.

21. Taking the nine-months period ending March, 1980. The actual credit target for small business and housing were more than fulfilled. Figures of credit for agricultural production and small industry are available up to March, 1980 but the target set for this sector is expected to be achieved. The target of credit for purchase of tractors, tubewells and land improvement etc are also expected to be achieved.

22. Available information indicates that as against the credit allocations of Rs. 2480 million for various public sector enterprises, Rs. 1913 million were drawn by the various agencies upto the end of June, 1980.

PROJECTIONS OF MONETARY AND CREDIT EXPANSION 1980-81

23. With the actual monetary expansion of Rs. 14,589 million upto the end of June, 1980, the outstanding level of monetary assets rose to Rs. 96,638 million upto June, 1980. As decided by the National Credit Consultative Council in July, 1980, the rate of monetary expansion is planned to be brought down to 11.4 per cent during 1980-81 compared to 17.8 per cent during 1979-80. This would involve an increase of Rs 10,500 million in monetary assets over the year and would permit credit expansion of Rs. 12,500 million (after making an adjustment of likely draw down of Rs. 2,000 million in foreign sector). The major part of credit availability would be earmarked for working capital and investment requirements of private sector and public sector industrial and commercial enterprises, as also for the credit requirements for the private sector in agriculture, industry, housing and transport etc. The amount earmarked for private sector proper is Rs. 6,400 million. Thus, public sector enterprises are allocated Rs. 2,300* million. The balance amount is available for utilization by the government for budgetary support and commodity operations. A sum of Rs. 3,500 million is allocated for budgetary support of the Government, While Rs. 1,000 million will be made available for commodity operations of the Government.

24. The credit expansion in the private sector works out to Rs. 6,400 million during 1980-81. The institutional sources of finance for the proposed credit expansion in the private sector may be as follows :—

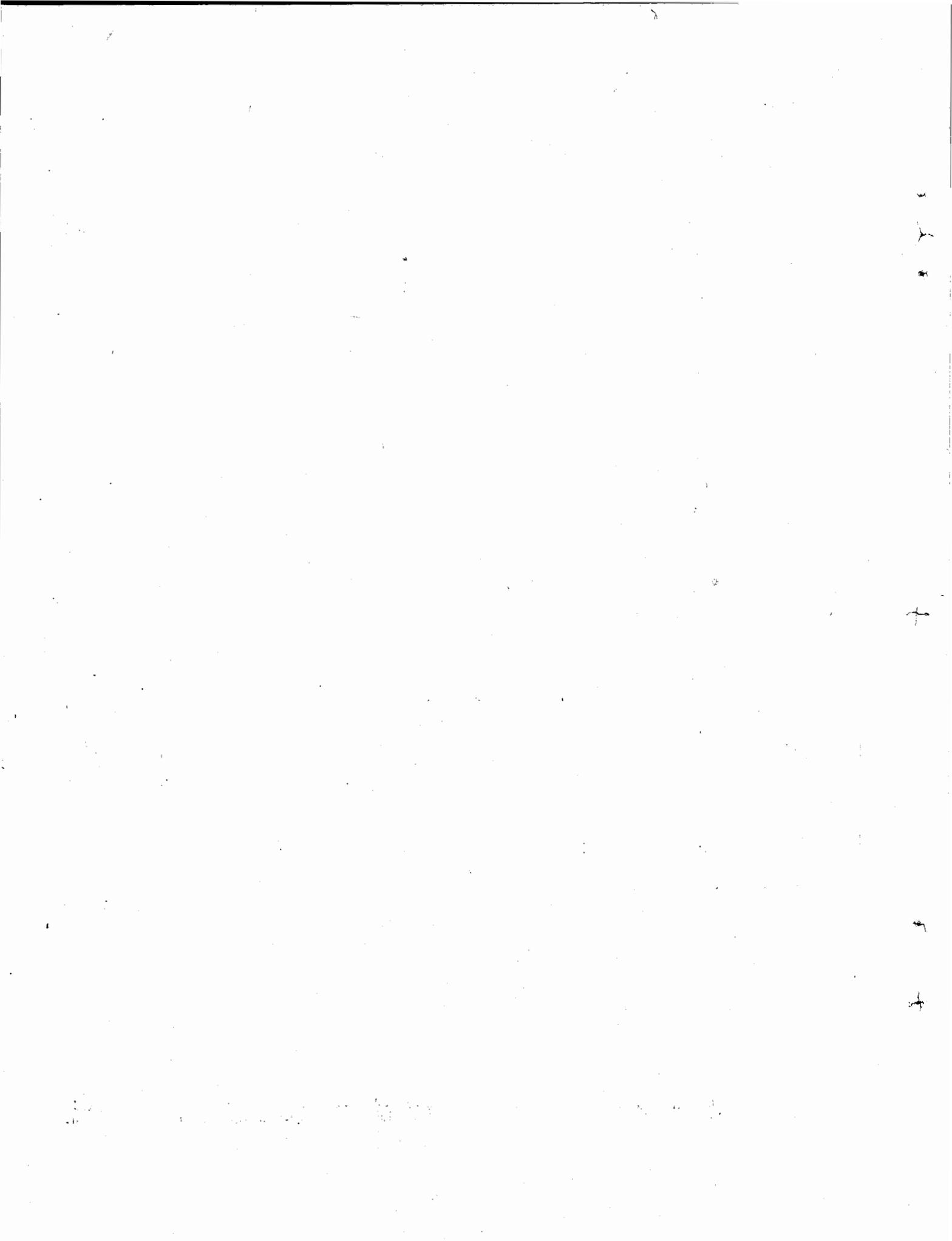
	(Million Rs.)
1. ADBP	437
2. IDBP	392
3. FBC	818
4. SBP	1,382
(i) PICIC	215
(ii) ICP	167
(iii) HBFC	1,000
5. Commercial Banks	3,371
Total ..	<u>6,400</u>

25. The provisions proposed in item 1 to 4 above are based on the requests of the financial institutions concerned. Out of the estimated credit expansion of Rs 3,371 million by the commercial banks, it is proposed to make specific credit allocations for preferred sectors. For providing production loans to the agriculture sector on a preferred basis, it is proposed that commercial banks may be given a mandatory target of Rs. 1,626 million on gross disbursement basis. Within the mandatory

target there will be a sub-target that at least 50 per cent of the gross disbursements would be disbursed as small loans to farmers. The target of credit to small industry on a net increase basis for 1980-81 is placed at Rs. 960 million, of which Rs. 320 million will be for fixed investment. In order to cater to the needs of small businessmen it is proposed to provide a credit expansion of Rs. 276 million by the commercial banks during 1980-81. For meeting the needs of low-cost housing it is proposed to provide housing finance through House Building Finance Corporation only and no credit target is proposed for commercial banks. Accordingly council approved a limit of Rs. 1000 million for State Bank finance to House Building Finance Corporation during 1980-81.

26. Bank credit to public sector enterprises is projected to increase by Rs. 2,300* million during the year 1980-81. Out of this amount, Rs. 250 million will be provided by NDFC through State Bank of Pakistan assistance and the balance of Rs. 2,050 million by the commercial banks.

*Original credit allocations of Rs. 2,900 million to public sector enterprises as approved by the NCCC have been revised upward to Rs. 3,800 million by the Ministry of Finance in consultation with State Bank of Pakistan.



CHAPTER 5
BALANCE OF PAYMENTS
REVIEW OF 1979-80

The balance of payments for fiscal year 1979-80 closed on a note of considerable improvement although extensively severe strains were experienced in the earlier part of the year. (Annexure IV) Both export and home remittances increased considerably while import payments were relatively dampened. There was consequently, a significant improvement in the current account deficit. However, the surge in export earnings and home remittances took place in the second half of the fiscal year and the clamp-down of imports also became effective in the later half. A similar pattern was experienced in respect of capital inflows which were boosted by extraordinary loans in the second half of the fiscal year. The combination of these events led to a perilous decline in reserves in the period July to October and a subsequent reversal which enabled a substantial build-up in reserves over the entire fiscal year.

Merchandise Exports

2. The upward momentum of export earnings initiated two years ago continued during the year under review. (Annexure I) Merchandise exports which stood at \$ 2365 million exceeded the levels for the previous year by 38 per cent and even surpassed the Plan targets by 12 per cent. The increase in earnings was spread over a large number of items but the main Contribution, which accounted for 84 per cent of the incremental value came from raw cotton, POL products, basmati rice, carpets and rugs and cotton cloth. In particular, value of raw cotton exports increased by 407 per cent, POL products by 190 per cent and that of basmati rice by 66.5 per cent.

3. In terms of quantity, significant export increases are confined to raw cotton, basmati rice and POL products. The highest quantity increase of 359 per cent was for raw cotton followed by basmati rice 74 per cent and POL products 85 per cent. In each of the three cases, the quantity of exports is higher than the Fifth Plan target of terminal year 1982-83. The quantity increases for most other major products showed stagnation or marginal decline except for leather the export volume of which dropped by 18 per cent.

4. The unit price of most major commodities and products increased. Taking 1978-79 weights as the base, the overall export price index rose by about 15 per cent. Price increases of 15 per cent and above was limited to POL products (57 per cent) leather (23 per cent) and fish and fish preparations (18 per cent). whereas the price of carpets and rugs was up by 14 per cent.

5. The sharp improvement in export earnings reflects a creditable performance but it does conceal certain trends which would require attention and remedial action. In particular, the sharp increases that had occurred in the volume of export of manufactured goods during 1978-79 could not be retained. The quantum of yarn, cloth and carpet exports were more or less stagnant while steep decline took place in the quantity of leather exports. It is necessary to conduct examination of the reasons for a slow-down in export of manufacture goods and to take the action that is necessary to bring about a revival of export growth.

Merchandise Imports

6. Merchandise imports stood at \$ 5039 million, exceeding the Plan target by 9 per cent and the previous year imports by 21 per cent, which is in sharp contrast to the 37 per cent growth rate of 1978-79*. (Annexure II) But for a dramatic fall of 70 per cent for wheat imports that fell from \$ 311 million to \$ 93 million over the year under review, the situation would have been much worse.

7. Though the increase in imports has been fairly wide-spread, POL imports explain 71 per cent of the increase in imports. POL import payments, under the influence of OPEC price rises, more than doubled to reach \$ 1237 million, registering a growth rate of 102 per cent.

*Imports of ships and aircrafts are excluded.

8. Keeping in view the price rises of other major imports like fertilizer, synthetic yarn and paper and paper board, aggregate imports in real terms perhaps declined. Instrumental in containing total imports were the fiscal and non-fiscal measures such as the upward revision of the tariff structure on many imports, aligning of the domestic POL prices to international prices, and the increases in the margin on L.C.s for the private sector imports.

Current Invisibles

9. The current invisible surplus of \$ 1322 million exceeded the Plan target by 18 per cent and that of the preceding year by 29 per cent. (Annexure III) In absolute terms, the current invisible account registered an increase of \$ 300 million in 1979-80. Invisible receipts improved by \$ 552 million. This increase was mainly due to home remittances which increased by \$ 353 million, registering a 25 per cent rise over the previous year. There were also substantial gains of \$ 133 million on account of transportation and travel and the sale of bunker oil.

10. Current invisible payments increased by \$ 253 million of which freight and insurance for \$ 68 million, interest payments on debt for \$ 81 million and other transportation and travel for \$ 68 million.

Capital Account

11. Gross inflows of normal aid recorded a modest increase in 1979-80 as compared to the preceding year. Though there was a decline in non-project assistance, it was compensated by the increased inflow of project assistance. Other capital inflows, including private long term, increased by \$ 107 million.

12. Although the inflow of long term capital moved slightly upward, the outflow was significantly higher. Amortisation payments increased by \$ 127 million resulting in a decline of about 13 per cent in net aid inflow in 1979-80.

13. In order to bridge the gap which still remained, special aid flows to the tune of about 470 million dollars were contracted from some of the OPEC countries. Also, IMF flows including the Trust Fund increased by \$ 88 million in net terms. These flows, are, however, not of recurring nature and may not be termed as a regular aid. Nevertheless, they enabled building up reserves by \$ 330 million.

14. As mentioned earlier, this apparently comfortable balance of payments situation conceals the grim situation which prevailed during most of the fiscal year. The dramatic change during the later part of the year may be ascribed to the combined effect of boom in cotton exports, a spurt in home remittances and the special capital flows mentioned above.

PROJECTIONS FOR 1980-81

15. The balance of payments stresses and strains which were relieved in 1979-80 due to harsh curbs imposed on imports and inflows of extraordinary capital, are anticipated to recur in 1980-81. While on the other hand, the growing recession in industrialised countries is likely to inhibit growth in exports, it would not be advisable to continue the restrictions on raw material imports needed to sustain a growth in output. Consequently, the current account deficit in the balance of payments is likely to increase significantly. Further more, a large proportion of the capital inflows available last year were of an extraordinary nature and are unlikely to be forthcoming in 1980-81. A very large gap in the balance of payments is anticipated for 1980-81, and would require enlarged assistance in one form or another as well as continuing recourse to costly borrowing.

Merchandise Exports

16. The value of merchandise exports is projected to increase by only 10 per cent in 1980-81 compared with 38 per cent increase in 1979-80. The projections anticipate modest increase in volume and a mixed trend in prices of major exports.

17. Most of the gain is envisaged from higher manufactured exports but here as well only moderate increase in volume and no increase in prices have been forecast for cloth and yarn bearing in mind the recession in developed countries. The other major manufactured exports namely POL,

leather, carpets and rugs and fish and fish preparations are expected to fetch higher prices and would generate about 46 per cent of incremental export earnings in 1980-81. In volume terms, a significant increase is being visualized for POL and leather whereas carpets and rugs and fish products are likely to stay at the current year's level.

18. The quantities of rice and raw cotton exports are projected to record a moderate increase because current year levels set records which already surpass the Fifth Plan targets for 1982-83. The prices of these two major exports were fairly high this year and are unlikely to increase further in 1980-81.

19. The Government is resolute in pursuing its export promotional efforts. The process of simplifying rebate procedures and providing standard export rebates supplemented by the efforts to generate greater export surpluses shall continue and be reinforced by such measures as are considered necessary to enhance exports from specific industries. Annexure I provides the detailed breakdown of exports.

Merchandise Imports

20. Merchandise import payments are projected to increase by 10 per cent to \$ 5553 million. The increase in payments for crude and other POL products will increase by \$ 272 million which accounts for about 53 per cent of incremental import payments during 1980-81.

21. Import payments for fertilizer are projected to decline owing to the commissioning of some of the major fertilizer projects whereas the import payments for the edible oil are expected to increase only marginally. Although the deficit is much less than last year, import payments for wheat have been projected to increase by 4.3 per cent to facilitate increases in food reserves of the country. The projection of higher import payments allows 7 per cent increase for private sector imports. A breakdown of merchandise imports is provided in Annexure II.

Current Invisibles

22. A moderate increase of 5.2 per cent in the current invisibles is projected to raise the surplus on this account to \$ 1396 million. Invisible receipts are forecast to increase by 9.3 per cent and invisible payments by 13.6 per cent. The home remittances are expected to taper off in real terms and to increase only by 8.6 per cent in nominal value. Significant increases are foreseen in other invisible receipts particularly sale of bunker fuel, supply of aviation fuel to foreign aircrafts and earnings of Pakistan Shipping Companies.

23. The invisible payments are projected to go up by \$ 165 million. Major segment of this increase is derived from higher payments for freight and insurance, interest on public debt and transportation and travel. Annexure III gives the details of current invisibles.

Capital Account

24. The current account deficit on the balance of payments is projected to increase by \$ 180 million and amortisation on long term debt will rise by \$ 63 million. Routine aid inflows are projected to increase by about \$ 200 million which will not cover the increase in current account deficit and amortisation payments pertaining to long term debt. In fact, the situation is considerably more difficult. Pakistan had a net inflow of \$ 113 million in transactions with IMF in 1979-80 which is expected to change to a net outflow of \$ 124 million including the Trust Fund in the current fiscal year. Added to this would be the non-availability of special aid flows from OPEC in 1980-81 which was the major factor in improving the balance of payments position in the previous year. Thus the unfilled gap in the balance of payments would rise to \$ 444 million in the current fiscal year. A very sizeable drawdown on reserves, therefore, looks unavoidable unless some agreement on debt rescheduling is reached and capital flows of an extraordinary nature secured during the course of year. Annexure IV contains the summary of balance of payments for 1978-79, 1979-80 and 1980-81.

Merchandise
EXPORTS

Annexure I

(\$ Million)

Items	1978-79	Annual Plan 1979-80	Provisional/ Actual 1979-80	Proposed Targets for 1980-81
VALUE				
Raw Cotton	66.20	231.00	335.50	393.36
Cotton Yarn	197.60	231.00	205.80	199.50
Cotton Cloth	215.60	220.00	244.10	235.20
Basmati Rice	135.36	175.00	225.50	245.00
Other Rice	206.04	218.50	196.70	236.20
Leather	126.00	135.00	127.70	155.00
Carpets and Rugs	178.20	185.00	222.00	250.00
POL Products	61.40	152.00	178.20	225.00
Fish and Fish Preparations	46.60	50.00	53.60	60.00
Others	476.00	522.50	575.90	600.74
Total	1,709.00	2,120.00	2,365.00	2,600.00
QUANTITY*				
Raw Cotton	54.60	191.10	250.80	306.90
Cotton Yarn	97.90	110.00	99.80	105.00
Cotton Cloth	531.80	550.00	545.80	560.00
Basmati Rice	181.40	250.00	314.80	350.00
Other Rice	833.60	950.00	771.80	875.00
Leather	12.50	13.40	10.45	12.00
Carpets and Rugs	2.50	2.50	2.73	2.73
POL Products	560.00	856.00	1,036.52	1,200.00
Fish and Fish Preparations	13.60	14.50	13.20	13.20
UNIT PRICE (\$)				
Raw Cotton	1.20	1.20	1.34	1.28
Cotton Yarn	2.00	2.10	2.06	1.90
Cotton Cloth	0.40	0.40	0.45	0.42
Basmati Rice	746.20	700.06	716.00	700.00
Other Rice	247.20	230.00	254.90	270.00
Leather	10.10	10.10	12.46	12.92
Carpets and Rugs	71.28	74.00	81.32	91.60
POL Products	109.60	177.50	172.00	187.50
Fish and Fish Preparation	3.43	3.45	4.06	4.54

*Raw Cotton, Cotton Yarn and Fish in Million Kg., Cotton Cloth, Leather and Carpets in Million Sq. Metre, Rice and POL Products in thousand tonnes.

MERCHANDISE IMPORTS

(\$ Million)

	1978-79 (Actual)	1979-80 (Actual/ Provisional)	1980-81 (Projections)
Wheat	311	93	97
Edible Oils	243	247	264
Fertilizers	273	418	400
Pesticides	16	9	—
POL	611	1,237	1,509
Imports financed from Project Aid/Equity	526	605	631
General Private Sector Imports	1,339	1,450	1,550
Others	835	980	1,102
Total Imports (C&F)	4,154	5,039	5,553
Less freight and Insurance	338	408	462
Total Imports (fob)	3,816	4,631	5,091

CURRENT INVISIBLES

Annexure III

(\$ Million)

	1978-79 (Actual)	1979-80 (Actual/ Provisional)	1980-81 (Projec- tions)
<i>Receipts</i>	2,006.5	2,558.6	2,797.6
(a) Non-Factor Services	462.8	661.9	711.6
(i) Freight and Insurance	2.7	3.8	4.0
(ii) Other transportation and travel	320.2	439.9	477.6
(iii) Others	139.9	218.2	230.0
(b) Factor Services	1,543.7	1,896.7	2,086.0
(i) Private transfers	1,496.8	1,845.7	2,028.0
(ii) Investment Income	46.9	51.0	58.0
<i>Payments</i>	984.4	1,237.1	1,401.8
(a) Non-Factor Services	703.1	868.9	978.6
(i) Freight and Insurance	339.5	407.7	462.0
(ii) Other transportation and travel	188.5	256.3	288.8
(iii) Others	175.1	204.9	227.8
(b) Factor income payments	281.3	368.2	423.2
(i) Private Transfers	0.7	0.6	0.8
(ii) Investment Income	280.6	367.6	422.4

SUMMARY BALANCE OF PAYMENTS

(\$ Million)

	1978-79 (Actuals)	1979-80 (Actual/ Provisional)	1980-81 (Projections)
A. Trade Balance	-2,170	-2,290	-2,541
(a) Exports (fob)	1,646	2,341	2,550
(b) Imports (fob)	3,816	4,631	5,091
B. Current Invisibles	1,057	1,327	1,398
(a) Receipts	2,006	2,559	2,798
(b) Payments	949	1,232	1,400
C. Current Account Balance	-1,113	-963	-1,143
D. Capital Account	833	1,311	699
(a) Long term Capital (net)	728	1,081	775
(i) Aid	(888)	(976)	(1,126)
(ii) Amortization	(-223)	(-350)	(-413)
(iii) Other including private long term	*(63)	(*455)	*(62)
(b) Short term and trade credits (net)	151	54	58
(c) Special flows	—	**220	—
(d) IMF transactions***	-46	-44	-134
E. Errors and Omissions	10	-18	—
F. GAP/change in reserves	-270	+330	-444

* Includes IMF Trust Fund of \$ 71 million, \$ 157 million and \$ 10 million in the three years in sequential order and Saudi contribution to Zakat Fund of \$ 200 million 1979-80.

** Saudi and Kuwaiti Deposits.

*** Excludes Trust Funds.

CHAPTER 6

CONSUMPTION AND NUTRITION PLAN

REVIEW OF 1979-80

The availability of essential consumer items covered in the Consumption Plan depicted a mixed trend during 1979-80. The over-all impression is one of a small gain in *per capita* consumption. However, the Government took measures through imports of sugar and improvements in the distribution network to prevent shortages of essential consumer items.

2. An assessment of the trends in consumption is rendered difficult by deficiencies in data. Only that portion of the transaction that passes through Government is known with some certainty and even in these cases the large number of institutions and centres involved in procurement, storage and distribution makes it possible that some errors in the reporting of data or its aggregation enters the statistics. Information pertaining to private sector is open to various degrees of uncertainty. Estimates of the production of major crops in the country could be in error and occasionally do not seem to conform to market behaviour. Other private flows such as changes in stocks of producers, traders and consumers in the private sector are only indirectly known in stray cases. Again, the amount of and trend of illegal flows to and from the country are not known.

3. In order to simplify the estimation of *per capita* availability, a change in accounting has been carried out in some cases this year which are described later below. This change will lead to more reasonable estimates as far as Government operations are concerned. Problems relating to private sector accounting are almost intractable but to even out the movements in private stocks a three year moving average trend has been shown in Annexure-XII. In case of wheat and rice, after deducting seed, feed and wastage and the quantities procured by government from total production, the amount available with the private sector has been obtained to which has been added the offtake from government stocks in order to arrive at the quantities available for consumption.

4. The production target for 1979-80 did not materialize for most of the items included in the consumption plan; therefore, the anticipated consumption level could not be achieved. A comparative statement showing achievements and shortfalls for different consumption items is given in Table-I.

TABLE I

Plan Target (1979-80) achievements & shortfalls

Commodities	Unit	PCA* 1979-80 (Target)	PCA* 1979-80 (actual)	%age achieve- ment or shortfall
1. Wheat	Kgs/annum	123.20	116.27	(-) 5.63
2. Rice	Do.	25.40	23.60	(-) 7.09
3. Pulses	Do.	7.44	7.05	(-) 5.24
4. Sugar (Refined)	Do.	9.37	8.72	(-) 6.94
5. Sugar (Raw)	Do.	21.12	20.96	(-) 0.76
6. Vegetable ghee and oil	Do.	7.24	6.43	(-) 11.19
7. Milk	Do.	54.44	54.50	(+) 0.11
8. Meat	Do.	10.27	10.27	0.00
9. Tea	Do.	0.81	0.76	(-) 6.17
10. Cloth (Synthetic and cotton)	Sq. m/annum	14.98	14.21	(-) 5.14

*PCA : *Per Capita Availability.*

5. Availability of wheat is estimated to have declined despite the very good crop of 1978-79 which was available for consumption during 1979-80. Per capita availability is estimated to have gone down by 3.9 percent although domestic output increased by 18.8 per cent. Although imports were reduced from 2.1 million tons in 1978-79 to 0.6 million tons, no shortage of wheat was experienced during the year and the prices were reasonably in line with official sales prices; it is, thus,

unlikely that per capita consumption actually declined. The discrepancy between the reported figures and actual behaviour may be due to a number of factors including the possibilities that production was even larger than estimated, private stocks were run down substantially or smuggling to neighbouring countries was reduced.

6. Per capita availability of rice during 1979-80 is estimated to decline by 0.5% over 1978-79 due to the poor crop. The level of production achieved during 1978-79 could not be maintained and is estimated to have declined by 1.5% in 1979-80. On the other hand, procurement of rice by the Government for export declined proportionately, thus maintaining per capita availability at 23.60 kg/annum, marginally low compared to the previous year.

7. Production shortfalls adversely affected the domestic availabilities of pulses and sugar. Per capita availability of pulses is estimated to be reduced by 9.00% during 1979-80. The decline was mainly due to the poor gram crop in 1978-79 available for consumption in 1979-80. Production of sugarcane declined by less than 1 percent; production of refined sugar declined by 5.11% and its *per capita* availability declined by about 2 per cent. Production of raw sugar increased by 1.4%, but its *per capita* availability declined by 1.6%. Availability of sugar would have declined substantially over the previous years and supplies not been augmented through imports of refined sugar. *Per capita* availability of sugar would have remained around 28.00 Kg/annum on the basis of domestic supply but imports of 0.200 million metric tons enhanced availability to 29.68 Kgs/annum and still remained lower than the previous year by about 1.7 per cent.

8. Production of vegetable ghee increased, marginally by 6% over the previous year. The availability target fixed for 1979-80 could not be achieved due to comparatively less imports although there was increase in the availability of edible oil from local production. Per capita availability of vegetable ghee and refined oil depicted a nominal change in the level of 6.22 Kgs/annum achieved in the previous year.

9. All consumption items related to livestock and poultry *i.e.* meat, poultry meat, milk etc. are estimated to increase steadily, showing an increasing trend in the overall per capita availability of these items individually. However, domestic production of milk declined marginally over the previous year but imports of dry milk increased overall consumption level.

10. *Per capita* availability of cloth, including synthetic cloth increased by 11% during the year; availability of synthetic cloth declined but relatively the availability of cotton cloth increased thereby increasing total availability.

CONSUMPTION PLAN 1980-81

11. The Annual Plan for 1980-81 aims at providing a reasonable increase in the availability of basic foods and other items of consumption. Table-II gives a comparison of *per capita* availability in 1979-80 over the previous year and availabilities of different consumption items projected for 1980-81.

TABLE II

Per Capita Availability 1978-79 and 1979-80 and Target for 1980-81

Commodities	Unit	PCA 1978-79 (Actual)	PCA 1979-80 (actual)	PCA 1980-81 (Target)	%age change in 1979-80 over 1978-79	%age change in 1980-81 over 1979-80
Wheat	Kgs/annum	121.00	116.27	120.39	(-) 3.91	3.54
Rice	Do.	23.72	23.60	24.39	(-) 0.51	3.35
Pulses	Do.	7.74	7.05	5.13	(-) 8.91	(-) 27.23
Sugar (refined)	Do.	8.89	8.72	9.40	(-) 1.91	7.80
Sugar (Raw)	Do.	21.29	20.96	21.11	1.55	0.72
Vegetable ghee and oil	Do.	6.22	6.43	6.79	3.38	5.60
Milk	Do.	52.94	54.50	55.15	2.95	1.19
Meat	Do.	10.04	10.27	10.53	2.29	2.53
Tea	Do.	0.78	0.76	0.79	(-) 2.56	3.95
Cloth (Synthetic and cotton)	Sq. m/annum	12.80	14.21	15.20	11.02	6.97
Annual weighted rate of growth					0.94	2.71

Wheat

12. The estimated production of wheat in 1979-80 available for consumption in 1980-81 is 10.76 million metric tons which is higher than what was available for consumption from domestic sources as well as imports in 1979-80. Domestic supply will be added by 0.500 million metric tons of imports, increasing per capita availability by 3.5% from 116.27 Kg/annum to 120.39 Kg/annum. An increased supply of wheat during the year would need more storage capacity in order to ensure uniform supply of wheat at all the places throughout the year. Existing storage capacity will be increased substantially, both in the private and public sectors.

Rice

13. Availability of rice for domestic consumption is projected at 2.01 million metric tons due to an increase of 7.7 percent in the estimated production over 1979-80. The steps that have been taken to increase production include enhancement in Government procurement prices of different varieties of rice by 17 to 20 per cent as an incentive to growers. Slightly higher exports of rice are proposed during the year but on the whole net availability would improve. With a production target of 3.47 million metric tons and procurement of 1.25 million metric tons for export, the *per capita* availability is estimated at 24.39 kgs/annum for the year 1980-81 which would be 3.5 percent higher than 1979-80.

Pulses

14. Production of pulses has been following a downward trend and availability of gram alone in 1980-81 (production in 1979-80) is expected to decline further while the anticipated increase in the production of other pulses will not be able to improve overall supplies. As such per capita availability of pulses is likely to decline in 1980-81 over 1979-80 by 27.23 percent from about 7 Kg. to 5.13 Kg. per annum.

Sugar

15. The production in 1980-81 is estimated at 0.75 million metric tons on the basis of an anticipated good sugar cane crop of 29.7 million metric tons. Domestic production of sugar will be supplemented by 0.025 million metric tons of imports. Per capita availability of refined sugar forecast for 1980-81 is estimated to increase by 7.80% but availability of raw sugar will also increase and as such overall availability is expected to increase by 2.8 percent from 29.68 Kg. to 30.51 Kg per annum.

Vegetable Ghee

16. Availability of edible oil, both from local and external sources, is estimated at about 0.74 million metric tons during 1980-81 as compared to 0.64 million metric tons in the previous year. Per capita availability of vegetable ghee and refined oil is expected to increase by 5.6% in 1980-81 from 6.43 to 6.79 Kg. Consumption of refined oil is steadily increasing on account of the price differential between vegetable ghee and refined oil. Consumption of refined oil is expected to increase from 0.85 to 0.97 Kg. per annum *i.e.* an increase of 3 percent and consumption of vegetable ghee from 5.58 to 5.82 Kg. *i.e.* an increase of 4 percent.

Milk

17. Domestic production of milk is declining inspite of efforts to boost milk production, preservation and distribution. But overall availability is steadily increasing due to larger imports of powder milk. Per capita consumption of milk is projected to increase by about one percent from 54.50 Kgs/annum in 1979-80 to 55.15 Kgs/annum during 1980-81.

Meat

18. Availability of meat increased by 2.3% during 1979-80 and a further increase of 2.53% is estimated during 1980-81 which is estimated to bring the consumption level at 10.53 Kgs/annum per person from 10.27 Kgs.

Tea

19. Tea is a very common drink and has become an important constituent in the diet of the common man. Per capita consumption of tea has declined by 2.56% during 1979-80 while it is projected to increase by 3.95% during 1980-81 over the current year from 0.76 to 0.79 Kg. per annum.

Cloth

20. The availability of cotton cloth is projected to increase moderately but per capita availability of synthetic cloth is likely to increase substantially. Availability and consumption of synthetic cloth is sharply increasing thus increasing overall *per capita* availability of cotton and synthetic cloth. *Per capita* availability of cotton and synthetic cloth is anticipated to increase by 6.97% from 14.21 sqm/annum in 1979-80 to 15.20 sqm/annum in 1980-81.

NUTRITION PLAN 1980-81**Review 1979-80**

21. Overall per capita intake of calories and protein during 1979-80 remained almost constant and no significant increase is observed over the previous year primarily due to decline in the availability of some of the consumption commodities. *Per capita* intake of wheat being the major source of protein-calories, declined by about 4.0% in 1979-80, reducing a little protein-calories intake, increased intake of other commodities maintained the nutrient level of 1978-79. Protein intake of 56.77 gms. per person per day is estimated during 1979-80. Similarly calorie intake also remained below the fixed target. However these intakes are adequate for an average Pakistani.

22. A successful attempt was made to establish national standards for minimum daily requirement of different nutrients and growth norms for Pakistani population. The plan targets of *per capita* protein and calorie availability are more than the per capita daily nutritional requirements according to these established standards. However, the problem of malnutrition still remains mainly due to inter and intrafamilial maldistribution. National Growth Standards for nation's intrafamilial young one's have been developed which would be helpful in determining the early detection of malnutrition cases and growth pattern in early years of age when mortality is the highest.

23. *Atta Fortification Project*.—The project could not mature because of USAID's withdrawal of assistance. An alternate agency has yet not been lined up to provide assistance.

24. *Salt Iodization*.—Infrastructure and machinery fabrication has been completed at Peshawar and experimental production is likely to commence during 1980-81.

25. *Nutrition Education Through Mass Media*.—Nutrition Education Programme was initiated during the year and, as a first step, base-line survey of the programme has been completed. The second phase of delivering nutritional messages on radio is likely to start early next year.

26. *Research Project*.—In order to avert PCM disorder among masses in general and vulnerable groups in particular a study on supplemental food mixes has been completed with the assistance of UNICEF. More than 25 varieties of mixes are developed and nutritionally evaluated.

Annual Plan 1980-81

27. Per capita intake of calories and protein is linked with availability of essential food items. An integrated set of policies proposed during the plan period is anticipated to improve average per capita protein-calories intake. During 1980-81, an average of 2277 calories and 57.56 grams of protein per person per day will be available through essential food items which will improve estimated intakes by slight margin over the previous year.

28. *Protein-Calories*.—Malnutrition is the most prevalent nutritional disorder in general and vulnerable groups in particular. Average per capita estimated protein-calories intake for the year 1980-81 compared with the average per capita requirement indicates that sufficient protein-calories are available; yet the problem of PCM seems to be prevalent mainly due to inter-family maldistribution and lack of nutrition education.

29. Keeping in view the Fifth Plan target, the priority is to increase the availability of essential food items on the one hand and on the other, to avert mal-distribution problems among different socio-economic groups/intra-family mal-distribution. As far as supply of basic food items is concerned, an integrated set of policies have already been initiated to boost production and consequently to stabilize supplies. Even by launching a package of policies to increase production on the consumption side the problem of Protein Calories malnutrition still remains unresolved.

30. High priority will be given to overcome third degree malnutrition. Health auxiliaries will provide a package of service to provide immediate relief besides nutrition education will be imparted. An experimental nutrition education programme has already been initiated during 1979-80 and on the basis of the experience gained, further expansion will be planned.

31. In order to ensure an adequate supply of protein-calories and other specific nutrients, as well as to avert third degree malnutrition, other programmes like development of low cost nutritional foods have been initiated with the assistance of UNICEF. This programme supported by the nutrition education campaign is expected to reduce third degree malnutrition.

32. Initially pilot projects will be started in order to estimate the efficiency of the programme which will in turn help to make an estimate of the magnitude of the problem and how best it can be tackled. As a first step, studies will be carried out in all the different regions to develop low cost nutritional foods most suitable to cultural and geographical conditions of the area. Also projects will be initiated to evaluate the composition of raw and cooked foods in all regions of the country.

33. *Nutrition Education Programme (nonformal)*.—The pilot project on nutrition education will be further geared during 1980-81 and a campaign will be launched through radio in the experimental areas by broadcasting messages. The effectiveness of the campaign will be evaluated at the end of the year.

34. *Nutritional Education through Formal School System*.—Efforts have been made to incorporate Human Nutrition in the curricula of Field/Stock Assistants through the Third Education Project and courses in Human Nutrition are proposed to be included in the school Curriculum.

35. *Specific Nutrient Deficiency*.—Efforts will continue to supply iodized salt to the worst affected areas. Also in order to overcome iron deficiency, a study to find etiology of nutritional anaemia and bioavailability of iron will be carried out. Recommendations for the iron enrichment of foods will be based on the results of these studies. Special attention will also be given to ameliorate the nutritional status of vulnerable groups i.e. infants, children, pregnant and lactating mothers. For this purpose various programmes such as supplementary feeding will be undertaken to reduce both protein-calories malnutrition and infant mortality.

36. *Goitre Control*.—A salt iodization plant is being planned to be installed at Khewra which is expected to meet the requirement of 20 million people. This would cover the entire area of goitre endemicity in NWFP and parts of Punjab upto Jhelum. For this purpose a market research study has been designed which would be undertaken in early 1981 to determine the size of the plant, distribution and consumption of salt etc.

REQUIREMENT AND AVAILABILITY OF WHEAT
(May—April)

	(000 M. Tons)		
	1978-79 (actual)	1979-80 (estimate)	1980-81 (Target)
1. Production*	8367	9944	10758
2. Deduction @ 10% (Seed, feed, wastage)	837	994	1076
3. Government Procurement	1086	2376	2951
4. Off take from Government stock	2977	2746	3200
5. Available with private sector	6444	6574	6731
6. Net availability	9421	9320	9931
7. Population	(71.86)	(80.16)	(82.49)
8. Per capita availability			
(i) Kgs/annum	121.00	116.27	120.39
(ii) Gms/day	332	319	330

*A one year lag has been taken between production and consumption.

Annexure II

REQUIREMENT AND AVAILABILITY OF RICE

(July—June)

	(000 M. Tons)		
	1978-79 (actual)	1979-80 (Estimate)	1980-81 (Target)
1. Local Production	3272	3225	3470
2. Deduction @ 6% (Seed and wastage)	196	193	208
3. Government Procurement	1229	1137	1250
4. Available for Domestic Consumption	1847	1892	2012
5. Per capita availability :			
(i) Kgs/annum	23.72	23.60	24.39
(ii) gms/day	65	65	67

Annexure III

PER CAPITA AVAILABILITY OF TOTAL FOOD-GRAINS

	(Kgs/annum)		
	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
1. Wheat	121.00	116.27	120.39
2. Rice	23.72	23.60	24.39
3. Maize	8.61	9.17	9.58
4. Other food grain	7.54	6.87	7.73
Total (Food Grain)	160.87	155.91	162.09

Annexure IV

REQUIREMENT AND AVAILABILITY OF PULSES

(July—June)

	(000 M. Tons)		
	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
1. Production :			
(i) Gram*	614	538	310
(ii) Other Pulses	201	218	235
2. Deduction for Seed, Feed and Wastage :			
(i) Gram @ 31%	190	167	96
(ii) Other pulses @ 11%	22	24	26
3. Net availability of gram and other pulses	603	565	423
4. Per capita availability (kg/annum)	7.74	7.05	5.13

*One year lag has been taken between production and consumption

Annexure V

REQUIREMENT AND AVAILABILITY OF SUGAR

(December—November)

	(000 M. Tons)		
	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
Sugar Cane :			
1. Production	27326	27200	29670
2. Deduction for seed, feed and wastage @ 10%	2733	2720	2967
3. Cane crushed	6174	5810	7365
4. Available for raw sugar production	18419	18670	19338
Refined Sugar :			
1. Opening stock	158	73	150
2. Production	607	576	750
3. Imports	—	200	25
4. Closing stock	73	150	150
5. Net availability	692	699	775
6. Per capita availability (Kg/annum)	8.89	8.72	9.40
Raw Sugar :			
1. Production @ 10% recovery	1842	1867	1934
2. Deduction for animal feeding @ 10%	184	187	193
3. Net availability	1658	1680	1741
4. Per capita availability (Kg/annum)	21.29	20.95	21.11
5. Total per capita availability (Raw and Refined Sugar) (Kg/annum)	30.18	29.68	30.51

Annexure VI**PRODUCTION OF VANASPATHI AND REQUIREMENT OF EDIBLE OIL**

(July—June)

(000 M. Tons)

	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
A. OIL AVAILABILITY :			
1. Opening Stock	53	40	40
2. Local Production	192	255	281
3. (i) From Cotton Seed	95	149	158
(ii) From Other Seeds	97	106	123
4. Imports	361	345	415
Total Availability	606	640	736
B. USES :			
1. Industrial Use	50	55	60
2. Direct Consumption and Poly unsaturated oil	62	68	80
3. Required for vanaspathi	454 (422)	477 (447)	520 (480)
4. Closing Stocks	40	40	76
Total Uses	606	640	736
C. PER CAPITA AVAILABILITY :			
1. Vegetable Ghee (Kg/annum)	5.42	5.58	5.82
2. Refined oil including direct consumption (Kg/annum)	0.80	0.85	0.97
3. Total <i>per capita</i> availability (Kg/annum)	6.22	6.43	6.79

Annexure VII**NET PRODUCTION DATA FOR EDIBLE OIL**

(000 M. Tons)

	1978-79 (Actual)		1979-80 (Estimate)		1980-81 (Target)	
	Seeds	Oil	Seeds	Oil	Seeds	Oil
1. Cotton	795	95	1245	149	1315	158
2. Rape and Mustard	226	75	251	83	279	92
3. Ground Nut	34	14	38	15	56	22
4. Sesamum	18	7	17	7	17	7
5. Others	2	1	2	1	5	2
Total	1075	192	1553	255	1672	281

Annexure VIII

REQUIREMENT AND AVAILABILITY OF MILK

(July—June)

(000 M. Tons)

	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
1. Production	7154	7299	7452
2. <i>Per capita</i> production (Kgs/annum)	91.88	91.06	90.34
3. 55% consumed as fresh milk	3935	4014	4099
4. Dry milk imported*	187	355	450
5. Net availability	4122	4369	4549
6. <i>Per capita</i> availability (Kgs/annum)	52.94	54.50	55.15

*One ton of dry milk is equivalent to 10 tons of liquid milk.

Annexure IX

REQUIREMENT AND AVAILABILITY OF MEAT AND POULTRY MEAT

(July—June)

(000 M. Tons)

	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
Total production	782	823	869
<i>Per capita</i> availability (Kgs/annum)	10.04	10.27	10.53

Annexure X

REQUIREMENT AND AVAILABILITY OF TEA

(July—June)

(Million Kgs)

	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
1. Imports	61.12	60.91	65.00
2. <i>Per capita</i> availability (Kgs/annum)	0.78	0.76	0.79

REQUIREMENT AND AVAILABILITY OF CLOTH

(July—June)

	1978-79 (Actual)	1979-80 (Estimate)	1980-81 (Target)
A. Yarn (Million Kgs) :			
1. Opening stocks	15	15	15
2. Production	328	365	380
3. Export of yarn	98	100	105
4. Required for Hosiery	11	11	12
5. Consumed by mill sector	48	50	51
6. Closing stocks	15	15	15
7. Available for non-mill sector	171	204	212
B. COTTON CLOTH (Million Sq. meters) :			
1. Opening stocks	75	55	53
2. Total production	1536	1776	1844
(i) Mill sector*	339	348	360
(ii) Non mill sector*	1197	1428	1484
3. Export of cloth	532	546	560
4. Export of cloth, bags/etc. knitted fabric etc., bed sheet, readymade garments	260	300	305
5. Closing stocks	55	53	50
6. Available for domestic consumption	764	932	982
7. Per capita availability (Sq. meter/annum)	9.81	11.63	11.90
C. SYNTHETIC CLOTH :			
1. Production of yarn (mln. kgs)	4.0	4.0	5.50
2. Import of yarn (mln. kgs) (a)	18.00	15.00	20.00
3. Total Yarn (mln. Kgs)**	22.00	19.00	25.50
4. Production of cloth (M. sq. meter)	242	209	280.50
5. Import of cloth (M. sq. meter)	1.14	2.00	2.00
6. Exports of cloth (M. sq. meter)	10.18	4.00	10.00
7. Net availability	232.96	207.00	272.50
8. Per capita availability (Sq. meter/annum)	2.99	2.58	3.30
Total Cloth Per Capita Availability :			
Cotton and Synthetic (sq. meter/annum)	12.80	14.21	15.20

* One Kg of cotton yarn = 7.0 sq. meters of cloth.

** One Kg of synthetic yarn = 11.0 sq. meters of cloth.

(a) Imports may be higher. These figures are reported by Statistics Division.

THREE YEAR MOVING AVERAGE OF PER CAPITA AVAILABILITY OF DIFFERENT ITEMS OF CONSUMPTION

Commodities	Unit	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Wheat	Kg/Annum	—	—	114.10	112.75	112.72	115.56	118.51	119.94	119.20
Rice	Do.	—	—	—	—	24.45	25.32	25.65	23.94	23.90
Bones	Do.	7.37	8.30	8.34	8.17	7.95	7.95	8.10	7.68	6.64
Sugar (Refined)	Do.	8.31	8.13	8.16	8.39	8.94	9.39	9.51	9.17	9.80
Sugar (Raw)	Do.	19.88	19.22	18.52	19.10	20.07	21.24	21.65	21.26	21.12
Vegetable Ghee and Oil	Do.	4.01	4.25	4.53	4.78	5.11	5.15	5.65	5.95	6.48
Milk	Do.	—	—	53.59	53.83	54.05	54.70	54.88	54.18	54.20
Meat	Do.	—	9.08	9.19	9.33	9.47	9.64	9.83	10.02	10.28
Tea	Do.	0.48	0.52	0.62	0.68	0.72	0.75	0.77	0.79	0.78
Cloth (Cotton)	Sqm/Annum	10.97	11.91	13.06	14.99	13.51	12.76	11.69	11.24	10.17
Cloth (Synthetic)	Do.	—	—	—	—	—	2.61	2.35	2.95	2.97

CALORIFIC VALUE OF CONSUMPTION LEVEL FOR 1980-81

(Per capita per day)

Items	1979-80			1980-81		
	Qty. Consumed per day per person (gms)	Calories (K. cals)	Protein (gms)	Qty. Consumed per day per person (gms)	Calories (K. cals)	Protein (gms)
TOTAL CEREALS	427.74	1515	42.48	444.09	1576	44.14
Wheat	318.55	1128	33.45	329.84	1168	34.63
Rice	64.65	228	4.85	66.82	236	5.01
Maize	25.12	91	2.39	26.25	95	2.49
Other cereals	18.82	68	1.79	21.18	77	2.01
PULSES	19.31	69	4.06	14.05	49	3.02
Gram	12.68	47	2.54	7.11	26	1.42
Other Pulses	6.63	22	1.52	6.94	23	1.60
SUGAR	82.71	300	—	83.59	303	—
Refined	25.29	98	—	25.75	100	—
Raw	57.42	202	—	57.84	203	—
FATS AND OILS	17.28	154	—	18.61	166	—
Vegetable ghee	14.68	131	—	15.95	142	—
Refined oil	2.60	23	—	2.66	24	—
MEAT	28.13	62	4.83	28.85	65	4.96
Beef	12.95	31	2.42	12.75	31	2.42
Mutton	13.64	29	2.41	14.38	31	2.54
Poultry	1.54	2	—	1.72	3	—
MILK	149.32	117	5.38	151.10	118	5.44
Total	—	2217	56.77	—	2277	57.56

CHAPTER 7

PRICE SITUATION

Since 1972, both national and international factors have combined to maintain an upward pressure on prices in Pakistan. The more important of these factors are devaluation of rupee in 1972, worldwide stagflation and energy crisis, large import of costly commodities due to production shortfall, budgetary deficits, sharp monetary expansion and imperfect marketing system. The average annual rate of inflation during 1972-75 was as high as 24 per cent, but it tapered off to the single digit range of 6-9 per cent during 1975-79.

Price Trends, 1979-80

2. Owing to the combined impact of the post budgetary measures announced by the Government and the increased demand for some of the essential commodities during the month of Ramzan, fiscal year 1979-80 started with a high inflationary overtone. Prices remained under immense pressure during the months of July and August when the economy witnessed a high rate of inflation of nearly 7.0 per cent. In the subsequent period, inflationary pressure gradually softened because of the anti-inflationary campaign launched by the Government in mid-October, 1979. Thereafter, price situation remained generally satisfactory till the OPEC induced price increases in the case of crude oil and petroleum products at the end of December, 1979. Prices then started rising again and the consumer price index registered an increase of about 3.9 per cent in the third quarter of January-March, 1980 as against a price decline of 2.1 per cent recorded in the second quarter of October-December, 1979. The price increase for the last quarter ending June, 1980 was of the order of 2.3 per cent and the overall consumer price increase for the whole year aggregated to 11.2 per cent.

3. The rate of inflation during 1979-80 was kept, more or less, within manageable limits mainly because of the further consolidation of the recovery trend in the growth of real output, particularly in the commodity producing sectors of agriculture and industry and adoption of timely and appropriate regulatory measures for stabilising the prices of essential commodities.

4. Table I below summarises the rate of increase in the wholesale price index, consumer price index and sensitive price indicator (28 essential commodities) during 1979-80. The month-wise details in respect of these three indices are given in Annexure I to II.

TABLE I

Price Increases during 1974-80

Base : 1969-70 = 100

Period	Wholesale Price Index	Consumer Price Index	Sensitive Price indicator
June, 1974	186.68	174.94	184.78
June, 1975	227.99	214.39	230.09
June, 1976	241.46	227.01	230.92
June, 1977	260.77	247.40	255.75
June, 1978	270.63	265.15	264.62
June, 1979	301.91	289.81	289.79
June, 1980	332.92	322.36	321.30
1972-75 (June/June) Yearly Average	27.22	24.19	26.67
1975-77 (June/June) Yearly Average	7.19	7.70	5.58
Percentage Change in June 78/June 77	3.78	7.17	3.47
Percentage Change in June 79/June 78	11.56	9.30	9.51
Percentage Change in June 1980/June 1979	10.27	11.23	10.87

Wholesale Price Index

5. The general wholesale price index rose by 10.3 per cent during the year 1979-80 as against a price rise of 11.6 per cent recorded during 1978-79. The time path of the rise in this index during 1979-80 was as follows :

(a) July—Sept., 1979	..	.. (+) 2.3 %
(b) October—Dec., 1979	..	.. (—) 0.6 %
(c) January—March, 1980	..	.. (+) 5.3 %
(d) April—June, 1980	..	.. (+) 3.1 %

6. The increase in the general index was mostly a result of inflationary pressures emanating from fuel, lighting and lubricants and manufactures groups, the indices of which rose by 86.6 per cent and 15.0 per cent, respectively.

7. In the fuel group, major price increases occurred in coal (94.8%), coke (22.0%), motor fuels (100.6%), and other oils (103.3%). The prices of sui gas and electricity also rose by 18.7 per cent and 22.2 per cent, respectively. The rise in these two items was mainly due to increases in their tariff rates at the time of the presentation of the preceding budget.

8. During the year 1979-80, the prices of POL products were revised upwards twice, following the price hike by OPEC countries. The first revision came with the budget which pushed up the group index by about 23.5 per cent while the second revision was carried out at the end of December, 1979 and resulted in an increase of 34.3 per cent in the group index. Marginal adjustments in the prices of fuels and other oils were also carried out in May, 1980.

9. In the manufactures group, main contributing items were iron and steel (23.3%) silk and rayon manufactures (17.2%), chemicals (43.3%), dyeing materials (42.4%), paints and varnishes (16.2%), soaps (28.5%), transport equipment (27.0%), tyres (17.1%), tubes (40.5%), matches (52.3%), papers (29.4%), cement (42.2%), fertilizers (42.9%), and boots and shoes (33.0%).

10. Costly imports of raw materials like synthetic rubber, caustic soda, tallow, coconut oil, soda ash, wood pulp and tobacco were responsible for the higher prices of manufactures like foot-wears, tyres & tubes, soap, paper and cigarettes etc.

11. Table II shows groupwise increase in the wholesale price index.

TABLE II
Wholesale Price Index

Base : 1969-70 = 100

Period	General	Food	Fuel, Lighting & Lubricants			Manufactures
			Raw Materials	Lighting & Lubricants	Manufactures	
June, 1974	186.68	189.38	189.10	222.50	172.91	
June, 1975	227.99	249.20	207.92	248.80	192.19	
June, 1976	241.46	255.05	248.00	263.99	207.38	
June, 1977	260.77	274.61	248.48	272.65	237.37	
June, 1978	270.63	288.96	277.32	272.63	231.55	
June, 1979	301.91	314.54	328.17	325.59	260.06	
June, 1980	332.42	323.33	323.54	607.63	299.18	
1972—75 (June/June) Yearly Average	27.22	31.15	23.32	30.55	21.66	
1975—77 (June/June) Yearly Average	7.19	5.10	9.76	4.80	11.76	
1977-78 (June/June)	3.78	5.23	11.61	(—) 0.1	(—) 2.45	
Percentage Change in June 79/June 78	11.56	8.85	18.34	19.43	12.31	
Percentage Change in June 80/June 79	10.27	2.79	(—) 1.40	86.62	15.04	

Consumer Price Index

12. The rate of inflation, based on the consumer price index, works out to about 11.2 per cent during the annual period from July 1979 to June, 1980. This increase is attributable to 17.3 per cent increase in the constituent miscellaneous group, followed by 16.9 per cent increase in housing and household operations group. The food and apparel, textile and footwear groups manifested price rises of 8.3 per cent and 6.5 per cent respectively.

13. Table III shows group-wise position of the consumer price index.

TABLE III
Consumer Price Index
Base : 1969-70 = 100

Period	General	Food Beverages and Tobacco	Apparel Textile and Foot-wears	Housing and Household Operations	Miscellaneous
June, 1974	174.94	181.29	192.04	158.91	162.67
June, 1975	214.39	225.66	228.52	192.64	196.17
June, 1976	227.01	232.00	247.89	213.00	216.79
June, 1977	247.40	256.08	257.29	230.35	233.36
June, 1978	265.15	274.19	270.54	247.50	253.07
June, 1979	289.81	292.48	288.22	270.00	302.73
June, 1980	322.36	316.73	306.97	315.56	355.22
1972—75 (June/June) Yearly Average	24.19	27.00	27.68	20.56	18.44
1975—77 (June/June) Yearly Average	7.70	6.74	6.30	9.79	9.48
1977—78 (June 78/June 77)...	7.17	7.07	5.15	7.45	8.45
Percentage Change in June 79/June 78	9.30	6.67	6.54	9.09	19.62
Percentage Change in June 80/June 79	11.23	8.29	6.51	16.87	17.34

14. Continuous shortfall in the production of sugar during the last two years led to increase in the issue price of sugar from Rs. 4.30 to 4.80 per kg. Upwards revision of the procurement price of sugarcane, twice in a year also had an adverse effect on the prices of Gur and Shakkar etc. and influenced the prices of manufactured goods using sugar as an input.

Sensitive Price Indicator

15. The sensitive price indicator of 28 essential commodities increased by 10.7 per cent during the year 1979-80. The quarterly spread of this increase is enumerated below :

- (a) July—September, 1979 (+) 7.13 %
 (b) October—December, 1979 (—) 3.46 %
 (c) January—March, 1980 (+) 3.09 %
 (d) April—June, 1980 (+) 3.98 %

16. Table IV shows the behaviour of Sensitive Price Index.

TABLE IV
Sensitive Price Indicator of 28 essential commodities
(Base : 1969-70 = 100)

Period	Industrial	Commercial	Government	General
June, 1974	185.67	185.21	182.81	184.78
June, 1975	230.42	231.06	277.60	230.09
June, 1976	231.01	231.99	228.47	230.92
June, 1977	253.35	258.14	253.36	255.75
June, 1978	261.85	266.58	263.60	264.62
June, 1979	286.83	292.93	286.43	289.79
June, 1980	317.31	325.39	317.12	321.30
1972—75 (June/June) Yearly Average	26.68	26.72	26.54	26.67
1975—77 (June/June) Yearly Average	4.98	5.86	5.66	5.58
Percentage Change in June 78/June 77	3.36	3.27	4.04	3.47
Percentage Change in June 79/June 78	9.54	9.88	8.66	9.51
Percentage Change in June 80/June 79	10.63	11.08	10.71	10.87

17. During the year under review, 22 out of 28 commodities registered price rises as against three commodities which recorded declines.

18. Prices of the following commodities increased more than the rate of inflation in the country during 1979-80.

TABLE V

Commodity	Percentage price increase over June 1979	Weight
Gram Pulse	65.88	0.78
Beaf Cow/Buff	11.87	2.42
Mutton goat	17.30	1.48
Mustard oil	17.68	0.70
Sugar Ration	11.63	3.32
Gur	25.58	0.11
Cigarettes K. Stork	20.88	2.87
Tea prepared	18.64	2.88
Voil	18.36	0.34
Kerosene oil	88.46	1.51
Firewood	13.22	2.23
Washing soap	19.91	1.80
Lifebuoy	18.33	0.51

19. Following commodities recorded price declines.

Commodities	Percentage decline	Weight
1. Potato	6.8	0.94
2. Onion	28.2	0.72
3. Red Chillies	27.4	0.70

Steps to Regulate Prices

20. Inflationary pressures continued being exerted during the year by monetary expansion, deficit financing and upward revision of the prices or rates of POL products, sugarcane, fertilizers, pesticides, electricity and sui gas. These pressures were moderated by good physical performance of the economy and adoption of timely and appropriate regulatory measures. The economy grew at a satisfactory rate of 6.2 per cent during the year and the commodity producing sectors of agriculture and industry recorded a joint growth rate of 6.7 per cent. In agriculture, cotton, maize and wheat set new production records. Effective anti-inflationary campaign launched in mid-October 1979 included measures of commercial policy as well as administrative price controls. These measures helped a great deal in cutting down profit margins of the middle men and reduced the prices of several essential commodities, particularly food items. In addition, the following measures were taken to regulate the price behaviour.

- (i) A number of essential commodities like wheat, sugar, cement, condensed milk and bulbs were imported to ensure fair prices of these commodities in the market.
- (ii) The National Logistics Board continued its operations to ensure speedy transportation of essential commodities like wheat, edible oil, fertilizers, POL and Cement.
- (iii) Several essential commodities were supplied at reasonable prices to consumers in the urban areas through the successful operation of 764 Utility Stores in the country.
- (iv) Additional markets are being established in Lahore, Rawalpindi, Faisalabad, Multan and Karachi. An open bazar established in Islamabad recently has been proved a success. Similar bazars are being set up in other important towns.
- (v) A price Consultation Mechanism was introduced, under which producers and importers of essential commodities not covered by the Price Control and Prevention of Profiteering and Hoarding Act 1977 were required to consult DG & PS of the Industries Division, 30 days in advance, if they intended to increase price of their products. It is hoped that this measure will have a sobering effect on the prices of essential commodities.

Forecast for 1980-81

21. The year 1980-81 is a crucial year for price stabilization. The initial period of the year would no doubt be under inflationary pressure because of the enhanced demand for some of the essential commodities during the month of Ramzan. The situation is, however, being kept under strict watch and a number of economic and administrative measures are being taken by the Federal and Provincial Governments to keep the price situation under control. Gains achieved in the production, particularly in the commodity producing sectors, will have salutary effect on the prices of some of the commodities produced in these sectors. The fiscal policy measures taken recently with regard to the correction of artificial price distortion will also have a desirable effect on prices. Economic pricing rather than explicit and implicit subsidies allowed on a host of goods and services will obviate the need for going beyond the safe limits of deficit financing. This will be reinforced by the removal of supply bottlenecks, containment of non-development expenditure and emphasis on the completion of on-going development projects so as to improve growth performance and alter further the growthmix in favour of commodity production.

INDEX NUMBER OF WHOLESALE PRICES BY GROUPS

(Base 1969-70=100)

Period	General	Food	Raw Materials	Fuel, Light- ing & Lubri- cents	Manufac- tures
June 1979	301.91	314.54	328.17	325.59	260.06
July	314.37	326.54	319.52	402.11	270.23
August	317.57	332.98	314.19	392.57	273.87
September	308.59	315.60	312.21	392.53	275.97
October	308.83	313.19	318.69	392.53	278.39
November	304.23	306.45	312.78	392.57	277.63
December	306.88	309.40	320.88	392.97	277.54
January 1980	317.18	313.58	322.36	527.93	278.15
February	316.99	310.46	323.15	527.76	283.17
March	323.15	314.51	323.73	527.84	297.32
April	324.59	314.85	328.35	527.84	299.65
May	325.50	317.26	325.77	530.18	299.02
June	332.92	323.33	323.59	607.63	299.18
Percentage Change in June 80/June 79	10.27	32.79	(-1.40)	86.62	15.04

INDEX NUMBER OF CONSUMER PRICES BY GROUPS

(Base: 1969-70=100)

Period	General	Food	Apparel textile foot-wears	Housing & household Operations	Manufac- tures
June 1979	289.81	292.48	288.22	290.00	302.73
July	308.36	318.03	292.84	297.54	319.18
August	310.47	318.30	301.22	309.37	323.48
September	309.90	315.42	304.27	299.99	326.69
October	310.87	325.64	305.30	291.70	328.95
November	304.30	301.63	289.82	290.77	339.01
December	303.32	299.37	302.66	291.25	338.37
January	307.76	301.02	303.66	298.96	339.89
February	310.70	305.82	303.38	301.12	339.74
March	315.23	313.19	305.35	302.18	340.40
April	320.84	319.97	305.74	303.88	349.39
May	317.86	314.28	302.60	305.78	349.77
June	322.36	316.73	306.97	305.56	355.22
Percentage Change in June 80/June 79	11.23	8.29	6.51	15.87	17.34

SENSITIVE PRICE INDICATOR OF 28 ESSENTIAL COMMODITIES

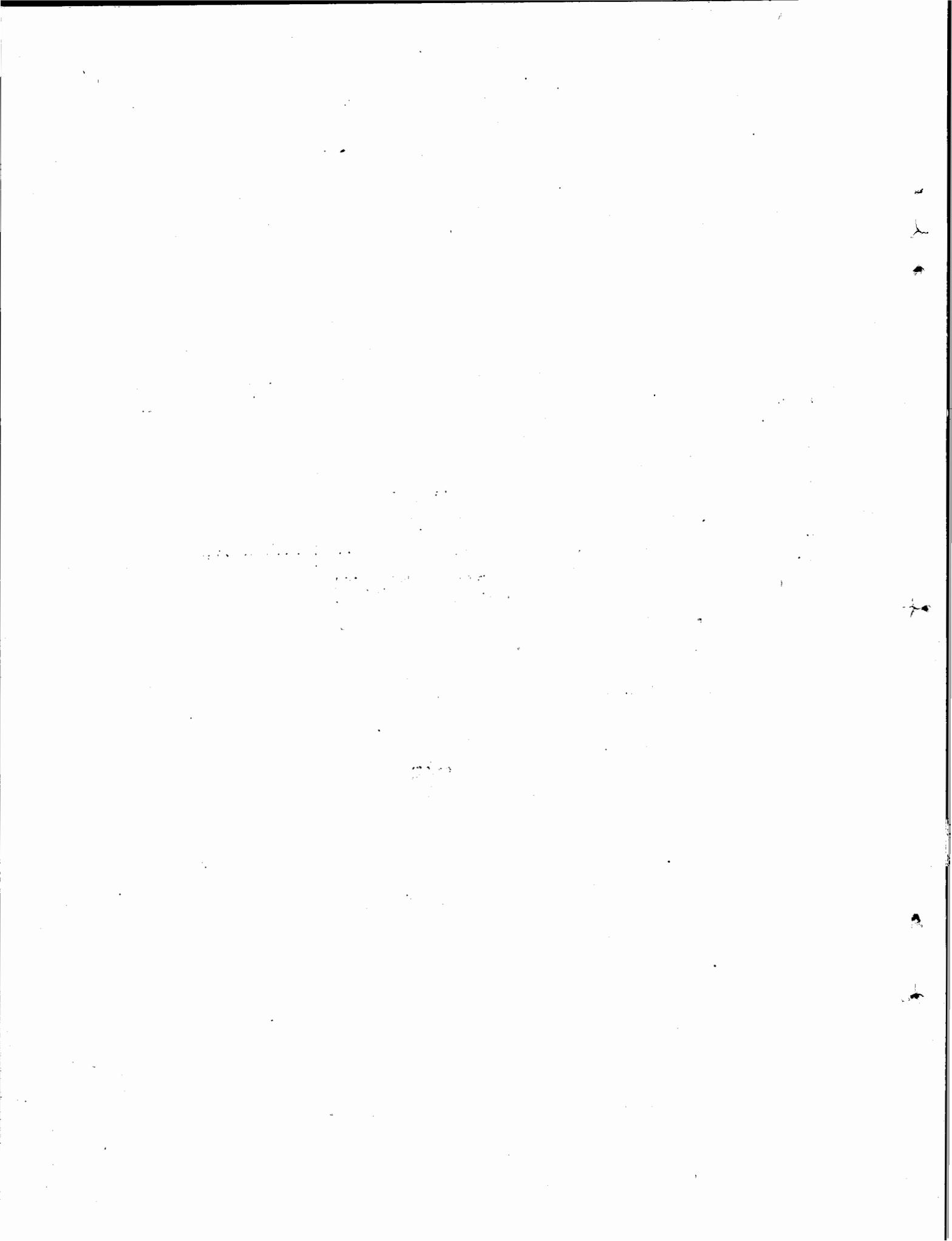
Base: 1969-70 = 100

Period	Industrial Workers	Commercial Workers	Govt. Employees	General
June 1979	286.83	292.93	286.43	289.70
July	301.70	308.51	299.21	304.53
August	305.29	314.60	301.82	309.15
September	307.03	315.30	304.04	310.47
October	305.22	313.10	302.23	308.47
November	296.20	305.96	296.01	301.03
December	295.41	303.99	295.55	299.72
January	298.36	308.38	300.05	303.75
February	299.36	309.62	301.31	304.93
March	302.71	314.29	304.88	308.99
April	306.19	317.14	307.62	311.99
May	309.61	319.77	310.84	314.97
June	317.31	325.39	317.12	321.30
Percentage Change in June 80/June 79	10.63	11.08	10.71	10.82

PART II

**PRODUCTION PROGRAMMES AND PHYSICAL
INFRASTRUCTURE**

(91-92)



CHAPTER 8

AGRICULTURE

Agriculture sector grew at the rate of 6.0 per cent during 1979-80 as compared to 4.1 per cent in the preceding year. Crop yields were generally high and record crops of wheat, maize and cotton were harvested during the year. Sugarcane production though less than the target, was also significantly higher than the previous year. Good weather prevailed both during the *rabi* and *kharif* seasons, and the incidence of pests and diseases was generally low. Fertilizer consumption increased substantially due to improvement in its availability and distribution arrangements. Interest free loans to small farmers and increase in the loaning operations augmented the use of production inputs. A number of educational programmes for the farmers were also impelmented. All these factors contributed to an acceleration in farm production. Details of agricultural development programmes follow :—

Financial Allocation

2. A sum of Rs. 1,429.30 million was provided in the Annual Development Programme, 1980-81 for the agriculture sector (excluding fertilizer subsidy) against Rs. 1181.76 million during 1979-80, showing an increase of 20.9 per cent. It is estimated that an amount of Rs. 831.15 million was utilized during 1979-80 *i.e.* about 70 per cent of ADP allocation.

3. The break-down of the allocation for 1980-81 by executing agency *vis-a-vis* allocation for 1979-80 is shown below :—

TABLE 1

Financial Allocations, 1980-81

Executing Agency	ADP 1979-80	Revised estimates 1979-80	ADP allocation 1980-81	Per cent increase/ decrease over 1979-80	
				ADP	Revised estimate \$
—million rupees—					
Federal	437.173	370.043	708.226	62.00	91.14
Baluchistan	57.578	50.211	64.720	12.40	28.90
NWFP	85.402	65.194	93.270	9.21	43.07
Sind	127.534	85.014	108.818	(—)14.68	28.00
Punjab	474.076	260.688	454.262	(—)4.18	74.25
Total	1181.763	831.150	1429.296	20.94	71.97

4. Decrease in the 1980-81 allocations in Sind and Punjab over the allocations for 1979-80 are due to the withdrawal of subsidy on pesticides which accounted for Rs. 49 million and Rs. 75 million, respectively, in the ADP, 1979-80. However, the allocations are substantially higher than the revised estimates for 1979-80. The sub-sector wise details of allocation for 1980-81 alongwith the allocation and revised estimates for 1979-80, may be seen in Annexures I—VII.

PHYSICAL ACHIEVEMENTS AND TARGETS

Crop Production

5. The estimated production of major crops during 1978-79, likely achievements during 1979-80 and targets for 1980-81 are shown in Table 2.

TABLE 2

Production Of Major Crops 1978-79, 1979-80 And Target For 1980-81

Crop	1978-79 (actual)	1979-80			1980-81 Target
		Target	Estimated achievement	percentage achieved	
		—thousand tonnes—		%	thousand tonnes
Total Foodgrains	14,713	15,626	15,511	99	16,610
Wheat	9,944	10,636	10,758	101	11,440
Rice	3,272	3,355	3,222	96	3,470
Maize	798	870	875	101	940
Other foodgrains	699	765	656	86	760
Sugarcane	27,326	30,340	27,200	90	29,670
Cotton (Lint)	473 (2662)	649 (3650)	741 (4170)	114	783 (4400)
Oilseeds	1,256	1,745	1,822	104	1,964
Cotton	946	1,298	1,482	114	1,566
Rape & Mustard	243	350	270	77	300
Groundnut	46	80	50	63	75
Seasamum	19	12	18	150	18
Others	2	5	2	40	5
Pulses	739	907	528	58	850
Gram	538	675	310	46	615
Mash	25	35	34	97	35
Moong	30	40	34	85	40
Masoor	39	45	40	89	45
Others	107	112	110	98	115

Note :—Figures in parenthesis indicate production of cotton lint in thousand bales.

6. Wheat production increased from 9.94 million tonnes in 1978-79 to 10.76 million tonnes in 1979-80, there by exceeding the target of 10.636 million tonnes. Analysis of the data indicates that about one-third of the increase was contributed by increase in area (which rose from 6697 thousand hectares to 6868 thousand hectares) while the remaining three-fourth increase was due to improvement in yield (which increased from 1485 Kg. per hectare in 1978-79 to 1566 Kg. in 1979-80).

7. Besides the general factors mentioned earlier wheat production also increased due to the continuation of the policy of exempting additional area brought under wheat crop from the payment of *abiana* and awards to growers obtaining the highest yield of wheat in each district.

8. Cotton production increased from 2.66 million bales in 1978-79 to 4.17 million bales in 1979-80, showing an increase of 57 per cent. The higher production came largely as a result of improvement in yield which was responsible for about 85 per cent of total increase in production. Additional area accounted for only about 15 per cent. A programme of maximisation of cotton through the adoption of improved practices was implemented both in Punjab and Sind.

9. Record production of 875 thousand tonnes of maize was obtained during 1979-80 as compared with 798 thousand tonnes during 1978-79. The improvement in production was because the crop remained by and large free from the attack of borer.

10. Sugarcane production decreased from a level of 27.33 million tonnes in 1978-79 to 27.20 million tonnes in 1979-80, showing decline of still less than half per cent. Shortage of cane supplies was faced by the mills which was partly made up by increasing the price of cane by Rs. 1.25 per maund in October 1979.

11. Rice production did not increase during 1979-80, being 3.27 million tonnes in 1978-79 as compared with 3.22 million tonnes in 1979-80. Thus the production was less than the target of 3.36 million tonnes, which was due mainly to shortage of irrigation water supply and mild attack of rice borer in certain areas.

Fertilizer

12. The fertilizer off-take target for 1980-81 has been fixed at 1.20 million nutrient tonnes (873 thousand nutrient tonnes of nitrogen, 307 thousand nutrient tonnes of phosphorus and 20 thousand nutrient tonnes of potash) as against the off-take of 1.04 million nutrient tonnes in 1979-80, showing an increase of 15.4 per cent over the off-take of the previous year. The off-take target for 1979-80 was 1.0 million nutrient tonnes. The province-wise off-take during 1979-80 and the target set for 1980-81 are shown in Table 3.

TABLE 3

Fertilizer Off-take During 1979-80 And Targets For 1980-81

Province	Off-take 1979-80	Off-take target 1980-81	Percentage share in off-take Target
—000 nutrient tonnes—			
Punjab	717.3	804	67
Sind	254.2	270	22.5
N.W.F.P.	67.2	108	9
Baluchistan	4.6	18	1.5
Total	1043.3	1200	100

13. The fertilizer use per cropped hectare is expected to increase from 54 nutrient Kgs. in 1979-80 to about 61 nutrient Kgs. in 1980-81. The nitrogen phosphorus ratio will improve from 3.5 : 1 in 1979-80 to 2.8 : 1 during 1980-81.

14. The estimated crop-wise use of fertilizer for 1977-78 to 1980-81 is shown in Table 4.

TABLE 4

Estimated Crop-wise Usage Of Fertilizer During 1977-78 Through 1980-81

Crop	1977-78	1978-79	1979-80	1980-81 (Target)
—000 nutrient tonnes—				
Wheat	346	422	501	576
Rice	87	106	125	144
Maize	50	62	73	84
Cotton	115	141	167	192
Sugarcane	79	79	94	108
Others	43	70	83	96
Total	720	880	1043	1200

15. The National Fertilizer Development Centre established in the Planning and Development Division, is dealing with various aspects of the development of fertilizer use. During 1979-80, the work on the following aspects was done.

- (a) Prepared short term and long term fertilizer projections.
- (b) Compared the economics of large versus small size urea fertilizer plant.
- (c) Organised national workshop for fertilizer research workers.
- (d) Arranged training programmes on fertilizer use for extension and soil fertility workers of various provinces.
- (e) Provided new fertilizer material to various provinces to be tested under Pakistan conditions and supplied equipment and vehicles for strengthening of Provincial soil fertility institutions.

During 1980-81, it has been proposed to

- (a) issue fertilizer situation reports for *Kharif* and *Rabi* crops ;
- (b) review fertilizer leakages and malpractices between ships and dealers and users ;
- (c) develop a linear cost model for fertilizer transportation ;
- (d) review fertilizer pricing subsidy and dealers commission ;
- (e) assess demand and propose sites for intermediate ware houses ;
- (f) assess utilization of credit at grass root level ; and
- (g) organise training workshops and to sponsor an international seminar on phosphate.

16. To achieve the targeted off-take of 1.2 million nutrient tonnes during 1980-81, following steps need to be taken :

- (a) Maintenance of abundant supplies of right types of fertilizer at the right time through timely imports ;

- (b) Streamlining and expanding the transport facilities from the factories to the fertilizer depots ;
- (c) Improvement in distribution machinery through expansion of rural outlets in remote areas ;
- (d) Farmer's education to promote the efficient and expanded use of fertilizers through farmer's education particularly in respect of the optimum fertilizer quantities and scientific methods of application.
- (e) Simplification of procedures and increased, availability of credit for fertilizers ; and
- (f) Maintaining fertilizer/crop price relationship at a level, which provides adequate incentive for increasing agricultural production.

Distribution of Improved Seeds

17. Against 59,107 tonnes seed of major crops distributed in 1979-80, seed distribution target for 1980-81 has been fixed at 84,203 tonnes, showing an increase of about 43 per cent. Crop-wise seed distribution programme for 1979-80 and 1980-81 and annual replacement requirement may be seen in Table 5.

TABLE 5
Seed Distribution Programme For 1979-80 And 1980-81

	Annual replacement/ requirement	1979-80 (Actual)	1980-81 (Target)
—tonnes—			
Cotton	54,104	15,383	22,394
Paddy	5,223	908	545
Maize	3,694	463	373
Wheat	111,940	41,017	60,268
Others	—	1,336	623
Total ..	174,961	59,107	84,203

18. Major increase is envisaged in wheat and cotton seeds. The wheat seed distribution would increase from 41,017 tonnes in 1979-80 to 60,268 tonnes in 1980-81 while cotton seed from 15,383 tonnes to 22,394 tonnes. In 1980-81 wheat and cotton seed would meet 54 per cent and 41 per cent of the seed replacement requirements, respectively. The performance of seed distribution programme of paddy, maize and other crops is much on the low side. Only 10 per cent of the replacement requirement would be met in case of paddy and maize seed in 1980-81. Generally, seed of high yielding varieties are spread from farmer to farmer. The annual seed distribution programme meets only a part of the replacement requirements *i.e.* 34 per cent of the requirements in 1979-80 and 48 per cent in 1980-81. Province-wise seed distribution programme for 1979-80 and 1980-81 may be seen in Annexure VIII.

19. Good quality seeds produced by the registered farmers are purchased at premium prices. Incidentals on seed procurement and distribution are also met by the Government in the form of subsidy. Subsidy per maund borne by the Provincial Governments in 1979-80 ranged between Rs. 6.50 to Rs. 22.00. The policy of subsidy on sale and premium on purchase of improved seed of different crops will continue during 1980-81. The rates of subsidy and premium for various seeds in the four Provinces are given in Annexure IX.

20. It is estimated that area under high yielding varieties of wheat increased from 4,684 thousand hectares in 1977-78 (74 per cent of the total wheat area) to 5,079 thousand hectares (76 per cent of the total wheat area) in 1978-79. It would further increase to 5,350 thousand hectares (78 per cent of the total wheat area) in 1979-80. Similarly, area under high yielding varieties of rice has increased from 852 thousand hectares (45 per cent of the total rice area) in 1977-78 to 1,015 thousand hectares (52 per cent of the total rice area) in 1978-79. It is expected that rice area would further increase to 1,100 thousand hectares (54 per cent of the total rice area) in 1979-80. It is estimated that area covered with seed of improved cotton varieties will increase from 47 per cent in 1979-80 to 60 per cent in 1980-81 in Punjab. Similarly, coverage in Sind will increase from 21 per cent to 44 per cent.

21. The Industries Division has allocated Rs. 5.2 million for 1980-81 for the on-going pilot project for the promotion of oilseed cultivation. The project envisages to increase area under non-traditional oilseed crops (soyabean, sunflower and safflower) from 6475 hectares in 1979-80 to 14164 hectares in 1980-81. For the realization of this target, seeds of high yielding varieties of these oilseed crops will be provided to farmers. The Ghee Corporation of Pakistan will continue to procure these oilseeds from the growers at the prices fixed by the Government.

22. In order to improve seed quality and seed distribution programme, IBRD assisted seed industry projects are under implementation in Punjab and Sind. Quality seed under these projects will be produced in four stages : (i) pre-basic seed production by the research institutes, (ii) basic seed production at Government farms, (iii) certified seed production at registered growers farms, and (iv) seed processing, certification and testing. During 1980-81, five seed processing plants will be set up : 3 in Punjab and 2 in Sind. It is expected that seed processing plants in Punjab will start production by April, 1981, and the plants, in Sind by July, 1981. Arrangements for production of pre-basic, basic and certified seed would also be completed by the end of June 1981. Three new seed testing laboratories will be constructed at plant sites during 1980-81, thus, increasing the seed certification and testing facilities to handle 100 thousand tonnes of seed annually.

23. Research on evolution of new potato varieties suited to local conditions will be continued in NWFP. Work on construction of laboratory-cum-office and store was completed in 1979-80. A sum of Rs. 2 million has been allocated for the establishment of a centre for production of pre-basic and certified potato seed in order to continue seed multiplication and research on imported potato varieties.

24. The Government of Baluchistan has allocated Rs. 3.5 million in the ADP 1980-81 for IBRD assisted pilot vegetable and potato seed multiplication project. Physical targets for 1980-81 include development of seed farm (2 hectares), completion of residential and non-residential buildings and purchase of vegetable seed processing plant. The work on raising of vegetable seed nurseries and production of basic potato and vegetable seed will also continue during 1980-81. A sum of Rs. 3 million has been allocated for a UNDP aided project of fruit development in Baluchistan. It is envisaged to establish field agencies at Pishin and Ziarat to carry out demonstration trials on fruits, and to impart training to the field staff in fruit plant nutrition, etc.

25. In Azad Kashmir, Northern Areas and FATA, work on development of horticulture, maintenance of fruit nurseries for supply of fruit plants to growers and distribution of seeds of wheat, maize and vegetables will continue during 1980-81.

Plant Protection

26. The target of plant protection coverage by curative measures fixed for 1980-81, both through aerial and ground operations, is 3.56 million spray hectares (3.04 million spray hectares by ground operations and 0.52 million spray hectares by aerial operations) against the estimated coverage of 2.12 million spray hectares during 1979-80 (1.74 million spray hectares by ground operations and 0.38 million spray hectares by aerial operations). The province-wise break-down of the estimated coverage during 1979-80 and the targets for 1980-81 are shown in Table 6. The

crop-wise and province-wise details of coverage for 1979-80 and 1980-81 are set out in Annexures X—XIV.

TABLE 6

Estimated Plant Protection Coverage for 1979-80 and Targets for 1980-81

Province	Estimated coverage 1979-80			Target for 1980-81		
	Aerial operations	Ground operations	Total	Aerial operations	Ground operations	Total
—thousand spray hectares—						
Punjab	44.13	1112.94	1157.07	89.06	1700.39	1789.45
Sind	97.17	303.52	400.69	106.07	841.69	947.76
N.W.F.P.	223.89	252.91	476.80	248.98	383.28	632.26
Baluchistan	18.22	67.06	85.28	72.86	118.15	191.01
Total	383.41	1736.43	2119.84	516.97	3043.51	3560.48

27. The Preventive measures consisting largely of seed treatment against seed and soil borne diseases and control of pests through cultural practices will be intensified during the year to keep the population of different insect pests below the economic thresh-hold level.

28. In view of the rising expenditure on pesticides and popularisation of plant protection measures amongst the farmers, the Government decided in February 1980 to discontinue aerial spraying as a free service from February, 1980. The cost of pesticides will be charged from the beneficiaries at full rate in Punjab and Sind and on a reducing scale in NWFP. In the NWFP, the scale of subsidy has been reduced to 50 per cent for 1980-81 and is proposed to be reduced further to 25 per cent during 1981-82, and eliminated during 1982-83. Aerial spraying as a free service would, however, continue in Baluchistan.

29. The subsidy on pesticides for ground operations has also been withdrawn in the Punjab and Sind since February, 1980. The procurement and distribution of pesticides has been transferred to the private sector. In NWFP and Baluchistan, the subsidy on pesticides for ground operations would be withdrawn gradually by reducing it to 50 per cent in 1980-81, 25 per cent in 1981-82, 10 per cent in 1982-83 and nil in 1983-84. Until such time that the subsidy is maintained in NWFP and Baluchistan, the programme would continue to be executed in public sector. It would be transferred to the private sector after complete withdrawal of the subsidy.

30. The prices of pesticides handled by private sector would be allowed to be determined by the market mechanism. Pesticides would, however, be declared an essential item so that the Government can, if necessary, regulate and fix their prices.

31. To improve the efficacy of the plant protection measures following programmes will be continued during the year 1980-81 :

- (a) Supply of plant protection equipment on subsidized basis.
- (b) Training of farmers in plant protection operations, especially in new techniques of handling pesticides.
- (c) Strengthening and further expansion of pest identification and forecasting.
- (d) Supply of adequate credit.
- (e) Strengthening of research on the prevention and control of major pests and diseases.

Agricultural Mechanization

32. In the public sector, the main programme consisted of land development with the help of heavy earth moving machinery. The targets of land development for 1979-80 and 1980-81 along with achievements during 1979-80 are given below :

TABLE 7

Targets and Achievement For Land Development in 1979-80 and Target for 1980-81

Province	1979-80			1980-81 Target		
	Target for land development	Total number of bulldozers	Area developed	Total number of bulldozers	Area to be developed	
	000 hectares	number	000 hectares	number	000 hectares	
Punjab	44.5	698	54.1	698	95.5	
Sind	26.3	270	25.3	360	26.3	
NWFP	—	277	9.4	257	7.3	
Baluchistan ..	18.2	219	8.4	219	19.3	
FATA	—	51	1.7	56	2.1	
Total	89.0	1,515	98.9	1,590	150.5	

33. The performance during 1979-80 in Punjab was about 21 per cent higher than the target. However, the achievement fell short of target by 4 per cent in Sind and 54 per cent in Baluchistan.

34. In Punjab, district workshops will be completed at Kasur and Vehari during the year. Besides the provision of additional facilities at the existing Divisional/District workshops, funds have been provided for the replacement of existing fleet of crawler tractors. It is envisaged to create tractor pools at Tehsil level and to procure implements for distribution/hiring to that farm machinery may be made available to those who cannot afford to purchase their own machines and also to popularize the use of implements and machines not hitherto used by the farmers. Facilities for training of tractor operators will be expanded during the year. The Sind Government envisages to establish the Agricultural Engineering research wing of Agriculture Department at Hyderabad. In NWFP construction of a workshop at Mansehra will be completed and a new workshop will be established at Timergara, Dir. The Baluchistan Government envisages to set up one mobile workshop to provide on-the-spot repair facilities in addition to setting up new workshops at various locations.

35. To support the programme of farm mechanization, the Pakistan Agricultural Research Council, with the assistance of International Rice Research Institute (IRRI) paid special attention to the improvement of the single shaft axial flow threshers, which are simpler and easier to manufacture than the previous standard axial flow thresher. In view of the increasing demand for the development of appropriate crop harvester, the work has been initiated. Other machines such as paddy thresher, animal drawn three-row grain seeder and three-wheel farm cart are being tested. Improvements shall be made in these machines following extension tests and new machines procured through IRRI will be tested.

36. In order to assist the cultivator in farm mechanization, 17,871 tractors alongwith other farm machines were imported by the Pakistan Tractor Corporation, by Rural Supply & Credit Corporation (RSCC) and by individuals during 1979-80. It is envisaged to import about 15,000 tractors during 1980-81 in the Public Sector.

Soil Conservation

37. Isolated efforts, on individual farmer basis were made in the past for conservation of soil both in high and low rainfall areas. After review of the past experience, the Fifth Plan recommended that the problem be looked into as a part of the overall programme for development of *barani* areas and a package deal be evolved for treatment of the affected areas. In the light of this guideline, the Agency for *Barani* Area Development (ABAD) has proposed to adopt a total resource development and management approach in two catchment areas in North Punjab. The project is under negotiation with the Asian Development Bank for technical and financial assistance and would be implemented during 1980-81.

38. Soil conservation work undertaken during 1979, in Punjab included improvement of 3,374 hectares and development of 17,033 hectares through gully plugging and afforestation. The Agency for Barani Area Development (ABAD) worked for introduction of conservation practices on 2,640 hectares, reclamation of 12,790 hectares of badly eroded land, gully plugging of 718 hectares, afforestation of about 856 hectares of common land and improvement of 83 ponds. The work will be intensified during 1980-81 and it is expected that over 15 thousand hectares would be developed and about 2,800 hectares improved. In addition, ABAD will intensify activities in its project areas during the year.

39. A new project for soil and water conservation will be taken up in NWFP to develop/protect 200 hectares of land, construct 5 ponds, 10 check dams, 10 spill ways, 185 protection/spurs and afforest 10,000 Rft of land during 1980-81.

40. In Baluchistan two schemes are under operation, one for sand dune stabilization in Makran and the other for soil and water conservation in Pishin valley. During 1979-80, 445 hectares of land were protected by undertaking construction of 3,478 check dams, 4,723 contour trenches, 16 bunds and 4 reservoirs. It is programmed to complete 2,300 check dams and 4,500 contour trenches during 1980-81 to protect about 450 hectares of land.

Support Price Policy

41. The provision of guaranteed minimum prices for major crops have proved successful in increasing acreage and adoption of improved technology. The support/minimum guaranteed prices of agricultural crops announced in 1979-80 have recently been reviewed and adjusted for 1980-81. Adjustment of support prices will be made during the year ahead of each crop season after reviewing the input use and trend of output of various crops. Crop-wise existing price position is as follows :

- (i) *Wheat*.—The support/procurement price of wheat was increased from Rs. 45 for 1978-79 crop to Rs. 46.65 (per 37.32 Kg) for 1979-80 crop. The support price for 1980-81 wheat crop has been increased on 28-10-1980 to Rs. 54.11 per 37.32 Kg (Rs. 58 per 40 Kg).
- (ii) *Wheat Atta*.—Wheat atta price has been increased on 1-7-1980 from Rs. 45 to Rs. 50.15 (per 37.32 Kg).
- (iii) *Paddy and Rice*.—Price of paddy (*basmati*) was increased from Rs. 60 in 1979 to Rs. 70 (per 37.32 Kg) for the 1980-81 crop. The price of IRRI-6 paddy of Rs. 30 (per 37.32 Kg) announced for the 1977-78 crop remained operative for 1978-79 and 1979-80 crops and was increased to Rs. 36 (per 37.32 Kg) for 1980-81 crop. Price of *basmati* rice (fair average quality) was increased from Rs. 95 (per 37.32 Kg) in 1977-78 to Rs. 110 for the 1978-79 and 1979-80 crops. The prices of *basmati* rice have been further increased to Rs. 128 (per 37.32 kg.) for 1980-81 crop. Similarly, prices of IRRI-6 rice has been increased from Rs. 46 to Rs. 49 (per 37.32 Kg) for fair average quality and Rs. 54 to Rs. 56 superior grade rice. The price of IRRI-6 rice has been further increased to Rs. 59 per (37.32 Kg) with 40% broken to Rs. 67 with 15% broken for 1980-81 crop.
- (iv) *Sugarcane*.—The new minimum guaranteed prices were announced in October 1979 for the 1980-81 crop. The prices per 37.32 Kg were enhanced by Rs. 2 thus, the enhanced prices are Rs. 8.75 for NWFP, Rs. 9 for Punjab and Rs. 9.15 for Sind for the 1980-81 crop.
- (v) *Sugar*.—Sugar price has been increased from Rs. 4.80 to Rs. 6.00 for ration card holder and Rs. 6.90 to Rs. 9.00 for industrial establishments and others with effect from July 1, 1980.
- (vi) *Cotton*.—The prices of seedcotton announced in 1979-80 viz. Rs. 138 for AC-134, NT and BS-1; Rs. 149 for B-557 and 149-F; Rs. 160 for Surmast, Qallandri, Deltapine, MS 39 and MS 40; and Rs. 134 for desi varieties have been increased for 1980-81 crop, respectively, to Rs. 149, Rs. 159.56, Rs. 169.82 and Rs. 145.56 (per 37.32 Kg).
- (vii) *Maize, Potato, Onion and Pulses*.—The prices fixed for 1976-77 crop viz. Rs. 32 for maize, Rs. 25 for potato, Rs. 18 for onion, Rs. 45 for gram (black whole) and Rs. 70 for masoor (whole) per 37.32 Kg remained operative in 1978-79 and 1979-80 also.
- (viii) *Oilseeds*.—The support price of Rs. 90 for sunflower and Rs. 75 for safflower (per 37.32 Kg) for 1979-80 crops have been increased to Rs. 110 and Rs. 90, respectively for 1980-81 crops. The support price of Rs. 100 for soyabean (per 37.32 Kg) announced for 1979-80 crop will remain effective for 1980-81 crop also.

Agricultural Marketing

42. In order to improve the quality of various exportable agricultural commodities and livestock products, grading was introduced on compulsory basis for 13 items viz. wool, animal hair, hides and skins, dry fish/shall fish, citrus fruits, chillies, lime, lemon and fish meal. Grade standards of spices other than chillies were finalized.

43. A citrus grading plant established by the Federal Government was handed over to the NWFP Government in January, 1980. It is expected that grading of bones for exports would be taken up for the first time during the year. The scheme for Development of Agricultural Marketing in Pakistan which envisaged bringing about significant changes in the marketing system will be started during 1980-81.

Agricultural Credit

44. Availability of institutional credit to the agriculturists is short of requirements and the Government has endeavoured to alleviate the situation through induction of commercial banks in agricultural loaning, introduction of "Pass Book System" and increased allocation in the credit plans. A target of Rs. 4,506 million has been fixed for disbursement of institutional credit during 1980-81 against the target of Rs. 2,927 million approved for 1979-80 and Rs. 2,330.88 million disbursed during the year. The agency-wise details of institutional credit are given in Table 8.

TABLE 8
Institutional Credit to Farmers

(Million Rs.)

Year	Institutional credit agencies				
	A.D.B.P.	Agri. Coops	Taccavi	Commercial Banks	Total
1978-79	416.94	413.78	11.96	1381.11	2223.79
1979-80 (estimated)	711.55	595.55	8.18	1015.60*	2330.88
1980-81 (target)	820.00	1600.00	14.00	2072.00	4506.00

*upto March, 1980.

45. There was a general improvement in agricultural credit during 1979-80. It is anticipated to increase the loan operations to Rs. 4,506 million from an estimate of Rs. 2,330.88 million for 1979-80. The maximum increase in loaning was recorded by A.D.B.P. Loans amounting to about Rs. 712 million were disbursed during 1979-80 as compared to about Rs. 417 million during 1978-79, showing an increase of 71 per cent. The Bank proposes to further augment the loaning programme during 1980-81 to Rs. 820 million, i.e., an increase of 15 per cent.

46. Similarly, the loaning programme of agricultural cooperatives has been impressive, increasing from about Rs. 414 million in 1978-79 to about Rs. 596 million in 1980-81, showing an increase of 44 per cent. Agricultural cooperatives plan to advance agricultural loans amounting to Rs. 1,600 million during 1980-81, which would be 168 per cent higher than last year's disbursements.

47. The commercial banks are expected to achieve the mandatory limit set for them by the State Bank of Pakistan for 1979-80, which was almost at the last year's level. However, target of Rs. 2,072 million has been fixed for 1980-81, which is an increase of 104 per cent.

Cooperatives

48. The main emphasis of the Federal Bank for Cooperatives (FBC) was to improve the flow of credit to small farmers through cooperative societies. To improve the working efficiency of the staff of Provincial Cooperative Banks, the FBC has established a training institute at its headquarters to train the branch managers and accountants, and 172 persons were trained during the year. During 1979-80, the Bank advanced a sum of Rs. 601.23 million to the Provincial Cooperative Banks for loaning to the cooperative societies for purchase of seeds, fertilizer, pesticides, tractors and tubewells. The target of cooperative credit for 1980-81 has been fixed at Rs. 1,600 million.

49. *NWFP*.—Under the scheme "Dissemination of Cooperative Education and Publicity", eleven sub-divisional level classes, one managerial training class of 3 months duration, one Assistant Registrar/Inspectors class of 7 months were held during 1979-80. Similar training programme has

been envisaged for 1980-81. One cooperative consumer store was registered during 1979-80, bringing the total number of such stores to 6 by June, 1980. About 142 thousand bags of fertilizer, 150 thousand bags of cement, 106 tractors, 555 tons ghee, 48 bicycles and 600 bags of wheat seed were distributed by the cooperatives during 1979-80. In addition about 32 thousand tons of sugarcane and about 91 thousand tons of sugar beet were supplied to the mills through cooperatives during 1979-80. In addition to continuation of above work, a few new schemes envisaging promotion of cooperative movement in the province will be started during 1980-81.

50. *Sind*.—The work started in 1979-80 for the establishment of two cooperative farms would be completed during 1980-81. Construction of buildings for the farm service centre at Tando Allah Yar was completed. It will be put into operation during 1980-81. The two schemes viz (a) upgradation of cooperative institute into a college, and (b) organization of Sind provincial cooperative union, initiated during 1979-80, will continue during the year.

51. *Punjab*.—Improvement and strengthening work continued for 5 cooperative farms already established under the national scheme for cooperative farming. Wool weighing 2854 maunds was procured during 1979-80 under the scheme "Sheep Shearing, Grading and Marketing of Wool in Cholistan". One dairy farming society at Kallar Syden was registered during 1979-80. Construction of office / store is in progress. Three more dairy farming societies will be organized in Rawalpindi district for supply of milk to Islamabad Milk Plant. Medicines/chemicals/equipment were purchased during 1979-80 under the scheme "Establishment of Soil and Water Testing Laboratory" at the Pak-German Institute of Cooperative Agriculture, Multan. During 1980-81, training material and hostel accommodation will be provided to the Institute for training of 140 students. Vehicles were purchased under the scheme "Strengthening of Cooperative Staff for Provision of Agricultural Inputs and Procurement of Wheat through Cooperatives". The Government proposed to start two new schemes viz (a) Development of female cooperative industrial centres and (b) Crop intensification programme for Sahiwal district during 1980-81. Under the schemes, 20 knitting and sewing machines, training material for industrial centres and vehicles will be purchased during 1980-81.

Government Foodgrain Storages

52. Storage capacity available with public sector in June, 1980 is estimated at 2.744 million tonnes. Additional storage capacity of 594,000 tonnes will be constructed during 1980-81. Province/agency-wise storage capacity and the targets for 1980-81 are given in Table 9.

TABLE 9
Government Storage Capacity

Agency	Estimated capacity in June, 1980	Target for 1980-81	Total capacity by the end of 1980-81
—000 tonnes—			
I. Total Wheat (a + b)	1,906	583	2,489
(a) Provincial	1,816	115	1,931
Punjab	1,138	100	1,238
Sind	440	7	447
N.W.F.P.	160	5	165
Baluchistan	78	3	81
(b) Federal	90	468	558
Food Wing (Food Directorate)	20	28	48
Azad Kashmir and Northern Areas	25	—	25
Defence Division	45	—	45
National Logistic Cell	—	440	440
Commerce Division :			
II. For Rice (Rice Export Corporation)	838	—	838
III. For Cotton (Cotton Export Corporation)	—	11	11
IV. Total Capacity (I, II, III)	2,744	594	3,338

53. During 1980-81, Rs. 120 million will be utilized by the National Logistic Cell (NLC) to complete the remaining 140,000 tons capacity binishell godowns under the schemes for construction of 2 lakh tonnes capacity binishell godowns. New wheat storage capacity of about 300,000 tonnes will be constructed by NLC in Punjab and Sind, for which Rs. 250 million have been allocated. Thus, NLC will build 440 thousand tons storage capacity during 1980-81.

54. The Food & Agriculture Division will complete its project for the construction of 76,000 tons capacity godowns with an allocation of Rs. 20 million. This will add 28 thousand tons capacity during 1980-81.

55. The Pakistan Cotton Export Corporation has been allocated Rs. 15 million for the on-going scheme, "Construction of Cotton Storage Godowns at Kerengi, Karachi", which will add 11,000 tons capacity godowns during 1980-81 to accommodate 60,000 bales of cotton.

56. The storage capacity for foodgrains programme to be completed during 1980-81 (under Provincial Government) would be of about 115,000 tonnes, out of which 100,000 tonnes would be in Punjab, 7,000 tonnes in Sind, 5,000 tonnes in NWFP and 3,000 tonnes in Baluchistan.

57. By the end of 1980-81, total storage capacity available with public sector would be 3.338 million tonnes, out of which 2.489 million tonnes would be for wheat, 838 thousand tonnes for rice and 11 thousand tonnes for cotton.

Research on Crop Production

58. A new Agricultural Research Division was created to intensify work on agricultural research. In addition, the Pakistan Agricultural Research Council had been given autonomous status to broaden its research base, coordinate the work of the various research institutions effectively and provide financial support to research workers and institutions.

59. Cooperative research programmes on wheat, barley, triticale, maize, rice, sorghum, millets oilseeds, forage and fodder crops will be continued during 1980-81 and such programmes shall also be formulated for sugarcane and in other priority areas.

60. It is contemplated to provide extensive training facilities for the agricultural scientists, both inside the country and abroad. The laboratory equipment required to strengthen the provincial laboratories and the NARC laboratories shall also be procured during the year, 1980-81.

61. The research work at the National Agricultural Research Centre, Islamabad will be continued. The essential buildings for training and research shall be constructed during 1980-81. After the completion of the laboratories, the Centre would be able to accelerate its work with more emphasis on research suited to *barani* areas.

62. Main emphasis shall be placed on the provision of facilities at the newly established institutes namely Barani Research Institute, Chakwal and Sugar Research Institute, Mardan. A sub-station for research on maize crop shall also be established at Manshra, during 1980-81. The projects "upgrading the status of Rice Research Institute at Dokri" and "Establishment of Sugarcane Research Institute, Thatta" are likely to be completed during 1980-81.

63. During 1979-80, research efforts resulted in the evolution of a number of high yielding, disease resistant and fertilizer-responsive varieties of major crops. The following high yielding varieties were evolved, released/approved or selected for general utilization :

Punjab	Wheat	..	..	..	Chenab 79, Indus 79, Barani 79
	Cotton	..	..	..	MNH-93 B/Pur-79
Sind :	Wheat	..	..	..	ZA 77
N.W.F.P. :	Wheat	..	..	..	Khyber 79, Sugarcane; IM 61, Cotton B.S.I.
	Barley	..	..	..	A.V. T-6, Sorghum : D.S. 75, Bajra : B.S. 2.
	Soyabean	..	..	..	Forrest, Groundnut : A I-2.

Agricultural Education

64. During 1979-80, 1,189 students were enrolled in various classes of the University of Agriculture, Faisalabad. Out of these, 781 students graduated while 284 students passed post-graduate classes. Moreover, 623 extension workers were imparted in-service training. It is anticipated that 1,400 students will be admitted during 1980-81. Phase III of the scheme for the development of the University was completed. Work was continued during 1979-80, on the establishment of faculty of sciences at the University, on the development of college of Veterinary Sciences at Lahore, and on the project for the dissemination of improved agricultural technology and Animal Reproduction department, at Lahore. Against the estimated expenditure of Rs. 5.5 million during 1979-80, a provision of Rs. 6.507 million has been made during 1980-81.

65. For the development of barani areas, a Barani Training Institute and Barani Agriculture College, Rawalpindi were established during 1979-80 and 45 students were admitted in the first semester. In addition, in-service training was organized for 153 persons drawn from various disciplines of agriculture. During 1980-81, besides admitting 50 students, in-service training shall be arranged for 150 persons. This will intensify the programme for the development of barani areas.

66. During 1979-80, 320 students were admitted for field assistant course at the agriculture training Institutes, Sargodha and Rahim Yar Khan. The programme shall continue during 1980-81. The training programme, which consisted of twelve in-service training courses of 244 trainees and eight farmer leaders training courses of 43 trainees during 1979-80, shall be expanded to provide in-service training to 260 employees and 200 farmer leaders during 1980-81.

67. During 1979-80, the University of Agriculture, Tandojam, fully utilized the allocation of Rs. 11.802 million provided in the development budget. A provision of Rs. 29.890 million has been made for 1980-81. It includes IDA assistance of Rs. 21.46 million. The work for the development of University of Agriculture, Tandojam, started in 1977 under the Third Education Project was continued. Construction of a hostel, residence and lecture hall was completed during 1979-80. Construction of farm buildings and external infrastructure facilities will be taken up during 1980-81. IDA will continue the fellowships for 12 faculty members in foreign institutions and provide the services of 9 consultants in various disciplines. Procurement of equipment, furniture and library books shall be completed under the 3rd Education Project during the year 1980-81.

68. The facilities for pre-service and in-service training of field staff, were expanded at the Agriculture Training Institute, Sakrand. During 1979-80, 102 students qualified the two years field Assistant/stock assistants courses and 38 field assistant completed one month in-service training course. 100 field assistants and 20 stock assistants will pass out the 2 years course during 1980-81 and 160 new students shall be admitted to field assistants/stock assistant course, Scholarships will be granted to 280 trainees during 1980-81.

69. In NWFP, 495 students were admitted in 1979-80 in various classes at Agriculture College Peshawar University, and it is anticipated that 509 students will be admitted during 1980-81. About 1,258 scholarships were granted during 1979-80 to Agriculture students of the Malakand Division studying at Agriculture College, Peshawar and Barani Agriculture College Rawalpindi. The programme will be continued during 1980-81.

70. The facilities at the Agriculture Training Institute, Peshawar, were expanded and 150 students were enrolled for field assistant and 30 for stock assistant course during 1979-80. In addition in-service training was imparted to 160 agriculture officers, 120 field assistants and 60 stock assistants and a training course for 360 progressive farmers was organized. The institute would be further strengthened during 1980-81 to provide equipment and other facilities for training in poultry and livestock farming. Scholarship shall be awarded to 100 students in this institute during the current financial year.

71. During 1979-80, Government of Baluchistan awarded 125 scholarship to the students of Baluchistan province studying at the Agriculture University, Tandojam. The development programme for 1980-81 includes award of scholarships to 176 student.

72. The Agriculture Training Institute, Quetta, became operational during 1979-80. The institute organized a training course for 60 extension workers, while 50 students will be enrolled during 1980-81 and 75 extension workers and 25 farmers will be trained at this institute.

Agricultural Extension

73. The agricultural extension programme during 1980-81 will organize the extension service on scientific lines through development and implementation of sound agricultural extension methodology with particular emphasis on training of extension workers and regular farm visits. The extension staff is proposed to be sufficiently strengthened and made mobile through provision of vehicles/ motorcycles/ bicycles. In addition, adaptive research farms will be established in various agro-ecological zones. Two agricultural extension projects based on the new system one each in the Punjab and Sind have been initiated with assistance from the World Bank. The new method (Training and Visits—T & V) will be implemented in 5 districts each of the Punjab and Sind to test its effectiveness. In Sind, it is further proposed to strengthen the facilities (without addition of extension staff) in the remaining seven irrigated districts. A national plan for reorganizing the agricultural extension services in the Provinces will be prepared and provincial set ups strengthened on that basis.

74. Under the crop intensification programme, the cotton maximization projects are being implemented in the Punjab and Sind provinces. Under this programme, about 97 thousand hectares (73 thousand hectares in Punjab and about 24 thousand hectares in Sind) were covered during 1979-80. Average yield per hectare in old project areas and the new project areas of Punjab was 42.9 maunds and 44.8 maunds against the target of 38.1 maunds and 32.1 maunds, respectively. The estimated average yield in the districts covered by the project was about 25 maunds per hectare. Similarly, yield per hectare in Sind was 59.3 maunds against the targets of 55.6 maunds during 1979-80 while average yield of the districts covered under the project was about 35 maunds.

75. In Northern Areas, projects to strengthening agricultural extension service in Gilgit and Baltistan agencies will continue during 1980-81. In Azad Kashmir, work on the scheme "Strengthening of Agricultural Extension Service" continued during the year. Work on control of codling moth, campaign for increased production of fodder, extension of area under Napier-Bajra grass were undertaken. During 1980-81, the transport facilities will be strengthened and 15 new extension centres opened.

76. The Punjab Government is expected to start a new programme entitled "Crop Intensification in Sahiwal District". In addition, the Agriculture Department plans to hold 50 melas/shows, layout about 33 thousand demonstration plots during 1980-81 against 51 melas/shows and about 29 thousand demonstration plots in the preceding year.

77. The Agricultural Department, Government of Sind will hold 7 melas/shows during 1980-81 against 4 shows/melas held during 1979-80.

78. In NWFP, programme for training of farmers, strengthening the extension staff, construction of office, etc. at different locations will continue during the year. In addition, programme for cotton maximization will be started during 1980-81. The Agriculture Department proposes to hold one show at the provincial level, 10 at district level and 28 at tehsil level during 1980-81. It is proposed to lay out 4140 demonstration plots in 1980-81 against 3326 in 1979-80.

79. In Baluchistan, programmes for construction of office and residential accommodation at Uthal will continue during the year. The Agriculture Department plans to hold 6 agricultural melas/shows and lay out 135 demonstration plots during 1980-81 against 2 agricultural shows and 120 demonstration plots in 1979-80.

Agricultural Economics & Statistics

80. Preliminary work on third Census of Agriculture, 1980, was started in 1977-78. Preparatory work for undertaking actual field enumeration, like drawing a sample, printing of questionnaires, preparation of tabulation plan, recruitment and training of field staff, etc. was completed during 1979-80. The actual field enumeration was also undertaken during the second quarter of 1979-80. During 1980-81, preliminary reports will be prepared. To compile the reports, ancillary work, like coding of census forms, manual editing, tabulating of preliminary data, card punching, verification, etc. will be done during the year.

81. In Sind, the work relating to strengthening of Statistical Organisation was completed during 1979-80. During the current year, objective yield and production survey in selected villages in major wheat and cotton growing areas of Sind will be undertaken.

82. In NWFP, crop reporters were appointed. Under the "Improved Crop Estimation Project" 24 villages were covered by the objective survey technique. The work will be continued during 1980-81.

Animal Husbandry

83. Emphasis has continued on implementation of programmes to increase production of milk, meat and eggs. Priority will be given to those measures which produce quicker results. The major programmes include improvement and expansion of facilities for prevention and control of diseases, opening of new veterinary hospitals/dispensaries, setting up of diagnostic laboratories at strategic places and opening of new livestock farms. Details of the programme for the various administrative units/provinces are described below :

84. *Milk and Meat Production.*—In the Federally Administered Tribal Areas (FATA) about 122 bulls and 432 rams were provided for breed improvement during 1979-80. The programme for 1980-81 provides for continuance of the existing direct breeding facilities in FATA, Northern Areas and Azad Kashmir.

85. The on-going programme for range and sheep/goat development will continue in Baluchistan. The existing Government dairy farms will be further developed. Dairy and Livestock Development Project for Baluchistan will be initiated during 1980-81 with the assistance of Asian Development Bank. The 139 cow bulls maintained during 1979-80 under the subsidy programme will be continued for direct breeding facilities during 1980-81. Artificial insemination facilities will be provided to 1,000 cases at 8 centres, against 703 cases inseminated from four centres during 1979-80.

86. Breeding facilities will continue to be provided in the NWFP to increase potential for milk, meat and wool production during 1980-81. About 40 bulls and 1200 rams/bucks will be maintained under subsidy programme during 1980-81 against 42 bulls and 1,152 rams/bucks maintained during 1979-80. The programme for 1980-81 also proposes to expand the artificial insemination coverage to about 36,000 cows/buffaloes through 10 centres against 26,500 cases inseminated at these centres during 1979-80.

87. The work on the improvement of cattle and buffalo through artificial insemination techniques was continued in Sind and 3,700 cases inseminated at 5 centres during 1979-80. The Annual Plan for 1980-81 provides insemination facility to about 25,000 cows/buffaloes from the existing centres.

88. The work initiated during 1976-77, under the scheme entitled "Punjab Livestock Project" for increasing milk and beef production through village livestock associations, will be strengthened during 1980-81. Artificial insemination coverage will be provided to about 250 thousand cows/she buffaloes from 227 centres, against 130 thousand cases inseminated at 217 centres in 1979-80. For improvement of sheep breeds 3,757 rams will be distributed during 1980-81 against 2,161 rams maintained on subsidy during 1979-80.

89. *Poultry Production.*—The scheme entitled "Coordinated National Programme for development of rural poultry in Azad Kashmir" will be continued. The scheme aims at expanding and improving facilities for prevention and control of poultry disease and multiplication of quality cockrels with a view to improving rural poultry.

90. The Government poultry farms in Baluchistan produced about 2.1 million eggs and 55,000 meat birds during 1979-80. The existing farms will be further developed to produce 2.50 million eggs and 60,000 meat birds during 1980-81. Quality breeding stock will be used for multiplication in the rural areas. Under the increased poultry/broiler production programme, 0.15 million layers were produced in 1979-80. The target for 1980-81 is production of 0.20 million layers.

91. In NWFP, 8 poultry multiplication/demonstration centres were opened and 816,754 eggs were produced at the Government Poultry farms during 1979-80. During 1980-81 production potential of the existing poultry farms/units will be improved to produce 1.0 million eggs. Under the increased poultry/broiler production programme, 22,550 layers have been produced during 1979-80 while 25,000 layers will be produced in 1980-81.

92. In Sind, it is estimated that about 2.15 million broilers and 1.77 million layers were produced under the increased poultry production programme during 1979-80. The production targets for 1980-81 are 2.50 million broilers and 2.00 million layers.

93. The Government poultry farms of the Punjab will be fully utilised for the development of rural poultry through increased supply of hatching eggs and quality birds at cheap rates. The number of eggs produced at the Government poultry farms during 1979-80 was estimated to be 2.33 million while the target set for 1980-81 is the production of 2.50 million eggs. The Production targets for 1980-81 under the "Increased Poultry/Broilers Production Programme" in the Punjab are 4.00 million layers, 7.50 million broilers and 650 million eggs against 3.57 million layers, 6.77 million broilers and 575 million eggs estimated to have been produced during 1979-80.

94. *Animal Health.*—In order to increase production of livestock by products on a short term basis, full attention will be continued for prevention of livestock and poultry from epidemics, and disease control facilities will be improved.

95. In FATA, 4 veterinary dispensaries were opened, 168,167 cases of animals/poultry were treated and 303,427 cases were vaccinated during 1979-80. Four new dispensaries are proposed to be opened and 200,000 cases would be treated and 340,000 cases vaccinated during 1980-81.

96. Two veterinary hospitals were opened and constructed during 1979-80. One new veterinary hospital will be opened in Baluchistan during 1980-81. About 4.50 million cases of livestock and poultry will be treated and 3.00 million cases inoculated/vaccinated during 1980-81. It is estimated that about 3.60 million cases were treated and 2.00 million cases were inoculated in 1979-80.

97. In NWFP, about 2.00 million animals/poultry birds will be treated and 4.60 million will be vaccinated during 1980-81 against 1.69 million cases treated and 4.20 million cases vaccinated during 1979-80. Facilities for treatment of animals and birds will be improved by opening 10 veterinary dispensaries and constructing buildings for 8 veterinary hospitals and 14 dispensaries during 1980-81. Ten veterinary dispensaries/centres were opened and buildings for 23 veterinary hospitals/dispensaries constructed during 1979-80. About 1.75 million doses of sera and vaccine will be produced at the Veterinary Research Institute, Peshawar, during 1980-81 against 1.00 million doses estimated to have been produced during 1979-80.

98. In Sind, about 0.90 million cases of animals and poultry will be treated and 33.50 million cases will be inoculated/vaccinated during 1980-81 against 0.80 million cases of animals/birds treated and 32.34 million inoculated/vaccinated during 1979-80. About 50.00 million doses of new cattle and fowl pox diseases vaccine will be produced during 1980-81 against 36.00 million doses estimated to be produced during 1979-80. Work on the construction of buildings for four veterinary hospitals started during 1976-77 was completed during 1979-80.

99. About 19.40 million cases of livestock/poultry were treated and 31.80 million were given preventive inoculation/vaccination during 1979-80. About 20 million cases are proposed to be treated and 33.80 million inoculated during 1980-81. Production of sera and vaccines in the Punjab during 1979-80 was about 48.80 million doses. The target of sera and vaccine production during 1980-81 is 55 million doses.

100. *Education and Training.*—In FATA, funds will be provided for 23 scholarships to B.V.Sc/DVM course students during 1980-81 against 20 scholarships awarded during 1979-80.

101. Scholarships were awarded to 26 DVM course students of Azad Kashmir during 1979-80. Four new students joining DVM degree course will get scholarships while on-going students will also be carried on. Similar training facilities with financial aid will be provided to stock assistants, etc. in Azad Kashmir and Northern Areas.

102. In Baluchistan, interested young breeders of livestock will be trained as veterinary auxiliaries. In NWFP, 39 students of Animal/Veterinary sciences received scholarships during 1979-80. About 56 such scholarships will be provided during 1980-81.

Range Management

103. Maintenance of the present productivity levels and the future rehabilitation of depleted and degraded areas in the range lands affect livestock production levels and future increases in production.

104. In Sind, range management operations during 1979-80 involved reseeded of 503 hectares of range lands. The programme also included excavation of 6 *tobas* and maintenance of 8 *tobas* excavated previously. The range management programme during 1980-81 will involve reseeded of about 400 hectares of surveyed area, excavation of 6 new *tobas* and maintenance of 14 *tobas* excavated previously.

105. In the Punjab, programmes for development of range land were implemented in Cholistan, Thal, Dera Ghazi Khan and Pothwar areas. In all, 405 hectares of range land were surveyed and 211 hectares developed during 1979-80. The programme for 1979-80 also included re-seeding of 753 hectares of range land, excavation of one *toba* and maintenance of 57 *tobas* /ponds already functioning. It is proposed to expand the range management programme in the Punjab during 1980-81 by surveying 1200 hectares and developing 1165 hectares of range land, re-seeding of 600 hectares of surveyed land, excavating of 13 new *tobas* and maintenance of 78 *tobas* already functioning.

106. In Kohat, NWFP, 81 hectares of re-seeded area was maintained in addition to maintenance of 2 acres (0.81 hectares) of dry nurseries and 2 sample plots (7-1/2 acres or 3.04 hectares) during 1979-80. The developmental work will continue in the range area during 1980-81.

Forestry

107. The annual average production of industrial and fuel wood during the period 1971-79 was 26.3 million cubic feet against the estimated annual requirements of 52 million cubic feet. The details are given in Annexure XV. To bridge the gap, various schemes are under implementation. They envisage plantation along rail, road and canal side, intensive management of forests and extending forest plantation to private lands. In addition, added emphasis is being given to raising quick growing species.

108. In the Punjab, about 3,180 hectares were afforested under compact plantation during 1979-80 against the target of 3,870 hectares. The linear plantation programme was undertaken over 2,420 avenue kilometers against the target of 1,903 avenue kilometers. The achievement was about 27 per cent higher than the target. In order to provide necessary planting material for different afforestation programmes, nurseries were raised on 109 hectares. During 1980-81, compact plantation will be undertaken over an area of 4,275 hectares and linear plantation on 2,753 avenue kilometers. In addition, nurseries would be raised on 135 hectares during the year.

109. In Sind, the afforestation programme covered an area of 984 hectares and nurseries were raised on an area of about 15 hectares during 1979-80. In addition, 1.121 million container plants were raised and about 21 hectares of nursery were maintained. In order to encourage sericulture, mulberry plantation over an area of 40.5 hectares were also raised during 1979-80. These programmes will be continued during 1980-81.

110. In NWFP, under the compact and linear plantation programmes, an area of 533 hectares and 524 avenue-kilometers respectively were planted during 1979-80 and nurseries were raised on 8 hectares. During 1980-81, compact plantations will be raised over 960 hectares and plant 521 avenue kilometers under linear plantation. It is also proposed to raise nurseries on 10 hectares. Under the scheme "Hazara Forestry, Pre-investment Project" site assessment and inventory work was completed during 1979-80. In addition, 202 hectares of land were afforested and construction of buildings was completed. It is proposed to afforest 263 hectares, raise nurseries over 1.6 hectares and undertake pulping tests during 1980-81. Under a project "Demarcation of waste lands and *guzra* forests in Hazara civil division" about 20,235 hectares were demarcated and 1,000 pillars erected. It is proposed to demarcate 20,235 hectares and to erect 1,000 pillars during 1980-81. Under a new project "Sarhad Forest School, Abbottabad", 20 foresters, 50 forest guards and 130 workers will be trained during 1980-81.

111. In Baluchistan, 398 hectares were raised and 206 kilometers planted under compact and linear plantation programmes, respectively, during 1979-80. It is proposed to afforest 391 hectares and 239 avenue kilometers during 1980-81.

112. In Azad Kashmir, under the scheme "Afforestation of Blanks" 4,235 hectares were closed and afforestation undertaken over 3,974 hectares during 1979-80. Nurseries were raised/maintained over 45 hectares. Controlled grazing was also undertaken and 51,284 hectares were protected. During 1980-81, it is envisaged to afforest 1,822 hectares and close a gross area of 4,453 hectares. In order to raise 4 million plants, nurseries will be raised over an area of 49 hectares. Under the farm forestry programme an area of 405 hectares is proposed to be afforested during the year.

113. *Watershed Management.*—In the Murree hills of Punjab, 1,143 hectares of land were developed through afforestation and construction of spurs/embankments of 19.15 lac cft capacity during 1979-80. In addition, 30,000 fruit plants were raised to cover an area of 364 hectares. During 1980-81, it is proposed to protect 219 hectares of land through afforestation and construct 20 lac cft capacity spurs/embankments and to raise fruit plants to provide cover to 81 hectares of the land.

114. The watershed management programme in NWFP expanded to protect Tarbela, watershed covering Dir and Swat. About 32,550 hectares of land were protected—9,980 hectares through afforestation, over 20 thousand hectares through soil conservation operations and 2,570 hectares through pasture management. In addition, about 556 thousand fruit plants were raised on 111 hectares of nurseries and 2.58 kilometers long spurs/embankments were constructed. Over 31,400 hectares of land will be developed during 1980-81. In addition, 800 thousand fruit plants shall be raised and 9.16 kilometers long spurs/embankments constructed.

115. In Chenab Basin of Azad Kashmir, about 185 hectares of land were afforested, 62 hectares were levelled/terraced and 73,500 cft capacity crates were constructed during 1979-80. The programme for 1980-81 includes plantation on 243 hectares, check dams of the capacity of 200 thousand cft and crates of the capacity of 100 thousand cft.

116. *Wildlife.*—The conservation of wild inhabitates remained under progress in all the provinces. In Punjab, three national parks were maintained and various bird/animal species were conserved. In Sind, one national park was maintained, 26 species of animals and 58 of birds were conserved. In addition, 30 wildlife sanctuaries and 13 game reserve areas were maintained. NWFP maintained national parks over an area of 12,900 hectares, important wild fauna including animals and birds were conserved and 7 wildlife sanctuaries were maintained. In Baluchistan, one national park was maintained and 2,000 *chikors*, 1,500 *sesses*, 10 wildsheep (*gud*), 125 *markhor*, 3 wolves and one pair of leopard were conserved. In Azad Kashmir, parks, sanctuaries/game reserves over the protected area of 51,762 hectares were maintained. These programme for conservation of wildlife would continue during 1980-81.

Fisheries

117. About 300 thousand metric tons of fish was produced during 1979-80, thus realising the target of 298 thousand metric tons. Fish production target for 1980-81 is 304.5 thousand metric tons. The surveys and studies on dry fish, gillnetters and curing techniques from the catch-on-board up to shipment for export were studied under the "Cured Fish Investigation scheme" during 1979-80. The work under the scheme will continue during 1980-81 with emphasis on determination of the rate of decomposition, bacterial spoilage and introduction of modern processing techniques to improve the quality of cured fish.

118. A marine Fisheries Development project, costing Rs. 32.937 million will be started during 1980-81 with the assistance of UNDP. The project will undertake exploratory fishing beyond territorial waters, locate new fishing grounds and introduce modern and effective fishing gears to induce fishermen to exploit deep sea fish.

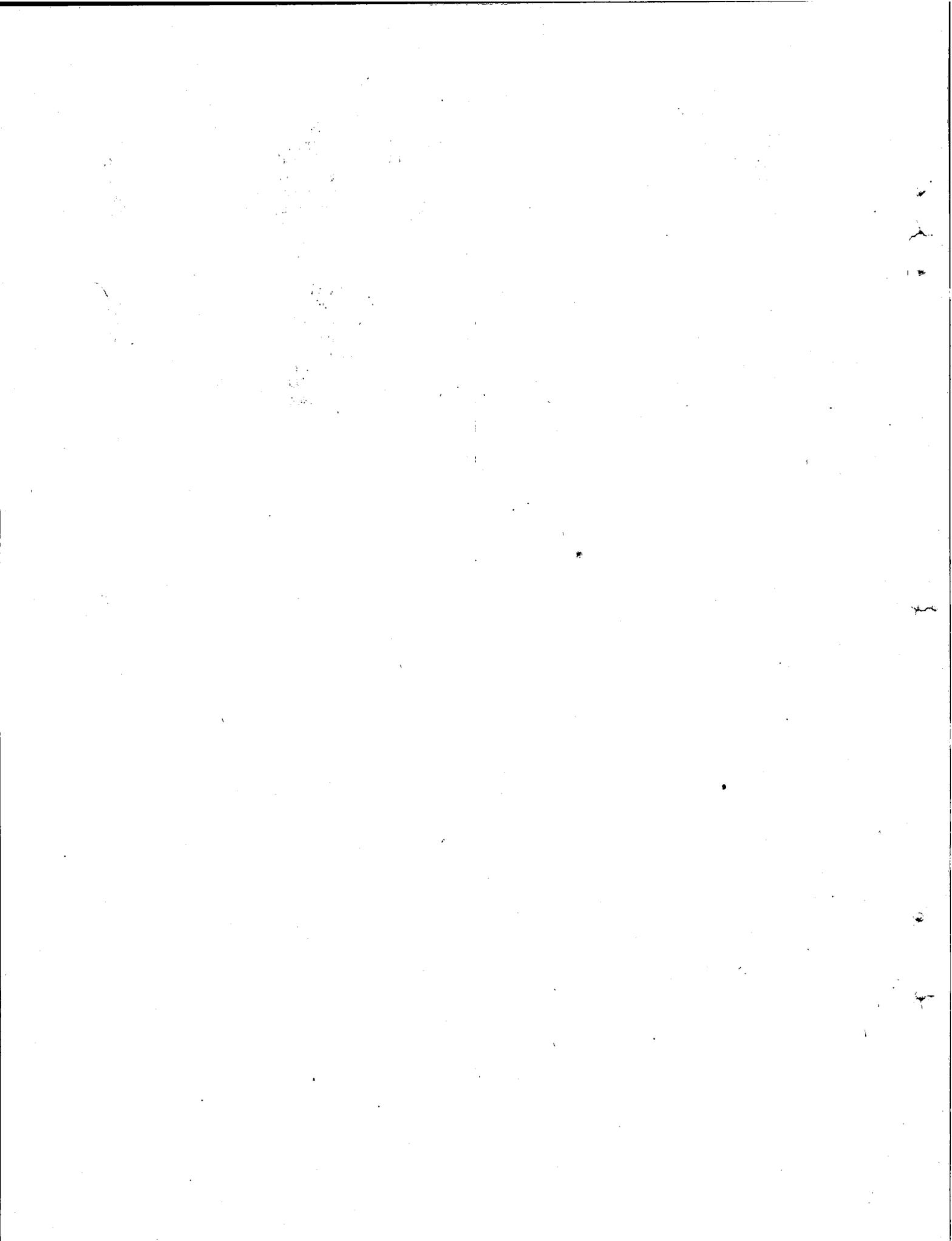
119. In the Punjab, 2.72 million fish seed was stocked and 5.85 million fish were salvaged for operating 2,258 private fish farms during 1979-80. It is proposed to stock 6 million fish seed and salvage 6.5 million fish during 1980-81. The number of private fish farms would be increased from 2,258 in 1979-80 to 2,275 in 1980-81.

120. In Sind, the draft feasibility report in respect of second Fisheries Development Project was completed by the consultants of the Asian Development Bank. In order to finalise the recommendations of the feasibility report, an ADB Mission visited Pakistan. In the light of the discussions it is proposed to expand the existing fish harbour at Karachi, construct a new fish harbour at Korangi Creek in Karachi and develop institutional facilities for the development of marine and in land fisheries. Work at fish nurseries, Kandh Kot and Mando Dero were completed. At Kand Kot nursery, 3,000 fry fingerlings of *lobio rohita* were collected, and stocked and 130 thousand seeds were collected and distributed and 13 fish farms were stocked. It is proposed to undertake the construction of a third nursery at Mando Dero, Sukkur and continue the activities during 1980-81.

121. In NWFP, 58 thousand trout fish were stocked in cold water and 58 thousand fish seeds in warm waters during 1979-80. It is proposed to develop the fish hatchery at Ratta Kulachi, D. I. Khan through the provision of necessary facilities and to produce 800 thousand fish seeds during 1980-81.

122. In Baluchistan, boat building shed and engine repair workshop building were constructed during 1979-80. In addition one nine-meter boat was manufactured and launched for demonstration of correct hanging of gillnets, use of echo-sounder, compass reading and engine handling. Traditional sailing boats were mechanized with a view to increasing the fish catch. In order to provide better marketing facilities, insulated fish boxes were introduced for transportation of fish from harbour to consumption centres. During 1980-81, it is proposed to motorise additional sailing boats, increase availability of insulated boxes and demonstrate modern fishing techniques to fisheries staff and private sector through the introduction of large size boats. Ice making machine of 7-8 tons capacity will be installed at Pasni/Ormara to improve the marketability of fish.

123. In Northern Areas, the projects for salmonids development in Gilgit, and for the establishment of trout hatcheries at Bara and Ghizer were completed during 1979-80. Some 2,000 rainbow-eyed ova of trout were procured from Kaghan for rearing in the hatcheries. The artificially bred about 10,000 brown trout fry was produced in Gakuch hatchery while about 60,000 fry were liberated into fishing waters from the hatcheries at Hasho and Bara. During 1980-81, in addition to the continuation of the on-going schemes, a new scheme entitled "Establishment of holding units for fish sale", will be taken up. It is estimated that it will produce about 3 tons of brown and rainbow trout for sale.



CHAPTER 9

SUBSIDY ON FERTILIZER

The price of fertilizers to the farmer was subsidised since their introduction in early 1950's. The supply of this input on cheap prices coupled with a price support programme and extension in the sale outlets has boosted the fertilizer use very substantially. From the level of about one thousand nutrient tonnes in 1952-53, the fertilizer off-take increased to about 631 thousand nutrient tonnes in 1976-77 and to 1043 thousand nutrient tonnes in 1979-80. The fertilizer use grew at the rate of 18.2 per cent per annum during the three years ending 1979-80. A study conducted by the National Fertilizer Corporation has indicated that in March 1979 the adoption and level of fertilizer application is the same, both on large and small farms. The same was also true for tenant and owner cultivators. The Government's policy of bearing heavy expenditure on the sale of fertilizers at subsidised prices had thus fulfilled the objective of convincing the farmers about the financial benefits of the use of fertilizers.

2. Fertilizer prices have risen significantly mainly as a consequence of rise in the prices of petrol and related products for example, the prices of urea increased by about 50 per cent and of DAP by about 75 per cent between 1976-77 and 1979-80.

3. In view of the rise in the prices of fertilizers and rapidly increasing demand for fertilizers in the country, the subsidy bill has been rising. In fact, about 2/3rd of the developmental budget for agriculture and food sector constituted the subsidy on fertilizers during 1979-80. As a result, adequate funds could not be allocated for important programmes for improving the farm productivity e.g. extension, research, seed supply and distribution, credit and education.

4. Considering all these aspects, the Government decided in February 1980 to increase the sale prices of fertilizer. The previous and increased sale prices of various types of fertilizers are shown in table below :

TABLE 1
Sale prices of fertilizers

Type of fertilizer	Per 50 Kg. bag	
	Before Feb. 1980	After Feb. 1980
	—rupees per bag—	
Urea (N=46%)	63.00	93.00
Ammonium Sulphate (N=21%)	29.00	42.00
Calcium Ammonium Nitrate (N=26%)	36.50	50.00
Dia-Ammonium Phosphate (N=18%, P=46%)	67.00	100.00
Nitrophosphate (N=23%, P=23%)	46.50	78.00
Single Super Phosphate (P=18%)	17.00	25.00
Sulphate of Potash (K=50%)	27.00	30.00

5. The fertilizer off-take target for 1980-81 has been fixed at 1.20 million nutrient tonnes as against the off-take of 1.04 million nutrient tonnes during 1979-80 showing an increase of 15.4 percent. The estimates of subsidy for the years 1979-80 and 1980-81 are shown in Table 2.

TABLE 2

Subsidy on Fertilizer

	Total cost	Subsidy	Percentage subsidy
	— Million Rupees —		
1979-80	5,437	2,363	43.5
1980-81	6,254	2,423 + 25*	38.7

*Block provision for revised incidentals, etc. for fertilizers.

6. The estimated availability and import requirements of fertilizers for 1980-81 to meet the above targets are shown in table 3.

TABLE 3

Estimated availability and import requirement of Fertilizer for 1980-81

	N	P	K	Total
	— 000 Nutrient tonnes —			
Expected stocks on 1st July 1980	172	53	—	225
Estimated local production	542	53	—	595
Estimated total availability	714	106	10	830
Off-take target	873	307	20	1200
Estimated imports	159	201	10	370

**ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE & FOOD SECTOR
SUMMARY—PAKISTAN**

(Million Rs.)

Sub-Sector/Category	1979-80		Provision for 1980-81		
	ADP	Revised estimate	On-going	New	Total
I. Corp. Production Sub-sectors :					
1. Fertilizers	0.945 (a)	—(b)	—	—	—
2. Improved Seeds	135.676 (c)	114.144	75.020	36.109	111.129
3. Plant Protection	233.351	80.688	72.998	0.205	73.203
4. Soil Surveys	1.685	0.445	1.667	—	1.667
5. Mechanization	38.899 (d)	47.642	53.856	3.200	57.056(d)
6. Soil Conservation	6.139	2.811	3.075	5.200	8.275
II. Infra-Structure and Institutional Arrangements :					
7. Agril. Marketing	8.483	0.062	0.063	0.200	0.263
8. Cooperatives	9.384 (e)	2.096	2.816	3.652	6.468 (f)
9. Government Foodgrain Storages	89.777	28.881	77.719	18.951	96.670
10. Research on Crop Production	85.846	82.194	104.319	18.610	122.929
11. Agril. Education	33.456	38.580	59.385	0.640	60.025
12. Agril. Extension	73.250	38.957	84.632	47.876	132.508
13. Agricultural Credit	—	—	—	1.500	1.500
14. Agril. Economics and Statistics	1.974	1.544	1.722	—	1.722
III. Other Sub-sectors :					
15. Animal Husbandry	104.092	83.177	177.343 (g)	5.025	122.368 (h)
16. Range Management	2.054	2.053	4.324	—	4.324
17. Forestry	75.869	50.925	57.701	23.163	80.864(i)
18. Watershed Management	10.574	9.619	10.443	8.375	18.818
19. Wildlife	0.081 (j)	4.628	3.295	5.158	8.433
20. Fisheries	21.421	12.615	23.211	19.785	42.996 (k)
Total	932.956	601.061	753.589	197.649	951.238 (l)
1. Statistics Division	4.546	4.546	3.900	—	3.900
2. Commerce Division	86.153	18.965	17.100	—	17.100
(a) Pakistan Tobacco Board	3.497	6.683	2.100	—	2.100
(b) Govt. Foodgrain Storages	82.656	12.282	15.000	—	15.000
3. Finance Division	91.792	91.790	5.660	—	5.660
4. Planning Division	N.A.	56.278	124.156	250.000	374.156
(a) National Fertilizer Development Centre	6.278	6.278	4.156	—	4.156
(b) National Logistic Cell (storages)	—	50.000	120.000	250.000	370.000
5. Kashmir Affairs Division	37.373	37.375	—	—	43.842
6. State & F. R. Division	18.114	16.584	—	—	20.000
7. Interior Division	1.180	1.180	8.200	—	8.200
8. Industries Division (Seeds)	3.371	3.371	5.200	—	5.200
Grand Total	1181.763	831.150			1429.296
SUBSIDY ON FERTILIZER					
	2115.400	2363.100	2448.334	—	2448.334

(a) Excludes Fertilizer Subsidy amounting to Rs. 2115.400 million reflected under fertilizer subsidy sector ;

(b) Excludes Rs. 2363.100 million reflected under fertilizer subsidy sector ;

(c) Excludes Rs. 0.352 million for " Lining of Water Channel at Sariab Farm, Mastung " reflected under Water Resources Sector.

(d) Excludes provision for Tubewells and minor irrigation schemes reflected under Water Resources Sector as under :-

1979-80	Baluchistan	...	Rs. 2.600 million ;
	N.W.F.P.	...	Rs. 8.300 million ;
	Sind	...	Rs. 11.500 million ; and
	Punjab	...	Rs. 65.312 million .
1980-81	Baluchistan	..	Rs. 2.500 million ;
	N.W.F.P.	-	Rs. 9.030 million ;
	Sind	...	Rs. 10.000 million ; and
	Punjab	...	Rs. 143.750 million.

(e) Excludes Rs. 1.298 million provided for the scheme " Subsidizing installation of tubewells/centrifugal pumps on cooperative basis " reflected under water Resources Sector.

(f) Excludes Rs. 0.100 million for the scheme "Subsidizing installation of tubewells/pumping sets on cooperative basis " reflected under Water Resources Sector.

(g) Excludes Rs. 3.162 million in foreign exchange for the scheme " Livestock Development and Research in N.W.F.P. ".

(h) Includes Rs. 1.000 million for the Poultry scheme (PIA shaver) shown under BDA.

(i) Excludes Rs. 0.225 million for " Ground Water Recharge Project " reflected under Water Resources Sector.

(j) Provincial share reflected under Forestry sub-sector.

(k) Includes Rs. 10.000 million for the scheme relating to Landing Jetties shown under B.D.A.

(l) Excludes Rs. 208.538 million for the scheme " Farm to Market Roads " reflected under Rural Development sector.

ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—All Provincial Programmes

(Million Rs.)

Sub-sector/Category	1979-80		Provision for 1980-81		
	ADP	Revised estimate	On-going	New	Total
I. Crop Production Sub-sectors					
1. Fertilizers	0.945	—	—	—	—
2. Improved Seeds	131.300 (a)	109.769	66.292	36.109	102.401
3. Plant protection	156.162	46.370	25.216	0.105	25.321
4. Soil Surveys	1.685	0.445	1.667	—	1.667
5. Mechanization	38.811 (b)	47.562	51.656	3.200	54.856 (b)
6. Soil Conservation	6.139	2.811	3.075	5.200	8.275
II. Infra- Structure and Institutional Arrangements					
7. Agril. Marketing	0.191	—	—	0.100	0.100
8. Cooperatives	9.384 (c)	2.096	2.816	3.652	6.468 (d)
9. Government Foodgrain storages	72.398	11.506	57.719	18.951	76.670
10. Research on Crop Production	39.884	25.381	29.496	10.610	40.106
11. Agril Education	16.146	19.401	22.925	0.640	23.565
12. Agril Extension	58.355	34.072	77.632	47.876	125.508
13. Agril Credit	—	—	—	1.500	1.500
14. Agril Economics and Statistics.	1.974	1.544	1.722	—	1.722
III. Other Sub-sectors					
15. Animal Husbandry	103.800	83.002	116.243 (e)	5.025	121.268 (f)
16. Range Management	2.054	2.053	4.324	—	4.324
17. Forestry	73.513	48.445	55.092	18.323	73.415 (g)
18. Watershed Management	10.574	9.619	10.443	3.500	13.943
19. Wildlife	(h)	4.547	3.295	0.336	3.631
20. Fisheries	21.275	12.484	23.045	13.285	36.330 (i)
Total	744.590	461.107	552.658	168.412	721.070 (j)

(a) Excludes Rs. 0.352 million for "Lining of water channel at Sariab Farm, Mustung" reflected under water Resources Sector.

(b) Excludes provision for tubewells and minor irrigation schemes reflected under water resources sector as under :

1979-80	Baluchistan	Rs. 2.600 million ;
	NWFP	Rs. 8.300 million ;
	Sind	Rs. 11.500 million ; and
	Punjab	Rs. 65.312 million.
1980-80	Baluchistan	Rs. 2.500 million.
	NWFP	Rs. 9.030 million.
	Sind	Rs. 10.000 million ; and
	Punjab	Rs. 143.750 million.

- (c) Excludes Rs. 1,298 million provided for the scheme "Subsidizing installation of tubewells/centrifugal pumps on cooperative basis." reflected under water resources sector.
- (d) Excludes Rs. 0,100 million for the scheme "Subsidizing installation of tubewells/pumpage etc on cooperative basis." reflected under water resources sector.
- (e) Excludes Rs. 3,162 million in foreign exchange for the scheme "Livestock Development and Research in NWFP."
- (f) Includes Rs. 1,000 million for the Poultry Scheme (PIA shaver) shown under BDA.
- (g) Excludes Rs. 0,225 million for "Ground Water Recharge Project" reflected under water Resources Sector.
- (h) Reflected under Forestry sub-sector.
- (i) Includes Rs. 10,000 million for the schemes relating to Landing Jetties shown under BDA.
- (j) Excludes Rs. 208,598 million for the scheme "Farma to Market Roads" reflected under Rural development sector.

ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—Baluchistan

(Million Rs).

Sub-sector/Category	1979-80		Provision for 1980-81		
	ADP	Revised estimate	On-going	New	Total
I. Crop Production Sub-sectors.					
1. Fertilizers	—	—	—	—	—
2. Improved Seeds	11.590	13.005	7.300	0.800	8.100
3. Plant Protection	5.950 (a)	5.600	7.000	—	7.000
4. Soil Surveys	—	—	—	—	—
5. Mechanization	4.134 (b)	2.254	1.006	—	1.006 (c)
6. Soil Conservation	0.220	0.180	0.325	—	0.325
II. Infra—Structure and Institutional Arrangements					
7. Agricultural Marketing	—	—	—	—	—
8. Cooperatives	0.500	0.500	—	—	—
9. Government Foodgrain storages	5.189	6.290	2.473	—	2.473
10. Research on Crop Production	2.553	1.141	0.700	—	0.700
11. Agricultural Education	0.310	2.700	3.981	—	3.981
12. Agricultural Extension	0.894	0.500	0.500	—	0.500
13. Agricultural Economics and Statistics.	—	—	—	—	—
III. Other Sub-sectors.					
14. Animal Husbandry	14.548	10.216	22.849	1.500	24.349 (d)
15. Range Management	—	—	—	—	—
16. Forestry	3.699	1.285	1.468	0.429	1.897 (e)
17. Watershed Management	—	—	—	—	—
18. Wildlife	(f)	1.705	1.017	0.036	1.053
19. Fisheries	7.991	4.835	13.336	—	13.336
Total	57.578	50.211	61.955	2.765	64.720

(a) Excludes Rs. 0.352 million for "Lining of water channel at Sariab Farm, Mastung" reflected under Water Resources Sector.

(b) Excludes Rs. 2.600 million for On-Farm Water Management Project reflected under Water Resources Sector.

(c) Excludes Rs. 2.500 million for On-Farm Water Management scheme reflected under Water Resources Sector.

(d) Includes Rs. 1.000 million for the "Poultry Scheme (RIA-shaver) shown under B.D.A.

(e) Excludes Rs. 0.225 million for "Ground Water Recharge Project" reflected under Water Resources Sector.

(f) Reflected under forestry sub-sector.

(g) Includes Rs. 9.000 million for "Landing Jetty and related works at Sonmiani" and Rs. 1.000 million for "Survey and Investigation of Landing Jetty at Pasni" shown under B.D.A.

ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—N.W.F.P.

(Million Rs.)

Sub-sector/Category	1979-80		Provision for		1980-81	Total
	A.D.P.	Revised estimate	On-going	New		
I. Crop Production Sub-sectors						
1. Fertilizers	—	—	—	—	—	—
2. Improved Seeds	8.222	7.409	6.054	4.559	10.613	10.613
3. Plant Protection	17.500	15.750	11.900	—	11.900	11.900
4. Soil Surveys	0.492	0.445	1.667	—	1.667	1.667
5. Mechanization	4.700 (a)	2.300	2.000	—	2.000 (b)	2.000 (b)
6. Soil Conservation	0.270	—	—	1.000	1.000	1.000
II. Infra—structure and Institutional Arrangements						
7. Agricultural Marketing	—	—	—	—	—	—
8. Cooperatives	2.293 (c)	0.716	0.461	1.809	2.270(d)	2,270(d)
9. Govt. Foodgrain Storages	2.791	2.216	1.817	1.600	3.417	3.417
10. Research on Crop Production	8.651	3.010	2.893	5.920	8.813	8.813
11. Agricultural Education	1.195	1.195	1.494	0.390	1.884	1.884
12. Agricultural Extension	3.827	2.527	4.176	5.176	9.352	9.352
13. Agricultural Economics and Statistics.	0.147	0.044	0.722	—	0.722	0.722
III. Other Sub-sectors.						
14. Animal Husbandry	17.379	13.199	13.472 (e)	0.643	14.115 (e)	14.115 (e)
15. Range Management	0.050	0.050	0.050	—	0.050	0.050
16. Forestry	7.389	6.401	11.804	0.800	12.604	12.604
17. Watershed Management	9.692	9.619	10.443	—	10.443	10.443
18. Wildlife	—	—	—	—	—	—
19. Fisheries	0.804	0.313	0.281	2.139	2.420	2.420
Total	85.402	65.194	69.234	24.037	93.270	93.270

(a) Excludes Rs. 8.300 million relating to schemes of Water Resources Sector.

(b) Excludes Rs. 9.030 million for scheme relating to Water Resources Sector and Rs. 0.300 million for the scheme relating to Energy Sector.

(c) Excludes Rs. 1.298 million for the scheme "Subsidizing Installation of Tubewells/Centrifugal pumps on Cooperative basis reflected under Water Resources Sector.

(d) Excludes Rs. 0.100 million for the scheme "Subsidizing Installation of Tubewells and Pumping Sets on Cooperative basis. reflected under water Resources Sector

(e) Dutch assistance amounting to Rs. 3.162 million for the scheme Livestock Development and Research in N.W.F.P. with the cooperation of Neatherlands Government has been shown in addition to the local cost.

ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—Sind

(Million Rs.)

Sub-sector/Category	1979-80		Provision for 1980-81		
	A.D.P.	Revised estimate	On-going	New	Total
I. Crop Production Sub-sectors					
1. Fertilizers	—	—	—	—	—
2. Improved Seeds	21.400	22.920	30.600	—	30.600
3. Plant Protection	50.500	19.102	—	0.105	0.105
4. Soil Surveys	—	—	—	—	—
5. Mechanization	9.163 (a)	8.039	6.000	0.200	6.200 (b)
6. Soil Conservation	—	—	—	—	—
II. Infra-structure and Institutional Arrangements					
7. Agricultural Marketing	—	—	—	0.100	0.100
8. Cooperatives	0.450	0.400	0.915	—	0.915
9. Govt. Foodgrain Storages	5.000	3.000	5.500	—	5.500
10. Research on Crop Production	10.933	9.427	12.683	—	12.683
11. Agricultural Education	2.000	4.900	3.000	—	3.000
12. Agricultural Extension	7.000	1.065	20.742	3.400	24.142
13. Agricultural Economics and Statistics	1.827	1.500	1.000	—	1.000
III. Other Sub-sectors					
14. Animal Husbandry	5.968	2.021	4,099	0.200	4,299
15. Range Management	—	—	—	—	—
16. Forestry	10.361	9.348	10.465	0.235	10.700
17. Watershed Management	—	—	—	—	—
18. Wildlife	—	—	—	0.300	0.300
19. Fisheries	2.932	3.292	3.074	6.200	9.274
Total	127.534	85.014	98.078	10.740	108.818

(a) Excludes Rs. 11,500 million for the scheme "On-farm water management" reflected under the Programme of Water Resources Sector.

(b) Excludes Rs. 10.00 million for the scheme "On-farm water Management Project and South Rohri fresh water Project", reflected under Water Resources Sector.

ANNUAL DEVELOPMENT PROGRAMME 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—Punjab

(Million Rs.)

Sub-sector/Category	1979-80		Provision for 1980-81		
	A.D.P.	Revised estimate	On-going	New	Total
I. Crop Production Subsectors					
1. Fertilizers	0.945	—	—	—	—
2. Improved Seeds	90.088	66.435	22.338	30.750	53.088
3. Plant Protection	82.212	5.918	6.316	—	6.316
4. Soil Surveys	1.193	—	—	—	—
5. Mechanization	20.814 (a)	34.969	42.650	3,000	45,650 (b)
6. Soil Conservation	5.649	2.631	2.750	4.200	6.950
II. Infra-structure and Institutional Arrangements.					
7. Agricultural Marketing	—	—	—	—	—
8. Cooperatives	6.141	0.480	1.440	1.843	3.283
9. Govt. Foodgrain Storages	39.418	N.A.	47.929	17.351	65,280
10. Research on Crop Production	17.747	11.803	13.220	4,690	17,910
11. Agricultural Education	12.641	10.606	14.450	0.250	14,700
12. Agricultural Extension	46.634	29.980	52.214	39,300	91,514
13. Agricultural Credit	—	—	—	1,500	1,500
14. Agricultural Economics and Statistics	—	—	—	—	—
III. Other Sub-sectors.					
15. Animal Husbandry	65.905	57.566	75.823	2,682	78,505
16. Range Management	2.004	2.003	4.274	—	4,274
17. Forestry	52.064	31.411	31,355	16,859	48,214
18. Watershed Management	0.882	—	—	3,500	3,500
19. Wild Life	(c)	2.842	2,278	—	2,278
20. Fisheries	9.548	4.044	6.354	4,946	11,300
Total	474.076	260.688	323.391	130.871	454.262 (d)

(a) Excludes Rs. 65.312 million for scheme reflected under Water Resources Sector.

(b) Excludes Rs. 143.750 million for scheme reflected under Water Resources Sector.

(c) Reflected under Forestry sub-sector.

(d) Excludes Rs. 208.538 million for the scheme "Farm to Market Road" reflected under Rural Development Sector.

ANNUAL DEVELOPMENT PROGRAMME, 1980-81 AGRICULTURE AND FOOD SECTOR

Summary—Federal Programme

(Million Rs.)

Sub-sector/Category	1979-80			Provision for 1980-81	
	A.D.P.	Revised estimate	On-going	New	Total
I. Crop Production Sub-sectors.					
1. Fertilizers	(a)	(b)	—	—	—
2. Improved Seeds	4.376	4.375	8.728	—	8.728
3. Plant Protection	77.189	34.318	47.782	0.100	47.882
4. Soil Surveys	—	—	—	—	—
5. Mechanization	0.088	0.080	2.200	—	2.200
6. Soil Conservation	—	—	—	—	—
II. Infra-structure and Institutional Arrangements.					
7. Agricultural Marketing	8.292	0.062	0.063	0.100	0.163
8. Cooperatives	—	—	—	—	—
9. Govt. Foodgrain Storages	17.379	17.375	20.000	—	20.000
10. Research on Crop production	45.962	56.813	74.823	8.000	82.823
11. Agricultural Education	17.310	19.179	36.460	—	36.460
12. Agricultural Extension	14.895	4.885	7.000	—	7.000
13. Agricultural Economics and Statistics	—	—	—	—	—
III. Other Sub-sectors.					
14. Animal Husbandry	0.292	0.175	1.100	—	1.100
15. Range Management	—	—	—	—	—
16. Forestry	2.356	2.480	2.609	4.840	7.449
17. Watershed Management	—	—	—	4.875	4.875
18. Wildlife	0.081	0.081	—	4.822	4.822
19. Fisheries	0.146	0.131	0.166	6.500	6.666
Total	188.366	139.954	200.931	29.237	230.168
IV. Other Divisions					
1. Statistics Division	4.546	4.546	3.900	—	3,900
2. Commerce Division	86.153	18.965	17.100	—	17,100
(a) Pakistan Tobacco Board	3.497	6.687	2.100	—	2,100
(b) Govt. Foodgrain storages	82.656	12.282	15.000	—	15,000
3. Finance Division	91.792	91.790	5.660	—	5,660
4. Planning Division	N.A.	56.278	124.156	250.000	374.156
(a) National Fertilizer Development Centre	6.278	6.278	4.156	—	4,156
(b) National Logistic Cell	N.A.	50.000	120.000	250.000	370.000
5. Kashmir Affairs Division	37.373	37.375	—	—	43,842
6. State and Frontier Regions Division	18.114	16.584	—	—	20,000
7. Interior Division	1.180	1.180	8.200	—	8,200
8. Industries Division (Seeds)	3.371	3.371	5.200	—	5,200
Total	437.173	370.043			708.226
SUBSIDY ON FERTILIZER					
	2115.400	2363.100	2448.334	—	2448.334

(a) Excludes Fertilizer Subsidy amounting to Rs. 2115.400 million reflected under fertilizer subsidy

(b) Excludes Rs. 2363.100 million reflected under fertilizer subsidy

SEED DISTRIBUTING PROGRAMME FOR 1979-80 AND 1980-81

	1979-80		1980-81	
	Distribution target	Quantity Procured	Quantity distributed	Distribution target
— tonnes —				
Punjab				
Cotton	14,925	16,309	12,764	16,796
Paddy	1,493	819	724	300
Maize	1,119	461	448	—
Wheat	37,313	33,656	33,396	48,511
Gram	373	373	224	373
Others	373	1,082	1,082	—
Sub-Total	55,596	52,700	48,638	65,980
Sind				
Cotton	3,731	4,703	2,619	5,598
Paddy	—	187	165	170
Wheat	5,597	3,509	3,509	5,599
Sub-Total	9,328	8,399	6,293	11,367
NWFP				
Maize	360	86	15	373
Soyabean	122	—	—	—
Wheat	5,550	3,167	3,167	4,478
Paddy	55	19	19	75
Others	141	30	30	250
Sub-Total	6,228	3,302	3,231	5,176
Baluchistan				
Wheat	1,500	933	945	1,680
Total	72,652	65,334	59,107	84,203

RATE OF SUBSIDY AND PREMIUM ON PURCHASE OF IMPROVED SEEDS IN 1979-80

Crop	Punjab		Sind		NWFP		Baluchistan	
	Subsidy	Premium	Subsidy	Premium	Subsidy	Premium	Subsidy	Premium
	Rupees per 37.32 kg.							
Cotton	10.00	10.00	—	4.00	19.00	—	—	—
Paddy	6.50	2.14 5.35	—	—	14.50	—	—	—
Maize	6.50	8.70	—	—	14.50	—	—	—
Wheat	7.48	2.50 4.30	—	8.50	14.50	5.00	6.17	8.00
Gram	6.50	2.00	—	—	—	—	—	—
Others	7.48	2.00	—	—	22.00	—	—	—

STATE OF MICHIGAN DEPARTMENT OF AGRICULTURE
**CROP-WISE COVERAGE OF AREA BY AERIAL AND GROUND OPERATIONS DURING
 1979-80 AND 1980-81**

Crop	1979-80 (Estimated)			1980-81 (Target)		
	Aerial operations	Ground operations	Total	Aerial operations	Ground operations	Total
	thousand spray hectares					
Cotton	93.93	671.49	765.42	114.17	1381.50	1495.67
Paddy	75.71	174.10	249.81	141.68	382.26	523.94
Sugarcane	209.72	241.10	450.82	228.74	311.11	539.85
Maize	—	67.75	67.75	—	109.62	109.62
Oilseeds	—	7.30	7.30	20.24	9.81	30.05
Orchards	4.0	174.52	178.52	12.14	218.11	230.25
Tobacco	—	40.59	40.59	—	44.85	44.85
Vegetables	—	203.43	203.43	—	194.74	194.74
Others	—	156.15	156.15	—	391.51	391.51
Total	383.41	1736.43	2119.84	516.97	3043.51	3560.48

Annexure XI

ESTIMATED CROP-WISE COVERAGE BY GROUND OPERATIONS IN VARIOUS PROVINCES OF PAKISTAN DURING 1979-80

('000 Hectares)

Crop	Punjab		Sind		N.W.F.P.		Baluchistan		Total	
	Actual Hectares	Spray Hectares								
Cotton	131.68	526.72	70.94	141.87	2.83	2.83	0.02	0.07	205.47	671.49
Paddy	60.11	120.24	14.34	23.67	24.28	24.28	0.45	0.91	99.18	174.10
Sugarcane	51.96	155.87	18.34	36.67	24.28	48.56	—	—	94.58	241.10
Maize	9.58	28.74	—	—	38.45	38.45	0.56	0.56	48.59	67.75
Oilseeds	—	—	0.46	0.91	5.66	5.66	0.73	0.73	6.85	9.70
Orchards	35.63	106.88	13.89	27.78	10.12	20.23	9.81	19.63	69.45	174.52
Tobacco	—	—	—	—	20.23	40.47	0.12	0.12	20.35	40.59
Vegetables	42.91	128.74	18.73	37.46	11.13	20.23	5.92	17.00	78.69	203.43
Others	45.75	45.75	30.16	30.16	52.20	52.20	21.89	28.04	150.00	156.15
Total	377.62	1112.94	166.86	303.52	189.18	252.91	39.50	67.06	773.16	1736.43

APPROVED BY THE DIRECTOR GENERAL OF AGRICULTURE AND FISHERIES, GOVERNMENT OF PAKISTAN

DATE: 10/11/80

OFFICE: DIRECTOR GENERAL OF AGRICULTURE AND FISHERIES, ISLAMABAD

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TARGETS OF CROP-WISE COVERAGE OF AREA BY GROUND OPERATIONS IN VARIOUS PROVINCES DURING 1980-81

('000' Hectares)

Crops	Punjab		Sind		N.W.F.P.		Baluchistan		Total	
	Actual Hectares	Spray Hectares	Actual Hectares	Spray Hectares	Actual Hectares	Spray Hectares	Actual Hectares	Spray Hectares	Actual Hectares	Spray Hectares
Cotton	222.67	890.69	242.91	485.83	3.64	3.64	0.33	1.34	469.55	1381.50
Paddy	86.03	172.06	81.78	163.97	28.33	28.33	8.95	17.90	205.09	382.26
Sugarcane	55.33	165.99	45.75	92.71	26.30	52.41	—	—	127.38	311.11
Maize	22.27	66.80	—	—	42.49	42.49	0.33	0.33	65.09	109.62
Oilseeds	—	—	1.01	2.02	6.47	6.47	1.32	1.32	8.80	9.81
Orchards	47.23	141.70	10.77	28.34	11.13	22.26	12.90	25.81	82.03	218.11
Tobacco	—	—	—	—	22.26	44.52	0.33	0.33	22.59	44.85
Vegetables	33.74	101.21	19.23	38.46	11.13	22.26	15.05	32.81	79.15	194.74
Others	161.94	161.94	30.36	30.36	160.60	160.90	34.98	38.31	387.88	391.51
Total	629.21	1700.39	431.81	841.69	312.35	383.28	74.19	118.15	1447.56	3043.51

ESTIMATED CROP-WISE COVERAGE BY AERIAL OPERATIONS IN VARIOUS PROVINCES DURING 1979-80

('000 Hectares)

Crop	Punjab		Sind		NW.F.P.		Baluchistan		Total	
	Actual Hectares	Spray Hectares								
Cotton	44.13	44.13	33.60	49.80	—	—	—	—	77.73	93.93
Paddy	—	—	47.37	47.37	14.17	14.17	14.17	14.17	75.71	75.71
Sugarcane/Maize	—	—	—	—	142.51	209.72	—	—	142.51	209.72
Orchards	—	—	—	—	—	—	4.05	4.05	4.05	4.05
Oilseeds	—	—	—	—	—	—	—	—	—	—
Total	44.13	44.13	80.97	97.17	156.68	223.89	18.22	18.22	300.00	383.41

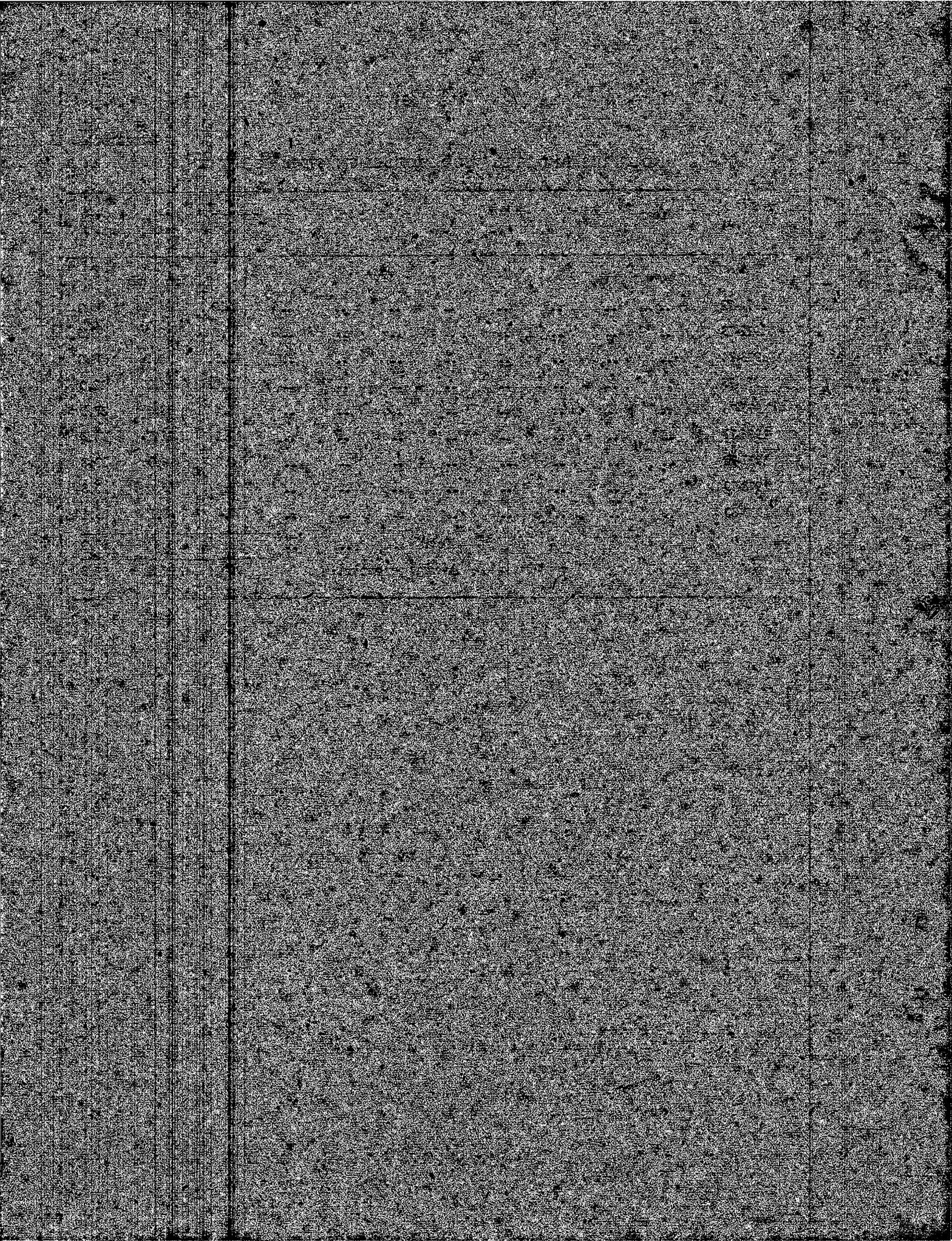
TARGETS OF CROP-WISE COVERAGE BY AERIAL OPERATIONS IN VARIOUS PROVINCES DURING 1980-81

('000' Hectares)

Crop	Punjab		Haryana		N.W.F.P.		Bihar		Bihar		Total	
	Actual Hectares	Spray Hectares										
Cotton	12.14	48.58	54.65	65.59	—	—	—	—	—	—	66.79	114.17
Paddy	20.24	40.48	20.24	40.48	20.24	20.24	20.24	40.48	20.24	40.48	80.96	141.68
Sugarcane/Maize	—	—	—	—	141.70	228.74	—	—	—	—	141.70	228.74
Orchards	—	—	—	—	—	—	4.05	12.14	—	—	4.05	12.14
Oilseeds	—	—	—	—	—	—	20.24	20.24	20.24	20.24	20.24	20.24
Total	32.38	89.06	74.89	106.07	161.94	248.98	44.53	72.86	44.53	72.86	313.74	516.97

INDUSTRIAL AND FUEL WOOD PRODUCTION 1971-72 TO 1979-80

Year	Industrial Wood		Fuel Wood		Total
	Million	cft	Million	cft	
1971-72	12.0	24.0			36.0
1972-73	15.5	18.0			33.5
1973-74	12.3	18.7			31.0
1974-75	7.8	14.2			22.0
1975-76	8.4	18.6			27.0
1976-77	11.1	22.2			33.3
1977-78	4.8	16.0			20.8
1978-79	4.9	15.4			20.3
1979-80	4.4	8.7			13.1
Total	81.2	155.8			237.0
Average per annum..	9.02	17.3			26.3



CHAPTER 10

WATER RESOURCES DEVELOPMENT

Despite the fact that Pakistan is blessed with nearly 76 MA of cultivable area and about 140 MAF of water at its river rim stations, its agricultural production, presently, does not match with its land and water resources. The low crop production, among other factors, may be attributed to (i) insufficient application of irrigation water both in quantity and frequency ; (ii) inadequate drainage ; (iii) low irrigation efficiency ; and (iv) unsatisfactory flood protection system.

2. The key to the solution of these problems is the conjunctive use of additional surface and groundwater resources, besides efficient drainage, appropriate water management, and adequate flood protection system. In the light of above due emphasis was given to these sub-sectors in the developmental efforts during 1979-80.

REVIEW OF 1979-80

3. At the farmgate, the total water availability during 1979-80 was 96.90 MAF as compared to 90.09 MAF in 1978-79. Proportionate increase in surface and groundwater availability at farmgate during 1978-79 and 1979-80 is brought out below :

	1978-79	1979-80	%increase
Surface Water (MAF)	51.98	63.14	9
Ground water (MAF)	29.41	31.00	5
Total (MAF) ..	87.39	94.14	8

During 1979-80, of 108.70 MAF *kharif* river inflow, canals diverted 68.22 MAF, whereas in *rabi* though the river inflow was 24.87 MAF, the canals withdrew 37.02 MAF. The excess diversion of water through canals during *rabi* was due to Tarbela releases of 6.84 MAF and system gains.

4. The annual river inflows at rim-stations from 1965-66 to 1979-80 are given in Annexure VII which shows that there was a decrease of about 4 % in the river flows during 1979-80 as compared to the average of last 30 years. Water availability at farmgate since 1965-66 is shown in Annexure IX. Source-wise water availability during 1979-80 is shown in Annexure X.

5. An additional area of about 0.305 million acres (MAF) was protected under the Accelerated Programme for waterlogging and salinity control, as given below :

	Acres
Punjab	0.055
Sind	0.190
N.W.F.P.	0.060
Total ..	0.305

6. During 1979-80 Rs. 2662.25 million were earmarked for the development of water resources, which was 40 % less than that allocated during the year 1978-79. According to the revised

estimates, Rs. 2584.51 million (3% below allocated amount) were utilized as indicated below. The percentage utilization was 97%. The agency-wise financial details are given in Annexure I.

TABLE 1

Financial outlay on Water Resources Development

(Million Rs.)

	1978-79 Revised Estimates	1979-80 Revised Estimates	% increase change
Water Development	1437.24	1482.79	+3%
Flood Control	310.40	215.72	-44%
Tarbela/IBP	1030.99	886.00	-16%
Total	2778.63	2584.51	-9%

7. There was an increase of 3% in expenditure on water development compared to 1978-79, whereas in the case of flood control and Tarbela. The expenditure registered a decline of 44% and 16% respectively.

8. The amounts spent in various sub-sectors during 1978-79 and 1979-80 (and their percentage) were according to the following frame-work :

TABLE 2

Sub-Sector-wise Expenditures in Water Sector

(Million Rs.)

Sl. No.	Sub-Sector	1978-79 Revised Estimates		1979-80 Revised Estimates	
		Amount (M. Rs.)	% of water sector	Amount (M. Rs.)	% of water sector
1.	Irrigation	555	20	479.60	19
2.	Drainage & Reclamation	660	24	744.61	29
3.	Flood Control/protection	310	11	214.72	9
4.	Research	47	2	29.53	1
5.	Water Management	67	2	81.87	3
6.	Survey and Investigation	89	3	88.53	3
7.	Miscellaneous	39	1	47.170	2
8.	Tarbela/IBP	1031	37	886.000	34
	Total	2778	100	2584.51	100

9. The revised estimates for 1979-80 agency-wise and programme-wise were as follows :

TABLE 3

Programme/Agency-wise details of Expenditure 1979-80

(Million Rs.)

S. No.	Sub-sector	Federal	Provincial	Total	%age
1.	Irrigation	358.080	133.000	491.080	19
2.	Drainage and Reclamation	711.560	33.050	744.610	29
3.	Flood Control/protection	147.000	68.720	215.720	9
4.	Research	27.830	1.700	29.530	1
5.	Water Management and Others ..	3.620	78.250	81.870	3
6.	Survey and Investigation	29.550	58.980	88.530	3
7.	Miscellaneous	14.240	32.930	47.170	2
8.	Tarbela /IBP	886.000	—	886.000	34
	Total ..	2177.88	406.630	2584.510	100

10. The principal physical achievements for 1979-80 are compared with targets below :

TABLE 4

Major Physical Targets

S. No.	Item	Unit	Target	Achievement
1.	Construction, remodelling and enlargement of canals.	Miles.	276	271
2.	Construction and remodelling of irrigation structures.	Nos.	189	197
3.	Earthwork :			
	(a) Hub Dam	MCF		
	(b) Khanpur Dam	"		
	(c) Flood embankment	Miles	375	358
	(d) Drains	Miles	330	325
4.	Tubewells :			
	(a) Public Sector	Nos.	895	
	(b) Private Sector	"	—	
5.	Water courses improved	"	249	344
6.	Area precisely levelled	Acres	69,279	26,172
7.	Area protected from waterlogging and salinity ..	M. Acres	0.85	0.50

11. A brief review of progress in respect of Federal and Provincial programmes is given in the subsequent paragraphs.

Federal Programmes

IRRIGATION

12. *Tarbela/IBP*.—During 1979-80, Rs. 886 million were spent. A break down of expenditure is given below :

	(Million Rs.)
(i) <i>Tarbela Dam</i> :	
(a) Main Dam	92.695
(b) Resettlement	56.450
(ii) Other IBP works	736.855
Total ..	886.000

13. *Tarbela reservoir* was filled in early *rabi* and releases were made satisfactorily. A total of 7.18 MAF was released with 6.84 MAF in *Rabi* and 0.34 MAF in early *Kharif*. Details are shown in Annexure VIII.

14. *Hub & Khanpur Dam*.—The initial allocation of Rs. 121.516 million for Karachi Irrigation Project (Hub Dam) was raised by 8% to Rs. 131.516 million. This was necessitated because unexpected seepage below the dam had made it unsafe. Remedial works involving provision of relief wells and a "safety spill channel" at elevation 300 were immediately undertaken. Completion of work on the canal system this year will be the main Hub Dam project to its completion. However remedial works may continue as the situation demands. On *Khanpur Dam* liabilities incurred in the previous year were cleared and work on irrigation canal continued.

15. *New major dams*.—Investigations on new multipurpose dams continued during the year under review. A sum of Rs. 30.35 million was spent on *Kalabagh* and other Post-*Tarbela* storage investigations.

SCRAPS AND DRAINAGE

16. This priority programme within the Water sector included 25 projects under implementation by WAPDA. The expenditure during 1979-80 was Rs. 711.56 million of which 95% was for project implementation and 5% on project planning. The scope of work undertaken and the actual achievements during the year are given below :

Item	Target of 25 projects	Progress or completion in 1978-79
Area (M. acres)	0.382	0.305
Tubewells (Nos.)	895	603
Pumpage (MAF)	0.405	0.368
Drains (Miles)	145	130

17. Project-wise progress during 1979-80 ranged between 15 to 47% of aggregate project targets. The details of the progress are given in Annexure XVI-A. The progress of those projects which are aided by foreign agencies has been brought out separately in Annexure XVII.

18. Expenditure on the important Federal research/data collection projects during 1979-80 is shown below :

Scheme	Scope	1979-80 Revised Estimate (Rs. M)
(i) Central Monitoring Organization.	Monitoring and evaluation of SCARPs.	14,413
(ii) Moha Reclamation Experimental Project.	Intensive research on SCARPs ..	6,200
(iii) Irrigation Research Council	Moha discipline research	4,110
(iv) Alluvial Channel observation programmes.	Channel hydraulics	1,492
	Total ..	26,215

19. It will be noted that nearly 79% of the resources have been concentrated on the problems relating to anti-waterlogging and salinity control.

SURVEY AND INVESTIGATION

20. Rs. 29.55 million were spent on survey and investigations increased in the federal programme. The details are given below :

TABLE 5
Survey & Investigation programme 1978-79

Scheme	Scope	1979-80 Revised Est. (M. Rs.)
Master Planning.	Preparation of revised Action Plan ..	11.097
Surface Water Hydrology and expansion of basic hydrologic network.	Continued activity.	13.452
Kalabagh Dam Investigation.	Detailed Investigation (shown under irrigation).	(25.351)
Post-Tarbela Works.	General investigations and project preparation.	5.000
	Total ..	29.549

Provincial Programmes

IRRIGATION

21. In the four provinces, Rs. 133.0 million were spent on irrigation projects. The provincial programmes consisted mainly of improvement, re-conditioning, re-modelling and extension of existing canal systems. The detailed achievements are given in Annexure IV, (brief comments on the major schemes of each province are given below).

22. Punjab.—The expenditure of Rs. 46.58 million was incurred on extension, remodelling and enlargement of 75 miles of channels and structures to benefit an area of about 40,000 acres. Water availability increased by about 7%.

23. *Sind*.—Rs. 64.8 million were spent in Sind on the extension and reconditioning of 170 miles of channels mainly in the Kotri Barrage area. In addition, 37 structures were remodelled/constructed. This benefited an area of 8,69,000 acres.

24. *N.W.F.P.*—An expenditure of Rs. 12.93 million was incurred on construction and remodelling extension of canals in different parts of the provinces involving about 26 miles of channels. As a result, 16,000 acres received increased water supplies.

25. *Baluchistan*.—An expenditure of 8.69 million was made for construction and remodelling extension of irrigation channels the installation of tubewells in Bela plain and other projects.

SURFACE DRAINAGE

26. An expenditure of Rs. 33.05 million was made on surface drainage projects outside the accelerated programme. The details of expenditure incurred and progress made for 1979-80 is given below :

Province	Scope	Expendt. incurred (Rs. M.)	Physical progress
Punjab		31.19	
Sind	Open drains in Sanghar, Dadu and other areas.	1.86	125 miles

FLOOD PROTECTION

27. The expenditure on flood control in the provinces was Rs. 208.72 million excluding Rs. 7.0 for the Federal programme. The allocation was utilized mainly for earth work. The province-wise position is as follows :

Province	Amount (Rs. M.)	Embankments improved (Miles)
Federal	7.00	—
Punjab	102.92	160
Sind	87.50	198
N.W.F.P.	12.80	0.1
Baluchistan	5.50	—
Total	215.72	358.1

WATER MANAGEMENT

28. The On-Farm Water Management programme which was started in 1976 gained considerable momentum during 1979-80. Rs. 35.47 million in the Punjab, Rs. 11.85 million in Sind, 3.40 million in NWFP and Rs. 3.44 million in Baluchistan were spent. Progress has been made mainly in the Punjab where 261 watercourses were improved. Water courses improved in Sind, NWFP and Baluchistan were 61, 17 and 5 respectively.

ANNUAL PLAN 1980-81

29. For 1980-81 the water resources development sector has been allocated 3152.53 million which is about 22% more than the revised estimates of 1979-80. The allocation in 1979-80 for the key programme in the water sector namely, water development and drainage and reclamation have been increased. There is a substantial increase in the water management programme. There is also an increased allocation for Tarbela/IBP works programme. There is however, a decrease in the allocation for survey and investigation, Flood Control, Accelerated programme and miscellaneous schemes.

30. The allocations by broad categories are analysed below:

	1979-80 (Revised estimates)	1980-81 (Budget)	%change + or —
Water development	1482.79	1914.78	+29%
Flood protection	215.72	230.69	+7%
Tarbela/IBP	886.00	1007.06	+14%
Total	2584.51	3152.53	+22%

31. The basic objectives of the water development strategy remains unchanged though progress will be slower in 1980-81 due to overall shortage of resources. The objectives are briefly recapitulated below:

- (i) Pace of work will be continued on the problems of water logging and salinity. Schemes for useable ground water areas (amounting to 48% of irrigated area) would be completed within 5 years. Full protection to saline area would then be possible in a period of 11 to 12 years.
- (ii) The availability of water would be steadily increased at approximately 2.3% per annum.
- (iii) The water management programme already launched will be substantially increased.
- (iv) Phase I of the flood protection programme would be completed in the shortest possible time and work started on phase II of the programme.
- (v) Backward areas, outside the Indus Basin irrigation system, will receive special attention.

32. The sub-sector-wise allocations for 1980-81 are analysed below:

TABLE 6
Sub-sector-wise Allocation 1980-81

Sub-sector	1979-80 (Revised Estimate)	1980-81 (Budget)	(Million Rs.) %change + or —
Irrigation	491.08	792.63	+61%
Drainage and Reclamation	744.61	785.71	+6%
Flood protection/control	215.72	230.69	+7%
Research	29.53	37.28	+26%
Water Management	81.87	176.00	+115%
Survey and Investigation	88.53	75.80	-14%
Miscellaneous		47.36	—
Tarbela/IBP	886.00	1007.06	+14%
Grand Total	2584.51	3152.53	+22%

The most substantial increase in allocation has been in water management to complete the US AID funded project by December, 1980. There is also a substantial increase for irrigation to meet the full requirements of Hub Dam and Chashma Right Bank canal projects. There is an increase also for research to cater for up-dating of the Master Plan by WAPDA and accelerate pace of work on research at Mona. The decrease for survey and investigation is due to the fact that few new schemes are being investigated. The apparent increase for Tarbela/IBP is really the increased contribution to Tarbela Development Fund.

33. The allocations by administrative agencies, are given in Annexure IV and summarised below :

(Million Rs.)

A. Federal Government

1. WAPDA	1299.00
2. Flood Commission	200.00
3. Other agencies	98.74
4. Tarbela/IBP	1007.06
Sub-Total	2605.00

B. Provincial Governments

1. Punjab	316.55
2. Sind.. .. .	97.50
3. NWFP	62.21
4. Baluchistan	71.27
Sub-Total	547.53
Grand Total	3152.53

34. The physical targets for 1980-81 are given in Annexure XII—XV. These are compared with achievements for 1979-80 in the following table :

TABLE 7

Physical Targets for 1980-81

	Achievements 1979-80	Targets 1980-81
1. Area protected from Waterlogging and salinity .. (MA)	0.50	0.32
2. No. of tubewells .. (nos)		
(a) Private	—	—
(b) SCARPs.. .. .	603	500
(c) Others	NA.	220
3. Length of surface drains .. (miles)	576	460
4. Flood Control .. (miles)	358	360
5. Water Management		
(a) Watercourses improved .. (Nos.)	427	415
(b) Land levelled .. (Acres)	26,172	44,200

35. The programme for waterlogging and salinity control forms the major component of the ADP 1980-81 apart from Tarbela/IBP. A broad summary of the targets for this programme is compared with 1979-80 below :

	1979-80	1980-81
Area protected (m. acres)	0.31	0.1
Tubewells (Nos.)	603	500
Length of surface drains (miles)	251	30

36. The decrease in the number of tubewells to be energized in 1980-81 is due mainly to the resource constraint.

Federal Programme 1980-81

IRRIGATION

37. *Tarbela/IBP*.—Rs. 1007.06 million have been allocated for *Tarbela/IBP* works details of which are given below :

	Allocation (Million Rs.)
(a) <i>Tarbela Dam</i> (Main project) :	
1. Dam	129.00
2. Re-settlement	61.00
Sub-Total	190.00
(b) Other IBP Works/IDF Contribution	817.06
Grand Total	1007.06

38. *Hub Dam*.—The project is largely complete. During 1980-81, the remaining work on the canal system will be completed to bring the main project to completion. However, work relating to remedial measures and the "Safety Spill Channel" will continue. An amount of Rs. 150 million has been provided in WAPDA's ADP for this project.

39. *Khanpur Dam*.—An amount of Rs. 123 million has been provided during for 1980-81 continuing work on the canal system including canal lining and spillway.

40. *Chashma Right Bank Canal Project*.—An amount of Rs. 266 million has been provided for this project for undertaking earthwork and lining on 50 mile reach of main canal, remodelling of Paharpur Canal, exploratory surveys and construction of colonies.

DRAINAGE AND RECLAMATION (SCARPS)

41. An amount of Rs. 700 million (44% of total water sector excluding Indus Basin Works) has been allocated to the accelerated programme for waterlogging and salinity control. Out of this, an amount of Rs. 664 million or 95% is for project implementation and Rs. 36 million (or 5%) for project planning and preparation. The overall physical targets are shown in Annexure XVI and include drilling of 330 tubewells and energization of 410 tubewells (replacements of 360 tubewells.) Excavation of about 150 miles of drains is also envisaged. It is expected that about 0.1 million acres will be given protection during the year. Some of the major projects to be undertaken in each province are listed below :

- (a) Punjab .. SCARP II, Punjab—Abbasia pilot and main along links and replacement of tubewells.

- (b) Sind East Khairpur Tile Drain, LBOD, Ghotki, Larkana-Shikarpur II and Rohri South.
- (c) N.W.F.P. .. Mardan SCARP, Jue Sheikh Unit and Bannu SCARP.

42. *Flood Control.*—There is a provision of Rs. 200 million for further studies to be carried out by the Federal Flood Commission through NESPAK or other consultants. The main allocations for this programme are reflected in the Provincial ADPs.

43. *Research.*—The allocations for the major research schemes are given below :

	<i>Allocation</i>
	(Million Rs.)
Central Monitoring Organization	16.00
Mona Project, Tandojam and Research on Water Management	12.00
Alluvial Channel observation project	—
Irrigation Research Council.	7.20
Total	35.20

44. It will be seen that nearly 69% of the allocation is for conducting research on problems relating to waterlogging and salinity.

OTHER FEDERAL PROGRAMMES

45. The allocation to the other Federal Agencies excluding WAPDA, IDFC, M/o Food & Agriculture and the Federal Flood Commission is Rs. 81.36 million as shown below :

Agency	Allocation
1. FATA DC	57.16
2. Pakistan Met. Department	17.00
3. Survey of Pakistan	1.13
4. Northern Areas	5.07
5. Azad Kashmir	1.00
Total	81.36

46. The Federally Administered Tribal Area Development Corporation (FATA DC) has in its surface water and groundwater development projects mainly in Bajaur, Kurram, North Waziristan and South Waziristan areas. In addition, investigation for groundwater over 40 sq. miles will continue in Khyber, Orakzai, Kurram, Bannu, North and South Waziristan. It is expected that about 3,305 acres will be benefitted by remodelling of 2 miles of canals, 63 new structures, 67 public tubewells and 4 pumping stations. The Pakistan Meteorological Department will utilize about Rs. 12.5 million for works which the balance of Rs. 4.5 million on procurement of equipment. It is expected that the WMO/UNDP aided project for flood forecasting will be completely made operational. The meteorological facilities for Baluchistan and Northern Areas will be augmented in order to improve frequency of aviation in these regions. An agri-met centre at Tandojam will be established. In the Northern Areas small irrigation Channels will be constructed. The Azad Kashmir Government will continue its work on the Jari-Bhimber irrigation scheme.

SURVEY AND INVESTIGATION -

47. The Planning Division of WAPDA will continue to update the Revised Action Plan which is expected to be completed during the year 1980-81. Other programme such as Post-Tarbela works, Work Kalabagh dam, etc. will continue. Details are as follows :

TABLE 7
Survey & Investigation Programme

		(Million Rs.)
Scheme	Scope	Allocation
Perspective Planning (WAPDA)	.. Revision of Action Plan.	8.00
Kalabagh dam investigation	.. .. Feasibility studies (Shown under Irrigation).	15.00*
Post-Tarbela works	.. .. Project Planning of Various schemes.	6.00
Expansion and Modernisation of Basic Hydrological Data Collection.	General Investigation and project preparation.	3.00
Total ..		17.00

*Shown under irrigation

Provincial Programmes

IRRIGATION

48. A sum of Rs. 173.6 million has been allocated to the four provinces for continuing work on canal re-modelling, construction of new channels, etc. The allocations for Punjab, Sind, NWFP and Baluchistan are Rs. 42.53 million, Rs. 72.82 million, Rs. 36.07 million, and Rs. 30.18 million respectively. The details of work to be undertaken by the provinces are shown below :

TABLE 8
Provincial Irrigation Programme

Provinces	New Channel (miles)	Remodelled channels (miles)	New and remodelled structures (Nos.)
Punjab	—	87	37
Sind	30	150	45
NWFP	6	2	38
Baluchistan	—	—	3
Total ..	36	239	123

DRAINAGE AND RECLAMATION

49. For improving the surface drainage system constructed by the Provincial Governments and constructing new drains an amount of Rs. 85.21 million has been allocated. Of this, Rs. 79.79 million, Rs. 4.57 million and Rs. 0.85 million will be spent in Punjab, Sind and NWFP respectively. In the Punjab, highest priority has been given to drainage programme within the water sector. Substantial allocation has been made to undertake Khairwala Drainage Project which on completion, will benefit 0.34 million acres in Faisalabad and Jhang districts. Work on other major drainage schemes such as Sukhrawa, Mojianwala, Turipur, Hinjrai and Raiwind will continue. In Sind, work on remodelling of drains in Makhi Dhand area and construction of small surface drains in Deh Manghanwari will be completed this year. Work on other small drains will continue. In NWFP, work will be undertaken on reconstruction of drains in Rashakai-Doschra area and Babri Banda.

FLOOD CONTROL/PROTECTION

50. The provinces have allocated funds for continuing the on-going flood control works. In all, about 360 miles of embankments will be strengthened extended as detailed below :

Provinces	Earth work (mcf)	Stone pitching (mcf)
Punjab ..	162	10
Sind ..	198	18
NWFP ..	—	—
Baluchistan ..	—	—
Total ..	360	28

WATER MANAGEMENT

51. Rs. 78.51 million have been provided for the On-Farm Water Management Programme to complete the USAID assisted programme by December 1980, after which the programme will be merged with the IBRD and ADB programme. It is expected that the following works will be undertaken in addition to monitoring and evaluation of O.F.W.M. project for which Rs. 10.38 million have been allocated.

TABLE 9

On-Farm Water Management Programmes

Province	Allocation (Million Rs.)	Watercourse improvement (Nos.)	Land levelling (Acres)
Punjab ..	50.00	300	30,000
Sind ..	10.00	70	11,000
NWFP ..	5.63	35	2,000
Baluchistan ..	2.50	10	1,200
Total ..	68.13	415	44,200

SURVEY AND INVESTIGATION

52. An allocation of Rs. 58.82 million has been made for continuing survey and investigation work in the provinces. Details are given below:

TABLE 10.

Provincial Survey & Investigation Programme

Province	Scope	Allocation (Million Rs.)
Punjab	Riverain areas, river survey, new dam sites in northern hilly areas, drainage and reclamation schemes, development scheme in Soan and Haro river basin.	7.91
Sind	Project Planning for remodelling of Rohri, NW & Dado canals and Nara Jamrao-Kofri links and ACOP.	2.51
NWFP	General investigation of small dams, pick-up weirs, ground-water investigation.	11.89
Baluchistan	Groundwater investigation by WAPDA—UNDP and other small schemes.	36.49
Total		58.80

ANNUAL DEVELOPMENT PROGRAMME 1979-80 (WATER)

(Million Rupees)

Executing Agency	Allocation	Revised Estimates	Percentage Change
A. Provincial Government :			
(a) Punjab	224.33	218.38	-3
(b) Sind	90.00	106.45	+18
(c) N.W.F.P.	62.10	31.17	-50
(d) Baluchistan	69.90	50.63	-28
Total (Provincial)	446.33	406.63	-9
B. Federal Government :			
(a) WAPDA	1105.98	1080.15	-2
(b) Central Government Agencies/Division	215.54	211.73	-2
(c) Tarbels/IBP	894.40	886.00	-1
Total (Federal)	2215.92	2177.88	-2
Total (Water)	2662.25	2584.51	-3

ANNUAL DEVELOPMENT PROGRAMME 1980-81

(Million Rs.)

Sponsoring Agency	Revised Estimates 1979-80	Allocation 1980-81	Percentage increase (+) Decrease(-)
Federal Government :			
(a) WAPDA	1080.15	1299.00	+20
(b) Other Divisions of the Federal Government	211.73	298.90	+41
(c) Indus Basin/Tarbela	886.00	1007.10	+14
Total Federal Government	2177.88	2605.00	+20
Provincial Governments :			
A. Punjab :			
(a) Irrigation & Power Department	159.04	172.79	+9
(b) Agriculture Department	58.34	173.76	+142
Total	218.38	346.55	+45
B. Sind :			
(a) Irrigation & Power Department	94.60	87.50	-7
(b) Agriculture Department	11.85	20.00	+16
Total	106.45	107.50	-8
C. N.W.F.P. :			
(a) Irrigation & Power Department	27.77	58.08	+91
(b) Agriculture Department	3.40	9.13	+169
Total	31.17	67.21	+100
D. Baluchistan :			
(a) Irrigation & Power Department	46.97	68.54	+63
(b) Agriculture Department	3.66	2.73	-25
Total	50.63	71.27	+41
GRAND TOTAL	2584.51	3152.53	+22

ANNUAL DEVELOPMENT PROGRAMME 1980-81, FEDERAL GOVERNMENT

(Million Rs.)

Agency	ADP Allocation 1979-80	Revised Estimates 1979-80	Allocation 1980-81	Percentage Increase(+) / Decrease(-)
1. Meteorological Department ..	16.52	13.45	17.60	+26
2. Survey of Pakistan ..	0.79	0.79	1.13	+43
3. M/O Science & Technology:				
(a) I.D.F.C.R. Council ..	6.46	4.11	7.20	+75
4. Water & Power Division:				
(a) WAPDA ..	1105.98	1080.15	1299.00	+20
(b) IBP/Tarbela ..	894.40	886.00	1007.06	+14
5. Federal Flood Commission ..	146.04	146.00	200.00	+37
6. Kashmir Affairs Division:				
(a) Azad Kashmir ..	0.79	0.70	1.00	+43
(b) Northern Areas ..	3.93	3.93	5.07	+29
7. State & Frontier Regions Division:				
(a) FATA D.C./FATA ..	37.40	39.13	57.16	+46
8. Food & Agriculture Division:				
(a) O.F.W.M. ..	3.62	3.62	10.38	+187
Total ..	2211.11	2177.88	2605.00	+20

DISTRIBUTION OF EXPENDITURE (1979-80), AND ALLOCATION (1980-81)

S.No.	Sub-sector	Federal		Punjab		Sind		N.W.F.P.		Baluchistan		Total	
		Revised Estimates 1979-80	ADP 1980-81										
1.	Irrigation	358.08	614.73	35.10	31.98	64.80	72.82	12.93	32.37	8.69	30.18	491.08	792.63
2.	Drainage & Reclamation	711.56	700.50	31.19	79.79	1.86	4.57	—	0.85	—	—	744.61	785.71
3.	Flood control	147.00	202.00	46.92	18.72	18.50	5.00	2.80	3.10	0.50	1.87	215.72	230.69
4.	Research	27.83	35.20	1.70	2.08	—	—	—	—	—	—	29.53	37.28
5.	Food and Agriculture Division	3.62	.38	—	—	11.85	10.00	3.40	5.63	3.44	2.50	57.78	68.51
(a)	Water Management	—	—	23.87	93.76	—	—	—	3.50	0.22	0.23	24.09	97.49
(b)	Others	29.55	17.00	8.93	7.91	6.47	2.51	5.80	11.89	37.78	36.49	88.53	75.80
6.	Survey and Investigation	14.24	18.13	23.72	21.76	2.97	2.60	6.24	4.87	—	—	47.17	47.36
7.	Miscellaneous	—	—	11.48	10.55	—	—	—	—	—	2.53	11.48	14.08
8.	Small Dams	886.00	100.06	—	—	—	—	—	—	—	—	886.00	1007.06
9.	Tarbela/IBP	2177.88	2695.00	218.38	316.58	106.45	97.50	31.17	62.21	50.63	71.27	2584.51	3152.53
	Total												

ACCELERATED PROGRAMME OF WATERLOGGING AND SALINITY

(Million Rs.)

Sl. No.	Name and Status of the scheme	Estimated cost (M. Rs.)	Estimated Expd. upto 1978-79	Revised Ests. for 1979-80	Provision for 1980-81	%age inc. (+) or dec. (-)
1	2	3	4	5	6	7
ACCELERATED PROGRAMME						
A. PUNJAB						
(a) On-going schemes						
1.	SCARP-II (Chaj Doab) (A)	1293.30	945.412	101.00	75.00	-25.7
2.	SCARP-III (Lower Thal) (A)	407.15	478.254	9.00	9.00	—
3.	Punjab Abbasia Unit I.(A)	194.59	230.379	43.00	20.00	-53.5
4.	Fordwah Sadiqia (A)	60.95	62.733	24.00	10.00	-58.3
5.	SCARP Shahpur (A)	125.42	101.305	0.20	—	—
6.	A.W.L along C.J. Link	44.50	10.980	1.00	10.00	+900.0
7.	A.W.L along TP Link	21.76	31.321	7.00	1.00	-85.7
8.	A.W.L along RQB Link	58.59	7.000	30.00	10.00	-66.7
9.	A.W.L along TSMB Link	59.83	—	1.00	10.00	+900.0
10.	Panjnad Abbasia Unit II-IV	178.00	27.500	35.00	75.00	+114.3
11.	Small Surface Drainage scheme of I&P Department	200.00	—	3.00	—	—
12.	Replacement of tubewells :					
	(a) Phase-I	227.00	192.706	13.00	—	—
	(b) Phase-II	—	—	20.00	5.000	+150.00
	Total (On-going)	—	2087.590	287.00	270.00	-5.9
	(b) Project Planning of various SCARPs in Punjab	—	92.686	20.80	20.00	-3.9
	Total (Punjab)	—	2180.276	308.00	290.00	-5.8
B. SIND						
(a) On-going Schemes						
1.	Left Bank Outfall Drain (A)	889.00	249.571	57.00	75.00	—
2.	East Khairpur Tile Drain (A)	372.00	88.671	70.00	83.00	+18.6
3.	Larkana-Shikarpur Stage-II (NA)	329.698	215.945	41.00	38.00	-7.3
4.	Kotri Surface Drain (NA)	1193.00	79.590	30.00	30.00	—
5.	North Dadu Drain (A)	321.134	30.198	7.00	7.00	—
6.	Rohri South FGW (A)	993.00	70.855	26.00	30.00	+15.3
7.	Ghotki FGW (A)	428.255	93.247	34.00	18.00	-47.1
8.	Replacement of tubewells	39.757	4.000	7.00	10.00	+42.9
		—	832.068	272.00	291.00	+7.0
	(b) Project Planning of projects in Sind	—	32.166	8.00	10.00	+25.00
	Total (Sind)	—	864.234	280.00	301.00	+7.5

	1	2	3	4	5	6	7
C. NWFP							
(a) On-going schemes							
1. Pabbi Pilot Unit-II	54.753	58.771	3.50	8.00	+128.6
2. Jue Sheikh Unit	51.716	35.083	8.50	15.00	+52.9
3. Mardan SCARP (L.S)	99.103	57.370	18.00	—	—
4. Bannu SCARP	93.805	41.573	20.00	12.00	-40.00
5. Mardan SCARP Phase I	1485.90	—	10.00	70.00	-600.00
Total (On-going)	—	192.797	60.00	105.00	+71.7
(b) Projects planning of projects in NWFP							
	—	43.089	8.00	6.00	-25.0
Total NWFP	—	240.886	68.00	109.00	+60.3
Total (Accelerated Prog.)	—	3285.396	677.00	700.00	+3.4

WATER AVAILABILITY AT FARMGATE

	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	Targets 1980-81
1. Water Availability at Farmgate										
A. Surface Water Availability :										
(i) Canal with draws (Canal Head)	86.65	100.90	96.07	86.43	98.91	97.33	102.69	96.63	105.24	102.53
(ii) Farmgate	51.99	60.54	57.64	51.86	59.35	58.40	61.61	57.98	63.14	61.57
B. Ground Water Availability :										
(i) Private Tubewells	14.63	15.82	17.02	18.21	19.43	20.52	21.61	22.79	23.97	25.14
(ii) Public Tubewells :										
(a) SCARP	4.20	4.47	5.10	6.59	5.78	5.27	5.83	6.22	6.59	6.90
(b) Others	0.28	0.34	0.30	0.36	0.38	0.38	0.38	0.40	0.44	0.54
Total Public T. Wells	4.48	4.81	5.40	6.95	6.16	5.65	6.21	6.62	7.03	7.44
Total Ground Water	19.11	20.63	22.42	25.16	25.59	26.17	27.82	29.41	31.00	32.58
Total W. Availability at Farmgate	71.10	81.17	80.06	77.02	94.94	84.51	89.44	87.39	94.14	94.22
2. Tubewells (Nos.)										
(i) Private Tubewells	9,865	8,200	8,300	8,200	8,394	7,500	5,100	8,100	8,100	8,100
(ii) SCARP Tubewells	280	1,948	114	520	415	1,265	1,313	500	603	500
(iii) Other	199	112	63	143	40	100	150	220	220	220
3. Length of Drains			2,137	413	319	381	206	219	130 (ACC.)	121
(Mts/miles)			2,522	399	316	376	357	101	251 (Prog.)	30
4. Area protected against waterlogging and salinity (MA)		5.90	0.74	0.40	0.60	0.88	0.85	0.71	0.50	0.32
5. Tubewells releases (MAF)					1.7	7.76	7.42	8.38	8.87***	8.41

* Provincial

ACC. Prog.

** Provincial

ACC. Prog.

*** Including for Sep. 1979 = 2.03 MAF

RIM STATIONS INLEWS OF WESTERN RIVERS

(Million Acre feet)

Year	Indus at Kalabagh (Above)		Jhelum at Mangla (Above)		Chenab at Miralal (Above)		Total					
	Kharif	Rabi	Kharif	Rabi	Kharif	Rabi	Kharif	Rabi				
1965-66	76.36	12.86	89.22	22.23	4.22	26.45	18.57	3.98	22.55	117.16	21.06	138.22
1966-67	77.40	13.91	91.31	17.59	5.52	23.11	23.48	4.35	25.83	116.47	23.78	140.25
1967-68	81.61	14.91	96.52	18.41	5.44	23.85	20.00	5.15	25.15	120.02	25.50	145.52
1968-69	78.71	14.40	93.11	26.40	5.21	21.61	20.37	3.5	23.87	115.48	23.11	138.59
1969-70	74.22	12.97	87.19	20.09	4.09	24.18	19.84	2.63	22.47	114.15	19.69	133.84
1970-71	60.75	10.13	70.88	12.32	3.03	15.34	16.52	2.73	19.25	89.59	15.88	105.47
1971-72	62.12	9.29	71.41	10.50	3.32	13.37	15.77	3.00	18.77	87.94	15.61	103.55
1972-73	66.96	12.61	79.57	17.80	7.20	25.00	16.76	4.77	21.53	101.52	24.58	126.10
1973-74	94.48	11.45	105.93	22.01	4.32	26.33	27.41	3.44	30.85	148.90	19.21	168.11
1974-75	53.32	9.07	61.39	12.74	3.56	16.30	14.40	3.34	18.24	79.46	16.47	95.90
1975-76	66.31	11.78	78.09	20.29	5.09	25.38	27.75	5.08	32.83	114.35	21.95	136.30
1976-77	65.07	11.37	76.44	20.62	4.03	24.65	25.43	3.40	29.17	111.12	19.14	130.26
1977-78	64.10	13.66	77.76	14.54	5.10	19.64	21.72	5.05	26.77	100.36	23.81	124.17
1978-79	90.40	15.85	106.25	19.70	4.91	24.61	26.80	5.43	32.23	136.90	26.19	163.09
Average 1940-41 to 1979-80	77.64	13.04	90.68	17.49	4.76	22.25	21.80	4.48	26.28	116.93	22.28	139.21
1979-80	72.86	15.71	88.57	15.53	5.19	20.72	20.91	5.97	24.28	108.70	24.87	133.57

RELEASES FROM TARBELA RESERVOIR, RABI (1979-80)

Month	Releases (MAF)
September (1979)	2.03
October (1979)	1.98
November (1979)	1.12
December (1979)	1.29
January (1980)	0.35
February (1980)	0.92
March (1980)	1.18
Total Rabi (1979-80)	6.84
Rabi (1980-81) Expected	6.38
Early Kharif (1980-81) Expected	1.00
April (1979)	-0.36
May (1979)	0.34

OVERALL WATER AVAILABILITY AT FARMGATE

(Million Acre Feet)

Year		Surface Water		Groundwater		Total Availability
		At Canal Heads	At Farm-gate	Public T/Wells	Private T/Wells	
1		2	3	4	5	6
1965-66	Kharif	65.08	39.05	1.24	3.32	43.61
	Rabi	26.17	15.70	1.23	3.33	20.26
	Total	91.25	54.75	2.17	6.65	63.87
1966-67	Kharif	66.37	39.82	0.87	4.12	44.81
	Rabi	29.59	17.75	0.86	4.12	22.73
	Total	95.96	57.57	1.73	8.24	67.54
1967-68	Kharif	61.72	37.03	0.99	4.87	42.89
	Rabi	32.98	19.79	0.98	4.88	25.65
	Total	94.70	56.82	1.97	9.75	68.54
1968-69	Kharif	66.73	40.04	1.41	5.49	46.94
	Rabi	31.58	18.95	1.41	5.49	25.85
	Total	98.31	58.99	2.82	10.98	72.79
1969-70	Kharif	69.19	41.51	1.77	6.03	49.31
	Rabi	30.66	18.40	1.77	6.02	26.19
	Total	99.85	59.91	3.54	12.05	75.50
1970-71	Kharif	60.83	36.50	2.17	6.60	45.26
	Rabi	26.53	15.92	2.16	6.60	24.69
	Total	87.36	52.42	4.33	13.20	69.95
1971-72	Kharif	60.60	36.36	2.24	7.32	45.92
	Rabi	26.05	15.63	2.24	7.31	25.18
	Total	86.65	51.99	4.48	14.63	71.10
1972-73	Kharif	68.67	41.21	2.41	7.91	51.53
	Rabi	32.23	19.33	2.40	8.91	29.64
	Total	100.90	60.54	4.81	15.82	81.17

1		2	3	4	5	6
1973-74	Kharif	63.42	38.05	2.70	8.51	49.26
	Rabi	32.65	19.59	2.70	8.51	30.80
	Total	96.07	57.64	5.40	17.02	80.06
1974-75	Kharif	62.84	37.70	3.48	9.10	50.28
	Rabi	23.59	14.16	3.47	9.11	26.74
	Total	86.43	51.86	6.95	18.21	77.02
1975-76	Kharif	62.91	37.75	3.08	9.71	51.55
	Rabi	36.00	21.60	3.08	9.72	34.39
	Total	98.91	59.35	6.16	19.43	85.94
1976-77	Kharif	58.47	35.08	2.82	10.26	48.16
	Rabi	38.86	23.32	2.83	10.26	36.41
	Total	97.33	58.40	5.65	20.52	84.57
1977-78	Kharif	64.53	38.72	3.11	10.80	52.63
	Rabi	38.16	22.90	3.10	10.81	36.81
	Total	102.69	61.62	6.21	21.61	89.44
1978-79	Kharif	60.10	36.06	3.31	11.40	50.77
	Rabi	36.53	21.92	3.31	11.39	36.62
	Total	96.63	57.98	6.62	22.79	87.39
1979-80	Kharif	68.22	40.93	3.52	11.98	56.43
	Rabi	37.02	22.21	3.51	11.99	37.71
	Total	105.24	63.14	7.03	23.97	94.14

Water Losses:	(i) From canal head to outlet	.. 25% of canal head
	(ii) From outlet to farmgate	.. 15% of canal head
	Total	.. 40% of canal head.

Annex X
WATER AVAILABILITY DURING (1979-80)

(MAF)

Source	At Canal Head			At Farm Gate		
	Kharif	Rabi	Total	Kharif	Rabi	Total
A. Surface Water	68.22	37.02	105.24	40.93	22.21	63.14
B. Ground water						
Private T/Wells				11.98	11.99	23.97
Public T/Wells:						
(a) SCARP T/Wells				3.30	3.29	6.59
(b) Others				0.22	0.22	0.44
Sub-Total Public T/Wells				3.52	3.51	7.03
Sub-Total Ground Water				15.50	15.50	31.00
Total water Availability				56.43	37.71	94.14

EXPECTED WATER AVAILABILITY DURING (1980-81)

(MAF)

Source	At Canal Head			At Farmgate		
	Kharif	Rabi	Total	Kharif	Rabi	Total
Surface Water						
1. Canal with drawals (Benchmark)**	64.50	29.53	94.03	38.70	17.72	56.42
2. Tarela**	1.00	6.90	7.90	0.60	4.14	4.74
3. Canal Remodelling and small irrigation schemes***	0.50	0.10	0.60	0.30	0.06	0.36
4. Water course improvement				0.08	0.04	0.12
Total (surface Water)	66.00	36.53	102.53	39.68	21.96	61.64
Ground Water						
1. Private tubewells				12.57	12.57	25.14
2. SCARP tubewells				3.45	3.45	6.90
3. Other Public tubewells				0.27	0.27	0.54
Total (Ground Water)				16.29	16.29	32.58
Total (Water Availability)				55.97	38.25	94.22

* Average 9 years canal with drawl (1966/67-1974-75).

** 15% conveyance losses in rivers have been deducted.

*** (w.c) improvement = 1070 + 108 = 0.12 MAF.

A. Canal water

Canal and Distributaires	.. ..	Losses 25% of canal head.
Sanctioned Water Course	.. ..	Losses 15% of canal head.
		40% of canal head.

B. Ground Water

Private T. Wells	.. ..	Q-1.05cs, Eff.—20%, losses—5%, Ann. Pumpage 143 A.F.
SCARP T. Wells	.. ..	Q-2.00cs, Eff.—50%, losses—15% Ann. Pumpage 615 A.F.
Other Public T. Wells	.. ..	Q-1.5 cs, Eff.—50% losses—15% Ann. Pumpage 461 A.F.

PHYSICAL ACHIEVEMENTS (1979-80) & TARGETS (1980-81) (PUNJAB)

S.No.	Sub-Sector	Unit	Targets 1979-80	Achievement 1979-80	Targets 1980-81	Remarks
1	2	3	4	5	6	7
1. Survey and Investigation						
a.	Reconnaissance survey	Sq. M.	50	50	60	
b.	Topographic survey	Sq. M.	10	10	15	
c.	Detailed investigation (Dam sites)	Nos.	5	5	3	
d.	Investigations for surface water development scheme	Nos.	18 Sq. M.	15 Sq. M.	6 Nos.	
2. Irrigation						
a.	Extension of canals	Miles	—	—	—	
b.	Remodelling of canals	Miles	75	75	87	
c.	Enlargement of canals	Miles	—	—	—	
d.	Remodelling of structures	Nos.	60	60	30	
e.	New structures	Nos.	10	10	7	
f.	Residential accommodation	Nos.	60	52	40	
g.	Metalled road	Sq. ft.	—	—	—	
h.	Small Dams (E/work)	MC ft.	12	10	7	
i.	Public tubewells	Nos.	60	48	25	(Rebering & Replacement)
j.	Pumping stations	Nos.	—	—	—	
k.	Subsidised tubewells	Nos.	1090	1090	1100	
l. Cropped area benefitted :						
(a)	Surface Water	Acres	40,000	40,000	45,000	
(b)	Ground Water	Acres	25,000	25,000	25,000	
3. Drainage and Recalamation						
a.	Extension and remodelling of open drains	Miles	100	100	150	
b.	Area protected	Acres	135	135	225	
c.	Strengthening restoration	Miles	30	30	62	
d.	Structures	Nos.	—	—	10	
4. Flood Protection						
a.	Extension of flood embankment	Miles	10	10	12	
b.	Stone pitching	Miles	7	7	10	
c.	Strengthening/restoration	Miles	150	150	150	
d.	Structure	Nos.	15	15	12	
5. Water Management						
a.	Water course improved	Nos.	—	—	—	
b.	Precision land levelling	Acres	—	—	—	

	1	2	3	4	5	6	7		
6. Requirement of Material									
a. Cement	--	--	--	Tons.	4,390	4,390	7,000		
b. Bricks	--	--	--	Nos.	6,00,000	5,50,000	9,00,000		
c. Reinforcing structural steel	--	--	--	Tons.	765	750	900		
d. Blind pipe and strainer	--	--	--	R. ft.	B. pipe Straing	40	40	250	B. pipe Straines
					295	295	600		
e. Timber	--	--	--	C. ft.	400	400	600		
7. Plant and Machinery									
a. Drilling Rigs	--	--	--	Nos.	8	4	4		
b. Pumps	--	--	--	Nos.	--	--	12		
c. Draglines	--	--	--	Nos.	--	--	1		
d. Dozer	--	--	--	Nos.	8	8	6		
e. Scraper	--	--	--	Nos.	1	1	2		
f. Compressor	--	--	--	Nos.	--	--	--		
g. Hy. excavator	--	--	--	Nos.	--	--	--		
h. Generating Set	--	--	--	Nos.	--	--	--		
i. Engines and Transmission	--	--	--	Nos.	2	2	2		
j. Spare parts	--	--	--	Nos.	100	100	200		
k. Cutter for mulling machine	--	--	--	Nos.	1	1	2		
l. Lathie machine	--	--	--	Nos.	1	1	1		
m. Others	--	--	--	Nos.	1	1	2		

PHYSICAL TARGETS AND ACHIEVEMENTS FOR 1979-80 AND 1980-81

(SIND)

Sub-Sector	Unit	Targets 1979-80	Achievement 1979-80	Targets 1980-81	Remarks
1	2	3	4	5	6
1. Survey and Investigation					
a. Reconnaissance and Survey ...	Sq. mile.	170	170	156	
b. Topographic Survey ...	Sq. Mile.	150	150	180	
c. Detailed investigations (Dam Sites)	No.	—	—	—	
d. Investigation for surface water development scheme ...	No.	—	—	—	
(i) Project Planning for Makhi Parash ...	No.	5%	5%	1%	The Scheme will be complete.
(ii) Project Planning for remodelling of Rohri Canal ...	No.	10%	10%	5%	
(iii) Project Planning for Nara Jamrao Kotri link ...	No.	5%	5%	10%	
(iv) Project Planning for N.W. Canal ...	No.	5%	5%	5%	95% work will complete.
(v) Project Planning for Dadu Canal ...	No.	5%	5%	2.5%	
2. Irrigation					
a. Extension of Canal ...	Miles	30.0	15.5	30.0	
b. Remodelling of Canals ...	Miles	150	155	150	
c. Enlargement of Canals ...	No.	—	—	—	
d. Remodelling of structures ...	No.	25	22	25	
e. New structures ...	No.	17	15	20	
f. Residential accommodation ...	No.	57	31	40	
g. Metalled Road ...	Sq. ft.	—	—	—	
h. Small Dams (W/works) ...	Mcf.	—	—	—	
i. Public tubewells ...	No.	—	—	—	
j. Pumping stations ...	No.	—	—	—	
k. Subsidised tubewells ...	No.	—	—	—	
1. Cropped area benefitted :					
(a) Surface Water ...	Acres	8,69,000	8,69,000	11,47,307	
(b) Ground Water ...	Acres	—	—	—	
3. Drainage and Reclamation					
a. Extension and remodelling of open drains ...	Miles	130	125	130	
b. Area protected ...	Sq. mile	300	295	300	
c. Strengthening restoration ...	Miles	70.0	70.0	69.0	
d. Structures ...	Nos.	107	107	105	

	1	2	3	4	5	6
4. Flood Protection						
a. Extension of flood embankment	--	Miles	7.9	7.8	7.5	
b. Stone pitching	--	Miles	19.0	18.75	18.5	
c. Strengthening restoration	--	Miles	195.0	190.00	190.00	
d. Structures	..	Nos.	4	4	4	
e. E/work in million cft.	--	Nos.	280.0	275.0	270.0	
5. Water Management						
a. Water course improved	--	Miles	--	--	--	
b. Precision land leveling	--	Acres	--	--	--	
6. Requirement of Material						
a. Cement	--	tons	6515	5899	12,000	
b. Bricks	--	Lacs	7.5	7.0	7.0	
c. Re-inforcing structural steel	--	tons	5.5	5.0	6.0	
d. Blind pipe and strainer	--	Ft.	--	--	†	
e. Timber	--	Cft.	--	--	--	
7. Plant and Machinery						
a. Drilling Rigs	--	No.	--	--	--	
b. Pumps	--	No.	--	--	--	
c. Draglines	--	No.	--	--	--	
d. Dozer	--	No.	--	--	--	
e. Scraper	--	No.	--	--	--	
f. Compressor	--	No.	--	--	--	
g. Hy. Excavator	--	No.	--	--	--	

PHYSICAL ACHIEVEMENTS (1979-80) AND TARGETS (1980-81)
(IRRIGATION DEPARTMENT N.W.F.P.)

Sub-Sector	Unit	Targets 1979-80	Achievement 1979-80	Targets 1980-81	Remarks
1	2	3	4	5	6
1. Survey and Investigation					
a. Reconnaissance & Survey	Sq. mile	76	69	30	
b. Topographic Survey	Sq. Mile	25	30	25	
c. Detailed investigations (Dam Sites)	Nos.	6	1	2	
d. Investigations for surface water development scheme	Nos.	17	15	1	
2. Irrigation					
a. Extension of Canals	Miles	12	17	6	
b. Remodeling of Canal	Miles	8.5	8.5	2	
c. Enlargement of Canals	Miles	—	—	—	
d. Remodelling of structures	Nos.	—	25	15	
e. New structures	Nos.	50	55	23	
f. Residential accommodation	Nos.	—	2	8	
g. Metalled road	Sq. ft.	7.2 lacs	7.5 lacs	9.2 lacs	
h. Small Dams (E/Work)	MC ft.	—	—	—	
i. Public tubewells	Nos.	4	5	15	
j. Pumping stations	Nos.	1	1	Nil.	
k. Subsidised tubewells	Nos.	—	—	—	
l. Cropped area benefitted :					
(a) Surface water	Acres	6000 New Impt:	2970 13450	3500 6200	
(b) Ground water	Acres	800 New	806	2800	
3. Drainage and Reclamation					
a. Extension and remodelling of open drains	Miles	—	—	19	
b. Area protected	Acres	1000	400	1000	
c. Strengthening restoration	Miles	—	—	—	
d. Structures	Nos.	—	—	—	
4. Flood Protection					
a. Extension of Flood embankment	Miles	—	0.1	—	
b. Stone pitching	Miles	—	0.1	—	
c. Strengthening restoration	Miles	—	—	—	
d. Structures	Nos.	—	—	—	

1	2	3	4	5	6
5. Water Management					
a. Water course improved	Nos.	—	—	—	
b. Precision land levelling	Acres	—	—	—	
6. Requirement of Material					
a. Cement	Tons	3500	4000	4000	
b. Bricks	Nos.	4 lacs	3.4 lacs	3 lacs	
c. Re-inforcing structural steel	Tons	50.0	36.0	50 tons	
d. Blind pipe and strainer	R. ft.	650	700	400 R.ft.	
e. Timber	C.ft.	1500	1600	4500	
f. G.I. Pipe various sizes (Sui-gas)		8280	8280	10,000 R.ft.	
7. Plant and Machinery					
a. Drilling Rigs	Nos.	—	—	—	
b. Pumps	Nos.	1	1	3	
c. Draglines	Nos.	—	—	—	
d. Dozer	Nos.	4	4	—	
e. Scraper	Nos.	1	1	—	
f. Compressor	Nos.	—	—	—	
g. Hy. Excavator	Nos.	—	—	—	
h. Generating set	Nos.	—	—	—	
i. Engine and transmission	Nos.	2	2	—	
k. Cutter for mowing machines	Nos.	—	—	—	
l. Lathe machine	Nos.	1	1	—	
m. Others	Nos.	1	1	—	

PHYSICAL ACHIEVEMENTS (1979-80) AND TARGETS (1980-81) BALUCHISTAN

S.No.	Sub-Sector	Unit	Targets 1979-80	Achievement 1979-80	Targets 1980-81	Remarks
1	2	3	4	5	6	7
1. Survey and Investigation						
	a. Reconnaissance survey	Sq. M.	500	450	1150	
	b. Topographic survey	Sq. M.	—	—	—	
	c. Detailed investigations (Dam sites)	Nos.	3	—	1	
	d. Investigations for surface water	Nos.	2	1	1	
2. Irrigation						
	a. Extension of canals	Miles	—	—	—	
	b. Remodellings of canals	Miles	3	—	—	
	c. Enlargement of canals	Miles	—	—	—	
	d. Remodelling of structures	Nos.	67	6	3	
	e. New structures	Nos.	4	4	—	
	f. Residential accommodation	Nos.	3	2	—	
	g. Metalled road	Sq. ft.	—	—	—	
	h. Small Dams (E/work)	MC. Ft.	—	—	—	
	i. Public tubewells	Nos.	—	—	—	
	j. Pumping stations	Nos.	—	—	—	
	k. Subsidised tubewells	Nos.	40	30	40	
	l. Cropped area benefited :					
	(a) Surface Water	Acres				
	(b) Ground Water	Acres				
3. Drainage and Reclamation						
	a. Extension and remodelling of open drains	Miles	—	—	—	
	b. Area protected	Acres	—	—	—	
	c. Strengthening/restoration	Miles	—	—	—	
	d. Structures	Nos.	—	—	—	
4. Flood Protection						
	a. Extension of Flood embankment	Miles	12	—	—	
	b. Stone pitching	Miles	12	—	—	
	c. Strengthening/restoration	Miles	25000 acres			
	d. Structure	Nos.	30 Nos.			

	1	2	3	4	5	6
5. Water Management						
a. Water course improved	..	Nos.	5	1	10	
b. Precision land leveling	..	Acres	600	405	1200	
6. Requirements of materials						
a. Cement	..	Tons	10,000 tons			
b. Bricks	..	Nos.	—			
c. Re-inforcing/structural steel	..	Tons	To be arranged by Contractors.			
d. Blind pipe and stamper	..	R. ft.	12000	10000	25000	
e. Timber	..	C. ft.				

ACCELERATED PROGRAMME OF WATERLOGGING AND SALINITY CONTROL 1980-81

Project	Target 1980-81				Drains (MCF)
	Financial		Physical		
	Provision (M.Rs.)	F.E.C. alongwith source (M. Rs.)	Tubewells (Nos.)		
			Drilled	Energized	
1. SCARP-II (Chaj Doab)	75.00		—	13	12.00
2. SCARP-III (Lower Thal)	9.00		—	—	4.00
3. Punjab Abbasia Unit-I	20.00		Disposal works for 35 T/Ws		
4. Fordwah Sadiqia	10.00		Disposal works liabilities.		
5. SCARP Shahpur	—		—	—	—
6. A.W.L. along C.J. Link	10.00		—	—	—
7. A.W.L. along T.P. link	1.00		Liabilities		—
8. A.W.L. along RQB link	10.00		—	—	—
9. A.W.L. along TSMB link	10.00		—	—	—
10. Punjab Abbasia Unit II—IV	75.00	30.00	Consultants colony equ ips.		—
11. Small surface drain (I&P Deptt.)	—		—	—	—
12. R&R of tubewells Phase-II	50.00		(200)	(300)	—
Punjab (Sub-total)	270.00 E	30.00	—	13	16.00
Project Planning Punjab	20.00 P	30.00	(200)	(300)	—
1. Pabbi Unit-II	8.00		—	—	3.00
2. Jue Sheikh Unit	13.00		—	—	13.00
3. Mardan SCARP (L-s)	—		—	—	1.00
4. Bannu SCARP	12.00		20	37	—
5. Mardan SCARP Phase-I	70.00	30.00	Land for colony and Procurement of equipment and vehicles.		—
NWFP (Sub-Total)	103.00 E	30.00	20	—	16.00
Project Planning NWFP	26.00 P			37	—
North Total	373.00 E		20	50	—
Project Planning NWFP	26.00 P	60.00	(200)	(300)	32.00
1. Left Bank Outfall Drain	75.00		—	—	30.00
2. East Khairpur Tile Drain	83.00	49.00	—	—	16.83
3. Larkana-Shikarpur Stage-II	38.00		—	—	—
4. Kotri surface drain	30.00		—	—	43.05
5. North Dadu Drain	7.00		—	—	—
6. Rohri South FGW	30.00	9.00	50	—	—
7. Ghotki FGW	18.00		—	—	—
8. R&R of Tubewells	10.00		(60)	(60)	—
Sind Total	291.00 E	58.00	50	—	89.88
Project Planning Sind	36.00 P		(60)	(60)	—
Pakistan Total	664.00 E		70	50	121.88
Project Planning	36.00 P	118.00	(260) R	(360) R	—
TOTAL	700.00	118.00	330	410	121.00

E—Execution.

P—Planning.

R—Replaced

ACHIEVEMENTS OF SCARP PROJECTS DURING 1979-80

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S. No.	Name of Project	Scope				Achievements during 1979-80			
		Area CCA (MA)	Tubewells (Nos)	Drains Length (Mile)	E/W (MCF)	Area CCA (MA)	Tubewells (Nos)	Pumpage (MAF)	Drains E/W (MCF)
PUNJAB									
1.	SCARP-II (Chaj Doab)	2.42	2025-S	375	450	—	230	40.166	19.00
2.	SCARP-III (Lower Dhaly)	1.28	1635-F	150	125	—	—	—	5.00
			60-S	—	—	—	—	—	—
3.	Panland Abbasia Urgit-I	0.22	633	—	—	0.030	76	0.035	—
4.	Forwah Sadqia	0.08	188-F	—	—	—	—	—	—
			23-S	—	—	—	—	—	—
5.	A-W-L along ROB Link	0.65	85	9	8	0.025	40	0.028	—
6.	Replacement of Tubewells:	—	(800)	—	—	—	(22)	—	—
	(a) Phase-I	—	(650)	—	—	—	(5)	—	—
	(b) Phase-II	—	—	—	—	—	—	—	—
	Sub-Total	4.65	5470 (1450)	531	583	0.055	346 (27)	0.229	20.00
SIND									
1.	Left Bank Outfall Drain	1.81	—	1003	1769	0.03	—	—	40.00
2.	East Kharpur Tile Drain	0.04	—	1632	N.A.	—	—	—	—
3.	Larkana Shikarpur Stage-II	0.70	—	646	639	0.01	—	—	10.00
4.	Kotri Surface Drain	3.15	—	2479	2375	0.04	—	—	30.00
5.	North Dadu Drain	0.51	—	501+2893F	481+16-F	0.02	—	—	11.75
				Dr.	Dr.	—	—	—	—
6.	Rohri South FGW	0.43	1692	—	—	0.02	50	0.017	—
7.	Ghotki FGW	0.44	1015	—	—	0.07	158	0.108	—
8.	R&R of tubewells	—	(250)*	—	—	—	(40)	—	—
	Sub-Total	7.08	2707 (250)	6675	5270	0.190	208 (40)	0.125	91.75
N.W.F.P.									
1.	Pabbi Umifali	0.01	56	43	80	—	—	—	1.00
2.	Juc Sheikh Unit	0.06	22	65	62	0.005	—	—	10.00
3.	Mardan SCARP	0.16	45	172	114	0.007	4	0.001	4.00
4.	Banaru SCARP	0.19	176	17	N.A.	0.048	45	0.013	3.00
	Sub-Total	0.42	299	297	256	0.060	49	0.014	18.00
BALUCHISTAN									
1.	Haridin Surface Drainage	0.09	—	632	105	—	—	—	15.00
	Total	12.24	8476 (1700)	8135	6214	0.305	603 (65)	0.368	144.75

PHYSICAL ACHIEVEMENTS (1979-80) AND TARGETS (1980-81)
(DATA DC)

Sub-Sector	Unit	Targets 1979-80	Achievements 1979-80	Targets 1980-81	Remarks
1. Survey and Investigation					
a. Topographic survey	Sq. mile	38	14	40	
b. Investigation for surface water development scheme	Nos.	6	7	—	
2. Irrigation					
a. Remodelling of canals	Miles	14.4 E. Work lining 10.8 of canal	14.4 E. Work lining 10.8 of canal	2.00 E. Work lining 2.00 of canal 0.60 pipeline.	
b. New structures	Nos.	129	60	63	
c. Residential Accommodation	Nos.	5	4	2	
d. Public tubewells	Nos.	35	27	69	
e. Pumping stations	Nos.	1	1	4	
f. Cropped Area Benefitted					
(i) Surface water	Acres	14450	16595	1805*	
(ii) Ground water	„	400	1200	1500	
3. Requirement of Material					
a. Cement	Tons	1020	1020	3120	
b. Bricks	Nos.	100000	—	150000	
c. Re-inforcing structural steel	Tons	20	—	28	
d. Blind pipe and strainer	Rft.	5600	800	6150	
e. Timber	Cft.	—	—	4800	
4. Plant and Machinery					
a. Drilling rigs	Nos.	6	6	3	
b. Pumps	Nos.	4	2	7	
c. Generating set	Nos.	6	6	—	

PROGRESS OF FOREIGN-AIDED PROJECTS

Name of the Project	Source & amount of Foreign Aid 1978-79	1979-80		Physical Achievements
		ADP allocated (Rs.M.)	Revised Ests. (Rs.M.)	
1. Expansion of modernization of basic hydraulic data collection system.	Dutch	4.50	10.773	Instruments for Flood Forecasting installed.
2. Accelerated Programme	IDA, UK, Dutch, Danish, KFW.	711.56	711.56	Tubewells Energised Tubewells drilled Drains (MCF)
3. Groundwater investigation for Baluch.	UNDP	37.685	37.785	Survey completed.
4. On-Farm Water Management project.	USAID	3.617	3.62	W/C improved PLL (acre)
				344 20.150

CHAPTER 11

ENERGY

REVIEW OF 1979-80

The total commercial energy supply in Pakistan during 1979-80 is estimated at 531.99 trillion kJ(*) which has exceeded the target of 515.33 kJ for the year under review.

2. The details of the revised estimates of the energy supply compared to the target for the year 1979-80 are given in Annexure 1. The table shows that the percentage share of natural gas is higher than what was projected for the year 1979-80. The main reason is a power shortage in some months due to drought and the gas based thermal energy had to fill in the gap to the extent possible. The drought together with the forced outages of thermal plants resulted in power shortage, and load shedding had to be resorted to.

Projections for 1980-81

3. The projections for energy supply during 1980-81 show that the estimates of supply of energy during the year will be 567.71 trillion kJ., or 6.7% higher than the revised estimates for year 1979-80. The *per ca ita* energy consumption will increase from 6.63 million kJ. in 1979-80 to 6.87 million kJ in 1980-81. The details of the projections are also given in Annexure I.

4. The plans for energy sector have been prepared for each commercial source of energy within the frame work of the Fifth Plan and are discussed in subsequent paragraphs. The salient features of the overall policy for energy sector are :

- (i) Maximum priority will be accorded to hydel generation and commissioning of on-going hydro-electric projects.
- (ii) Fuel consumption will be economized by transmitting bulk power from Tarbela to the southern part of the country over extra high voltage transmission lines.
- (iii) Intensive exploration for indigenous resources of fossil fuel will be made.
- (iv) Quick development of discovered and proven oil and gas fields.
- (v) Gas consumption for industrial use will be expanded.
- (vi) Energy prices will be rationalized to the extent possible with due regard to socio-economic constraints and placing energy sector organizations on sound financial footing.
- (vii) Maximum use of coal resources will be made.
- (viii) Emphasis will be placed on rural energy supplies (conventional and non-conventional).

5. The total allocation in the energy sector is Rs. 5520.136 million as against the revised estimate of Rs. 3,999.449 million in 1979-80. The sub-sector wise break up is given below whereas details are given in the subsequent paragraphs on plans for each commercial source of energy.

ADP Allocation to Energy Sector 1980-81

(Million Rs.)

Sector	Revised Estimates 1979-80	Allocations 1980-81
Power	3255.003	4019.836
Fuel	744.446	1500.300
Total ..	3999.449	5520.136

*1 KJ=0.948 BTU

POWER SYSTEM

Review of 1979-80

6. *Generation.*—The main generation schemes of WAPDA on which work was envisaged during the year were Guddu Thermal Power Station Stage-II, Tarbela Hydroelectric Power Station units 5—8, Mangla Hydroelectric Power Station units 7 and 8, Warsak Hydel Power Station units 5 & 6, 200 MW Gas Turbine Power Station Faisalabad (workshop only), feasibility studies in respect of Lakhra Coal-Fired Power Station and Tarbela Hydel Power Station units 9—12, 50 MW Gas Turbine Power Station at Kotri units 5 and 6 and Chitral Hydroelectric Power Project. The detailed achievements and targets are given in the following table on all these projects :

TABLE 1

Targets/Achievements in Power Projects

Name of the Project	Targets for 1979-80	Achievement/status in brief 1979-80
1	2	3
1. Guddu Thermal Station (Stage-II).	Plant erection and civil works.	(i) Supply of equipment 100%. (ii) Main Building and structure 93.5%. (iii) Hydro-technical works 76.4%. (iv) Auxiliary Building 93%. (v) Switch-yard 98.5%. (vi) Erection of E & M plant 75%.
2. Tarbela Hydro-electric Power Station units 5—8.	Procurement of material and necessary civil works.	(i) Civil works 38%. (ii) Draft tube liners for units 5 & 6 and stay rings relief valves and hood liner for unit 5 have been received. (iii) Penstock erection 66%.
3. Mangla Hydro-electric Power Station units 7 & 8.	Civil works, procurement of plant and machinery and its erection.	(i) Turbines & generators equipment received. (ii) Erection of spiral casing of units 7 & 8 completed. (iii) Erection of turbine internals of unit 7 carried out. (iv) Construction of generating block of unit 7 completed.
4. Warsak Hydro Electric Power Station (units 5—6).	Advance stage of Completion.	(i) Equipment received 100%. (ii) Erection unit 5—78%. (iii) Erection unit 6.69%. (iv) Generators 26%. (v) Transformer erection 98%. (vi) H. V. switch gear 98%.
5. 200 MW Gas Turbine Power Station, Faisalabad.	Workshop to set up.	(i) Workshop building 50%. (ii) Workshop equipment received 100%.

1	2	3
		(iii) Civil works agreement with M/s. Imdad Hussain & Co signed, erection work started.
6. Lakhra Coal Fired Power Station.	Completion of feasibility studies.	Feasibility study under way.
7. Tarbela Hydro Electric Power Station Unit 9-12.	Completion of feasibility studies.	Feasibility study under way.
8. 50 MW Gas Turbines Power Station, Kotri units 5 and 6.	Procurement of plant and Machinery and necessary civil works.	Contract for supply of equipment, erection and installation has been signed. Import Licence issued.
9. 25 MW Gas Turbine Power Station (Extension) Quetta.	Procurement of plant and Machinery.	Preliminary Works.
10. Chitral Hydel Project.	20% supply of generators 50% construction of residential and non-residential buildings, 40% penstock and 20% T & D facilities.	(i) Supply of generators 40%. (ii) Construction of residential and non-residential buildings 50%. (iii) Penstock 30%. (iv) Transmission and distribution 20%.

7. In the KESC system, the generation projects under implementation were 100/125 MW Gas turbine Power Station and 200 MW unit-1 at Pipri alongwith associated transmission system. The 100/125 MW gas turbine at SITE was commissioned during 1979-80. Regarding the 200 MW unit-1 at Pipri, site preparatory works were already commenced and were in progress. Contractor for main civil works has also been mobilised. Initial activity on sub-structure and super-structure has also started. Most of the bids for the supply of equipment have been evaluated and orders have been placed.

8. With regards to Chashma Nuclear Power Project, preliminary works and studies were being carried out.

9. The total installed capacity in the country has increased from 3,660 MW to 3,785 MW after the commissioning of 125 MW Gas turbines at SITE in Karachi. A break up of the total installed capacity in the country is given below :

TABLE 2
Installed Capacity (MW)

Agency	1978-79	1979-80	
		Target	Achievement
WAPDA	2685	2685	2685
KESC	745	870	970
Private	230	230	230
Total	3660	3785	3785

10. The aggregate maximum demand in the country was 2,596 MW. The break up of this demand for both WAPDA and KESC systems are given below :

System	Maximum demand (MW)
WAPDA	2076
KESC	520
Aggregate	2596

11. The total energy generation in the country during 1979-80 is estimated to be 15,287 million kWh as against 13,605 million kWh during 1978-79, an increase of 12.4%. Agency-wise break up of this generation is given below :

TABLE 3

Energy Generation During 1979-80.

System	1978-79	1979-80
WAPDA	10,603	12,108
KESC, including Nuclear	2,552	2,729
Private (on national basis)	450	450
Total	13,605	15,287

12. The composition of the total energy generation by categories e.g. thermal, hydel and nuclear is shown below :

	1978-79	1979-80
Thermal	5,146	6,569
Hydel	8,353	8,716
Nuclear	106	2
Total	13,605	15,287

13. During the year, power shortage was felt during the period January to end of April due to drought conditions. During this period various quantum of load had to be shed from time to time specially at peak hours because of lack of available power from the generating sources. The load shed involved neon advertisement signs, staggering of business and industrial holidays and disconnecting various localities in the urban areas for one hour or so on rotational basis and other relatively less important loads for greater durations in the peak hours. For this reason the total energy generation and the maximum demand during 1979-80 remained depressed.

14. The Karachi Nuclear Power Plant has generated only about 2 million units. The main reason was that the plant remained shut down for most part of the year for maintenance and overhauling.

15. *Transmission.*—The main transmission schemes included in the ADP 1979-80 were 500 kV Tarbela-Faisalabad transmission line, (energization at 500 kV) Faisalabad-Multan-Guddu-Karachi transmission line, studies for 2nd 500 kV Tarbela-Faisalabad transmission line—20 kV Tarbela-Wah Transmission line, Guddu-Sibbi-Quetta Line (construction of grid station at Sibbi and conversion at 220 kV) Tarbela-Mardan Transmission line and extension of transmission line to Azad Kashmir. The achievements and targets for all of these schemes are given in the following table :

TABLE 4

Transmission Schemes Targets/Achievements 1979 -80

Name of scheme	Targets for 1979-80	Achievement/status in brief in 1979-80
(1) 500 kV Tarbela-Faisalabad Transmission line.	Energization at 500 kV.	Completed.
(2) 500 kV Faisalabad-Multan-Guddu-Karachi transmission line.	Completion of 65% work on Faisalabad-Guddu section and 100% on the grid Station.	Engg. Completed. T/L construction 65% T/L material 100% 220 kV Multan S/Stn. 85% Civil works 40%
(3) 2nd 500 kV Tarbela Faisalabad transmission line	Preliminary studies.	—
(4) 220 kV Tarbela-Wah (Burhan) transmission line.	Procurement of material for line bay	Line and grid station completed except for 4 line bays.
(5) Guddu-Sibbi-Quetta transmission line.	Completion of work at Sibbi grid station and commission to 220 kV.	100% complete Sibbi Grid station completed.
(6) 220 kV Tarbela-Mardan transmission line.	30% procurement of line material and 40% for grid station.	Grid station material 40% Grid station construction 8%
(7) Power development in Azad Kashmir.	Continuation of work on various sections of line and grid stations.	T/Line 116kM. Grid Stations 7 nos.

16. In the KESC system, work was in progress on Vinder-Uthal-Bela transmission line besides the initial works on the transmission system for carrying the power from the proposed 200 MW Pipri Power Station. The work on the former was nearing completion whereas on the latter it was in the preliminary stage.

17. *Secondary Transmission and Grid Station.*—The targets under this project were construction of 464 kM. of 132 kV and 66 kV line and construction/renovation/augmentation of 42 grid stations. The achievements during 1979-80 were construction of 447 kM. of transmission line and construction/renovation/augmentation of 63 new grid stations.

18. *Distribution of Power and Village Electrification.*—Under this project of WAPDA, 266,573 new consumers were connected during 1979-80 as against a target of 220,000. Besides,

1,156 villages were supplied electricity as against 800 villages envisaged. A break up of the category-wise targets and achievements is given below :

TABLE 5

Number of New Consumers of WAPDA

Category	1979-80	
	Target	Achievement
Domestic and commercial	210,000	254,072
Industrial	5,000	6,222
Tubewells	5,000	6,282
Total	220,000	266,576
Villages	800	1,156

19. The achievements of KESC during 1979-80 are given in the following table:

TABLE 6

New consumers of KESC

Category	1979-80 Achievements
Domestic	29491
Commercial	2518
Industrial	284
Tubewells	70
Total	32,363

20. *Diesel generation for Baluchistan.*—Work was in advanced stage of completion of Phase-I of the scheme for installation of diesel sets at 32 townships. Substantial progress was also made on Phase-II of the project which envisages supply of electricity from diesel sets at 14 townships.

21. *Small Hydel Stations Project.*—This project has been making slow progress due to various problems pertaining to implementation, choice of suitable sites for the generating sets etc. In view of these difficulties, it was decided that pending a proper arrangement for implementation, work should be completed at 10 sites. Work on 5 sites was completed and on the other 5 sites it was in the advanced stage of execution. However, work on only one more station was completed during 1979-80. Regarding the utilization of the remaining small hydel plants implementation mechanism is being devised.

22. *Directorate General of Energy Resources.*—The main projects of DGER on which work remained in progress during 1979-80 were bio-gas demonstration project and rural energy project. Under bio-gas demonstration project, 78 bio-gas plants were established up to June, 1980 and the overall financial achievement of the targets was 57%. Besides, about 22 other bio-gas plants were also set up during 1979-80 in which Directorate General of Energy Resources Ministry of Petroleum and

Natural Resources, provided necessary technical know-how whereas the investment was made by beneficiaries. A community size bio-gas plant was designed and set up in Rakhtaragarh 40 miles from Rawalpindi under Rural Energy Project. This plant was successfully commissioned and is supplying electricity to 45 houses in the settlement. Work on other family size plants was also initiated at Kharian and Budhani (D.I. Khan). Projects of "Development of Solar Energy" and "Renewable Energy for Village Electrification" were also initiated. In the former EEC has committed a grant of \$ 1.2 million besides Italian Grant of \$ 0.3 million. This is for the first time that EEC is financing a project for renewable energy. Two persons, an engineer and an economist were also trained in Italy in connection with this project. During 1979-80 the DGER also arranged a seminar on energy conservation to which participants from various agencies in the country were invited. The proceedings of this seminar have been published. The energy saving campaign was also handled through newspapers, radio and television for increasing awareness of the energy conservation among the masses.

23. *PAEC*.—The main programmes of PAEC are Chashma Nuclear Power Project and fuel reprocessing plant. The work on these two projects remained in progress during 1979-80.

Power System Plans for 1980-81

24. The Power system plan has been prepared in the light of the overall objectives of the 5th Plan as given below :

- (i) Increase in *per capita* generation of electricity. (from 191 kWh to 206 kWh).
- (ii) Increase in total installed capacity from 3785 MW to 4275 MW.
- (iii) Maximum priority to on-going schemes.
- (iv) Maximum priority to hydel generation.
- (v) Improvement in secondary transmission and distribution system.
- (vi) System integration at EHV level.
- (vii) Accelerated village electrification.
- (viii) Placing the power corporation/authority on sound financial footing.
- (ix) Realistic pricing of electricity.

25. *Generation*.—During 1980-81, it is expected that 210MW Guddu Thermal Power Station Stage-II, 80 MW Warsak Hydroelectric units 5-6, and 200MW Mangla Hydroelectric units 7—8 will be commissioned. Besides, work will be in different stages on the projects of Tarbela Hydroelectric Station units 5—8, feasibility study for Lakhara Coal Fired Power Station, feasibility study for Tarbela Hydroelectric Power Station units 9—12, 50MW Gas Turbines units 5-6 at Kotri, 25MW Gas Turbines extension at Quetta and Chitral Hydel project. Besides a new project for installation of a 10MW power station at Gilgit will also be initiated. The brief targets for these projects are given below :

Name of the Scheme	Targets		
	1	2	3
210MW Guddu Thermal Power Station stage-II	To be completed.
Tarbela Hydroelectric Power Station units 5—8	Civil work 40% Penstock 20% Receipt of equipment 40%
Mangla Hydroelectric Power Station units 7&8	To be completed.
Warsak Hydroelectric Power Station units 5-6	To be completed.
Workshop under the project of 200MW Gas Turbines Power Station at Faisalabad	To be completed.
Lakhra Coal Fired Power Station	Preliminary works 50%
Tarbela Hydroelectric Power Station units 9—12	Preliminary works including engineering services.

1	2	3
50MW Gas turbine Power Station units 5-6	Completion by June/July.
25MW Gas turbine Power Station extension at Quetta	Award of contract and supply of equipment.
Chitral Hydel Project	Supply of generators 60% Construction of residential and non-residential building 50% Penstock 70% Transmission and distribution 80%

26. Besides, in the KESC system work will remain in progress on the installation of 200MW unit 1 at Pipri with associated 220KV transmission lines. In this connection, site preparatory works and some civil works will be carried out and the plant and equipment will also start reaching Karachi during 1980-81. The target date for completion of this project is now estimated to be middle of 1983.

27. It is estimated that a total of 490 MW additional capacity will be installed during 1980-81. The total installed capacity in the country will increase from 3785MW to 4275MW. The agency-wise break up is given in the following table.

TABLE 7
Total Installed capacity MW

Agency	Installed capacity		
	1979-80	1980-81	Addition
WAPDA	2,685	3175	490
KESC and KANUPP	870	870	—
Private Captive	230	230*	—
Total	3,785	4275	490

28. The aggregate demand forecast for 1980-81 is 3088 MW as against 2596 MW in 1979-80. The agency-wise break up is given in the table below :

TABLE 8
Demand Forecast, 1980-81

Agency	Demand for 1979-80	Forecast for 1980-81 (MW)	Growth (%)
WAPDA	2076	2474	19.2
KESC	520	614	18.1
Aggregate	2596	3088*	19

29. The total electricity generation in the country is estimated at 17,018 million kWh against 15,287 million kWh in 1979-80. The agency-wise and source-wise break up is given below :

Agency	million kWh		Growth (%)
	1979-80	1980-81	
WAPDA	1,2108	13,260	9.5
KESC	2,727	2,833	3.9
KANUPP	2	475	—
Private Captive	450	450*	—
Total	15,287	17,018	11.3

*The capacity, demand energy generation from PASMIC have not been included due to uncertainty of commissioning schedule

30. The source-wise energy generation is given below :

	1979-80 mkwh	1980-81 mkwh	Growth (%)
Thermal	6,569	7,907	20.4
Hydle	8,716	8,636	(-1)
Nuclear	2	475	—
Total ..	15,827	17,018	11.3

31. The *per capita* electricity generation in the light of the above estimates will be 206 kWh for 1980-81 as against 191 kWh in 1979-80.

32. *Transmission.*—During 1980-81 work will remain in progress mainly on the on-going schemes. The only new scheme which is included in the ADP is 220 kV double circuit Faisalabad-Sahiwal transmission line which has been necessitated because of voltage problems in the Sahiwal area. The major targets for various schemes are given below :

Name of Project	Target
500 KV Faisalabad-Multan Guddu-Karachi transmission line.	Faisalabad-Guddu Section Engg. 100% T/L material Grid Station Civil works. Guddu-Karachi Section : T/L material 55% T/L construction 20% Engineering 15% Civil works 35% Grid Station material/erection Nil.
500 kV Tarbela-Faisalabad transmission line.	.. Balance outstanding payment of transmission line and grid station to be made.
2nd 500 kV Tarbela-Faisalabad transmission line	.. The tenders will be floated and some line material will be imported.
220 kV Tarbela-Wah (Burhan) transmission line.	.. Sixty-eight per cent material for additional 4 line bays and telecommunication equipment will be imported and erection contract awarded.
Guddu-Sibbi-Quetta transmission line. ..	.. Only outstanding disputed claims to be settled.
220 kV Mangla transmission line (extension).	.. Outstanding payment to grid station contractor to be made.
Power Development in Azad Kashmir. ..	.. T/Line 30 km (incremental). Grid Stations 3 nos (target).
220 kV Double Circuit Faisalabad-Sahiwal transmission line.	Preliminary works and line survey 10% Grid station equipment 10%.

33 As stated earlier KESC will be constructing 220 kV line which is required for transmission of power from the 200 MW power station at Pipri, beside other normal augmentation and transmission work within its own jurisdiction.

34. *Secondary Transmission and Grid Station.*—Under this project WAPDA plans to construct 512 km. of 132 kV and 66 kV transmission line and construct/renovate/augment 44 grid stations.

35. *Distribution of Power.*—Both WAPDA and KESC will add 270,343 number of consumers and connect 1000 village in the year 1980-81. The details of the targets for new consumers are given below:

Category of Consumer	Number	
	WAPDA	KESC
Domestic and commercial	200,000	35,200
Industrial	6,000	300
Tubewells	5,000	82
Total ..	211,000	35,582
Villages ..	1,000	

36. *Diesel Generation for Baluchistan.*—It is expected that Phase I of the project will be completed during 1980-81. The WAPDA is preparing a revised PC-I for Phase II and therefore, detailed targets are not available at this stage.

37. *PAEC.*—Pakistan Atomic Energy Commission will continue with the preliminary works and studies for the Chashma Nuclear Power Plant Project and the work on the Fuel Reprocessing Plant will proceed according to its planned schedule.

38. *Small Hydel Project.*—It is proposed to complete the work on the remaining 4 of the 10 sites on which work was started and to finalise the implementation arrangements so that the plant and equipment procured so far can be put to the best possible use in the Northern areas, NWFP and Azad Kashmir through proper implementation agencies. The detailed targets cannot be spelled out at this stage but once the implementation arrangements are finalised the various executing agencies will work out the details of the targets. Besides an amount of Rs. 4.0 million has been provided by the Government of NWFP in its ADP for installation of 3 small hydel stations.

39. *Directorate General of Energy Resources.*—The DGER will continue its efforts in the expansion of use of non-conventional renewable energy resources. Besides the on-going project of "bio-gas demonstration project" and "rural energy project" two new projects namely "renewable energy for village electrification" and "development of solar energy" will be in advanced stage of implementation during 1980-81. The former project envisages establishment of four rural energy centres, one in each province. The objective of the project is to develop and demonstrate energy systems which feed on renewable energy sources of energy in a package deploying more than one source of renewable energy to meet the requirements of cooking, lighting and pumping water. The foreign exchange component of this projects is being met from a UNDP grant. Under the project of "development of solar energy" it is proposed to establish one 20 KW solar thermal station at Gujrat, one 30 KW solar photovoltaic plant at Kan Koi (Swat) and one 5 KW solar photovoltaic plant in Baluchistan. The project is being implemented with the assistance of the EEC grant and Italian Government. The DGER will establish 25 bio-gas plants, 6 centres under the rural energy project and 2 centres for renewable energy for rural electrification. In addition, the DGER will set up 1 centre for development of solar energy. Besides, studies in energy economics and a project of energy conservation will be taken in hand. In the former case survey on non-commercial resources of energy is proposed to be completed whereas the latter project is expected to be fully completed.

Allocation for 1980-81

40. A total allocation of Rs. 4,019.836 million has been made for the Power sub-sector against revised estimates of Rs. 3,255.033 million in 1979-80, an acceleration of 23.5%. The agency-wise details are given below :

TABLE 9

Summary of ADP Allocation for Power

(Million Rs.)

Agency	Revised Estimates 1979-80	Allocation 1980-81
WAPDA	2,811.939	3,394.857
Small Hydel Project	14.310	19.010
Energy Resources Cell	2.10	21.590
PAEC	366.689	442.979
Azad Kashmir	25.965	45.00
Northern Areas	10.645	15.00
States and F/Regions Division	23.355	26.70
N.W.F.P. (Small Hydelplants)	—	4.00
Miscellaneous	—	0.7
Total ..	3,255.003	4,019.836

FUELS

41. Despite a considerable increase in the hydroelectric plants, fossil fuel will continue to supply a major portion of the commercial energy requirements as in the past. The contribution in the energy sector from fossil fuels has been in the range of 77% to 84% in the past five years. It was 79.3% during 1979-80 and is projected to remain at almost the same level during 1980-81. The main features of the fuel policy in the Fifth Five Year Plan are to step up exploration and development of new oil and gas fields, accelerate development of discovered and proven fields, expand gas supply, augment arrangements for transportation and storage of oil, increase refining capacity in the light of oil field development programmes and new discoveries, continue efforts for increased utilisation of coal and research and demonstration for non-conventional sources of energy. With this background, the review of Annual Plan 1979-80 and Annual Plan for 1980-81 for various main sources of fossil fuels are discussed below :

NATURAL GAS**Review of 1979-80**

42. Natural gas consumption during 1978-79 was 533,483 deca metre cube (dam³) and during 1979-80 the consumption of natural gas was 638,810 dam³. This shows a growth of 19.74% over 1978-79 which is higher than the growth rate of 5.75 per cent in the preceding year. The consumption of natural gas has increased mainly due to the following reasons :

- (a) An overall power shortage due to drought cycle. The steam and gas generation had to play a bigger role than in the previous year.
- (b) Normal expansion in the gas distribution network.
- (c) Substitution of natural gas in place of other forms of energies such as for heating purposes etc.

43. The table given below summarises the position regarding company-wise sale :

TABLE 10
Agency-wise Break-up of Gas Sales

	1978-79	1979-80	Percentage change
SNGPL	242,988	308,677	27.03
KGC	146,534	167,464	14.28
IGC	65,174	74,180	13.81
Sub-total	454,697	550,321	
Guddu	40,032	46,383	15.86
Mari	38,753	42,106	8.65
Total	533,482	638,810	19.74

44. A comparison of the sector-wise consumption of natural gas in the jurisdiction of the 3 gas distribution companies is given below whereas historical data of sector wise consumption for these companies is enclosed as Annexure F. I, II, III, IV.

TABLE 11
Category-wise and Company-wise Gas Sales

Company	Power		Cement		Gen. Industry		Commercial		Domestic	
	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80	1978-79	1979-80
SNGPL	27,962	59,798	30,841	32,064	81,383	97,354	10,705	11,578	15,936	21,784
KGC	76,870	90,114	10,169	10,784	14,615	47,337	4,960	5,026	12,941	14,202
IGC	9,730	30,476	27,533	29,735	8,124	8,154	1,620	1,758	4,110	4,057
Guddu	40,032	46,383								
Mari	38,753	42,106								
(Fertilizer)										

45. During 1979-80, most of the work on various sections of the project-4 has been completed except for Haripur-Hatter line. The work on the project, " expansion of scope of project-4" also remained under progress despite some difficulties about availability of foreign loan. Under this project, it is proposed to lay Meyal-Dhulian and Dhulian-Gali Jagir line to pick up additional associated gas which is becoming available due to development of Meyal. A 100 MMCFD (281.73 thousand dam³) purification plant is also envisaged. Besides, it is proposed to remove capacity bottle-necks between Sheikhpura and Faisalabad and to connect 30,000 new consumers per year upto 1981-82 as normal distribution work. Procurement of computer is also envisaged. The construction of pipeline and distribution work remained in progress while difficulties were experienced in getting loan for the computer and hence procurement of computer is still in initial stage. A total number of 86,120 new consumers were added by the three distribution companies during 1979-80 bringing the total number of gas consumers by the end of 1979-80 to be 511,649. A break up of achievements *vis-a-vis* target is given, in the table below :

TABLE 12
Number of new Consumers

Companies	Target (1979-80)	Achievements (1979-80)
SNGPL	42,800	40,870
KGC	36,111	37,000
IGC	10,317	8,250
Total	89,228	86,120

46. In view of the increasing demand of natural gas in future and in line with the policy of the Fifth Plan to investigate and develop new sources of energy quickly, appraisal, drilling and survey remained in progress at Pirkoh and Dhodak fields. At Dhodak, well No. 3 had been completed and is now under testing. At Pirkoh Well No. 2 was being drilled. In addition, seismic survey has been completed at Dhodak and plan for seismic survey at Pirkoh were in hand. Project documents for appraisal drilling and proper estimation of the reservoir at these two fields were also completed. Preliminary plans for transmission of natural gas/associated gas from these two fields to various consumers were also under preparation. At Sui, two wells were drilled. Besides, a production study was also initiated to re-evaluate the optimum level of production from Sui field in the light of the latest available information.

47. During 1979-80, SGTC's project, namely, installation of compressors on the Indus Right Bank Pipeline was approved by the ECNEC. The Indus Right Bank Pipeline was commissioned in 1977 with free flow capacity of 135 MMCFD (380th dam³). After the installation of the compressors the total capacity of the IRBP line is expected to increase to 262.5 MMCFD (140th dam³). This augmentation of the capacity was necessary in view of the fast increasing demand of the southern region of the country. The additional capacity will mainly cater for the demand of Quetta, Pipri and Kotri Power Stations, Export Processing Zone and normal growth of the demand in the south.

48. In order to improve the socio-economic condition of Baluchistan, it is proposed to install a 349 k.m. pipeline from the existing network of SGTC to Quetta. Besides, supplying natural gas to Quetta, this will also take natural gas to the towns *en route* namely Jacobabad, Jhatpat, Dera Murad Jamali, Bellpat, Sibi, Bibi Nani, Mach, Kolpur, Darwaza and Shariab. The work on Quetta gas pipeline is being done on high priority and the pipeline is expected to be completed by November, 1982. The Indus Gas Company has also prepared a feasibility study for distributing natural gas which will become available from this transmission pipeline which is to be operated by the SGTC.

49. *Reservoir Position.*—The originally recoverable reserves at Sui were 8.62 trillion cubic feet (24.28 billion dam³). According to the available data, the additional recoverable reserves of Sui field as on 11-1-1980 have been estimated to be 6.71 trillion cubic feet (18.90 billion dam³). At the present level of production the field is likely to continue production upto the year 1999-2000. There after it would start declining at a sharp rate.

50. *Sari Hundi.*—The original reserves were estimated to be 0.08 trillion cubic feet (0.225 billion dam³). The remaining reserves of these fields are likely to last up to 1990.

Programmes for 1980-81

51. The consumption of natural gas is projected to increase from 638,810 Th. dam³ in 1979-80 to 712,427 Th. dam³ in 1980-81, a growth rate of 11.52%. The table below summarizes the position regarding company-wise sales projection. These are tentative projections as more firm projections will be available after the requirements of power sector are more firmly worked out for which further studies are being done.

TABLE 13
Summary of Company-wise gas sales

	1979-80	1980-81	(Th. dam ³)
			%
SNGPL	308,677	313,746	1.6
KGC	167,464	194,356	16.0
IGC	74,180	67,668	(9.0)
	550,321	575,770	4.6
Guddu	46,383	62,729	35.2
Mari	42,106	73,928	75.6

52. It is proposed that 99,262 new consumers will be added by three gas companies as per the company-wise targets given below :

								1979-80	1980-81 Targets
SNGPL	..	..	..	..	..	..	..	40,870	50,000
KGC	..	..	..	..	..	..	..	37,000	40,000
IGC	..	..	..	..	..	..	..	8,250	9,262
							Total	86,120	99,262

53. The natural gas pipeline to Quetta will be under execution and according to the schedule of work after completion of detailed drawing and engineering, the pipeline material will be procured and part of the construction work will be completed during 1980-81. The project is expected to be completed by November, 1982. The IGC is preparing detailed project for distribution of natural gas which will become available from the gas pipeline to Quetta. This project is expected to be approved during the year under review and it is expected that IGC will start procuring distribution material and laying the distribution net work in the towns which will receive natural gas under the Quetta Pipeline Project. Besides work will be in progress on the installation of compressors on the Indus Right Bank Pipeline Project. The physical progress expected is that after finalization of loan negotiations the equipment will be procured and the installation work will be in progress. The expected date of completion of the project is December, 1982. The project of SNGPL Project-4 is expected to be completed while in the "expansion of scope of project-4" it is expected that the work on pipeline and dehydration plant will be completed while the work on distribution and procurement of computer will be partially completed.

54. As stated earlier appraisal and reservoir estimation of Dhodak and Pirkoh fields is already in progress. At Dhodak it is proposed to complete well No. 4 which will entail a drilling of 2,500 metres. At Pirkoh, Well Nos. 2 & 3 are proposed to be drilled which will entail a drilling of 5,000 metres. In addition, seismic survey of Pirkoh field will also be done. The seismic survey for Dhodak field has already been completed. After completion of appraisal drilling and surveys the OGD will be in a position to make reasonably firm estimates of reserves of natural gas available in Pirkoh condensate and associated gas available from Dhodak field. Simultaneous to these studies, planning and investigations for transmission from these two gas fields will also be under progress.

55. In the private sector, Pakistan Petroleum Limited is expected to drill 4 wells at Sui. Besides, Pakistan Oil Fields Ltd., is also expected to drill well at Meyal from which associated gas will be available. Other details of exploration and drilling are given in Annexures F VI, VII, VIII, IX.

56. As stated earlier, PPL is also carrying out a computer study to determine the optimum production pattern and possibilities of enhancing maximum production limit in future from Sui gas field. This study is expected to be completed during 1980-81.

OIL SECTOR

Review of 1979-80

57. The total domestic consumption of products including asphalts and lubes etc. during 1979-80, is estimated to be 4,408 thousand metric tons as against 4,065 thousand metric tons in

1978-79. A break up of the consumption of products is given in the following table whereas the details are enclosed as Annexures F X, X'.

TABLE 14

Domestic Oil Consumption

(Thousand Metric tons)

Products	1978-79	1979-80	Percentage
Light Distillates	595	639	7.39
Middle Distillates	2,763	3,002	8.65
Furnace Oil	532	570	7.14
Total Fuel products	3,890	4,211	8.25
Others	175	197	12.57
Total	4,065	4,408	8.43

58. An over all balance sheet of disposal of POL products during 1979-80 is produced below :

TABLE 15

Balance Sheet of Disposal of POL

(Thousand Metric tons)

Products	1978-79	1979-80
Local production	3,781	4,203
Imports	1,404	1,615
Total availability	5,185	5,818
Domestic consumption	4,065	4,408
Bunkers	383	365
Export	546	1,009
Total disposal	4,895	5,782
Change in stock	290	36

59. This table shows an increase of 8.4% in the domestic consumption of POL during 1979-80 over the preceding year and an increase of 15% in the import of POL products. The rest of the information in the above table is self explanatory.

60. *Exploration*:—During 1979-80, OGDC was engaged in exploratory drilling mainly at Dhodak and Pirkoh and drilled 4793 metres details of which are given below :

TABLE 16

Drilling Operations of OGDC

(Metres)

Location	Drilling during 1979-80	Target depth	Total achievement
Toot-8	106	4,500	Toot-8 blow out at 4,173
Dhermond	477	3,570	3,570
Dhodak-3	2,063	3,060	3,060
Surjan-1	2,148	3,500	2,148

61. The Toot well No. 8 met an accident at a depth of 4,173 metres when the well became out of control and blew out. The wells at Dhermond and Dhodak have been completed and are now under testing. The well at Surjan was started during 1979-80 and is expected to be completed during 1980-81. Besides, OGDC covered 2,019 kM under seismic survey and 750 kM under geological survey. This includes completion of seismic survey at Dhodak and preparation for initiation of the seismic survey at the Pirkoh field. At Dhodak, two additional wells were drilled which are now under testing. At Pirkoh, one additional well was started. This is now nearing completion. In addition, exploration has also been carried out under joint ventures between the Government of Pakistan and private oil companies. The private oil companies are also carrying out exploration on their own under agreements of concession with the Government of Pakistan. Details of the achievement of these explorations are summarised in the following table.

TABLE 17

Exploration under joint ventures and concessions agreements during 1979-80

TYPE	Unit	Quantity
Seismic	Number of parties.	5
Geological	Number of parties	1
Exploration	Number of parties	3

62. *Development.*—OGDC drilled 8606 metres at Toot field under its project of accelerated development of Toot field. The well wise achievements are given below :

Location	(Metres)	
	Drilling during 1979-80	Target
Toot-10 (A)	4195	4,595
Toot-11	4411	4,600

63. Toot well No. 10 which was earlier started was abandoned due to fishing problems. Toot 10 (A) was then drilled at a near-by location and it has been completed. At present Toot 10 (A) is under production testing. Drilling at Toot 11 was also started during the year under review and the well is now nearing completion. The total production of oil during 1979-80 was 514,645 US barrells and the total gas production was 3392 MMCF (9557. Th. dam³). In the private sector one development well was drilled by Pakistan Oil Field Limited at Meyal field.

64. *Refining.*—Work was in progress in the expansion of Attock Oil Refinery by 20,000 barrels per day. Besides, a 5,000 barrels per day capacity topping plant was commissioned by Attock Oil Refinery Limited. Plans were also in hand for the expansion of lube base oil production capacity in the country. Work on visbreaker plant could, however, not take off because of a number of problems related to financing structure of the project.

65. *Transportation.*—The PARCO project of construction of oil pipeline was in advanced stage of execution. Work is being carried out on two sections by SNGPL and SGTC. According to the latest available information the overall progress of work is about 75 per cent.

66. *Hydro-carbon Development Institute of Pakistan (HDIP).*—During 1979-80 the Institute has prepared a project for conversion of automobiles to Compressed Natural Gas (CNG). This project will establish feasibility of using CNG, the cost involved and the overall economics. The three projects which were on-going during 1979-80 are POL quality control Laboratories, Islamabad, lubricants evaluation and standardization centre at Karachi and Building for HDIP laboratories at Islamabad. The overall progress of these projects at the end of 1979-80 was 38.9%, 35.7% and 26.9%, respectively.

Development Programme 1980-81

67. The total domestic consumption including asphalt and lubes etc., during 1980-81 is projected to be 4,737 thousand metric tons as against 4,408 thousand metric tons estimated for 1979-80. A break up of the estimated consumption for 1979-80 and projection for 1980-81 is given in the following table whereas details are in Annexures.

TABLE 18

Targets on Domestic Consumption of POL

Products	(Thousand Metric Tons)		
	1979-80	1980-81	Percentage Change
Light Distillates	639	691	8.13
Middle Distillates	3002	3274	9.06
Furnace Oil	570	540	(—)5.30
Total Fuel Products	4211	4505	6.98
Others	197	232	17.77
Total	4408	4737	7.46

68. An overall balance sheet of disposal of POL product during 1979-80 and as projected for 1980-81 is given in the following table :

TABLE 19

Balance Sheet of Disposal of POL

Items	(Thousand tons)	
	1979-80	1980-81
Local production	4203	4204
Import	1615	1724
Total availability	5818	5928
Domestic consumption	4408	4737
Bunkers	365	404
Export	1009	1058
Total disposal	5782	6199
Change in Stock	36	(—)271*

*To be met out of previous year balance.

69. The table shows that the domestic consumption for 1980-81 is projected at 7.46 per cent higher than as compared to the preceding year. The revised estimate for the net oil bill for 1979-80

was \$ 932 million. It is projected at \$ 1182 million during 1980-81. The details of the oil import are given in the following table :—

TABLE 20

Net Oil Import Liability

Products	1979-80 (Actual)		1980-81 (projected)	
	Quantity (Million Tons)	Value \$ Million	Quantity (Million Tons)	Value \$ Million
1. Import of Crude	3.910	751.41	3.847	892.62
2. Import of products	1.615	485.98	1.724	664.18
3. Export of Products	1.009	190.50	1.058	225.00
4. Foreign Bunkers/Aviation supplies.	0.365	114.63	0.404	150.00
5. Net Import Liability	4.151	932.26	4.110	1181.80

70. *Exploration.*—OGDC is expected to drill 10,000 metres at various exploratory/appraisal wells. The well wise details are given below :

Location	Depth to be drilled during 1980-81	Target Depth (Metres)
Dhodak-9	2500	2500
Pirkoh-2	2500	2500
Pirkoh-3	2500	2500
Meyal (South Pothawar)	2500	2500
Total	10,000	10,000

71. Under concession agreements and joint ventures it is proposed to drill 8 exploratory wells and 2 appraisal wells during 1980-81.

72. *Development.*—At present the OGDC is engaged in development drilling mainly at Toot. The well-wise drilling targets for 1980-81 are given below :

Location	Depth to be drilled during 1980-81 (metres)
Toot-11	300
Toot-12	4600
Toot-13	4600
Toot-14	800
Total	10,300

73. Besides, development of Meyal field is also under way. According to plans two more wells are proposed to be drilled at Meyal. Adhi well No. 6 was suspended during 1979-80 after some drilling. To complete this well, some special equipment will have to be imported from abroad to overcome technical difficulties. However, PPL and AMOCO propose to start Adhi well No. 7 which is expected to be completed during 1980-81. The Esso Eastern Inc. also plans to drill 8 wells at Mari in order to meet requirements for fertilizer production. The total production from OGDC's field is expected to be 1,751,400 thousand US barrels during 1980-81. OGDC is also expected to procure cementation units, field residential units, transport equipment and work-over rigs during 1980-81

74. *Oil Movement*.—The PARCO pipeline is expected to be completed during 1980-81. This will enable transportation of product, from Karachi to Multan thereby relieving pressure on the railways. An oil yard at Mahmood Kot is also under construction to enable distribution of products received from PARCO pipeline.

75. *Refining*.—The expansion of Attock Refinery at Morgah is under progress under an agreement between ARL and the Government of Pakistan. The total capacity will be expanded by 20,000 barrels per day. The refinery expansion is expected to be completed during 1980-81. It is expected that design and engineering will be completed on the installation of a new lube base oil plant in Karachi and procurement of equipment will also commence.

76. *Hydrocarbon Development Institute of Pakistan (HDIP)*.—All the schemes of the Institute, namely POL quality control laboratories at Islamabad, Lahore, Peshawar and Quetta, lubricants evaluation and standardization centre, evaluation of petroleum potential of Baluchistan basin, appliances laboratories and conversion of automobiles to compressed natural gas will be fully completed.

Besides an amount of Rs. 0.3 million has been provided by the Government of NWFP for the installation of bio-gas plants.

Investment for oil sector

77. A total investment of Rs. 15008300 million has been envisaged for the Fuel sub-sector in 1980-81. The agency-wise details are given below :

TABLE 21
ADP allocations 1980-81—oil sector

Agency	1979-80 (Revised estimates)	1980-81	%change
OGDC	610.660	988.990	62
Petroleum concessions	67.833	280.083	313
Gas operations	57.421	220.00	283
HDIP	8.532	10.919	30
	Total: 744.446	0.300	
NWFP (Bio-gas)	—	1500.300	

MISCELLANEOUS PROGRAMMES

Liquified petroleum gas (LPG)

78. The target of LPG production for 1979-80 was 34,000 metric tons. As against this, the total production was 36,242 metric tons. The source-wise break up is given below :

Name of Company	Metric Tons
NRL	14,416
PRL	9,787
POL	12,039
Total	36,242

79. At present, NRL and PRL are producing LPG from the refinery and POL from the Dhulian oil field. An LPG extraction plant remained in initial stages of planning during 1979-80 for Meyal oil field. The proposed capacity of this plant is 58 to 60 thousand tons per annum.

80. The price of LPG has been revised from Rs. 400 per ton to Rs. 800 per ton during 1979-80 which has provided an incentive for increasing the recovery of LPG.

81. For 1980-81, the target of production for LPG is 41,600 metric tons. The company-wise production figures are given below :

Name of Company	(Metric Tons)
NRL	15,500
PRL	12,600
POL	10,500
ARL	3,000
Total ..	41,600

82. The salient features of the plan for 1980-81 are that an LPG extraction plant of 58 to 60 thousand tons per annum capacity will be finally commissioned at Meyal Oil field. In addition, LPG production will also commence from Attok Oil Refinery Ltd. (ARL). At present, no LPG is recovered from this refinery but on the completion of the expansion of the refinery it is estimated that 3,000 tons of LPG will be recovered during 1980-81. Pakistan Refinery Ltd., is also planning to increase its LPG production capacity.

Energy Development in Special Areas

83. The Government is paying great attention to the development of backward/underdeveloped areas. In this connection, during 1979-80 work was in progress on the schemes of extension of transmission line from WAPDA network to various areas in Azad Kashmir. The sections of the transmission line from Nelore to Azad Pattan, from Azad Pattan to Pallandri, from Azad Pattan to Rawalakot and from Abbottabad to Muzafarabad were commissioned. Work is in advanced stage on the sections namely Mansehra, Muzafarabad, Kharian-Bhimber, Azad Pattan-Pullandri-Kotli and Mirpur-Chakswari. Besides, considerable progress was also made in the construction of grid station at Muzafarabad, Bhimber, Kotli, Chakswari and Kharian.

84. A scheme for installation of 100 small hydel plants in Northern Areas, NWFP and Azad Kashmir was also started in 1974. As also stated earlier, in view of a number of implementation problems it was decided to complete installation of plants at the 10 locations in the first instance. Five small hydel stations had been installed. It was proposed that another 5 small hydel stations be commissioned during 1979-80. However, only one additional plant was commissioned.

85. In order to supply electricity to the far flung areas of Baluchistan located at large distances from WAPDA's transmission system, scheme of extension of KESC'S grid to Vinder-Uthal and Bela was started. During 1979-80, most of the work of this scheme was completed. A transmission line from Guddu to Quetta via Sibbi has already been completed. During 1979-80 additional work was done at Sibbi grid station which is a part of the scheme for energization of the transmission line from Guddu to Sibbi at 220 kV. Under the project of secondary transmission line and grid station WAPDA is also carrying out new extensions and augmentations of the existing secondary transmission lines and grid stations. A 25 MW gas turbine is also under installation at Quetta besides installation of diesel sets in remote areas. In the Fuel sub-sector a project of transmission of Sui Gas to Quetta has been prepared under the CMLA Directive. In this connection, Sui Gas Transmission Company has prepared a detailed PC-I after thorough feasibility study. Under this project it is proposed to lay 349 km Pipeline emanating from the existing Indus right Bank Pipe line (IRBP) to Quetta. This pipeline will also supply gas to a number of towns en-route namely Jacobabad, Jhatpat, Dera Murad Jamali, Bellpat, Sibbi, Bibi Nani, Mach, Kolpur, Darwaza, Shariab.

86. For 1980-81, the work will continue on all the above mentioned projects. The target in brief are: Commissioning of the transmission line and grid station to Azad Kashmir, commissioning of the remaining 4 small hydel stations, commissioning of the KESC'S transmission line project

for Vinder Uthal and Bela, energization of Guddu, Sibbi, Quetta transmission line at 220 kV level and continuation of work on secondary transmission line and grid station project. In the Fuel sub-sector, on the Quetta pipeline project it is proposed that tender inquiries in respect of pipeline material, civil works and services etc. will be made, bids received and bid evaluation completed. It is also proposed that orders will be placed and the material and equipment supply will start arriving at site by June, 1981. Civil construction for head-quarter building etc. is also expected to commence by June, 1981. Additional surveys and drilling will be carried out at Pirkoh Gas fields in order to make proper estimates about the potential of the reservoir. As stated earlier an amount of Rs. 4.00 million has been provided by the Government of NWFP in the AD.P. for installation of Small Hydel Stations. Besides this an amount of Rs. 0.3 million has been provided by the Government of NWFP for the installation of Bio-gas plants.

ENERGY SUPPLIES 1979-80 AND 1980-81

Source	1979-80			1979-80			1980-81		
	Target			Revised Estimate			Target		
	Quantity	Energy Trillion KJ	%	Energy Quantity	Trillion KJ	%	Quantity	Energy Trillion KJ	%
1. Natural Purified Gas (Excluding Fertilizer Feed Stock).	427856 Th dam 3	156.06		485747 Th dam 3	177.3		505293 Th dam 3	184.43	
2. Natural Gas from Mari (Excluding Feed stock)	9689 Th dam 3	2.62		10527 Th dam 3	2.84		482 Th dam 3	4.99	
3. Raw Natural Gas	41134 Th dam 3	14.34		46383 Th dam 3	16.19		729 Th dam 3	21.89	
Total Gas	478679 Th dam 3	173.02	33.6	542657 Th dam 3	196.33	36.9		211.31	37.2
4. Oil (Net Export, Ocean Bunker and Non-energy use).	4.125 Million Metric tons	191.75	37.2	4.211 Million Metric tons	195.69	36.8	4.505 Million Metric ton	209.4	36.2
5. Coal	1.41 Million Metric tons	27.42	5.3	1.41 Million Metric tons	27.85	5.2	1.5 Million Metric tons	29.63	5.2
6. Hydro electricity	8845 Gwh	118.87	23.1	8716.00 Gwh	110.24	20.7	8636 Gwh	109.23	19.2
7. Nuclear	202 Gwh	2.56	0.5	2 Gwh	0.03	—	475 Gwh	6.01	1.1
8. LPG	34000 Metric tons	1.73	0.3	36242 Metric tons	1.85	0.4	41600 Metric tons	2.13	0.4
Grand Total		515.33	100		531.99	100		567.71	100

Foot Note.—(a) Gas consumption as fuel in fertilizer factory is assumed to be 25% of the consumption in the factory.

(b) Consumption of coal is based on estimates.

(c) Heat rates.

Raw natural Gas 933 BTU/Cft or 349 Th. kJ/dam3
 Natural Gas Purified 975 BTU/Cft or 365 Th. kJ/dam3
 Mari Gas 723 BTU/Cft or 270 Th. kJ/dam3
 Hydrel and Nuclear 12,000 BTU/lb or 12648 Th. kJ/Kwh
 LPG 22,000 BTU/lb or 23188 Th. kJ/lb
 Oil 26,000 BTU/lb or 21080 Th. kJ/lb
 Coal 85,000 BTU/lb or 8959 Th. kJ/lb

ANALYSIS OF COMPONENTS OF GAS DEMAND OF SINGPL

(Th. cum)

Year	Power	Cement	Fertilizer	General Industries	Commercial	Domestic	Total
1965-66	50,168	7,595	7,831	11,079	262	54	76,989
1966-67	41,097	10,699	9,744	17,840	501	138	80,020
1967-68	34,784	17,113	8,617	21,499	811	324	83,149
1968-69	45,571	20,837	9,319	28,156	1,299	670	1,05,852
1969-70	60,273	19,370	9,440	31,787	1,786	1,152	123,807
1970-71	62,577	17,361	7,775	37,934	16,17	1,811	129,075
1971-72	56,351	15,868	35,429	42,889	1,924	2,473	154,935
1972-73	64,532	23,725	44,923	50,810	2,628	3,451	190,069
1973-74	81,282	25,753	53,715	61,751	3,910	4,393	231,304
1974-75	92,122	29,886	56,134	70,783	5,203	6,888	261,020
1975-76	64,171	29,993	56,523	72,873	6,352	8,854	238,766
1976-77	64,989	29,339	56,140	75,036	7,496	10,290	253,341
1977-78	42,652	30,731	56,388	88,437	8,890	13,710	240,808
1978-79	27,962	30,841	76,163	81,383	10,705	15,936	242,989
1979-80	59,798	32,064	86,099	97,354	11,578	21,784	308,677
1980-81 (Target)	44,093	35,334	93,970	104,601	12,733	23,015	313,746

ANALYSIS OF COMPONENTS OF GAS DEMAND OF KGC

Th. dms

Year	Power	Chemical	General Industries	Commercial	Domestic	Total
1965-66	25,601	5,648	22,254	1,766	1,385	56,655
1966-67	26,727	8,569	26,403	2,088	1,656	67,585
1967-68	30,674	9,008	27,905	2,115	1,760	65,830
1968-69	35,553	9,955	29,685	2,357	1,957	79,509
1969-70	44,145	8,941	3,1488	2,616	2,391	89,589
1970-71	41,254	8,411	32,282	2,749	2,926	87,625
1971-72	40,235	6,507	30,300	2,932	3,467	83,442
1972-73	33,539	8,028	31,981	3,047	4,197	81,794
1973-74	32,063	9,907	3,5812	3,426	5,031	86,242
1974-75	27,899	9,814	3,7082	3,524	6,062	84,383
1975-76	36,350	8,997	3,7781	4,070	7,174	95,375
1976-77	42,853	8,462	3,6139	4,284	8,507	10,0,347
1977-78	56,348	8,777	3,8497	4,467	1,0600	12,8,692
1978-79	74,870	1,0169	1,4615	4,960	12,941	14,6,788
1979-80	90,114	1,0784	4,7337	5,026	14,202	16,7,464
1980-81 (Target)	89,002	1,2723	6,0893	5,144	16,594	19,4,556

ANALYSIS OF COMPONENTS OF DEMAND IGC

Annexure IV

(Th. Gam 3)

Year	Power	Cement	General Industries	Commercial	Domestic	Total
1965-66	14,584	9,423	4,107	54	23	28,190
1966-67	14,846	11,676	4,809	107	37	31,474
1967-68	15,034	13,220	4,566	180	56	33,057
1968-69	17,513	14,722	4,907	228	82	37,452
1969-70	20,570	14,860	5,209	293	115	41,047
1970-71	18,984	26,297	5,028	448	194	50,875
1971-72	18,925	23,818	4,628	652	425	48,421
1972-73	24,130	26,080	5,042	817	755	56,825
1973-74	23,418	29,286	6,003	1,079	1,110	60,895
1974-75	22,832	29,784	6,473	1,189	1,378	61,657
1975-76	21,702	27,190	6,279	1,448	1,749	58,368
1976-77	22,116	25,629	6,197	1,417	2,327	57,687
1977-78	22,398	27,835	7,868	1,530	3,104	62,735
1978-79	23,815	27,533	8,124	1,620	4,110	65,202
1979-80	30,476	29,735	8,154	1,758	4,057	74,180
1980-81 Target	25,401	27,828	8,227	1,841	4,371	67,668

HISTORICAL CONSUMPTION OF NATURAL GAS

(Th. cum)

Year	SNGPL	KGC	IGC	MARI	Guddu	Total
1965-66	7689	56,655	28,190	—	—	162107
1966-67	80020	67,385	31,474	—	—	178874
1967-68	83149	65830	33,057	56	—	189488
1968-69	105852	79509	37452	16153	—	238963
1969-70	123807	89,589	41047	28015	—	282432
1970-71	129075	87,625	50875	31917	—	299312
1971-72	154935	83,442	48421	27353	—	314132
1972-73	190069	81794	56825	30259	—	338917
1973-74	231304	86242	60895	30880	—	407054
1974-75	261020	84383	61656	31979	4299	443331
1975-76	238766	95375	58368	32576	17505	443427
1976-77	253341	100347	57687	33505	31477	482837
1977-78	240808	120692	62332	33404	37815	504454
1978-79	242989	146534	65202	38753	40032	533511
1979-80	308677	167464	74180	42106	46383	638810
1980-81 (Target)	313746	194356	67668	73928	62729	712427

Annexure VI

SURVEYS CARRIED OUT BY PETROLEUM EXPLORATION COMPANIES IN THE PRIVATE SECTOR DURING 1979-80

Sl. No.	Name of Operator	Areas leased out (in Sq. Miles)	Province	Number of survey parties employed	Type of survey carried out
1.	Pakistan Shell Petroleum Development B. V. Karachi	11,168	Punjab	2	Seismic
2.	Union Texas Pakistan Inc, Karachi	6,900	Sind	1	Seismic
3.	Gulf Oil Pakistan Limited, Islamabad	897	Punjab	1 } 1 }	Geological } Seismic }
4.	Occidental of Pakistan Inc, Islamabad	3,400	Sind	1	Seismic
	Total			6	

Annexure VII

SURVEYS TO BE CARRIED OUT BY PETROLEUM EXPLORATION COMPANIES IN PRIVATE SECTOR DURING 1980-81

Sl. No.	Name of Company	(Areas leased out in Sq. Miles)	Province	Number of parties employed	Type of Survey to be carried out	Remarks
1.	Pakistan Shell Petroleum Development B.V. Karachi	11,168	Punjab	1	Geological	No geological or field operation planned. It would however carry out inter-pretation of Geo-Seismic data.
2.	Union-Texas Pakistan Inc, Karachi	6,900	Sind	2	Seismic	
3.	Gulf Oil Pakistan Limited, Islamabad	897	Punjab	1	Geological	
	Total			5	Geochemical Seismic	

DRILLING ACTIVITIES IN PRIVATE SECTOR DURING 1979-80

Sl. No.	Company	Area leased out in Square Miles	Province	No. of wells drilled		Remarks
				Exploration	Development	
1.	Gulf Oil Pakistan Ltd, OGDC Joint Venture	897	Punjab	1	—	Qazian Well No. 1 spudded on 20th October, 1979. Drilling completed in June, 1980.
2.	Pakistan Petroleum Ltd.	193	Baluchistan	—	2	Sul-24 } Sul-25 }
3.	Pakistan Petroleum Ltd, AMOCO Joint Venture	496	Punjab	1 (Appraisal)	—	Adhi-6 spudded on 14/8/1979, suspended on 27/2/1980.
4.	AMOCO Pakistan Exploration Company-OGDC Joint Venture.	2,048	Punjab	1	—	Mianwali Well No. 1, spudded on 16/6/1979 Abandoned on 26-2-1980 at a depth of 13,397 feet.
5.	Pakistan Oilfields Limited	51	Punjab	—	1	Moyal-5 spudded on 15-12-1978 completed drilling on 31/3/1980.
			total	3	3	

DRILLING PROGRAMME OF COMPANIES DURING 1980-81

Sl. No.	Company	Area leased out in Sq. miles	Province	No. of wells to be drilled			Remarks
				Exploration	Appraisal	Development	
1.	Union Texas Pakistan Inc, Karachi	6,900	Sind	3	—	—	
2.	Gulf Oil Pakistan Ltd, Islamabad	897	Punjab	1	1	—	
3.	Pakistan Shell Petroleum Development B.V, Karachi	11,168	Punjab	1	—	—	
4.	AMOCO Pakistan Exploration Company and OGDC Joint Venture, Islamabad	2,048	Punjab NWFP.	1	—	—	
5.	Husky Oil (Pakistan) Limited, Karachi	4,935	Sind	1	—	—	
6.	AMOCO Pakistan Exploration Company and Pakistan Petroleum Ltd. Joint Venture	496	Punjab	—	1	—	
7.	Pakistan Oilfields Ltd, Attock Oil Company OGDC and occidental of Pakistan Joint Venture, Islamabad	—	Punjab	1	—	—	
8.	Esso Eabstern Inc, Karachi	339	Sind	—	—	8	
9.	Pakistan Petroleum Ltd, Karachi	193	Baluchistan	—	—	4	
10.	Pakistan Oilfields Ltd, Rawalpindi	51	Punjab	—	—	2	
				8	2	14	

PRODUCTION, IMPORTS AND DISPOSAL OF OIL PRODUCTS (1979-80 REVISED ESTIMATES)

(All figures in '000 ' tons)

Products	Availability of POL			Export	Bunkers	Total External	Domestic consumption	Total Disposal	*Change in stock
	Local Production	Import	Total Availability						
100/130	—	3,991	3,991	—	—	—	3,918	3,918	(+) 73
73 ON	—	—	—	—	—	—	506	506	(-) 506
JP-4	88,783	—	88,783	—	—	—	90,376	90,376	(-) 1,593
MS	4,25,378	—	4,25,378	—	—	—	4,29,095	4,29,095	(-) 3,717
HOBC	41,337	77,404	1,18,741	—	—	—	1,15,039	1,15,039	(+) 3,702
Naphtha	1,99,403	—	1,99,403	2,10,831	—	2,10,831	—	2,10,831	(-) 11,428
Total (Light distillates)	7,54,901	81,395	8,36,296	—	—	—	6,38,934	8,39,765	—
J-PI	4,49,297	—	4,49,297	—	2,05,831	2,05,831	2,70,871	4,76,702	(-) 27,402
SK	1,65,893	5,19,902	6,85,795	—	—	—	6,62,618	6,62,618	(+) 23,177
HSD	9,46,997	8,97,987	18,44,984	—	18,159	18,159	17,96,280	18,14,439	(+) 30,545
LDO	2,01,898	83,725	2,85,623	—	9,924	9,924	2,72,133	2,82,057	(+) 3,566
Total (Middle distillates)	17,64,085	15,01,614	32,65,699	—	—	—	30,01,902	32,35,816	—
FO	14,31,352	—	14,31,352	7,88,626	1,31,045	9,19,671	5,69,984	14,98,655	(-) 58,303
Total (Fuel products)	—	—	—	—	—	—	—	—	—
Asphalt	1,22,187	—	1,22,187	—	—	—	1,05,000	1,05,000	(+) 17,187
Others	1,31,070	31,895 (LBO)	1,62,971	9,797 (BTX)	—	9,797 (BTX)	92,528	1,02,325	(+) 60,646
Grand Total	4,20,360	16,14,904	58,18,505	10,09,254	3,64,939	13,74,213	44,08,348	57,82,561	—

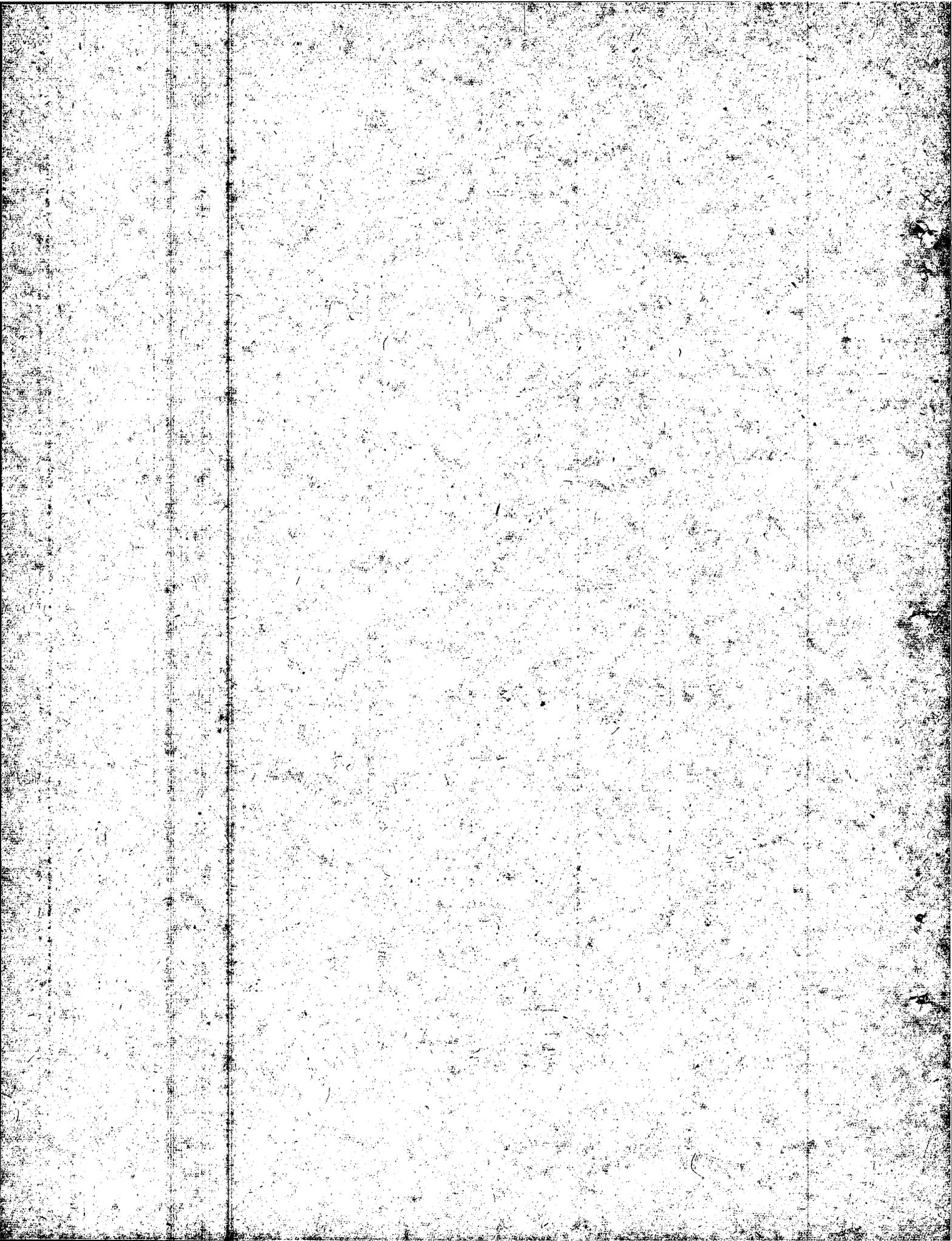
*Shortfall was met out of last year stock.

Annexure XI

PRODUCTION, IMPORTS AND DISPOSAL OF OIL PRODUCTS 1980-81 (ESTIMATES)

(All figures in '000' tons)

Products	Availability of POL					Disposal			Change in stock	
	Opening stock	Local Production	Import	Total availability	Export	Bunker	Total External	Domestic Consumption		Total Disposal
100/130 } 73 ON }	1	—	5	6	—	—	—	6	6	Nil
JP-4	7	94	—	101	—	—	—	94	94	7
MS	21	489	—	510	—	—	—	466	466	44
HOBC	10	41	74	125	—	—	—	121	121	4
NAPHTHA	—	144	—	144	144	—	—	—	144	Nil
Total (Light Distillates)	39	768	79	886	144	—	144	687	831	55
JP-1	10	542	—	552	—	212	212	328	540	12
SK	56	104	560	720	—	—	—	680	680	40
HSD	97	933	1,000	2,030	—	24	24	1,974	1,998	32
LDO	36	200	50	286	—	8	8	292	300	14
Total (Middle Distillates)	199	1,779	1,610	3,588	—	244	244	3,274	3,518	70
FO	74	1,597	—	1,671	897	160	1,057	540	1,597	74
Total (Fuel products)	312	4,144	1,689	6,145	1,041	404	1,445	4,501	5,946	199
Asphalt	5	115	—	120	—	—	—	110	110	10
Others	5	161	35	201	16	—	16	180	196	5
	322	4,420	1,724	6,466	1,057	404	1,461	4,791	6,252	214



CHAPTER 12

INDUSTRY

REVIEW OF 1979-80

Investment

The industrial investment during 1979-80 maintained its tempo of recovery starting in 1977-78. The growth in industrial investment was brought about due to progressive economic policies pursued by the Government with a sincere effort to revitalize private industrial investment. Consequently, industrial investment, increased to Rs. 8,706 million in 1979-80 (Annexure I) as against Rs. 8,320 million in 1978-79. A number of public sector projects, notably *Ghee* factories at Dargai and Hari-pur, the Pak-Arab Fertilizer factory, the Pak-Saudi Fertilizer factory, BTX project and the expansion programme of Javedan Cement factory were completed. In addition, the overall physical progress on the Karachi Steel Mills came to about 66% after a cumulative expenditure of Rs. 13,014.66 million incurred on this project by the end of June, 1980.

Production

2. The major contribution in production growth (Annexure II) was expected from fertilizers, cement, cotton group of industries, and from substantial improvement in the production of vegetable ghee and sugar. Industrial production showed an increase of 8.5% despite low productivity and managerial problems of the nationalised sector. Textile industry continued to show a mixed trend. While there was improvement in the production of cotton yarn (365.0 Million Kgs)—an increase of 11.3% over the previous year (328.0 million Kgs). The cotton cloth showed marginal improvement from 339 Million sq. meters in 1978-79 to 348 million sq. meters in 1979-80 as against the target of 400 million sq. meters. This increase is due to favourable international demand and a proper incentive scheme announced by the government.

3. With the commissioning of the two fertilizer factories in the public sector *i.e.* Pak Arab and Pak Saudi, the production of fertilizer increased from 357,000 N. tonnes in 1978-79 to 450,000 N. tonnes in 1979-80, showing an increase of 26.1% over the previous year.

4. During the year under review the cement industry continued to suffer from power break-downs and shut-downs on account of obsolescence and mechanical failures and also on account of the delays in commissioning of the Mustehkam Cement (expansion) plant and non-availability of the tonnage of cement from Javedan. There was, however, an increase in the production of cement from 3,022 million tonnes in 1978-79 to 3,340 million tonnes during 1979-80. This, however, remained well below the targetted figures of 3.45 million tonnes set for 1979-80.

5. Vegetable ghee industry also showed an improvement of 5.9% in its production which increased from 0.422 million tonnes in 1978-79 to 0.447 million tonnes in 1979-80, mainly because of growing domestic demand and improved supply of imported edible oil.

6. Sugar production continued to decline in 1979-80. As against the target of 0.800 million tonnes, the production was only 0.576 million tonnes, as against 0.607 million tonnes in 1978-79, thereby showing a decline of about 5%. This short fall was on account of the following factor:

- (a) continued decline in the area under sugar-cane crop ;

- (b) heavy attack of pest on the crop ;
- (c) reluctance of the farmers to sell sugar-cane to the mills due to higher gur prices prevalent throughout the season ;
- (d) lack of production incentives to the mills : subsequent to the abolition of capacity taxation to crush during periods when sucrose contents are low.

7. However, despite the set back in the production of sugar and cotton cloth, industrial output showed an overall growth rate 8.5% on account of buoyancy shown by M.S. products, paper and board, cotton yarn, fertilizer and chemicals such as soda-ash and caustic soda. Although the output from these industries remained below the defined targets, it is apparent that these not only recorded significant growth as compared to the production levels of the preceeding year but also exceeded the targets for 1979-80.

PROGRAMME FOR 1980-81

Investment

8. The level of industrial investment in the public-sector during 1980-81 is likely to increase over the level of the previous year. A total provision of Rs. 4,074.406 million has therefore, been made for the public industrial sector as against the provision of Rs. 4,057.131 million in 1979-80. Major allocations in this sector are primarily meant for the requirements of Karachi Steel Mills, Fertilizer Projects, Cement Plants, Textile Mills, Karachi Export Processing Zone and other industrial projects. Besides these allocations, Rs. 1141.805 million will be spent by the State Enterprises from the credit budget (outside-ADP). Out of the projected public-sector investment of Rs. 4,074.406 million, 80% would be for the Sind province, where most of the industries are located, as compared to 12% for the Punjab, and 8% for the NWFP and Baluchistan.

9. The main emphasis during the fiscal year will be on the completion of those schemes which were taken up in the past. This strategy is being followed in order to increase the quantum of industrial production. About 88% of the federal programme has been allocated for the on-going projects while only 4.5% will be spent on the new projects. About 1% of the total investment will be spent on research and studies so that technical development can be usefully applied to the manufacturing processes. With this strategy in view, growth in the industrial sector is not only likely to maintain itself but also increase significantly.

10. In overall terms, the growth rate of 10.6 per cent is projected in the Manufacturing Industry during 1980-81 as compared to 8.5 per cent during 1979-80. Most of the growth is likely to come from the large scale manufacturing, which is expected to grow at 12 per cent. While the first blast furnace of the Karachi Steel Mills is expected to be fired by the end of 1980, and produce 155,000 tonnes of pig iron and 265,000 tonnes of coke, a cement expansion plant (Mustehkam) with additional 300,000 tonnes capacity and five textile mills (at Shahdadkot, Tarbela, Harappa, Bolan and Lesbela) with 1,925 looms and 120,000 spindles would be on stream during 1980-81. On the other hand, Javedan Cement (with additional expanded capacity of 300,000 tonnes), Carbon Black Project, and Pak-Saudi Fertilizer Factory (with 258,000 N. tonnes capacity) which started production towards the close of financial Year 1979-80, would improve thier capacity utilization and thus increase the quantum of industrial production.

11. Nearly 84% of the total public-sector investment projected for 1980-81 is on account of the Karachi Steel Mill project alone. It has been envisaged that a sum of Rs. 2,700 million from the ADP (and Rs. 750 million for the credit Budget) will be spent on the implementation of this project during 1980-81. Upon completion and on full production in 1984-85, the output from the project will include 0.26 / 0.40 million tonnes of billets, 0.305 million tonnes of H.R. sheets, 0.09 million tonnes of C.R. sheets, 0.10 million tonnes of galvanised sheets, 0.12 million tonnes of formed sections, 0.35 million tonnes of pig iron and 0.215 million tonnes of coke. The output is expected to result in an import substitution worth about Rs. 2,225 million per annum. Partial production from the mills is expected to start with the firing of the first blast furnace by the end of 1980.

12. Five cement projects viz. Kohat, Thatta, Dandot, D.G. Khan and White Cement have been allocated Rs. 397 million (including self-financing of Rs. 216 million). Of these five projects, Thatta and Dandot Cement plants are expected to be operational during 1980-81. It is expected that 80% of the physical work would also be completed on the Kohat Cement project which is expected to commence trial production by 1981. Machinery for White Cement plant (expansion project) is also expected to arrive by 1981. The financing for the D.G. Khan cement project has, however, not yet been finalized.

13. In the fertilizer industry, an investment of Rs. 149.148 million has been envisaged. It is expected that the Hazara Urea Fertilizer Plant would be completed during the upcoming financial year, and the plant would become operational.

14. Five textile mills are under construction in the public sector. An investment of Rs. 114.81 million has been projected to be made on these projects. All these textile mills are expected to be completed during the current financial year.

15. In addition to the above projects, the Government has taken up a comprehensive scheme to set up an Export Processing Zone at Karachi to attract foreign investment and boost up the country's exports. In the first phase of this scheme, 200 acres would be developed with all infrastructural facilities such as water, gas and electricity. As compared to the total expenditure of Rs. 33.78 million upto F.Y. 1980, Rs. 50 million have been allocated to this project for 1980-81 and it is likely to become partially operational in the upcoming year.

16. In the agro-industrial sub-sector, Rs. 50 million is proposed to be spent on Dir Forest Complex and Rs. 4.02 million on Hazara Forestry Technical Development project. It is expected that these two projects will also become operational during 1980-81.

17. In the heavy engineering industry, Rs. 16.91 million has been allocated to Heavy Foundry and Forge, Taxila, and work on the project should be completed by June, 1981. A token provision of Rs. 1.964 million has also been allocated for the Pak Switch Gear Project.

18. The Pakistan Automobile Corporation is presently engaged in the improvement of in-house activities for the gradual manufacture of various automotive equipments in the country. Accordingly, projects for the BMR's of Foundries, Press Shop, Tool and Die shop, are at various stages of completion. An investment of Rs. 170.100 million including self-financing of Rs. 27.500 million is expected to take place on the implementation of these projects.

19. In the Chemical industry, the Federal Chemical and Ceramics Corporation Ltd. has projects under implementation for manufacture of Soda Ash, Caustic Soda, Bakers' Yeast, Polyester and PVC pipes. A sum of Rs. 98 million is proposed to be spent on the implementation of these projects. This amount includes Rs. 7 million self-financing. As a result of this investment the Baker's Yeast project and the Polyester plant are expected to be completed and become operational during the current financial year.

Production

20. Industrial production (Annexure IV) is projected to increase at a rate of 10.6% as compared to 8.5% estimated to have been achieved during the preceding year. The large scale manufacturing sector is expected to provide the major push. About 96% of the total allocation is for large scale manufacturing.

21. Although sugar production faced a major set-back during 1979-80, concerted efforts (i.e. increase in prices of sugar-cane and sugar, rebates on maximum production) are being made during the current financial year to increase the production of sugar. A 30.2% increase over the actual production of 1979-80 is envisaged and a target of 0.750 million tonnes has been fixed for 1980-81.

22. The present installed capacity in the mill sector of the cotton-group of products is 3.6 million spindles and 30,000 looms. It is expected that five public sector textile mills (namely Lasbella, Bolan, Harrappa, Tarbela and Shahdadkot) would start trial production during 1980-81. In addition, some new capacity will come on stream in the private sector. Thus, the total installed capacity would be increased by 1 million spindles and 3,105 looms. Using an annual average output rate of 127 kilogram per spindle, and over 720 million square meters of cloth, the total installed capacity would be 620 million kilograms of yarn and 720 million sq. meters of cotton cloth. However, due to the cotton crises which has badly affected the local industry the production targets of yarn and cloth have been fixed at 0.380 million kgs and 360 million square meters, respectively. These targets imply a growth of 4.1% in the output of yarn and 3.4% in cloth, compared with the production levels achieved during 1979-80.

23. Due importance is also being attached to fertilizer industry. A rate of increase of 24.4% has been envisaged in the production of chemical fertilizers. A target of 0.560 million N. tonnes has been fixed for both phosphatic and nitrogenous fertilizers against actual production of 0.450 million N. tonnes during the preceding year.

24. The present installed capacity of cement industry is 3.74 million tonnes which includes the capacity added by the Javedan Cement expansion project. In 1980-81, Mustehkam Cement expansion project (capacity 0.3 million tonnes) is expected to become operational. Simultaneously the capacity utilization of the other cement plants will also improve. Therefore, for 1980-81 the production of cement has been raised by 10.8% and the target fixed at 3.700 million tonnes against the actual production of 3.340 million tonnes in 1979-80.

25. The installed capacity for the manufacture of writing and printing paper and board is 1,10,000 tonnes per annum. However, the rate of capacity utilization in this industry is low. In 1979-80 the situation had slightly improved, and it is expected to improve further during 1980-81. The production of paper and board is, therefore, expected to grow at a rate of 12.5% during 1980-81 and the production target has been fixed at 90,000 tonnes as against the actual production of 80,000 tonnes in the preceding year.

26. The installed capacity in the vegetable ghee industry is 0.350 million tonnes per annum. Two new factories at Dargai and Haripur, each with annual capacity of 9,000 tonnes, have already come on the production stream. In addition, some new capacity will be raised by balancing and modernization of the existing facilities. The target for vegetable ghee production has, therefore, been fixed at 0.48 million tonnes, which reflects 7.4% improvement over the production levels of 1979-80.

27. The chemical industry produces soda ash and caustic soda which are intermediate products for textiles, ghee and other industries. The installed capacity for the manufacture of soda ash is 84,000 tonnes and the production during 1979-80 was 80,000 tonnes. The demand for soda ash is expected to increase by 5% per cent in 1980-81 and, therefore, the production figure has been fixed at 84,000 tonnes. Similarly, the installed capacity for caustic soda is 49,000 tonnes and with a production base of 40,000 tonnes during 1979-80, combined with an increase in the demand for caustic soda by the textile industry, the production target has been fixed at 42,000 tonnes.

28. Finally, Pakistan possesses a significant nucleus of engineering goods industry, both in the public and private sector. The product range in this sector is considerable, with emphasis on light and heavy engineering, machine tools telecommunication instruments, transformers, switch gears, surgical instruments parts of machinery for textile, cement and sugar mills, agricultural machinery and automotive parts etc. In view of the wide variety of goods produced by the industry, it is difficult to specify the production targets separately for these products. The estimated production during 1979-80 was 0.420 million tonnes and the combined target for 1980-81 is being fixed at 0.450 million tonnes.

INVESTMENT IN INDUSTRY DURING 1979-80

Annexure I

(Million Rs.)

(a) Public Sector :

(i) Federal ADP Programme	4612.854
(ii) Investment outside ADP (including provinces)	1381.000
(iii) Baluchistan ADP	13.828
(iv) NWFP ADP	9.692
(v) Sind ADP	15.654
(vi) Punjab ADP	61.547
Sub-Total (a)	6094.575

(b) Private Sector :

(i) Large Scale	1822.500
(ii) Small Scale	788.900
Sub-Total (b)	2611.400
Grand Total	8705.975

Annexure II

PRODUCTION OF MAJOR INDUSTRIES DURING 1979-80

Industry	Unit	1978-79	1979-80	Percent Change
Sugar	000 Tonnes.	607	576	(5.1)
Cotton Yarn	Mill K. G. S	328	365	11.3
Cotton Cloth	Mill Sq. Metres.	339	348	2.7
Vegetable Ghee	000 Tonnes.	422	442	5.9
Paper and Board	000 Tonnes.	79	80	1.3
Cement	000 Tonnes.	3022	3240	10.5
Fertilizer	000 N. Tonnes.	357	450	26.1
Cigarettes	Mill. Nos.	33	34	3.0
Soda Ash	000 Tonnes.	71	80	12.7
Caustic Soda	000 Tonnes.	36	40	11.1
M. S. Products	000 Tonnes.	362	420	16.0

INVESTMENT PROGRAMME 1980-81

(Million Rs.)

(a) Public Sector :

(i) Federal ADP Programme	3,967.231
(ii) Investment outside ADP (including provinces)	1,020.805
(iii) Baluchistan ADP	22.00
(iv) N.W.F.P. ADP	18.796
(v) Sindh ADP	12.837
(vi) Punjab ADP	53.542
(b) Private Sector :	
(i) Large Scale	2,278
(ii) Small Scale	986
	8,359.211

Annexure IV

PRODUCTION TARGETS FOR MAJOR INDUSTRIES IN 1980-81

Industry	Unit	1979-80 (actual)	1980-81 (target)	Percent Increase
1. Sugar	000 Tonnes.	576	750	30.2
2. Cotton Yarn	Mill Kg. S	365	380	4.1
3. Cotton Cloth	Mill Sq. Meters.	348	360	3.4
4. Cigarettes	Mill Nos.	34	37	8.8
5. Vegetable Ghee	000 Tonnes.	447	480	7.4
6. Soda Ash	000 Tonnes.	80	84	5.0
7. Caustic Soda	000 Tonnes.	40	42	5.0
8. Paper and Board	000 Tonnes.	80	90	12.5
9. Cement	000 Tonnes.	3340	3,700	10.8
10. Fertilizer	000 N. Tonnes.	450	560	24.4
11. M. S. Products	000 Tonnes.	420	450	7.1

CHAPTER 13

MINERALS

Minerals are the backbone of the modern civilization and have been responsible for a number of giant industrial undertakings all over the world. In Pakistan, the contribution by the mining and quarrying is nominal. However, the identification of significant mineral deposits during the recent points to past better prospect in the mineral industry. This is evident from the geological surveys carried out in Baluchistan. These surveys have led to the discovery of large deposits of porphyry copper and base metal prospects in Chagai district and lead, zinc, copper, bayrite and chromite in Lasbela and Khuzdar districts. Prompted by these discoveries, GSP-UNDP have launched a programme to undertake systematic geo-scientific studies for the preparation of ore-reserve statements of major metallic mineral prospects in Baluchistan.

2. The efforts at geological mapping and mineral exploration in Baluchistan as well as in other parts of the country have resulted in the discovery of large quantities of minerals, that have been or are being evaluated, mined and used for (i) agriculture such as rock phosphate, potash and gypsum ; (ii) glass and ceramic industry such as silica sand, feldspar, nepheline syenite and china clay ; (iii) refractory industry such as bauxite, high aluminous clays, fire clays, magnesite, chromite and dolomite ; (iv) construction industry such as cement grade limestone, marble, building stone, gravel, sand and bloated clays ; (v) natural & solid fuels such as coal and radio active minerals for nuclear energy ; (vi) metal moulding materials such as natural bonded moulding sands, bentonite, silica sand ; (vii) metalliferous industry such as iron ores, chromite, antimony, copper, bauxite ; (viii) heavy minerals found in the placer deposits of the river beds such as zircon and ilmenite ; (ix) precious minerals such as emerald, ruby and equamarine. Large quantities of many other minerals such as rock salt, barite, beryl, soapstone, sulphur etc., that are used in chemical and other industries have been established and are being mined. Efforts are also being made to bring sub-marginal low grade ores within the industrial grade specifications by using mineral dressing techniques.

REVIEW OF 1979-80

Investment

3. Against an allocation of Rs. 96.05 million, actual investment in 1979-80 is about 103.061 million (Annexure I). According to these details, investment in the mineral sector during 1979-80 was 7% more than envisaged originally. However, GSP, AKMIDC, FATADC and SDA failed to utilize fully the ADP allocations made to them in the ADP. The under-utilization of financial allocations made to these agencies was mainly due to the delays and/or non-availabilities of foreign technical assistance. GSP, for instance, have not included Rs. 2.5 million in foreign exchange (grant-in-aid) which was to be incurred directly by CIDA. The appointment of consultants for the Hazara Rock Phosphate Project under the British technical assistance was so delayed that neither the foreign exchange component nor the local component of the ADP allocations could be utilized by SDA.

Production

4. The estimates of production of some major minerals during 1979-80 are given in Annexure-II. According to these estimates, there was considerable expansion in the production of coal, marble, gypsum and soapstone. Some of the other minerals showed a declining trend. To correct this situation and to help the Government in the formulation of appropriate mineral policies, concession rules and investment incentives for mineral exploration, the Mineral Coordination Board have initiated certain steps during the year 1979-80.

PROGRAMME FOR 1980-81

Production

5. The targets of production of major minerals for 1980-81 as compared to the revised estimates of production during 1979-80 are given in Annexure-II. According to these targets, the mineral production is likely to increase by 15% during 1980-81 with major contribution to be made by the minerals for use in the Pakistan Steel Mills (PASMIC). Production of coal, rock salt,

marble, etc., is also projected to increase considerably during 1980-81 as compared to 1979-80.

Investment

6. The ADP allocations for the mineral sector during 1980-81 (Rs. 95.59 million) are 7% lower than the investment made in this sector during 1979-80. However, it is estimated that the private investment in the mineral sector would be around Rs. 60 million during 1980-81.

7. Comparative statement showing the ADP allocations for 1980-81 as compared to the revised estimates of 1979-80 is given in Annexure-III. A review of the activities of the various public sector agencies to be undertaken during the year 1980-81 is given below.

Geological Survey of Pakistan

8. An allocation of Rs. 14.92 million has been made for six specific projects to be implemented by GSP. Major projects are briefly discussed in the following paragraphs.

(i) *Mineral Exploration in Chagai District, Baluchistan.*—The scheme envisages to carry out geo-scientific study (geological, geo-physical, geo-chemical surveys and test drilling) in an area of about 20,000 sq. kms., at an estimated cost of Rs. 34.136 million. About 10,000 sq. kms. area has been surveyed. The geological work so far done indicates that the reserve of copper of Dashte-e-Kain copper deposits is better than that of Saindak. There are bright prospects of establishing the feasibility of these deposits and of discovering additional mineral deposits. During 1979-80, the work completed includes large scale topo-geological mapping covering an area of 5 Sq. Kms., geological and geophysical surveys over an areas of 8320 Sq. Kms., and 5,676 Sq. Kms., respectively, and exploratory drilling in Dashte-e-Kain up to a cumulative depth of 290 meters. Moreover, 4,000 chemical determinations of various radicals of minerals were made and 1200 samples were mineralogically analysed. Expenditure upto June 1980, was Rs. 21.848 million. An allocation of Rs. 3.606 million has been made in the ADP 1980-81 for the implementation of this scheme. The scheme is expected to be completed in June, 1983.

(ii) *Mineral Exploration in Lasbela/Khuzdar Region, Baluchistan.*—The major targets of the scheme are to carry out integrated geo-scientific studies on 1 : 50,000 scale in Lasbela/Khuzdar region, covering an area of about 20,000 sq. kms, and large scale geological mapping, geophysical and geo-chemical surveys for mineral exploration and investigation supported by test drilling in the favourable and promising localities. Geological mapping to the scale of 1 : 50,000 detailed geological and magnetic surveys, drilling of two drill holes to the depth of 750 meters and chemical determinations of about 2500 elements of samples collected from the project area have established bright prospects of the presence of lead, zinc, copper, chromite and barite deposits at Saap Dhoro and Gunga Valley. The surveys have also established cement grade limestone near Utal. The total cost of the scheme is estimated at Rs. 19.27 million. During 1979-80, large scale topographical and geological mapping covering, an area of 10 sq. kms., and 2560 sq. kms, respectively, was completed. Moreover, two diamond drill holes were completed down to a cumulative depth of 440 meters in Gunga Valley, Khuzdar district. 250 samples were mineralogically analysed and 1,000 elements were determined by chemical analysis. A sum of Rs. 12.992 million has been spent on the implementation of this scheme upto June 1980. An allocation of Rs. 3.957 million has been made during 1980-81. The scheme is scheduled to be completed in June, 1982.

Pakistan Mineral Development Corporation

9. The total investment programme of PMDC during 1980-81 is Rs. 17.355 million. PMDC will be implementing 12 schemes, three schemes for the development of coal mines, one scheme for the preparation of feasibility study for Salt Solution mining and the rest for the exploration and beneficiation of various minerals. The on-going major schemes to be implemented during 1980-81 by PMDC are given below :—

(i) *Development of Gullakhel/Makarwal Collieries, Punjab.*—The project is for expansion of Gullakhel/Makarwal Collieries in the Punjab to raise its production capacity from current level of 0.16 million tons to 0.30 million tons per annum. Detailed planning and designing of mines,

other works such as indenting and ordering and procurement of machinery and about 60% development work for making mine entries have been completed. The total drivage made in the country rock was 518 meters, in coal seam 123 meters and partly in coal and partly in rock was 229.0 meters. An expenditure of Rs. 6.58 million was incurred in 1979-80 and an allocation of Rs. 4.478 million has been made for 1980-81. The project is expected to be completed in 1982.

(ii) *Feasibility study for salt solution Mining.*—The project envisages to quantify the extent of salt reserves and gather facts to determine the applicability of salt solution mining in or adjacent to the villages Dulmial and Dalwal in the Salt Range. PMDC plans to drill three exploratory holes each to a depth of 765 meters in a total area of 1,000 acres. During 1979-80, necessary preliminary geo-scientific data was collected, analysed and documented in the form of report. The total estimated cost of the project is Rs. 15 million (Rs. 7.5 million including FEC Rs. 3.483 million would be subscribed by ICI Ltd.). Thus, the allocation made in the ADP 1980-81 for the scheme is Rs. 7.5 million.

Resource Development Corporation

10. During 1979-80, Corporation's consultants, Mountain State Minerals Enterprises (MSME of USA) revised and updated the geological, geophysical, geo-chemical and technological studies conducted earlier, for the preparation of bankable/tender document of Saindak Integrated Mineral Project. The bankable document has been provided by the consultant. The corporation is presently in the advanced stage of negotiating for possible joint venture with interested foreign groups experienced in copper mining. The total estimated cost of the project is likely to be Rs. 4,000 million (foreign exchange of US \$ 240 million). On completion, the project would produce 16,500 tonnes per annum of blister copper, 220,000 tonnes of sulphuric acid, per annum, 100,000 tonnes per annum of steel billets, gold 40,000 ounces, silver 100,000 ounces and molybdenum concentrate 280 tonnes will be obtained annually through daily milling of 12,500 of ore from the south ore body. To further improve the level of confidence of the project, RDC is undertaking some more tests specially Semi-autogenous mill tests, pelletization tests, geo-technical studies and pilot plant tests, for assessing the gold content likely to be available from pyrite sinter and pyrite tails.

Pakistan Industrial Development Corporation, Iron Ore Exploration Work, Chigendik/Pachinkoh, Nokkundi, Baluchistan

11. Extensive exploration work done for proving the good grade iron ores at two localities in Chigendik and Pachinkoh (Nokkundi area, district Chagai), have resulted in proving of over 13 million tons of iron ore containing an average of 45 per cent iron content. Further, based on data and observations, there are bright prospects of proving over 100 million tonnes of iron ore at Pachinkoh. These reserves are being quantified on the basis of large scale topogeological mapping, geophysical surveys, driving of about five adits upto total depth of 340 meters, digging of 37 prospecting trenches across the iron exposures and 17,315 meters of drilling in the prospective areas since 1973-74.

12. In 1979-80, large scale topographical map over an area of 1 sq. km. has been completed, and ground magnetic work has also been completed. About 6,116 meters of drilling and other test mining operations were made for the collection of samples. Based on this data, geological and beneficiation reports have been prepared and mining and metallurgical studies are under-way.

13. According to the results obtained from PCSIR Laboratories, it has been possible to upgrade the ore to 65% iron by wet magnetic separation method. A small representative sample of the concentrate prepared by PCSIR Laboratories obtained from Chigendik and Pachinkoh was subjected to chemical, pelletization and reduction tests to examine the ore's response to gaseous direct reduction process by Japan Consulting Institute. It has been confirmed that pellets produced are comparable to some of the best pellets produced currently for Gaseous Direct Reduction except for iron content. Further studies to increase the iron content through beneficiation are being undertaken in the PCSIR Laboratories. It is estimated that up to 47 per cent of PASMIC's blast furnace feeds constitute of lump ore. Pellets obtained from Nokkundi ore are an excellent substitute for this imported lump ore, specially since they possess better metallurgical properties which will improve the economics of the blast furnace process.

14. During 1979-80, an expenditure of Rs. 29.935 million was incurred. An allocation of Rs. 28.177 million has been made during 1980-81 for undertaking survey to determine the sub-surface behaviour in 3 sq. kms. of area, to prepare ore reserves statements by 10,000 meterage of drilling and to undertake mine design and beneficiation studies. Efforts are being made to improve infrastructure, living and working conditions at site for attracting the technical manpower. The

drilling results obtained in 1979-80 are encouraging to establish 100 million tons of iron ore at Pachinkoh.

N.W.F.P. (SDA)

15. Three major schemes are under implementation with the SDA. These are : Hazara Phosphate Lagarban Exploration Project, Hazara Phosphate Kakul Development Project and Kakul Crushing and Grinding Plant. Total capital outlay for all these schemes for 1980-81 is Rs.10 .317 million. Expenditure incurred during 1979-80 was Rs. 2.738 million.

(i) *Hazara Phosphate Lagarban Exploration Project.*—Based on the detailed geological mapping, test mining, drilling and preliminary beneficiation test work, SDA have established a potential of more than 44 million tons of geological reserves. Out of the 17.13 million tons, 13.6 million tons contain phosphorous pentoxide content varying from 24% to 27%. The scheme on Hazara Phosphate Lagarban Exploration Project envisages to upgrade these reserves of 13.6 million to the category of Proved reserves for taking a decision on mining and processing. During 1979-80 many trenches and drifts were driven and four holes were drilled upto commulative depth of 291 meters. 275 samples were collected for analyses. About 5 million tons of Phosphate rock has been proved. An amount of Rs. 52.11 million for the successful completion of the project has been earmarked for completion of the project. In 1979-80, expenditure of Rs. 1.885 million has been incurred. Rupees 4.313 million have been allocated for 1980-81.

(ii) *Hazara Phosphate Mining Project : (Kakul Mines) :—*The phosphate bearing beds, estimated to be 0.81 million tons, are important as potential economic source and can totally substitute the imported rock phosphate (57,000 tons/annum) required by the existing single superphosphate plants of NFC at Faisalabad and Jaranwala with Kakul Phosphate rock. The scheme envisages to increase the level of production from the present 30,000 tons/annum to 57,000 tons/annum. An amount of Rs. 1.204 million has been allocated in ADP 1980-81. Expenditure incurred during 1979-80 amounted to Rs. 0.766 million. A Crushing and Grinding plant is programmed to be installed for meeting the specifications of the consumers.

Management Steps

16. With a view to achieving the physical targets, both for 1978—83 period and for the year 1980-81, several steps have been initiated for solving the problems constraining the development of the mineral industry. For example, a geo-data centre is being established for the collection, consolidation, analysis and publication of all the aspects of mineral statistics, broad frame work and objectives of mineral policy have been drafted for the consideration of present and future strategies in mineral development. Consensus on the fundamentals of mineral concession policy has been obtained from the Federal and Provincial Governments for the formulation of unified Mineral Concession rules. Efforts are being made to overcome the shortage of geo-scientists and technical manpower by enlarging the scope of education and training facilities and to retain the services of high quality geologists, mining engineers, mineral processors and metallurgists. Efforts are being made to acquire much needed mining equipment and to ensure its efficient utilization.

ADP ALLOCATION AND EXPENDITURE, 1979-80

(Million Rs.)

Agency	1979-80 Allocations	1979-80 Estimated Expenditure	Percentage utilization
1	2	3	4
A. FEDERAL.			
(1) M/O Petroleum and Natural Resources :			
(a) GSP	8.305	3.276	(-) 60.0
(b) PMDC	22.642	26.567	19.0
(c) RDC	24.252	24.25	(-) 1.0
(d) GEMCP	0.73	1.68	130
(2) Production Division :			
FIDC	9.616	29.935	211.0
(3) M/O Kashmir Affairs and Northern Areas :			
AKMDC	0.728	0.56	(-) 23.0
(4) M/O States and Frontier Regions :			
FATADC	2.520	2.212	(-) 12.0
Total (Federal) :	68.794	88.783	29.0
A. PROVINCIAL :			
(a) Baluchistan (BDA)	1.0	1.086	8.0
(b) NWFP (SDA)	12.045	2.738	(-) 77.0
(c) Sind	—	—	—
(d) Punjab (PUNJMIN)	14.206	10.457	(-) 26.0
Total (Provincial) :	27.25	14.281	(-) 48.0
Total (Federal and Provincial) :	96.045	103.06	7.0

PRODUCTION TARGET FOR 1980-81

(000 tons)

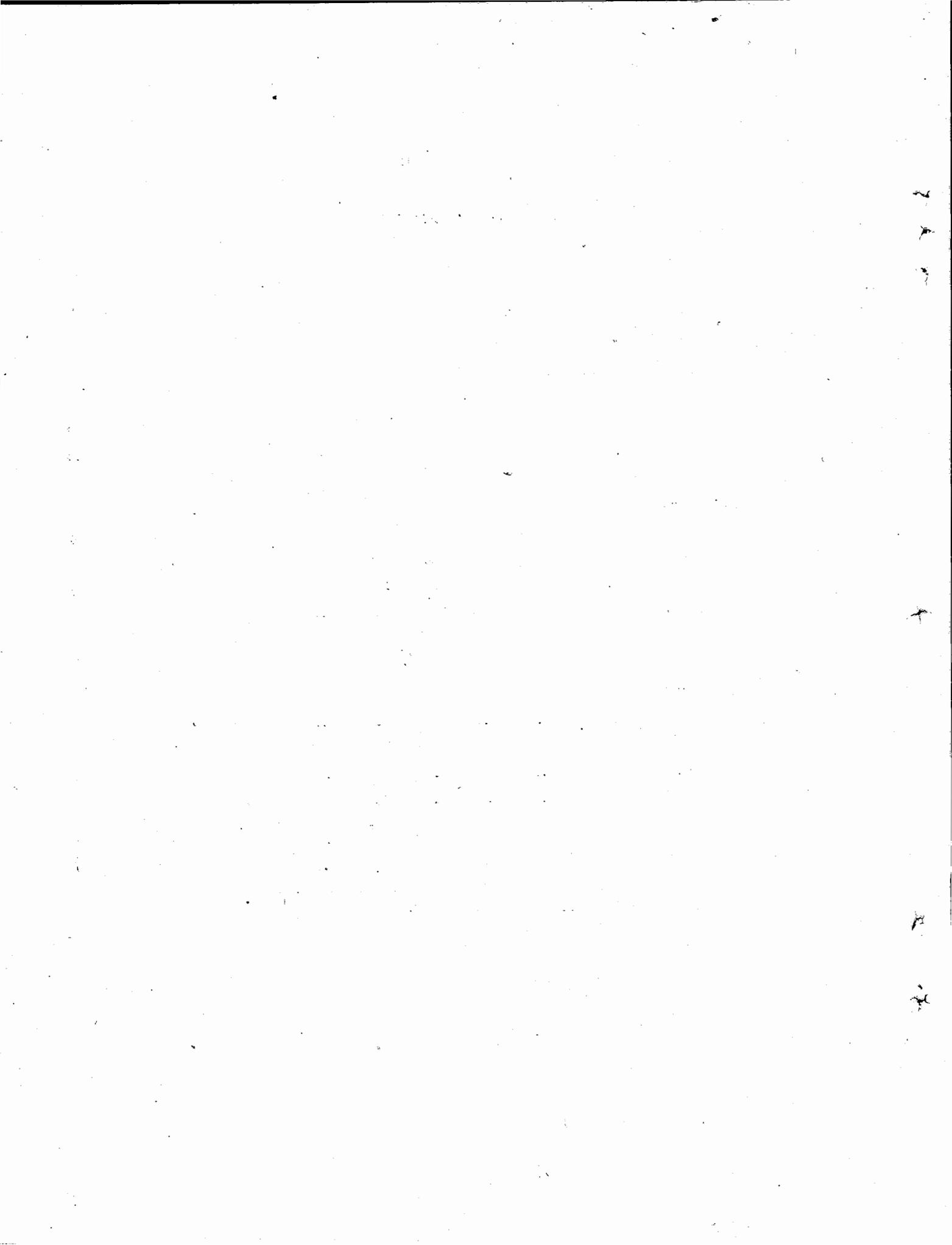
Sl. No.	Item	Revised Estimates 1979-80	Targets 1980-81	Annual Rate of Growth (%)
1	2	3	4	5
1.	Coal	1,860	1,990	7.0
2.	Rock Salt	364	373	7.8
3.	Chromite	4	5	25.0
4.	Antimony	0.05	0.057	26.0
5.	Barytes	30	36	21.0
6.	Marble	141	164	16.2
7.	Bentonite	1	1.5	47.0
8.	Flourite	—	2	—
9.	Magnesite	2	4	180
10.	Fullers Earth	25	28	13.5
11.	China Clay	28.3	38	34
12.	Silica Sand	82.2	86	4.3
13.	Gypsum	418	518	24.9
14.	Limestone	3205	3734	16.5
15.	Rock Phosphate	5.46	8	46.0
16.	Fire Clay	52	59	13.0
17.	Eblomite	28	100	257
18.	Bauxite	2.3	15.0	550
19.	Soapstone	65.4	68.0	3.9
20.	Sulphur	0.5	0.7	40.0

ADP ALLOCATIONS 1980-81

(Million Rs.)

	1979-80 Revised Estimates	1980-81 Allocations	% Change
A. FEDERAL			
(1) M/O Petroleum and Natural Resources :			
(a) GSP	3.276	14.920	355.0
(b) PMDC	26.867	17.355*	(-) 35.0
(c) RDC	24.250	10.000	(-) 59.0
(d) GEMCP	1.680	—	—
(2) Ministry of Production :			
(a) PIDC	29.935	32.761	9.4
(b) NFC	—	5.000	—
(3) M/O Kashmir Affairs and Northern Areas (AKMDC)			
	0.560	1.669	198.0
(4) M/O State and Frontier Regions (FATA DC)			
	2.212	1.964	(-) 11.2
Sub-Total (Federal)	88.780	83.669	6.0
B. PROVINCIAL :			
(a) Baluchistan (BDA)	1.086	0.5	(-) 53.0
(b) NWFP (SDA)	2.738	10.317	276.0
(c) Sindh	—	—	—
(d) Punjab (PUNJMIN)	10.457	1.5	(-) 86.0
Sub-Total (Provincial)	14.281	12.317	(-) 13.8
Total (Provincial and Federal)	103.061	95.986	(-) 6.9

*Includes self-financing of Rs. 8.652 million.



CHAPTER 14
TRANSPORT AND COMMUNICATIONS
REVIEW OF 1979-80

Performance of Transport System

The situation in the Transport sector during 1979-80 did not show much improvement, as the pressure on road haulage continued. The import of wheat dropped from 2.11 million tons in 1978-79 to 0.710 million tons in 1979-80, and that of fertilizer, declined from 1.40 million tons in 1978-79 to 1.25 million tons in 1979-80. Export of rice, however, increased from 1.01 million in 1978-79 to 1.2 million tons in 1979-80. Thus, the total throughput through ports for dry cargo stood at 7.30 million tons in 1979-80, against 8.5 million tons in 1978-79.

2. It was expected that during 1979-80 the despatch of wagons from Karachi to up-country would increase from 720 wagons to 820 wagons per day. The actual performance however, stood at 750 wagons, resulting in continuation of un-economical road haulage.

3. A significant feature during 1979-80 was the completion of Pipri Marshalling Yard and the second bridge between Kotri and Hyderabad. The completion of these two projects will facilitate wagon despatches from Karachi on an increasing scale as the marshalling yard has a capacity of 2,500 wagons per day. By the completion of double track on the bridge, the Kotri section capacity will also be doubled allowing 170 trains per day in the two directions.

4. The Railways wagon off-take from Karachi averaged 750 per day during 1979-80. The railway system performance by goods trains stood at 8,592 million ton kms during the period under review, compared to 9,375 million ton kms in 1978-79. The share of coaching, and parcel stood at 697.1 million ton km. Thus the total freight traffic of the Railways amounted to 9,289.1 million ton km. in 1979-80, against 10,119 M.T. Kms. during 1978-79. The booking of wagons on the total Railway system had been at an average of 1,774 wagons per day and there was a slight decrease in the turn around time of the wagons from 15.5 days in 1978-79 to 14.8 days in 1979-80 in spite of longer hauls involved in the movement of principal commodities to the northern part of the country.

5. In the case of passenger traffic, against the sharp increase of 15.7% between 1976-77 and 1977-78 (12,992 million passenger km. to 15,133 million passenger km.) the passenger traffic stood at 17,456 million passenger km. during 1979-80, thereby showing an increase of only 4.45% over 1978-79.

6. The actual traffic handled in 1978-79 and 1979-80 and forecast of 1980-81 are given below :

TABLE 1

Railway Traffic Handled

	Actual 1978-79	Actual 1979-80	% age changes	Fifth Plan Forecast for 1979-80	% age above/ below Plan	Annual Plan latest Fore- cast for 1980-81
Rail						
Goods Mill. ton Kms.	10,119	9289.1	(-) 9%	11,125	(-) 19.8%	11,917
Passenger Million Passenger Kms. ..	16,713	17,456	(+) 4.45%	17,282	(+) 1%	14,645

7. The railways goods traffic thus showed a decrease of 9% in 1979-80 over the year 1978-79 and a shortfall of 19.8% against the Plan forecast for the year. The railway passenger traffic, however, showed a rise of 4.45% over 1978-79 and a rise of 1% over the Plan estimate of 1979-80.

8. The performance of P.I.A. stood at a lower level for passenger traffic with 5,332 million revenue passenger kms. and 233.5 million revenue tonne kms. against the estimated traffic of 6,182 million revenue passenger kms and 271 million revenue tonne kms, a decrease of 15.94% for passenger traffic and 16.05% for freight traffic. The actual growth has been 10.94% and 8.1% over 1978-79 for passenger and cargo, respectively. And the capacity utilization factors stood at 59.4% for passenger and 45.3% for freight, respectively. The estimated traffic for 1980-81 for passenger and cargo stands at 6,057 MRPK and 279.1 MFTK, respectively, showing an increase of 13.6% and 19.5% over the actual performance in respect of passenger and cargo traffic during 1979-80. The seat and load factors for 1980-81 are estimated at 58.8% and 48.2%, respectively, with available SKM and ton KM at 10,308 and 579.3 respectively.

9. An amount of Rs. 3,821.917 million was allocated in 1979-80 for the transport and Communications programme in the public sector, against which the utilization stood at Rs. 3,898.283 million. The Federal Programme utilization amounted to Rs. 3,261.56 million while the provincial public sector programme utilization amounted to Rs. 636.723 million, giving a utilization of 101.2% in the Federal and 106.6% in the provincial performance.

10. In the semi-public sector the expenditure stood at Rs. 730.70 million against the provision of Rs. 865.40 million while in the provinces (Punjab & N.W.F.P.) no expenditure was incurred against the allocation of Rs. 79.00 million.

Railways

11. An allocation of Rs. 833 million was originally made which was enhanced to Rs. 853 million by adding Rs. 20 million for initiating the work on oil yard at Mahmud Kot. The entire amount of Rs. 853 million was spent during the year.

12. The programme for 1979-80 envisaged improvement in the utilization of existing motive power, and rehabilitation of track, line capacity improvement works, including improved telecommunications and related signalling, development of marshalling capacity, and improvement of terminal facilities.

13. The performance of Pakistan Railways during 1979-80 was lower compared to the previous years. However, a slight increase was registered in passenger traffic over the year 1978-79. As regards the availability of wagons, the wagon turn around time decreased from 15.5 days in 1978-79 to 14.8 days in 1979-80. The corresponding figures for passenger traffic slightly improved from 458 km. to 461 km. The wagon tonne kms. per day stood at 664.6. However, the net tonne kms per wagon day remained at 735.8 (April 80) compared to 738 during 1978-79.

14. *Traffic.*—The goods traffic decreased from 9,375 million ton km. in 1978-79 to 8,592 million ton km. in 1979-80, showing a decrease of 9.0%.

15. In the case of passenger traffic, there was an increase of 4.45% over the year 1978-79. It increased to 17,456 million passenger km. in 1979-80 from a level of 16,713 million passenger km. in the preceding year. The principal indicators and statistics are given below :

	1978-79	1979-80
Passenger coach km./day/coach..	378	339
Engine ton km./day ..	68798	42178
Wagon tons km./day ..	732	664.6
Number of Passenger Trains ..	158,129	141,959
Number of railcar services ..	29,523	29,705
Number of passengers ..	162.208 million	121.9 million
Freight carried (tonnes)	10.79 million	9.72 million

16. Details of implementation programme during 1979-80 have been given below :

- (i) *New Construction*.—Rs. 19.189 million were provided for completion of the remaining work of Phase-I and execution of 30% work of Phase-II of the Islamabad Spur Project and completion of about 10% of the work on Mari Indus-Bannu conversion from narrow gauge to broad gauge. Rs. 8.89 million were spent and Phase-I of the Islamabad Spur Project was completed and opened to traffic on November 21, 1979. About 6% work on the Mari Indus-Bannu conversion was completed. However, work on Phase-II of the Islamabad Spur Project could not be taken in hand.
- (ii) *Track Rehabilitation*.—Rs. 332.062 million were provided for the track rehabilitation programme during 1979-80 against which an expenditure of Rs. 347.30 million was incurred. The programme envisaged complete track renewal of 136 kms. rail renewal of 56 kms. and sleeper renewal of 128 kms. Against these targets, 64 kms. of complete track renewal, 32 kms. of rail renewal and 32 kms. of sleeper renewal was carried out. The targets could not be met fully due to non-availability of sleepers during the year. As far as construction of concrete sleeper factories were concerned, plant and machinery for 3 factories was received in full. Fifty per cent of the equipment for the fourth factory has also been received. The target of 60% completion of the civil engineering work has also been achieved.
- (iii) *Marshalling Yard, Pripri*.—Against an allocation of Rs. 21.855 million earmarked for completion of 13% remaining work of the project Rs. 34.94 million were spent. The project was completed and opened for operation on March 18, 1980.
- (iv) *Doubling of track between Hyderabad-Kotri including bridge over river Indus*.—Against an allocation of Rs. 28.00 million earmarked for the completion of 15% remaining work of the project, an expenditure of Rs. 12.90 million was incurred. The bridge was completed and opened to traffic on February 14, 1980.
- (v) *Telecommunications & Related Signalling*.—Against an allocation of Rs. 30.598 million for the completion of work to the extent of 18%, an expenditure of Rs. 10.43 million was incurred. Tenders invited for the project were finalized and provisional orders for procurement of plant and machinery for the project placed.
- (vi) *Motive Power and Rolling Stock*.—Against an allocation of Rs. 253.321 million, the expenditure incurred was of the order of Rs. 350.50 million. In physical terms, 30 broad gauge D.E. Locomotives and special shunters were received and placed in service. Against the target of manufacture of 177 passenger coaches, 156 were manufactured. As far as re-engining of D.E. Locomotives is concerned, 19 against the target of 24 were re-engined.

17. Thirtyeight per cent works for providing facilities for transportation of limestone from Makli and Jhimpir have been completed in addition to 30% completion of structural works for the construction of an oil yard at Mahmud Kot.

Roads

18. *Federal Programme*.—An allocation of Rs. 672.727 million was made for the Federal Road Development Programme during 1979-80. Against this, an expenditure of Rs. 697.751 million was incurred giving a utilization of 103.7 per cent.

19. *Azad Kashmir*.—Against an allocation of Rs. 40.913 million for 1979-80 an expenditure of Rs. 42.778 million was incurred giving a utilization of 104.56%.

20. Substantial progress was made in on-going re-conditioning/improvement work on Chattar-Domal, Mangla-Chechian, Banjasa-Trarkhal, Neli-Reshian, Dawarandi-Abbaspur-Kahuta, Rawalkot by-pass, Patika-Khori and Azad Pattan-Hajira roads. Ongoing works on bridges at Chelabandi, Rajdhani and Bhimber Nullah were completed. Work on suspension bridges also progressed. Some improvement work was also carried out against new schemes including the Kotli-Nakial, Kotli-Palandari, Bhimber-Sumani-Pirgah, Chatter-Kales-Ghari Dopatha and Chatten-Kolas-Rangla road projects. In quantitative terms, 15 Km of new roads were constructed, 48 Kms of roads were metalled and 23 Kms of roads resurfaced.

41. *Navigational Aids*.—An allocation of Rs. 1.224 million was made for 1979-80 which was fully utilized.

42. Work relating to the rehabilitation of the light-house at Cape Monze and four new light-houses along the Mekran coast was carried out.

43. *Pakistan Marine Academy*.—An allocation of Rs. 13.113 million was made which was fully utilized.

44. Work progressed on the hospital, Academy jetty, boat house, mosque and residential buildings. The engineering workshop and machinery demonstration hall were completed while work on the cadet block, administrative block and road work/culverts progressed to the verge of completion.

45. *Seamen Training Centre*.—An allocation of Rs. 2.623 million was made for 1979-80 which was entirely utilized.

46. Work progressed on the construction of the administrative block, approach road and parade ground. Furniture and equipment were also procured.

47. *Shipping*.—The programme for 1979-80 provided for an outside the ADP allocation of Rs. 983.95 million with a foreign exchange component of Rs. 945.65 million. Three ships which were under construction in foreign countries were delivered. An expenditure of Rs. 712.926 million was incurred.

48. *National Logistic Cell*.—During 1979-80, an allocation of Rs. 100 million was made for strengthening of the road transport fleet in the NLC while Rs. 40 million were allocated for rehabilitation of the National Highway N-5 section. The plan envisaged induction of 500 trucks and 974 trailers into the NLC fleet. The purpose was to increase the load carrying capacity to an equivalent of 2,396 trucks. Furthermore, 200 petroleum bowsers of 1,200 litre capacity were also to be procured. The whole allocation for the road development programme was utilized.

49. The NLC transported 1.756 million tons of major commodities by road during the year. Quite a few rehabilitation works on roads in the Punjab and Sind were carried out. In Sind, 16 kms. of the Karachi-Hyderabad super highway was resurfaced, while reconditioning of 1 km. of the National Highway was carried out. A Railway bypass at Rohri and a new bridge at Lundi Wah Canal were constructed. Substantial progress was made on construction of the Sanghi-Pano Akil bypass and the filling up of 4 cause-ways for raising the level of the road-way. In the Punjab, patch-work was carried out on the road between Janpur and Trinda Mohammad Pinah, the Lahore-Sahiwal road and the road between Daultala village and Chakwal-Mandra road junction point. Work on the improving of the road between Bahawalpur and Ahmadpur East was also taken up.

50. *N.T.R.C.*—Against an allocation of Rs. 1.19 million an expenditure of Rs. 0.967 million was incurred during 1979-80. Work continued on research studies relating to the transport sector.

Civil Aviation

51. Rs. 178.914 million were provided during 1979-80, against which an expenditure of Rs. 169.32 million was incurred. In physical terms, interim expansion and other improvement were undertaken at Karachi, Islamabad and Lahore International airports, besides improvement in passenger and safety facilities at Quetta, Punjgur, Multan, D.I. Khan, Peshawar, Faisalabad, Skardu, improvement and augmentation of communication navigation and landing aids at various airports. Work on establishment of new airport at Saidu Sharif was completed. The work progressed at Ormara and Pasni airports and on establishment of Civil Aviation Training Institute at Hyderabad.

52. Out of the total Civil Aviation allocation of Rs. 178.914 million, a sum of Rs. 31.914 million was earmarked for Airport Development Agency for purchase of construction machinery for the airport. Against this, Rs. 17.690 million were utilized by the ADA. In physical terms the progress of ADA has not been satisfactory.

PI.A.C.

53. The PIA exhibited a steady progress during 1979-80 by registering an increase of 10.94% for passenger traffic and 8.1% for freight traffic over the year 1978-79. However, the airline carried 5,332 million PRK and 233.50 million RFTK during 1979-80 against a target of 6,182 MRPKS and 271 MRFTKS, respectively, showing decrease of 15.94% for passenger traffic and 16.05% for freight traffic. Traffic on the domestic routes grew from 1,093 million PRK's in 1978-79 to 1,192 million PRK's in 1979-80, a growth of 9.06%, while the International traffic increased from 3,713 million RPK's in 1978-79 to 4,140 million RPK's in 1979-80, a growth of 11.5%. The cargo traffic on domestic routes experienced a slight decrease from 14.8 million RFTK's in 1978-79 to 14.5 million RFTK's in 1979-80, while international cargo traffic slightly increased from 200 million RFTK's in 1978-79 to 219 MRFTKs in 1979-80.

54. Work on the construction of Wide Body Aircraft Hangar is nearing completion. All structural works and major installation of equipment has been completed. Two new Boeing 747 and three Airbus A-300 aircrafts were inducted into the airline fleet. Extension of flight kitchen at Karachi was completed. Computerization of reservation system at Karachi and Rawalpindi was completed to provide customers with a faster and more efficient service.

55. An expenditure of Rs. 3,051.50 million was incurred against the original allocation of Rs. 3,199.80 million during 1979-80 giving a utilization of 95.37%. This includes Rs. 474.70 million for the development of infrastructure and Rs. 2,576.80 million for the procurement of aircrafts. The shortfall in the utilization was attributed to the shortage of funds due to rise in fuel prices and delay in the revision of fare structure.

56. PIA provided more services both on domestic and international routes during 1979-80. On domestic network two flights to Saidu-Sharif from both Rawalpindi and Peshawar were started to provide quick mode of transport and enhance the tourist traffic. On the international network, PIA replaced its DC-10 services on the New York, Jeddah and Tokyo (Pearl) routes by Boeing 747 services to meet the increased traffic demands. With the addition of five new wide bodied aircrafts the airline fleet stood as under :

<i>Type of Aircraft</i>	<i>No. of Aircraft</i>
Boeing 747	4
DC-10-30	4
Airbus A-300-B4	3
Boeing 707	6
Boeing 720 B	6
Fokker F27	9
Total	32

57. A comparison of operational performance is tabulated below : It may be seen that lower load factor was achieved in 1979-80 which indicates rescheduling and reviewing the route operations and deployment of type of aircraft.

TABLE 3
P.I.A's Operational Performance

	Unit	1978-79	1979-80	%growth
Passengers				
Revenue Pax. Kilometers	Million	4,806	5,332	10.94
Available seat Kilometers	Million	7,969	8,979	12.67
Seat Factor	%	60.3	59.4	—
Cargo				
Revenue Freight Tonne Kilometers ..	Million	216	233.5	8.10
Available Freight Tonne Kilometers ..	Million	469	515.0	9.81
Load Factor	%	46.0	45.3	—

Telecommunication

58. *T & T Department.*—An allocation of Rs. 350.00 million was made for the expansion and improvement of telecommunication system. An expenditure of Rs. 353.00 million was incurred during the year.

59. The major targets envisaged and achieved during 1979-80 was as under :

- (i) Against the target of installation of 25,000 exchange lines and 20,000 telephones the actual achievement was 16,200 exchange lines and 15,000 telephones.
- (ii) Four NWD stations were programmed to be installed during 1979-80. This target has been achieved.
- (iii) 100% completion of International Gateway Switching Centre was envisaged but it is expected to be commissioned during the year 1980-81.
- (iv) Against the target of opening of 52 public call offices, 47 public call offices were opened.
- (v) Completion of 25 small exchanges was envisaged against which 11 small exchanges have been completed.
- (vi) Against the target of laying 150 kilometers of open wire post lines and 1,350 kilometers of open wire lines, the achievement was 136 kilometers of open wire post lines and 829 kilometers of open wire lines.
- (vii) Substantial work was completed on the long distance net work of microwave links and coaxial cable links.
- (viii) Expansion of 2 telex exchanges was completed against 5 telex Exchanges, programmed for the year.
- (ix) Central Telecommunication Research Laboratories was substantially completed during the year.

Special Communication Organisation

60. Rs. 20.00 million were provided for installation of 1000 telephones and 9 exchanges and establishment of 52 carrier channels and 34 VFT channel, opening of 13 public call offices and erection of 375 Km. of over head lines and 1313 Km. of wires in Northern areas and Azad Kashmir.

61. During the year Rs. 21.9 million were spent. The main physical targets achieved were installation of 1,600 new telephone connections and 16 exchanges, establishments of 24 carrier channels and 2 VFT channels and opening of 37 public call offices and erection of 294 km. of overhead lines and 1530 km. of wires.

Post Office Department

62. An allocation of Rs. 16.00 million was made mainly for completion of office building of Directorate General and 252 staff quarters at Islamabad and completion of 25 operational buildings and 15 residential quarters.

63. During the year, Rs. 16.00 million were spent. The main physical targets achieved was the completion of Directorate General building and 252 staff quarters and 88% work of 41 operational buildings and 100% completion of 9 staff quarters. During the year 600 post offices were opened.

Provincial Programme

64. During 1979-80, an amount of Rs. 597.464 million was allocated for the public sector road and transport development programme. Targets and achievement are given below :—

65. *Punjab Roads*.—Against an allocation of Rs. 234.65 million an expenditure of Rs. 244.0 million was incurred during 1979-80.

66. The 1979-80 road and bridges development programme envisaged widening and improvement of 145 kms. of existing roads and construction of 201 kms. of new roads. Against this about 177 kms. of new roads were constructed and 116 kms. of roads improved/widened.

67. *Punjab Road Transport*.—Rs. 4.3 million were allocated for setting up of sub-depôts at Gujranwala and Vehari and completion of construction work upto 40% on workshops at Jhang and Lahore. An expenditure of Rs. 1.31 million was incurred, on part completion of workshop at Jhang. The remaining amount was deducted against an outstanding payment of Italian Credit.

68. *Sind Roads*.—Rs. 190.00 million were provided, against which an expenditure of Rs. 199.639 million was incurred. The higher expenditure incurred is mainly due to inclusion of flood restoration works.

69. The programme envisaged construction of 222 kms. of new road and improvement of 204 kms. of existing roads, against which 266.73 kms. of new roads were constructed, while 213.45 kms. of existing roads were widened/reconditioned and 196.05 kms. carpetted.

70. *Sind R.T.C.*—An allocation of Rs. 4.00 million was made for the Sind Road Transport Corporation. The programme provided for procurement/reconditioning of 100 buses. The entire allocation was utilized.

71. *N.W.F.P. Roads & Bridges*.—Against an allocation of Rs. 122.397 million an expenditure of Rs. 139.134 million was incurred during 1979-80.

72. The programme envisaged construction of 58.7 kms. of shingle and 64.3 kms. of black top roads in addition to widening and improvement of 201 kms. of existing roads. Further more, work on 11 bridges was also expected to be completed. Against this, 79.6 kms. of shingle and 48.7 kms. of black top roads were constructed while 196.4 kms. of existing roads were improved. Work relating to 9 bridges was also completed.

73. *Baluchistan Roads*.—Against an allocation of Rs. 42.117 million an expenditure of Rs. 45.45 million was incurred during 1979-80.

74. The programme envisaged construction of 40 kms. of black top and 13 kms. of shingle roads in addition to improvement of 38 kms. of existing roads. The biggest achievement in this sector was the opening of Liari-Ormara road for traffic. Work also progressed on the road between Loralai and D.G. Khan.

PROGRAMME FOR 1980-81

75. The following strategy emerging from the Fifth Plan in respect of T & C Sector would be pursued during 1980-81:

- (i) Major share of long haul bulk freight traffic will be handled by the Railways.
- (ii) Integrated development of different modes of transport will be carried out.
- (iii) Dilution of resources will be avoided by keeping number of schemes at the minimum possible level.
- (iv) Highest priority/adequate financial coverage will be given to on-going schemes nearing completion for early realization of benefits of investments made.
- (v) Communication facilities in under-developed areas will be improved for opening up of these areas and to facilitate development.
- (vi) Roads will be improved/constructed to conform to standard designs and specifications.
- (vii) Port capacity will be augmented to achieve progress at maximum feasible rate. The future Plans of the Karachi Port and Port Qasim will be coordinated to avoid duplications.
- (viii) Railway capacity will be increased by removing operational bottlenecks, rehabilitation and replacement of worn out assets.
- (ix) Comprehensive transport studies will continue for better planning.
- (x) Telecommunications system will be improved by providing additional capacity, installation of microwave and carrier system and opening up of new public call offices.

76. Keeping in view the above strategy, an allocation of Rs. 1,115.00 million has been made for the Pakistan Railways giving an increase of 34% over the original allocation of Rs. 833.00 million for 1979-80 and 30.72% higher than the actual expenditure during 1979-80. The Railways share at 22.9% is the highest in the total allocation of T&C Sector for 1980-81. This will facilitate achievement of the physical targets as per agreement with the World Bank on a three-year development programme (1978-81) and will enable it to carry out the track rehabilitation work by bringing 4 sleeper factories in operation during 1980-81 and to ensure completion of oil yard at Mahmud Kot by October 1980, in addition to substantial completion of work like strengthening of major bridges, line capacity works, progressive manufacture of locomotives, re-engining of 19 locomotives and manufacture of 166 carriages. Adequate provision for Makli and Jhimpir sidings has been made to meet the commitment with Pakistan Steel Mills Corporation so as to synchronise its completion with the commissioning of blast furnace of PASMIC. The project viz. "Telecommunications and related signalling" has also been properly funded to meet the expenditure involved in the execution of other signalling on the main line sections.

77. Adequate funds have been provided for the development of ports especially Port Qasim. An amount of Rs. 750.00 million has been earmarked for Port Qasim Project which is slightly lesser than the allocation of Rs. 755.323 million for 1979-80. This allocation will ensure completion of the Phase-I of the project by 1981-82. The programme lays emphasis on completion of the first berth of the 4 marginal wharf berths with all facilities, starting work on the remaining 4 berths of the marginal wharf and services. Work on Jinnah Bridge formerly called Napier Mole Bridge will also be completed.

78. A provision of Rs. 540.667 million has been made for T&T Department and the Special Communications Organisation for the expansion and the improvement of the telephone system in the country. The main strategy to be followed will be improvement of existing system, expansion of telephone facilities to rural and under-developed areas and establishment of reliable links in NWFP and Baluchistan including the Mekran Coast.

79. Rs. 212 million have been provided to the Department of Civil Aviation which shows an increase of 25% over the actual expenditure during 1979-80. The programme includes completion of Panni Airdrome and strengthening of runways at Multan and Peshawar. Work on programme for flight safety will be continued. In pursuance of fleet expansion programme under the Fifth Plan, PIAC will induct its fourth Airlines A-300-B4 in September, 1980.

80. Both passenger and cargo traffic will continue to grow steadily during 1980-81.

81. The traffic forecast of 1980-81 anticipated passenger traffic at 6,057 million revenue passenger kilometers and freight at 279.1 million freight tonne kilometers, an increase of 13.6% and 19.5%, respectively over 1979-80. With the augmentation of fleet, the capacity would increase from 8,979 million seat kms. in 1979-80 to 10,308 million seat kms. in 1980-81 for passenger and from 515 million ton kms. in 1979-80 to 579.30 million tonne kms. in 1980-81 for cargo i.e. an increase of 14.8% and 12.5%, respectively.

82. Sub-sector-wise allocation are shown at Annexure I. The total allocation for the development of Transport and Communications system during 1980-81 stands at Rs. 4,867.858 million in the public sector including Rs. 4,147.527 million for federal programme and Rs. 720.331 million for the provincial programme. T & C Sector Public Sector allocation stands at 19.22% of the total Federal A.D.P. and is the highest ever. This is exclusive of Rs. million allocated for the Semi Public Sector.

Federal Programme 1980-81

83. *Pakistan Railway.*—The years 1979-80 and 1980-81 are the last two years of World Bank Plan and second and third years of the Fifth Five Year Plan. The principal aim during these two years is to remove the existing bottlenecks with a view to increasing the operational efficiency of the system. The salient features of the strategy therefore, are :

- (i) Augmentation of carrying capacity by undertaking line capacity works and improvement of terminal facilities.
- (ii) Rehabilitating the track with a view to increasing speed of passengers and goods trains and for eliminating extensive speed restrictions.
- (iii) Rehabilitation, replacement and modernization of Plant and Machinery and Rolling stock.
- (iv) Improvement of signalling and replacement of existing communications system by microwave back-bone telecommunications system; and
- (v) Strengthening and replacement of bridges.

84. The programme for 1980-81 envisages improvement in wagons utilization by reducing wagon turn around time from 14.8 days in 1979-80 to 11 days in 1980-81. Efforts will be made to improve the daily kilometrage of 219 Km and 458 Km per locomotive achieved for goods and passenger traffic, respectively, during 1978-79.

85. Rupees 1,115 million have been provided during 1980-81. This is the highest allocation ever made and records an increase of 30.72% over the revised estimates of 1979-80.

86. Details of the 1980-81 programme for the development of Pakistan Railways are as follows :

87. *New Construction.*—An allocation of Rs. 14.58 million has been made for completion of about 10% more work of the Mari Indus-Bannu conversion from narrow gauge to broad gauge in addition to procurement of land for Chichawatni-Burewala-Chishtian rail link.

88. *Line Capacity works and improvement of terminal facilities.*—The structural work of the Makli and Jhimpir siding will be completed by December, 1980 with an allocation of Rs. 22.47 million. For the Oil Yard at Mahmud Kot an allocation of Rs. 20.15 million has been made for its completion by October, 1980. An allocation of Rs. 17.14 million has been made for the Karachi Passenger Terminal for reactivating the deferred project of 1977, namely providing a new terminal station at Karachi. It is expected that about 15% of the physical work will be completed.

89. *Track Rehabilitation.*—An allocation of Rs. 329.76 million has been made with a view to eliminating extensive speed restrictions and increasing the speed of trains. This includes Rs. 71.27 million for the construction of 4 concrete factories of which 3 are in advance stages of execution. The programme envisages 135 kms. of complete track renewal, 56 kms. of rail renewal

and 128 kms. of sleeper renewal. The execution of the programme is however, dependent upon the manufacture of concrete sleeper from the construction of sleeper factories. Fifty percent of the remaining equipment for the 4th factory is expected to be received by September, 1980.

90. *Motive Power and Rolling Stock*.—Rupees 396.13 million have been provided for the augmentation of Railways fleet with the following details :

- (a) The re-engining work to augment the railways fleet of locomotive, already in hand, will continue and 19 more D.E. Locomotives will be re-engine during 1980-81.
- (b) Action for procurement of 38 new D.E. locomotive will be finalised. Out of 38 locomotives, 8 will be procured in the knocked down condition and will be assembled locally. This forms part of the first phase of progressive manufacturing of the locomotives.
- (c) Manufacturing of carriages will continue and 166 more carriages will be manufactured during 1980-81 for domestic use.

91. *Telecommunication and Related Signalling*.—An allocation of Rs. 99.9 million has been made for the installation of dependable microwave backbone telecommunication network of the Pakistan Railways in addition to continuation of work on other telecommunication and signalling works.

Roads

92. *Federal Roads*.—Rupees 1,058.94 million have been provided for the Federal Road Development Programme, including Azad Kashmir, Northern Areas, FATA, Other roads, National Highway, NLC priority Programme and major bridges. The salient features of the programme are detailed below :

93. *Azad Kashmir* :—An allocation of Rs. 54.5 million has been made for construction of 8 km. new fair weather roads improvement of 22.5 kms. of roads and reconditioning/resurfacing of 32.2 kms. of roads. In addition, work on 6 suspension bridges will be completed and on 6 others, it will be continued.

94. *Northern Areas*.—Rupees 26.194 million has been provided for road development programme in the area.

95. The programme envisages construction of 19.3 kms. of metalled, 101 kms. of jeepable and 28.9 kms. of 3 tonner roads. In addition, work on 40 bridges (2439 RMeters), and one Bailey suspension bridge (122 RMeters) will be completed.

96. *FATA* :—An allocation of Rs. 72.1 million has been made for construction of 67.4 kms of black top and 106.2 kms of shingle roads. In addition, 108.2 kms of existing roads will be improved. work on three bridges will also be carried out.

97. *Ministry of Communications*.—An allocation of Rs. 906.15 million has been made for the road development programme under the Ministry of Communications. Salient features of the Programme are given below:

“Other Roads/Fwo” an allocation of Rs. 165 million has been made. The programme envisages completion of work relating to rehabilitation/improvement of distressed and damaged portions of strategic roads. This includes Chakdara- Chitral Road, KKH-Skardu road, KKH-Hallegush-Khunjerab road, Havalian-Thakot road and roads in Azad Kashmir.

The National Highway has been given an allocation of Rs. 125 million. The programme provides for completion of a large number of on-going projects relating to the National Highway. Major portion of work on the Wadh-Kanar Section linking Quetta with Karachi will be completed, while work on the dual carriageway between Nowshera and Peshawar and special repairs of the Karachi-Hyderabad Super Highway will be initiated.

The Third I.B.R.D. Highway has been provided Rs. 200 million. Under Group-I, substantial completion of earthwork and pavement work is programmed. Under Group-II more than half of the work relating to the structures and earthwork is expected to be completed. Work relating to the pavement will also be carried out.

98. *Major Bridges*.—An allocation of Rs. 190.15 million has been made for major Federal bridges. It is expected that the Attock Bridge will be completed while implementation for bridges at Ghazi Ghat, D.I. Khan-Darya Khan and Dadu-Moro is expected to be 45%, 40% and 70%, respectively. In addition, the Purali bridge in Baluchistan is expected to be completed.

99. For D.I. Khan-Fort Sandeman Project an allocation of Rs. 10 million has been made. The programme provides for completion of work on the portion of the road lying in NWFP and FATA, whereas 40% implementation is expected to be achieved in respect of the portion lying in Baluchistan.

Federal Urban Road Transport

100. *Karachi Transport Corporation*.—An allocation of Rs. 190.00 million has been made for replacement of 133 buses, import of machinery and civil works for depots/units. In addition, 186 buses will be overhauled.

101. *Punjab Urban Transport Corporation*.—An allocation of Rs. 180.00 million has been made for acquisition of 150 Volvo Chassis and fabrication of bodies on 75 chassis, import of machinery for workshop and depots; rehabilitation of 200 buses and purchase of 20 residential quarters from LDA for staff. Provision has also been made for two new depots at Lahore and Islamabad.

Ports & Shipping

102. An allocation of Rs. 808.00 million has been made for the port development programme during 1980-81 under the public sector and Rs. 275.00 million for the semi public sector.

103. *Port Qasim*.—An allocation of Rs. 750.00 million has been made for Port Qasim. The programme envisages completion of the four berths of the marginal wharf, expansion of residential facilities for staff, over-dredging for 1980 monsoon and completion of dredging for 50,000 DWT ships. Work will be commenced on berths 5,6, and 7 and channel dredging for post-monsoon period.

104. *Karachi Port*.—An allocation of Rs. 275.00 million has been made for completion of work relating to the four shipping berths at Juna Bunder, Jinnah Bridge and the M.I. Yard under the Third Port Project and the oil tanker berth and capital dredging for deepening port entrance channel to 40 ft. under the Fourth Port Project. Also under the Fourth Port Project the dredger, order for which has already been placed is expected to be delivered in October, 1980.

105. *Navigational Aid*.—An allocation of Rs. 1.234 million has been made. The programme provides for continuation of civil works relating to the Cape Monze light-house and 4 other new light-house on the Mekran Coast. This includes construction of 13 quarters and 4 rooms for installation of radio telephone equipment.

106. *Jinnah Bridge*.—An allocation of Rs. 35.00 million has been made for 1980-81 for works mainly relating to the approaches. The project will be completed during 1980-81.

107. *Gwadur Fish Harbour*.—An allocation of Rs. 15.00 million has been made for work relating to water supply roads including liabilities to contractors, buildings, survey and investigations and consultancy charges. Work relating to the engineering feasibility and design which is being undertaken by JICA will be completed during the year.

108. *Pakistan Marine Academy*.—An allocation of Rs. 5.00 million has been made for 1980-81 for completion of on-going works. The cadet block administrative and residential buildings and officers club are expected to be completed.

109. *Seamen Training Centre*.—An allocation of Rs. 1.766 million has been made for 1980-81 for completion of works relating to the administrative block, approach road and parade ground. The remainder of the machinery/furniture equipment will also be procured.

110. *Shipping*.—An allocation of Rs. 826.38 million including FEC of Rs. 796.38 million has been made for Pakistan National Shipping Corporation. It is expected that during this period 9 ships will be delivered from foreign countries (4 from Japan, 2 from Poland and 3 from U.K.)

111. *National Logistic Cell*.—An allocation of Rs. 100 million has been made for 1980-81 for NLC. The NLC are expected to transport about 2.185 million tons cargo by road during the year. The NLC priority programme envisages works aimed at removing traffic constructions and impediments. This includes construction of Karachi bypass widening of road and bridge over Khairpur feeder canal, easing of road curve near Sukkur Barrage, construction of a bypass at Trindi Mohammad Pinah and Railway overhead bridges at Chhani Goth and on Bahawalpur by pass road. In addition the programme provides for rehabilitation works on distressed and damaged portions of roads in Sind, Punjab and Baluchistan.

112. *N.T.R.C.*—Rupees 0.906 million has been provided for continuation of work on research studies relating to the transport sector.

Civil Aviation

113. The following strategy will be followed during 1980-81 for the development of infrastructure facilities and providing ground safety to passengers at various airports.

- (a) Providing passenger safety and operation by providing telecommunication and navigational aids on priority basis.
- (b) Strengthening of existing infrastructure with the augmentation of capacity where absolutely necessary.
- (c) Providing new Terminal complex facilities at Lahore airport where congestion has already reached at its peak.
- (d) Measures for ground safety, fire fighting and rescue service will be taken.
- (e) Developing more training, engineering and research facilities in the field of Civil Aviation.

114. Accordingly an allocation of Rs. 212 million has been made for relocation of existing radar of Karachi Airport, strengthening of the runway of Multan and Peshawar, extension of terminal building and construction of car park at Quetta, and provision of control tower at Sukkur, Jiwani and Chitral etc. Adequate provision has been made for augmentation of radio aids to aeronautical aids rescue and fire fighting equipment and radio communications and NDB facilities at Gwadar, Pasni, Turbat and Ormara. Work on establishment of Civil Aviation Training Institute at Hyderabad and establishment of basic aerodrome facilities at Ormara and Pasni will continue.

Pakistan International Airlines Corporation

115. During 1980-81 the PIA plans to induct its fourth Airbus A-300-B4 in time for the 1980 Haj Operations. It is planned to extend PIA's wide-bodied aircraft operation on the Batik rout in the Far East region by early 1981. Also airbus services are expected to be started on the Karachi-Bombay and the Karachi-Delhi routes in the near future.

116. Though the total traffic estimated by PIA during 1980-81 stands at 6,057 MRPKS as against 5,332 MRPKS in 1979-80 (giving an increase of 13.60%) it is not expected to grow by more than 10% on the total system. Cargo traffic is estimated to achieve a growth rate of 19.53% during the year, increasing from 233.50 million RFTK's in 1979-80 to 279.1 million RFTK's in 1980-81. A comparative statement of the expected operational performance is given below :

	1979-80	1980-81	% growth during 1980-81
Revenue Pax. Kilometers (Million)	5,332	5,865	10
Available Seat Kilometers (Million)	8,979	10,308*	14.8
Seat Factor (%)	59.4	56.9	—
Revenue Freight Tonne Kms. (Million)	233.5	279.1	19.5
Available Freight Tonne Kms. (Million)	515.0	579.3	12.5
Load factor (%)	45.3	48.2	—

*Add available SKM for Airbus.

117. An allocation of Rs. 801.54 million has been made to PIA for various projects. Only one A-300-B4 aircraft (fourth Airbus) will be acquired in September, 1980. Further augmentation in fleet will be decided after revising the passenger traffic trend in 1980-81, and 1981-82 and no investment will be made for this purpose.

118. Work on the approved civil and engineering schemes will continue.

Telecommunication

119. The programme for 1980-81 has been prepared within the frame work of the Fifth Plan strategy outlined below :

- (a) To augment long distance and subsidiary trunk routes capacity to cope with 14% annual growth in traffic, to connect new places and remote areas and increase national/international traffic handling capacity of the links and to establish reliable links in NWFP and Baluchistan including Mekran coast.
- (b) To accelerate the expansion of telephone facilities to rural and under-developed areas by establishing on a rational basis, long distance public call offices either in telegraph or sub-post offices.
- (c) To raise the telephone density from 3.86 to 4.45 per 1,000 persons by installing 200,000 new telephone lines, thereby utilizing the manufacturing capacity to full extent.
- (d) To continue modernization and improvement of telegraph and telephone services.
- (e) To augment international telecommunications *via* satellite.

120. An allocation of Rs. 520 million has been made for the expansion and improvement of telecommunications system out of which Rs. 500 million is for the T&T Department and Rs. 20 million for Special Communications Organization for Northern Areas and Azad Kashmir. This allocation, though highest so far as compared to the allocations of 1978-79 and 1979-80, still falls short of the average annual requirement of Rs. 700 million for a Rs. 3500 million Five Year Plan. The Govt. have already decided to create the "T&T Fund" and it is expected that allocations to T&T Department, will be higher in the following years, when T&T Department will be allowed to plough back most of its revenues. This will help meet the heavy public demand. The main targets for 1980-81 programme are as follows :

- (i) Installation of 25,000 automatic exchange lines and 20,000 new telephones.
- (ii) The schemes relating to expansion of satellite ground station namely, IND-14B, IND-15 and standard "A" Antenna are expected to be completed at the satellite Earth Station at Dehmandro.
- (iii) Fifty per cent work of Lahore-Amritsar coaxial Cable system is expected to be completed.
- (iv) Twenty nine Public Call Offices will be opened during the year.
- (v) Forty small exchanges will be installed.
- (vi) Completion of installation of electronic telex exchange in Islamabad.
- (vii) Completion of the work of Central Telecommunications Research Laboratories.
- (viii) Installation of 15 trunk positions.
- (ix) Installation of one NWD exchange.
- (x) Feasibility and survey of microwave system in remote areas will be completed.
- (xi) Karachi-Pipri PCM over radio is expected to be completed upto 50%.
- (xii) Mardan-Mingora-Chitral microwave system will be completed upto 30%.
- (xiii) Upgradation of Quetta-Warecha microwave system will be completed upto 15%.
- (xiv) Thirty-eight telecommunications buildings and 32 staff quarters will be completed.

Special Communication Organisation

121. An allocation of Rs. 20,677 million has been made for the Special Communication Organisation. The main physical targets will be as follows :

Installation of 1,000 new telephone connections, 9 exchanges, 52 carrier channels and 34 VFT channels, opening of 13 Public Call Offices, erection of 375 KM of over head lines and 1313 KM of wires will be completed. One new NWD exchange will also be established.

Post Offices

122. An allocation of Rs. 19.00 million has been made for the Post Office Department. The main physical targets cover continuation of work on the 84 post office buildings and 309 staff quarters. The Post Office Department have also programmed to open 600 new post offices in the country (525 in rural areas and 75 in the urban areas).

Provincial Programme

123. *Punjab Roads*.—An allocation of Rs. 258.200 million has been made for development of roads and bridges in Punjab.

124. The programme provides for construction of 209.3 kms of new roads and improvement of 144.90 kms-of existing roads. Priority will be given to completion of the on-going schemes rather than initiating new projects.

125. Major items of work include widening of 40.25 kms. of Narowal-Shakargarh road and construction of 30.00 kms. of road from Shahkot to Nankana Sahib. Completion of construction work on the 28.98 kms. long stretch of Pind Dadan Khan-Lilla Road from D.G. Khan to Delab has also been planned.

126. *Sind Roads*.—An allocation of Rs. 215.00 million has been made out of which Rs. 190.00 million are for on-going and Rs. 25.00 million for new schemes. The strategy is to complete the maximum number of on-going schemes. Larger allocation for on-going schemes is also due to heavy throw-forward of road schemes at Rs. 1008.709 million as on 1st July, 1980.

127. The 1980-81 programme provides for construction of 247.9 kms. of new roads, widening/reconditioning of 168.98 kms. of existing roads and 152.72 kms. of carpetting.

128. *Road Transport*.—A provision of Rs. 4 million has been made in ADP 1980-81 for Sind Road Transport Corporation for the on-going major repair programme for 85 buses and the new scheme for purchase/procurement of 50 new buses for the Corporation in Hyderabad.

129. *N.W.F.P. Roads*.—An allocation of Rs. 153.331 million has been made. The programme envisages construction of 59.3 kms. of shingle and 104.6 kms of black top roads in addition to improvement of 136.8 kms. of existing roads. Completion of work on 17 bridges is also programmed.

130. *Road Transport*.—An allocation of Rs. 5.00 million has been made, while Rs. 68.2 million are being provided from outside the ADP for NWFP Road Transport Corporation.

131. The programme provides for the improvement of workshop facility by replacement of out dated tools and machinery, modernisation of equipment and work relating to the construction of the workshop building. Procurement of 376 buses for operation in NWFP is also programmed.

132. *Baluchistan Roads*.—An allocation of Rs. 84.80 million has been made for 1980-81. Of the total amount, Rs. 47.500 million are for on-going and Rs. 37.300 million for new schemes. The main emphasis of the programme is on completion of the on-going schemes. In all, about 96.6 kms. of black top and 88.55 kms. of shingle roads will be constructed. Furthermore, 76 R Meters of bridges will be completed. Among the main targets, completion of the Loralai- D. G. Khan road and a major portion of Bela-Awaran road are also envisaged.

FINANCIAL ALLOCATIONS TO T & C SECTOR 1979-80 AND 1980-81

(Million Rs.)

Sector/Sub-Sector	1979-80			1980-81 Alloca- tion	Percentage of Public Sector ADP	Percenta- ge in- crease +/ Decrease (-) with year at Col. 3 and 6	
	Original Allocation	Utiliza- tion	Percent- age Utiliza- tion				
1	2	3	4	5	6	7	8
PUBLIC SECTOR :							
A. FEDERAL PROGRAMME							
1. Pakistan Railways	833.00	853.00	102.4	1115.000	22.90	+33.90	
2. Ports and Shipping							
(i) DG P & S	20.702	20.702	100	23.00	0.50	+ 11.10	
(ii) Port Qasim	755.323	755.323	100	750.00	15.40	- 0.70	
(iii) Napier Mole Bridge	30.597	30.597	100	35.00	0.70	+ 14.5	
Sub-Total P&S	806.622	806.622	100.00	808.00	16.6	+17.0	
3. Civil Aviation	178.914	169.320	94.60	212.00	4.40	+18.50	
4. Roads							
(a) Azad Kashmir	40.913	42.778	104.60	54.50	1.10	+33.20	
(b) Northern Areas	24.841	24.841	100.00	26.194	0.50	+ 5.40	
(c) FATA	66.973	73.959	110.4	72.100	1.50	+ 7.70	
Sub-Total Roads	132.727	141.578	106.70	152.794	3.10	+ 15.10	
5. Ministry of Communications							
(i) Roads and Bridges	120.723	130.362	108.0	316.15	6.50	+161.90	
(ii) National Highways	65.566	72.100	110.0	125.00	2.60	+90.60	
(iii) 3rd IBRD Highway	43.711	43.711	100.0	200.00	4.10	+357.60	
(iv) Other Roads (FWO)	270.00	270.00	100.0	165.00	3.40	-38.90	
(v) NLC Priority Programme	40.00	40.00	100.0	100.00	2.10	+150.00	
Total	540.000	556.173	103.000	906.150	18.6	+67.80	
Road Transport							
(i) PUTC	90.00	90.00	100.00	180.00	3.70	+100.00	
(ii) KTC	156.00	156.00	100.00	190.00	3.90	+21.80	
Sub-Total Road Transport	246.00	246.00	100.00	370.00	7.60	+50.00	

1	2	3	4	5	6	7	8
6. Planning Division :							
(i) NTRC	...	1.19	0.967	81.30	0.906	0.00	-23.90
(ii) NLC (Import of Truck and Workshop facilities)	...	100.00	100.00	100.00	23.00	0.50	-77.00
Sub-Total Planning Division	...	101.19	100.967	99.80	23.906	0.50	-76.40
7. Telephone and Telegraph							
	...	350.00	350.00	100.00	520.00*	10.70	+48.60
8. Special Communication Organization...							
	...	20.00	21.90	109.50	20.677	0.40	+ 3.40
9. Post Office							
	...	16.00	16.00	100.00	19.00	0.40	+18.80
Total Federal	...	3224.453	3261.560	101.2	4147.527	85.20	+28.60
B. PROVINCIAL PROGRAMME :							
1. Punjab							
(i) Roads	...	234.65	244.00	103.98	258.200	5.30	+ 10.9
(ii) Road Transport Board	...	4.30	4.50	104.65			
2. Sind							
(i) Roads	...	190.00	199.639	105.10	215.00	4.40	+ 13.2
(ii) Sind Road Transport Corporation	...	4.00	4.00	100.00	4.00	0.10	—
3. N.W.F.P.							
(i) Road	...	122.397	139.134	113.7	153.331	3.10	+25.3
(ii) Road Transport	...	—	—	—	5.000	0.10	—
4. Baluchistan							
(i) Roads	...	42.117	45.450	107.90	84.800	1.70	+101.30
Sub-Total Provincial	...	597.464	636.723	106.6	720.331	14.80	+26.6
Total Public Sector	...	3821.917	3898.283	102.00	4867.858	100	+27.40

*Including Rs. 20.00 million for development of telecommunications facilities in special areas.

CHAPTER 15

MASS MEDIA

National development is a multi-dimensional process. Communications infrastructure, besides politico-economic ones, are needed to achieve the targets of economic development. The radio and T.V. broadcasting are the most powerful instruments for creating a sense of national identity and fostering attitudes favourable to modernization. These institutions are also utilised for education and social change.

2. The pace of development of the public sector *Mass Media* agencies, PBC and P.T.V.C. has been slow during the last 4-5 years. Except for some of the high priority schemes for less developed regions of the country, no new scheme was initiated; only the on-going programme have been protected due to budgetary constraints. Moreover, efforts have been made to ensure early completion of the on-going projects and, thereby, prevent thin spread of resources over a large number of projects.

3. The major achievement of P.T.V.C. during 1979-80 was completion of a T.V. translator at Faisalabad. The area and population of T.V. signal stood at 50% and 75%, respectively. The P.B.C. completed the building for the 100 KW MW transmitter at Khairpur during the year under review and its area and population stood at 62% and 88%, respectively.

4. The number of licenced radio sets stood at 1.56 million by June, 1980, compared to 1.50 million in June, 1979. The licensed T.V. sets in use are estimated at 7.50 lakhs.

5. During 1980-81 the P.B.C will complete one 100 KW MW transmitter, Khairpur, one 10 KW MW transmitter, D.I. Khan, and two village broadcasting units at Khuzdar and Turbat. As a result, the area and population coverage will go up to 72% and 95%. The PTV's area and population coverage will marginally increase to 52% and 76%, respectively by June, 1981.

6. The following pages describe the physical and financial progress of *Mass Media* agencies A.D.P. 1979-80 and programmes for 1980-81.

REVIEW OF A.D.P. 1979-80

7. During 1979-80, an allocation of Rs. 96.726 million was made to *Mass Media* Sector which was utilised by 99.9% by the close of the financial year. The agency-wise break-up is given below :

TABLE I

A.D.P. 1979-80 and its utilization by June, 1980

Sl. No.	Agency	ADP allo- cation	Utilization	Percentage utilization
1.	Pakistan Broadcasting Corporation	26.509	26.508	100
2.	Pakistan Television Corporation	70.140	70.140	100
3.	Ministry of Information and Broadcasting ..	0.077	—	—
	Total ..	96.726	96.648	99.9

*Excluding Rs. 0.487 million allocated for Publicity Programmes in the Punjab

Pakistan Broadcasting Corporation

8. An allocation of Rs. 26.509 million was provided during 1979-80 to Pakistan Broadcasting Corporation for on-going schemes. The relevant physical and financial targets of major projects are indicated in the following paragraphs :

- (i) *Broadcasting House, Islamabad.*—For completion of remaining civil works of broadcasting house, and for procurement of electronic equipment, a sum of Rs. 4.808 million was provided during 1979-80 against which the actual utilization is Rs. 3.170 million. The cumulative expenditure so far stood at Rs. 73.493 million with an overall physical progress of 80%. The office blocks, studios are completed and air conditioning system has been installed. The installation of equipment has also started.
- (ii) *1000 KW MW Transmitter, Islamabad.*—The transmitter is operational. Rs. 1.267 million were spent during 1979-80 on balance civil works, air-conditioning and installation of generator against the allocation of Rs. 0.184 million. By the end of June, 1980, total expenditure stood at Rs. 46.599 million realising an overall physical progress of 95%.
- (iii) *Broadcasting House, Peshawar.*—During the year, an allocation of Rs. 1.486 million was made for construction of building, procurement of equipment and its installation. The actual expenditure is only Rs. 0.118 million. The shortfall is due to diversion of Rs. 1.000 million to the scheme of Broadcasting House, Quetta. The total estimated expenditure on the project by the end of current financial year is Rs. 12.582 million, realising overall physical progress of 30%.
- (iv) *300 KW MW Transmitter, Peshawar.*—The transmitter is operational. During 1979-80 against the allocation of Rs.1.387 million for completion of air-conditioning system and construction of residential colony, the expenditure of Rs.0.267 million was incurred on air-conditioning system. By the end of June, 1980, the overall expenditure stood at Rs.33.637 million showing 98% physical progress.
- (v) *300 KW MW Transmitter and Broadcasting House, Khuzdar.*—Rs. 0.084 million were allocated which were utilised in full on the construction of broadcasting house building. By June, 1980 an expenditure of Rs.4.253 million was incurred, realising over all physical progress of 10%.
- (vi) *100 KW MW Transmitter, Muzaffarabad.*—Rs.4.841 million were spent on procurement of electronic equipment for fabrication of transmitter and construction of transmitter building. By the end of June, 1980 estimated expenditure and overall physical progress on the project is Rs.19.571 million and 30%, respectively.
- (vii) *100 KW MW Transmitter and Broadcasting House, Khairpur.*—Against the allocation of Rs. 2.553 million, an amount of Rs. 2.880 million was spent on transmitter building at Khairpur and for procurement of electronic equipment. By the end of June, 1980 the estimated expenditure and overall physical progress on the project is Rs. 23.209 million and 60%, respectively.
- (viii) *10 KW MW Transmitters each at D. I. Khan and Skardu.*—During the year under review, Rs. 1.754 million were allocated for 10 KW MW transmitter at D. I. Khan against which Rs. 0.753 million were spent on civil works, generator and H.T. switch gear. By the end of the financial year, total expenditure and overall physical progress stood at Rs. 8.40 million and 80%, respectively. A sum of Rs. 0.812 million was spent on 10 KW MW Transmitter, Skardu, on the construction of transmitter building. By June, 1980 the estimated expenditure and overall physical progress of the project is Rs. 3.464 million and 30%, respectively.

9. *Programme Performance.*—The average duration of transmission time from all stations for home, external and world services stood at 230-1/2 hours a day. Of the total daily transmission, 200 hours were devoted to Home Service and 30-1/2 hours to world and external services. The home service includes 40 hours relayed and 160 hours originated programmes. Ninety-two hours in Urdu and 68 hours of programmes in regional languages were broadcast. The music/entertainment programme was about 55% of the daily transmission hours

while the remaining 45% was devoted to education-*cum*-information programmes. The category-wise break-up was as follows: News and current affairs 5%, special programmes 7%, religious programmes 11%, students-youth's 2%, Armed Forces 3%, rural and farm broadcasts 10% and other including labour, children, women etc. 7%.

10. *Educational Programmes.*—During the year, 912 hours of educational programmes were broadcast including programmes of Allama Iqbal Open University. The programmes included the following non-formal education courses: Arabic lessons: vegetable growing; English; Iqbalyat, primary teachers orientation courses, Urdu, *Daftri* Urdu and rural development.

Pakistan Television Corporation

11. A sum of Rs. 70.140 million was allocated during 1979-80, for the development of television in the country. The entire amount has been utilised by the end of June, 1980. The project-wise review is given in the following paragraphs :

- (i) *Islamabad T.V. Station.*—During 1979-80, an allocation of Rs. 28.202 million was made for civil works, import of studio equipment and payment of custom duties. By the end of June, 1980, the estimated expenditure and overall physical progress on the sub-project is Rs. 143.895 million and 67%, respectively. During the year, civil works of administrative block, technical area and studios were completed.
- (ii) *Karachi T.V. Station.*—During the year under review, Rs. 12.414 million were allocated to the project for the completion of Phase-III of civil works, import of studio equipment and payment of custom duties. The extension works (Phase-III) at television station has progressed steadily. By the close of financial year an expenditure of Rs. 89.033 million has been incurred, realising overall physical progress of 79%.
- (iii) *Lahore T.V. Station.*—A sum of Rs. 15.041 million was allocated for the project which was spent on import of studio equipment and payment of custom duties. By the end of June, 1980 the estimated expenditure and overall physical progress on the project is Rs. 91.301 million and 75%, respectively.
- (iv) *Quetta T.V. Station.*—A sum of Rs. 2.011 million was allocated for continuation of civil works. The work of the foundation and basement of T.V. station building has been completed and work on columns was progressing. By June, 1980 the estimated expenditure and overall physical progress stands at Rs. 66.435 million and 59%, respectively.
- (v) *Peshawar T.V. Station.*—An allocation of Rs. 12.472 million was made in the A.D.P. for civil works, import of studio equipment and payment of custom duties. By the close of financial year 1979-80, the estimated expenditure and overall physical progress on the project is Rs. 89.866 million and 83% respectively.

12. *Programme Performance.*—During 1979-80, Pakistan Television Corporation telecast from all stations the general purpose and public service programmes for 282 hours weekly *i.e.* 40.3 hours daily, compared to 254 hours *i.e.* 36.3 hours daily during 1978-79. The average weekly duration of various categories of programmes is : news and current affairs 50 hours ; education, motivation and information 22 hours ; religious programmes 25 hours ; music/entertainment including plays 148 hours ; commercial spot advertising 19 hours ; miscellaneous programmes 18 hours. Out of the total transmission time 69.2% time was devoted to indigenous programmes, 24.1% to foreign programmes and 6.7% to commercial transmission.

13. *Educational Programme.*—During 1979-80, 57 new community viewing centres (CVCs) were established, thereby increasing the total number of CVCs in the country to 477. The details of education programmes telecast are given below :

- (i) *Adult Functional Literacy.*—Over 156 half-hour tele-lessons on adult education were transmitted by Pakistan Television Corporation.
- (ii) *Others.*—In collaboration with the Allama Iqbal Open University (AIU), Pakistan Television Corporation transmitted of 65 half-hour tele-lessons for the courses in 11 subjects *viz*: Elementary Arabic; Iqbalyat, *Daftri* Urdu, General Science; Primary school teachers training; Effective English; Nutrition; kitchen gardening; soil problems, plant

protection and electrical wiring. Work on the production of 18 half-hour programmes for courses in child care was completed which were shown in the Katchi abadi areas of Karachi through radio cassette players.

DEVELOPMENT PROGRAMME FOR 1980-81

Financial Allocation

14. The A.D.P. for the Mass Media agencies for 1980-81, is Rs. 112.060 million (F.E.C. Rs. 30.925 million) as against the revised estimates of Rs. 97.136 million including Rs. 0.487 million for publicity programme in Punjab for 1979-80, which shows an increase of 15.3% over the preceding year. The agency-wise position is given in the following table :

TABLE 2

ADP Allocation for Mass Media Sector 1980-81

(Million Rs.)

S. No.	Name of Agency	1979-80 revised estimates	A.D.P. Allocation	
			Total	F.E.C.
1.	Pakistan Broadcasting Corporation	26.509	31.458	3.925
2.	Pakistan Television Corporation	70.140	80.000	27.000
3.	Publicity Programme in Punjab	0.487	0.610	—
	Total	97.136	112.068	30.925

15. The agency-wise programmes are identified in the following paragraphs :

Pakistan Broadcasting Corporation

16. *Financial Allocation.*—An allocation of Rs. 31.458 million has been provided to Pakistan Broadcasting Corporation (Details in Annexure I) which is nearly 18.6% higher compared to the revised estimates of 1979-80.

17. *Physical Targets.*—The physical targets in respect of major projects of Pakistan Broadcasting Corporation and the relative financial allocations are given below :

- (i) *Broadcasting House, Islamabad.*—A sum of Rs. 3.00 million has been provided in the ADP 1980-81, for completion of left over items. The scheme is expected to be completed during 1980-81.
- (ii) *1000 KW MW Transmitter, Islamabad.*—The transmitter is in operation. A sum of Rs. 0.380 million has been allocated for completion of the scheme.
- (iii) *Broadcasting House, Peshawar.*—For 1980-81 a sum of Rs. 3.00 million has been provided for construction of broadcasting house building and for procurement of electronic and studio equipment. The estimated expenditure and physical progress by 1980-81 is expected to be Rs. 15.582 million and 40%, respectively.
- (iv) *300 KW MW Transmitter, Peshawar.*—The transmitter is in operation. A sum of Rs. 1.00 million has been allocated for perimeter light, balance work of AC plant and payment of outstanding bills to WAPDA. The project is expected to be completed by June, 1981.
- (v) *100 KW MW Transmitter and Broadcasting House at Khairpur.*—The project was completed to the extent of 60% during the out-going year. During 1980-81, installation of the transmitter will be completed. A sum of Rs. 4.00 million has been allocated for the civil works of transmitter and broadcasting house buildings.

- (vi) 100 KW MW Transmitter, Muzaffarabad.—During 1980-81, a sum of Rs. 0.700 million has been provided for equipment of the transmitter being fabricated by Pakistan Broadcasting Corporation. By the end of June, 1981 estimated expenditure and physical progress will be Rs. 20.271 million and 80%, respectively.
- (vii) 300 KW MW Transmitter and Broadcasting House, Khuzdar.—A sum of Rs. 5.00 million has been allocated for construction of civil works of transmitter and broadcasting house buildings. By June, 1981 estimated expenditure and physical progress will be Rs. 9.253 million and 20%, respectively.
- (viii) 10 KW MW Transmitter each at D.I. Khan and Skardu.—The 10 KW MW transmitter at D. I. Khan is expected to start transmitting programmes during 1980-81. A sum of Rs. 0.670 million has been allocated for balance works. A sum of Rs. 1.00 million has been allocated during 1980-81 for 10 KW MW transmitter at Skardu for continuation of civil works of transmitter building. By June, 1981 the estimated expenditure and physical progress will be Rs. 4.464 million and 40%, respectively.
- (ix) Village Broadcasters.—Two village broadcasters each at Khuzdar and Turbat will start transmitting programmes during 1980-81. A sum of Rs. 1.000 million has been provided in the A.D.P. 1980-81.

Pakistan Television Corporation

18. *Financial Allocation.*—The A.D.P. for 1980-81, for the Pakistan Television Corporation (Details in Annexure II) stand at Rs. 80.000 million which is 14% above the revised estimates of 1979-80. The distribution to sub-projects of Islamabad, Karachi, Lahore, Quetta and Peshawar T.V. Stations will be Rs. 31.347 million, Rs. 12.536 million, Rs. 10.580 million, Rs. 16.234 million and Rs. 9.303 million, respectively.

19. *Physical Targets.*—The programme has been restricted to the on-going sub-projects and cover the following items of work :

- (i) Continuation of civil works at the main buildings of television stations of Islamabad and Quetta, installation of lift and extension of stair case to top floor at television station Karachi and completion of tower block at Peshawar television station.
- (ii) Import of electronic equipment for television stations Islamabad, Karachi, Lahore and Peshawar, payment of import duties on the equipment ordered in previous years and to be received against the orders of 1980-81
- (iii) Purchase/installation of air-conditioning equipment for Karachi television station.

Provincial Programme

20. The Government of Punjab has allocated a sum of Rs. 0.61 million to publicity programme during 1980-81. The funds will be utilised for exhibition of education and motivation films particularly in the rural areas of the Punjab.

SCHEME-WISE DETAILS OF A.D.P. OF PAKISTAN BROADCASTING CORPORATION FOR 1980-81

(Rs. Million)

Sl. No.	Name, and Location of the scheme	Estimated cost		Revised Estimates for 1979-80	Estimated expenditure upto June, 1980	Physical implementation upto June 1980 in quantitative/%age terms	Provision for 1980-81		Physical targets envisaged up to June 1981 in quantitative/%age terms
		Total	F.E.C.				Total	F.E.C.	
1	2	3	4	5	6	7	8	9	10
Pakistan Broadcasting Corporation									
1.	2 + 250 KW SW Tr., Islamabad.	29.248	15.785	0.247	21.541	95%	0.112	—	100%
2.	2 + 100 KW SW Tr., Islamabad.	20.078	11.210	0.299	13.226	95%	0.112	—	100%
3.	100 KW MW Tr., Muzaffarabad.	0 18.093	7.100	4.841	19.571	30%	0.700	—	70%
		R 22.066	4.632						240
4.	Village Broadcasters (Gilgit, Skardu, Turbat & Khuzdar).	8.512	1.652	1.491	2.994	20%	1.000	—	40%
5.	10 KW MW Tr., D. I. Khan.	9.698	2.101	0.753	8.402	80%	0.670	—	100%
6.	100 KW MW Tr., Karachi.	14.642	4.731	0.786	15.304	100%	—	—	100%
7.	100 KW MW transmitter & Broadcasting House, Khairpur	33.771	3.847	2.880	23.209	60%	4.000	0.600	75%
8.	1000 KW MW Tr., Islamabad.	54.204	19.812	1.267	46.599	95%	0.380	—	100%
9.	Broadcasting House, Islamabad.	75.675	14.076	3.170	73.493	80%	3.000	0.025	100%
10.	300 KW MW Transmitter, Peshawar.	38.752	11.045	0.267	33.637	98%	1.000	—	100%
11.	Broadcasting House, Peshawar.	0 04.906	0.974	0.118	12.582	30%	3.000	0.500	40%
		R 29.818	4.100						
12.	Studio transmitter links.	2.030	1.200	0.569	0.854	20%	1.290	—	100%
13.	Stand by generator.	4.626	2.573	0.383	4.570	90%	0.300	—	100%

	2	3	4	5	6	7	8	9	10
14. 300 KW MW Tr., Khuzdar.	..	53,975	15,881	0,084	4,233	10%	5,00	—	20%
15. Extension of training facilities	..	4,200	1,612	1,530	4,182	80%	0,720	0,500	100%
16. Modernisation of equipment	..	16,370	6,742	2,761	9,481	50%	3,000	2,000	70%
17. Extension of Broadcasting House, Quetta.	..	5,916	1,400	1,750	4,430	40%	2,300	0,300	100%
18. 10 KW MW Tr., Skardu	..	13,042	3,291	0,812	3,464	30%	1,000	—	40%
19. Furnishing Office Blocks at BH, Islamabad.	..	1,697	—	0,673	0,673	50%	0,964	—	100%
20. Monitoring equipment	..	0,970	0,662	0,376	1,114	100%	—	—	—
21. Housing scheme for PBC employees, Islamabad, Lahore and Karachi	..	15,000	—	0,131	1,983	10%	—	—	10%
22. Security works	..	5,088	—	—	5,013	90%	0,400	—	100%
23. 150 KW MW Tr., Quetta.	..	16,613	3,997	1,124	12,227	95%	0,860	—	100%
24. 10 KW MW Tr., Bahawalpur	..	4,661	1,631	—	6,348	98%	9,200	—	100%
25. 25 Residential quarters for PBC employees, Quetta.	..	1,313	—	—	1,101	98%	0,450	—	100%
26. Additional Security works	..	4,633	—	—	—	—	1,000	—	25%
Total				26,509	332,252	—	31,458	3,925	—

Signature
Date

Signature
Date

Signature
Date

STATEMENT OF WORKS OF THE PBC

Signature
Date

SCHEME-WISE DETAILS OF A.D.P. OF PAKISTAN TELEVISION CORPORATION FOR 1980-81

(Million Rs.)

Sl. No.	Name, and Location of the scheme	Estimated cost		Revised Estimates for 1979-80	Estimated expenditure upto June 1980	Physical implementation upto June 1980 in quantitative terms %age	Provision for 1980-81		Physical targets envisaged upto June 1981 in quantitative terms %age
		Total	F.E.C.				Total	F.E.C.	
1	2	3	4	5	6	7	8	9	10
1.	Islamabad Television Station	O 69,601	28,470	28,202	143,895	67%	31,347	11,269	82%
		R. 214,650	67,632						
2.	Karachi Television Station	O 77,898	40,888	12,414	89,033	79%	12,536	2,500	90%
		R. 113,120	46,871						
3.	Lahore Television Station	O 76,930	38,817	15,041	91,301	75%	10,380	4,638	83%
		R. 122,270	49,013						
4.	Quetta Television Station	O 49,913	23,320	2,011	66,435	59%	16,234	7,093	73%
		R. 113,020	40,307						
5.	Peshawar Television Station	O 45,171	20,755	12,472	89,866	83%	9,303	1,500	92%
		R. 108,320	40,488						
	Total			70,140	480,530		80,000	27,000	

CHAPTER 16
PHYSICAL PLANNING AND HOUSING
REVIEW OF ADP 1979-80

The programme for the Physical Planning and Housing and Tourism Sectors was prepared keeping in view the strategy that effort had to be concentrated on a few key objectives. In view of the constraint on resources, highest priority was assigned to provision of water supply, particularly in rural areas, and extension of sewerage. The water supply programme was conceived as a part of the integrated effort to improve health and living conditions in rural areas. The other programmes, in order of priority were low income housing, improvement of slums/katchi abadis, government servants housing, offices and buildings, capital at Islamabad and Tourism.

2. Against the revised allocation of Rs. 1426.766 million, the expenditure incurred was Rs. 1423.080 million showing an overall utilization rate of 99.74 per cent.

3. The agency-wise figures of revised allocation and utilization are given in Annexure I.

4. The major targets and achievements for the year are given in Table 1.

TABLE 1
Major Targets and Achievements 1979-80

Sub-Sector	Unit	Targets	Achievements	%Achievements
(i) Development of plots in the urban areas	Nos.	60,000	51,084	84.8
(ii) Urban Water Supply	Addl. pop. to be served (million)	1.202	1.317	109.6
(iii) Urban Sewerage and Drainage	Do.	1.412	0.491	34.8
(iv) Rural Water Supply and Rural Sanitation	Do.	2.480	0.933	37.6
(v) Housing for Govt. servants	Nos.	2400	1984	83.3
(vi) Office space	Million sq. ft.	1.360	1.100	80.9

Note.—Agency-wise figures are given in Annexure II.

5. The achievements made during the year are considerably less than the envisaged Annual Plan targets. This is partly due to cost escalation and partly due to the fact that the sectoral allocations were revised downward, thereby reducing the physical targets.

6. Private investment in housing during 1979-80 is estimated at Rs. 3,022 million. The number of houses constructed during the year is about 45,000.

7. The physical progress made in various sub-sectors by different executing agencies is described in the subsequent paragraphs.

Low Income Housing

8. Against the target of development of 60,000 plots in urban areas, the actual physical achievement is expected to be 51,084 plots. Of these 27,550 plots were developed in Sind. These included 20,000 units in Karachi (KDA) and 7,550 in the rest of Sind. In Punjab, a total of 18,750 plots were developed. Of these development authorities, (LDA, FDA, MDA) share was 11,250 and that of Housing Department 7,500. In NWFP, Baluchistan and Islamabad (CDA) the plots developed stood at 3,584, 200 and 1,000 respectively.

Urban Water Supply, Sewerage and Drainage

9. In Baluchistan, work on two schemes was completed and an additional population of 10,000 was served.

10. In NWFP, work on 5 schemes was completed and an additional population of about 94,000 was served.

11. In Sind, outside Karachi and Hyderabad, 5 schemes of water supply were completed. The total coverage by water supply outside Karachi and Hyderabad was 0.153 million, whereas drainage facilities were provided to 0.152 million persons.

12. In Karachi, the Third Phase of Greater Karachi Bulk Water Supply Project (cost Rs. 750 million) was almost completed. This will add 70 MGD of water to the existing availability of about 148 MGD. The project will supply 26 MGD for the Steel Mill and 4 MGD for Qasim Port.

13. Work also continued on the Karachi Water Supply and Sewerage renovation scheme by KMC on which about 96% progress was achieved. Similarly, Lyari water supply and sewerage scheme also remained under execution. It is estimated that in Karachi, about 0.5 million additional population was served with water supply. Work was initiated on the interim water supply scheme for Hyderabad for supplying 2 MGD of water.

14. In Punjab, work continued on 53 water supply, sewerage and drainage schemes, outside Lahore, Faisalabad and Multan; out of which 5 water supply and 4 sewerage and drainage schemes were completed to serve an additional population of 0.3 million with water supply and 0.14 million with sewerage and drainage.

15. In the case of Greater Lahore Water Supply, Sewerage and Drainage Project (Phase II), work on the installation of tubewells, laying of distribution lines, trunk sewers and drains was continued. In addition, work on the comprehensive water supply and sewerage scheme, Multan and short term plan for Greater Faisalabad Water Supply Project was also continued. It is estimated that an additional population of about 0.150 million was served with water supply and 0.20 million with sewerage facilities in the cities of Lahore. Faisalabad and Multan during 1979-80.

Rural Areas

16. The achievements in this sub-sector in various provinces were as under:

(i) *Baluchistan*.—Sixteen rural water supply schemes were completed during 1979-80 by the Irrigation Department, serving an additional population of 20,000.

(ii) *NWFP*.—Out of 135 schemes 59 schemes were completed by the Public Health Engineering Department, serving an additional population of 0.27 million.

(iii) *Sind*.—Seventy-seven schemes of water supply and sanitation were taken up by the Public Health Engineering Department and 46 schemes were completed, providing water supply facilities to an additional population of about 0.11 million and drainage to 0.093 million persons. The achievements in water supply fell far below the targets because the programme of installation of handpumps was not undertaken.

(iv) *Punjab*.—Over 119 schemes of water supply and sewerage were included for implementation during 1979-80 by the Public Health Engineering Department. It is expected that by the end of June 1980, 31 schemes (including 13 schemes of drainage) were completed to serve an additional population of about 0.14 million with water supply and 0.050 million with sanitation facilities. Progress on installation of handpumps also remained slow.

Urban and Regional Planning

17. In Punjab, preparation of 2 outline development plans was completed. In addition, 75% work on the preparation of Regional Development Plan for Rawalpindi was also completed. In Sind, work on Regional Plan for Sind continued and various pre-planning studies were finalised. Under the Federal Programme, the Environment and Urban Affairs Division have completed a number of feasibility studies of proposed agroviles, and some sites have been finally selected for detailed planning and consultants appointed. In the case of JRP-IV project for slum improvement and urban development, the first phase has been completed and the scope of activities of the project has been extended to all the provinces.

Government, Servants Housing, Offices and Buildings

18. About 2400 houses were proposed to be constructed at various places in the country during 1979-80. The physical achievement is about 1984 units, including the barrack type accommodation. However, against the target of construction of 1.31 million sq. ft. office area, it is estimated that only about 0.80 million sq. ft. office space was constructed. The short fall in the target was mainly due to some reduction in the allocation and increase in the cost of construction materials.

Islamabad

19. Work on various schemes in Islamabad progressed satisfactorily. Substantial progress was made on the Presidential Estate Complex, construction of 1024 'A' and 'B' type quarters for the low income employees and the National Assembly Building. Towards the latter half of the financial year, work on the Simly Dam project also gained momentum.

Tourism

20. An allocation of Rs. 32.10 million was made in 1979-80 for implementing the on-going schemes of tourism as well as for the development of tourist infrastructure in the Northern Areas and other schemes of touristic importance. The physical progress of the work on the schemes was not satisfactory because of delay in the preparation of detailed projects.

21. However, the designing of Gadani Beach Resort and the 4 AHP Hotels at Lahore, Rawalpindi, Peshawar and Murree was taken in hand. Work on the tourist complex at Kohi-e-Taftan and Chaman was also continued. Malam Jabba Skiing resort project was in the initial stages of implementation and construction of roads and other infrastructural services was in hand. A scheme has also been prepared for the expansion of Tourism and Hotel Training Institute at Karachi.

Northern Areas, Azad Kashmir and Tribal Areas

22. About 120 residential units and 30 water supply schemes were completed during 1979-80.

Civil Armed Forces and Constabularies

23. Modest allocations were provided for the construction of office and residential accommodation for Civil Armed Forces and Constabularies, which were mostly utilized for acquisition of land, preparation of plans, development of land and construction of barracks, kotes, and magazines.

PROGRAMME FOR 1980-81

24. The sectoral programme for 1980-81 has been prepared on the basis of the strategy, policies and programmes proposed in the Fifth Plan (1978-83) which recommends concentration on critical programmes, namely (a) site development for housing; (b) slum improvement; (c) mobilization of private sector resources for investment in housing; (d) expansion of safe water supplies particularly to rural areas; (e) improvement and provision of sewerage facilities; and (f) research and development in the sector.

25. The following major strategies and policies have been adopted for the housing sub-sector:

- (i) The Government will generally restrict itself to providing sites and services, substantially on a self-financing revolving fund concept. Construction of houses would be left largely to house owners and private enterprises. The funds for house construction will mainly come from house-hold savings, supplemented by institutional finances

- (ii) The emphasis on housing programme would be for providing the maximum number of plots for low income groups. The minimum and maximum sizes of plots would be 80 and 600 sq. yds. respectively. The level of services to be provided for the development of plots would be related to the income groups to be served.
- (iii) Complete removal of slums is prohibitively expensive. The Plan aims at preventing emergence of new slums. A large programme would be launched to improve wherever possible existing slums and convert them into urban settlements with minimum standards of safety and hygiene.

26. For water supply, sewerage and sanitation sub-sector the major emphasis will be placed on the provision of water supply, sewerage and sanitation in both urban and rural areas. The water supply schemes to be undertaken would be primarily directed towards meeting the needs of the lower income households. In augmenting the supplies in rural areas, priority will be given to meeting the needs of those groups and areas suffering the greatest deficiency. Sanitation cover in rural areas would consist of simple drainage systems.

Financial Allocations

27. The provision for Physical Planning and Housing has increased from an allocation of Rs. 1426.766 million in 1979-80 to Rs. 1831.296 million in 1980-81—an increase of about 28.35%. Out of the above allocation the share of priority programmes of water supply/sewerage and urban housing and slum improvement are 44.0% and 9.0% respectively. The slum improvement programme accounts for Rs. 46.95 million or 2.56% of sectoral allocation in 1980-81. The balance 47% of the allocation is for development of the Capital at Islamabad, Tourism, Government Servants Housing and Offices, etc.

28. The allocation of funds by various programmes for 1980-81 is given below :

TABLE 2

Sub-Sector-wise Allocation for 1980-81

(Million Rs.)

S. No.	Sub-sector	Allocation in ADP 1980-81	
		Amount	%
1.	Water Supply and Sewerage	805.950	44.01
	(a) Urban	580.639	31.71
	(b) Rural	225.311	12.30
2.	Low Income Housing	168.175	9.18
	(a) Plot Development	91.225	4.98
	(b) House Construction	30.000	1.64
	(c) Katchi Abadis/Slum Improvement	46.950	2.56
3.	Government Servants Housing	195.164	10.66
4.	Govt. Offices and Buildings	161.831	8.84
5.	Other Urban Development Projects	68.418	3.73
6.	Tourism	11.701	0.64
7.	Capital at Islamabad	277.500	15.14
8.	Others	142.755	7.80
	Total	1831.296	100.00

29. The allocation by administrative agencies will be as follows :

TABLE 3

Agency-wise allocation 1980-81

Executing Agency	(Million Rs.)			
	Allocation 1979-80	Utilization 1979-80	Allocation 1980-81	Percentage increase/ decrease over 1979-80 net allocation
Baluchistan	66.969	49.121	61.913	(-)-7.55
N.W.F.P.	129.566	142.253	144.293	11.36
Sind	175.800	213.782	379.930	116.11
Punjab	625.470	595.674	684.074	9.37
Federal Govt.	428.961	422.250	561.086	30.80
Total	1426.766	1423.080	1831.296	28.35

Detailed allocations by executing agencies and by sub-sectors are given in Annexure IV. Similarly details of major sub-sectoral allocations by various provinces and Federal Government agencies are given in Annexures V to IX.

30. In addition, Rs. 390.0 million has been provided through the credit budget. Also expenditure from own resources of the development authorities and local bodies will amount to about Rs. 800 million.

31. The allocation of funds for important programmes province-wise is given below :

TABLE 4

Percentage of total allocation

Sub-Sector	Punjab	Sind	NWFP	Baluchistan	Federal
(i) Water Supply and Sewerage	63	73	51	33	—
(a) Urban	48	60	9	17	—
(b) Rural	15	13	42	16	—
(ii) Low Income Housing	18	2	2	6	5
(iii) Govt. Housing	7	9	19	24	12
(iv) Govt. Offices and Buildings	8	7	24	24	7
(v) Other Urban Development	4	9	4	13	50

The expenditure on urban housing in Sind is understated as the bulk of the work is undertaken by KDA outside the ADP. In case of Federal Government, the analysis of expenditure includes Islamabad.

32. The provision for private sector investment in housing, compared to Fifth Plan is given below :

	1980-81	1978—83	% of column 1 to 2
Investment (Rs. million)	3545	13,200	26.85
No. of Houses (Thousand)	48000	350,000	13.71

Although the investment in housing has increased considerably, the actual number of houses that are estimated to be constructed in 1980-81 is not very high due to substantial increase in cost of construction over the 1978 level when the Plan was prepared.

Physical Targets

33. The physical targets for 1980-81 alongwith a comparison with targets of Fifth Plan is given below :

TABLE 5

Physical Targets for 1980-81 and Fifth Plan 1978—83

S. No.	Item	Unit	1980—81	1978-83	% of 80-81 to 78—83
1.	Urban Residential Plots	No.	56500	425,000	13.3
2.	Urban Water Supply	(Pop. to be served in million)	2.744	8.250	33.26
3.	Urban Sewerage and Drainage	Do.	1.442	5.860	24.50
4.	Rural Water Supply	Do.	1.144	14.250	8.02
5.	Rural Sanitation	Do.	0.310	2.000	15.50
6.	Govt. Servants Housing	No. of residences.	4217	15,000	21.44
7.	Govt. Offices	(Million Sq. ft.)	1.444	9.000	16.00

Executing agency-wise physical targets for 1980-81 for various sub-sectors are given in Annexure III.

34. The details of various programmes and physical targets for 1980-81 in respect of various Federal divisions and Provincial Governments under various sub-sectors are described in the subsequent paragraphs.

Federal Programmes

35. The Federal programmes consist mainly of the development of the Capital at Islamabad, programme of provision of housing and offices for Federal Govt. employees and Civil Armed Forces, development programmes of tourism, housing and water supplies programmes in Azad Kashmir,

Northern and Federally Administered Tribal Areas and provision of credit facilities for construction of houses. Although the demand of the Federal Divisions were very large but due to resource constraints modest allocations have been made and major on-going priority projects have been protected to a great extent.

36. *Housing Finance.*—The Annual Plan target for private investment for house building is Rs. 3,545 million (against Rs. 3022 million during 1979-80), a major portion of which would be financed through credit facilities. The total requirements for institutional credit for house building at the rate of about 30 per cent of the total cost during 1980-81, work out to Rs. 1060 million. It is anticipated that the House Building Finance Corporation would disburse about Rs. 1000 million during 1980-81. In addition, Rs. 30 million have been allocated in the Federal Programme for advancing loans to Government Servants. The credit requirements would be met by finances by the State Bank loan to the House Building Finance Corporation, their own recoveries, and private savings of the house builders to the extent of about 75%. It is anticipated that about 48,000 houses would be constructed during 1980-81.

37. *Regional and Urban Planning.*—In the Annual Plan 1980-81, the on-going regional studies for Bahawalpur-Multan and Lasbela-Makran regions will be completed. Rs. 0.200 million have been earmarked for feasibility studies for new agrovillage sites to be indicated by the Provincial Governments. In the case of Joint Research Project No. IV located at Karachi for 'Slum Improvement and Urban Development', the research programme includes conduction of socio-economic surveys in selected areas in Quetta, Hyderabad, Sukkur and Sheikhpura and studies regarding the implementation of development works in two localities in Quetta, one locality each in Peshawar, Kohat, Mardan and Gujranwala.

38. *Islamabad.*—The total allocation for CDA in ADP 1980-81 is Rs. 277.50 million. For the provision of housing an allocation of Rs. 63.150 million has been made. Out of the above allocation, Rs. 43.65 million has been provided for the construction of housing for the low paid staff. Construction of 1840 'A' to 'D' type houses (out of the on-going scheme of 3,008 houses) will be completed during the year. Another 214 houses will be completed for accommodating the staff of President's Secretariat. CDA will also develop about 1500 plots, 500 plots in Sector I-10 and I-11 and 1000 plots through their own resources in Model Villages around Islamabad.

39. Under the programme of buildings of national importance, Rs. 62.30 million have been allocated. Work on the Presidential Estate Complex will be completed to make the building functional. Civil works on the National Assembly Building would also be completed.

40. As regards office accommodation, work will continue on the construction of office building for AGPR, Police Posts/Stations, etc.

41. In the case of water supply, sewerage and drainage, an allocation of Rs. 93.08 million has been made. The major allocation of Rs. 80.00 million has been made for the construction of Simly Dam which on completion in 1982 will supply 24 MGD of water to Islamabad. Work on the feasibility study of supplying water to Islamabad from Khanpur Dam is also being undertaken in addition to regular programmes of laying of water supply, drainage and sewerage distribution system.

42. For the construction of roads, an allocation of Rs. 5.515 million has been made. Work on the construction of second carriageway of Shahrah-e-Islamabad from Faizabad Chowk to Airport link road which started during 1976-77, would be completed, including carpeting during 1980-81 with an allocation of Rs. 1.05 million.

43. Under their self-financed programme, CDA will undertake development of infrastructure in the Blue Area of Islamabad and development of various residential sectors.

44. *Tourism.*—A long term Master Plan for development of tourism in Pakistan prepared by UN Consultants is under implementation in phases. The schemes to be undertaken in 1980-81 are based on recommendations contained in the Master Plan.

45. During 1980-81, it is expected that tourist arrivals will increase by at least 10% over the 318,558 foreign tourists that arrived during 1979. Similarly, the earning from foreign tourists are expected to increase by about 25% over the earning of US \$ 100 million during 1979. To

achieve these targets, tourist promotion and publicity at home and abroad will be accelerated. The Tourism Division will complete the on-going Research Studies besides undertaking new studies. Work on the *Daman-e-Koh* Inn project, Islamabad, will be completed to the extent of 50% while 100% progress will be achieved on the projects of Tourist Village at Islamabad and Trekking facilities in Northern Areas. Similarly work will be initiated on the schemes of Gadani Beach, construction of business centres at Flashman, Faletties and Deans Hotels at Rawalpindi, Lahore and Peshawar, camping site at Garam Chashma, Kinjher Lake resort and sound and light programme at Lahore Fort. The PTDC will also carry out surveys of KKH and RCD highways, National Parks, Azad Kashmir and Murree areas for preparing schemes for providing tourist facilities.

46. *Government Office Buildings and Government Servants, Housing.*—The Works Division has initiated a number of schemes for construction of residential accommodation for Government Servants at Karachi, Quetta, Rawalpindi and Peshawar. The schemes are in various stages of implementation and it is expected that during 1980-81, about 700 houses will be completed. Provision has also been made for completing the work on the 40 bed Federal lodge at Peshawar and the 80 room bachelors' hostel at Quetta. In the case of office buildings, besides continuing work on the construction of new Customs House at Karachi and office accommodation at Quetta, the Works Division will also complete a number of small schemes for construction of office buildings and provision of additional facilities in the existing office buildings. It is expected that about 0.260 million sq. ft. of office space would be added during 1980-81 under the federal programme of Works Division.

47. *Civil Armed Forces.*—A number of schemes have been initiated for the construction of residential and office accommodation for Frontier Corps, NWFP Frontier Constabulary and Frontier Corps, Baluchistan. Provision has also been made for the construction of most essential office and residential accommodation for Rangers and FIA at various locations.

48. *Special Areas.*—The Special areas comprising Azad Kashmir, Northern Regions and Federally Administered Tribal Areas, have a range of acute problems including poor housing conditions, shortage of drinking water and lack of office and residential accommodation for employees of various government departments. The population in these regions is very sparse and the settlements are scattered, making the provision of essential facilities like water supply difficult.

49. In order to improve the environmental conditions of these areas, major emphasis during 1980-81 will be on the provision of water supply and sanitation facilities in these areas followed by construction of residential and non-residential accommodation for government employees and development of tourism. For the purpose of provision of water supply and construction of residential and non-residential accommodation, a total allocation of Rs. 76.798 million (Rs. 18.000 million for Azad Kashmir, Rs. 34.598 million for Northern Regions and Rs. 24.20 million for FATA) has been provided. Out of the above allocation, water supply sub-sector has been provided Rs. 33.059 million while the remaining Rs. 43.739 million is for construction of Government Servants' housing and offices and buildings. It is expected that about 0.14 million additional population will be served in these areas, (0.025 million in Azad Kashmir, 0.04 million in N.A. and 0.075 million in FATA). Similarly, about 300 housing units will be constructed and 0.08 million sq. ft. office space added during 1980-81.

50. The Northern Regions and Azad Kashmir also have great potential for tourism development. Appropriate measures are being taken by the Federal Tourism Division to develop tourism facilities in these areas. In Northern Areas, work will be initiated on construction of hotel at Hunza and Chalets at two other places.

Provincial Programmes

BALUCHISTAN

51. The total allocation for Baluchistan during 1980-81 is Rs. 61.913 million. Out of this allocation Rs. 20.455 million is meant for water supply and sewerage, Rs. 14.680 million for government servants housing, Rs. 14.603 million for government offices, Rs. 8.45 million for urban development and Rs. 3.725 million for low income housing. The physical targets in various sub-sectors are as follows :

52. *Water Supply and Sanitation.*—Fourteen on-going and new schemes of water supply and sanitation facilities will be under implementation out of which 11 would be completed which would provide 0.86 mgd. to serve an additional population of 0.080 million at Gwadar, Pasni, Chaman,

Gandawa, Dera Murad Jamali, Mashkel, Hurrarnzai, Pir Alizai Mand and Allahabad and Gulabad villages.

53. *Government Servants Housing, Offices and Buildings.*—Ten schemes of Government servants housing will be undertaken and about 130 houses completed. Similarly a large number of schemes of Government Offices and Buildings would be implemented resulting in an addition of about 0.100 million sq. ft. of office space. This includes construction of Provincial Assembly Building and High Court Building at Quetta and Baluchistan House at Islamabad.

54. *Urban Development.*—Work on the development of race course area for recreational purposes will be continued. In addition, an allocation of Rs. 3.000 million has been made for urban development through local bodies.

N.W.F.P.

55. The total allocation for NWFP during 1980-81 is Rs. 144.293 million. Out of this allocation, Rs. 2.800 million are meant for low income housing, Rs. 73.983 million for water supply and sewerage, Rs. 27.012 million for Government servants housing, Rs. 35.498 million for Government offices and buildings, and Rs. 5.00 million for urban development.

56. The major targets include the provision of water supply facilities for 0.047 million urban and 0.304 million rural population, 183 housing units for Government servants and construction of 0.224 million sq. ft. of office space in Government offices in various areas of the province. Various programmes proposed in the provincial ADP to achieve the above targets are as follows :

57. *Regional Planning.*—The on-going project of Regional Development for NWFP will undertake studies for Chashma Right Bank Canal Project.

58. *Low Income Housing.*—Work will be initiated on the area development schemes at Mardan and Kohat but full development of plots will start from 1981-82 onwards.

59. *Urban Water Supply and Sewerage.*—Nine on-going schemes and two new schemes would be undertaken, out of which one scheme at Swabi will be completed, providing safe water supply facilities to 0.047 million population.

60. *Rural Water Supply and Sanitation.*—Over 179 schemes for rural water supply and sanitation will be undertaken during 1980-81. Out of these 63 schemes are expected to be completed providing water supply facilities to 0.304 million population.

61. *Government Servants Housing and Govt. Offices.*—Under this sub-sector, a large number of schemes will be undertaken which will result in providing 183 housing units and 0.224 million sq. ft. of office space at various locations.

62. *Urban Development.*—An allocation of Rs. 0.300 million has been made for carrying out surveys of slum areas in Kohat, Mardan and Peshawar. Separate provision of Rs. 5.0 million has also been made for undertaking other urban improvement schemes.

SIND

63. The total allocation of Sind during 1980—81 is Rs. 379.930 million. Out of this allocation, Rs. 0.635 million is meant for urban and regional planning, Rs. 2.00 million for low income housing, Rs. 6.650 million for carrying out studies for *Katchi Abadies*, Rs. 279.13 million for water supply and sanitation, Rs. 32.644 million for Government servants housing, Rs. 26.821 million for Government offices and buildings, Rs. 30.350 million for urban development and Rs. 1.700 million for special projects.

64. The major targets for 1980-81 include the development of 34,500 plots for low income families, provision of water supply and sewerage facilities to an additional urban population of 2.23 million and rural population of 0.32 million. Construction of 100 housing units and 0.17 million sq. ft. of office space will also be completed. The programmes to achieve these targets are as follows :

65. *Basic Development and Regional Planning.*—Aerial photography of 8 selected towns in Sind covering Larkana, Nawabshah, Khairpur, Rohri, Sukkur, Tando Adam, Tando Allahyar and Mirpur Khas will be completed and work of preparation of outline Development Plan for six towns

would be initiated. The Sind Regional Plan Organisation will carry out a study on Human Settlements in Sind below 500 population.

66. *Low Income Housing.*—Work on the low income housing schemes at Mirpurkhas, Jacobabad and Khairpur will be initiated outside the ADP, while 32,000 plots will be developed in Karachi by KDA. An additional 2500 plots are expected to be developed in the private sector. In addition, Rs. 6.65 million has been provided to carry out surveys of all *Katchi abadies* in Sind with a view to their regularisation.

67. *Urban Water Supply, Sewerage and Drainage.*—The third Phase of the Greater Karachi Bulk Water Supply Scheme would be fully completed. With the completion of this scheme, additional supply of 70 MGD would be added to provide an overall supply of 230 MGD to Karachi. This will still be short of the total demand for the city and therefore, during 1980-81 an otherscheme for obtaining water from Hub Dam, would be initiated for which an allocation of Rs. 10.0 million has been made in the ADP for which an additional amount of Rs. 90.0 million has been provided by the Federal Government.

68. During 1980-81, work would be initiated on the scheme of renovation of water supply/sewerage system in North Nazimabad and F.B. Area. Under Lyari Water Supply and Sewerage Scheme, the water supply component would be completed and 0.100 million persons would receive drainage facilities.

69. As regards Hyderabad Water Supply, Sewerage and Drainage scheme, work on underground reservoirs and 48 inch mains over 5700 rft. will be completed. Pumping machinery and the existing filter plants would also be improved. Implementation of the Asian Development Bank's assisted component of the scheme would start and work on water treatment plants would be taken up. In addition, construction of water lagoons for sewerage would be started. The 2 MGD interim water supply scheme under implementation would be completed by the end of June, 1981. It is expected that about 0.200 million additional persons would receive piped water supply and mitigate shortage of drinking water during peak summer months.

70. Outside Karachi and Hyderabad, work would be continued on 17 on-going schemes, and 8 new water supply and sewerage schemes out of which 6 schemes at Jacobabad, Nawabshah, Mirpurkhas, Rohri, Shikarpur and Khairpur will be completed. With the completion of these schemes it is expected that 0.305 million additional persons would receive drinking water facilities in 1980-81. Similarly in the case of drainage, 0.126 million additional persons would be covered. The overall coverage of population by water supply including Karachi and Hyderabad during 1980-81 is expected to be about 2.0 million.

71. *Rural Water Supply and Sanitation.*—Work would continue on 44 on-going and 37 new schemes during 1980-81. New schemes would cover the districts of Badin, Dadu, Thatta Sanghar Nawabshah, Khairpur and Hyderabad. Twenty four schemes of water supply and sanitation will be completed to serve an additional population of 0.19 million with water supply and 0.13 million with drainage facilities.

72. *Govt. Servants Housing and Offices & Buildings.*—Work on 35 schemes of Government servants housing and 53 schemes of Government offices and buildings would be continued during the year. It is estimated that 100 housing units would be constructed for Government servants and 0.17 million sq ft of space will be completed in respect of Government offices and buildings.

73. *Special Projects.*—During 1980-81, special projects in the Physical Planning and Housing Sector such as Development Complex Sehwan, Development Complex Bhit Shah and Shah Jahan Mosque, Thatta, will be completed.

74. *Urban Development.*—A lump-sum allocation of Rs. 27.0 million has been made for the development needs of various towns.

PUNJAB

75. The total allocation for Punjab during 1980-81 is Rs. 684.074 million. This includes Rs. 1.70 million for town planning and research, Rs. 83.00 million for low income housing,

Rs. 432.382 million for water supply and sewerage, Rs. 49.500 million for Government servants housing, Rs. 51.200 million for Offices and buildings, Rs. 40.0 million for development of *katchi abadis*, Rs. 24.618 million for urban development and Rs. 1.674 for tourism.

76. The physical targets for 1980-81 include development of 32,000 plots for low income families in urban areas. A population of about 0.100 million will benefit from the programme of improvement of slums and *katchi abadis*. In the case of water supply and sanitation facilities an additional population of 1.859 million will be served in urban areas and 0.71 million in the rural areas with potable water and sanitation. Various programmes to be undertaken during 1980-81 to achieve these targets are as follows :

77. *Town Planning and Research*.—The work of projects relating to mapping and surveys of three towns will be completed. Similarly, the remaining work on the Regional Plan for Rawalpindi will also be completed. Work will also be initiated on the preparation of outline plans of 8 towns of Jhang, Jaranwala, Chiniot, Kasur, Hafizabad, Kamoke, Shujabad and Lodhran.

78. *Low Income Housing*.—Out of the 35 on-going schemes of Housing and Physical Planning Department, about 15 schemes are expected to be completed with the development of 5,000 residential plots. In addition, it is expected that about 13,000 plots is to be developed by the Development Authorities, including 10,000 at Lahore and 3,000 at Faisalabad. Moreover, 2,000 plots would be developed by the private sector.

79. *Urban Water Supply, Sewerage and Drainage*.—For all urban areas other than Lahore, Faisalabad and Multan, the Public Health Engineering Department would execute 47 on-going and new schemes (19 water supply and 28 sewerage) during 1980-81. With the completion of 13 urban water supply schemes a population of 0.347 million will be served. In addition, 12 schemes of sewerage and drainage shall be completed during 1980-81 which will serve an additional population of 0.712 million.

80. In the case of Lahore, Rs. 152.182 million will be utilized by WASA of Lahore for the Second Phase of Greater Lahore Water Supply, Sewerage and Drainage project.

81. A major allocation of Rs 94.0 million has been made for the Faisalabad Water Supply, Sewerage and Drainage project, for continuing work on the project which is being partly aided by the Asian Development Bank.

82. In the case of Multan, allocations of Rs. 24.0 million and Rs. 5.00 million have been made for sewerage and drainage and water supply project, respectively for continuing work on the on-going schemes. The development authorities at Lahore, Faisalabad and Multan will serve an additional population of 0.300 million with water supply and 0.50 million with sewerage.

83. *Rural Water Supply and Sanitation*.—This sector has been allocated Rs.104.40 million. Out of the 96 on-going and new schemes to be undertaken during 1980-81, it is expected that 47 rural water supply schemes shall be completed, which will serve an additional population of 0.53 million. Similarly, about 13 sewerage/drainage schemes shall be completed during 1980-81 which will benefit an additional population of 0.18 million.

84. *Government Servants Housing, Offices and Buildings*.—During 1980-81 it is planned to construct about 750 houses and 0.55 million sq. ft. of office space. Major schemes include construction of residential and office accommodation for the officers at newly created districts of Vehari and Kasur.

85. *Urban Development*.—Rs. 40.000 million have been provided in the Provincial ADP for the development of *katchi abadis* and confirmation of proprietary rights of land on the residents of these *Katchi (i) abadis* different cities and towns of the Province. It is anticipated that population of 0.100 million will benefit from the programme of environmental improvement of various *Katchi abadis*.

86. A major programme of construction and improvement of roads and bridges within the urban areas will be undertaken with an allocation of Rs. 21.445 million. This includes 2 schemes in Lahore, one scheme in Faisalabad and 2 in Multan.

87. Rs. 2.673 million have also been provided for carrying out Lahore Urban Development and Traffic study and Rs. 0.50 million for preparation of Master Plan and Land Use Plan for Greater Faisalabad.

ADP ALLOCATION FOR 1979-80 AND UTILIZATION BY EXECUTING AGENCIES

(Million Rs)

Executing Agency	Allocation 1979-80	Estimated utilizations 1979-80	% Utilization
Punjab	625.470	595.674	95.23
Sind	175.800	213.782	121.60
N.W.F.P.	129.566	142.253	109.80
Baluchistan	66.969	49.121	73.35
Federal Govt.	428.961	422.250	98.43
Total	1426.766	1423.080	99.79

TARGETS AND ACHIEVEMENTS 1979-80 BY EXECUTIVE AGENCIES

Item	Unit	Punjab		Sind		N.W.F.P.		Baluchistan		Federal Govt.		Total
		Targets	Achievements	Targets	Achievements	Targets	Achievements	Targets	Achievements	Targets	Achievements	
1. Plots	Nos.	30,000	18,750	26,000	27,550	3,000	3,584	—	200	1,000	1,000	51,084
Urban Residential Plots	Nos.	30,000	18,750	26,000	27,550	3,000	3,584	—	200	1,000	1,000	51,084
2. Water Supply/Sanitation												
(i) Urban Water Supply	Addl. Pop. served (Million)	0.562	0.550	0.550	0.653	0.080	0.094	0.020	0.010	0.020	0.010	1.317
(ii) Urban Sewerage	Do.	1.212	0.340	0.200	0.151	—	—	—	—	—	—	1.412
(iii) Rural Water Supply	Do.	1.227	0.14	0.116	0.110	0.500	0.27	0.020	0.02	0.300	0.25	2.163
(iv) Rural Sanitation	Do.	0.221	0.05	0.096	0.093	—	—	—	—	—	—	0.317
3. Govt. Servants Housing	Nos.	700	550	250	60	130	132	120	86	1200	1156	2400
4. Govt. Offices/Buildings	Million Sq. ft. space.	0.500	0.300	0.160	0.153	0.200	0.16	0.100	0.100	0.400	0.387	1.460

MAJOR PHYSICAL TARGETS 1980-81

Item	Unit	Punjab	Sind	NWFP	Baluchistan	Federal Govt.	Total
1. Urban Residential plots ..	Nos.	20,000	34,500	—	500	15,000	56,500
2. Urban Water Supply ..	Add. pop. in million	0.647	2.000	0.047	0.03	10.902	2.744
3. Urban Sewerage ..	Do.	1.212	0.230	—	—	—	1.442
4. Rural Water Supply ..	Do.	0.530	0.190	0.304	0.05	0.12	1.194
5. Rural Sanitation ..	Do.	0.18	0.130	—	—	—	0.310
6. Govt. Servants Housing (including Islamabad) ..	Nos.	750	100	183	130	3054	4217
7. Govt. Offices/Buildings ..	Million sq. ft.	0.55	0.17	0.224	0.100	0.40	1.444
8. Environmental Improvement of Slum Dwellers ..	Pop. to be benefited (Million)	0.100	—	—	—	—	0.100

FINANCIAL ALLOCATIONS BY EXECUTING AGENCIES AND SUB-SECTORS 1980-81

(Million Rs.)

Sub-Sectors	Federal Govt.	Punjab	Sind	N.W.F.P.	Baluchistan	Total
1. Basic Dev. Regional and Town Planning	0.750	1.700	0.635	—	—	3.085
2. Agrorvilles	0.200	—	—	—	—	0.200
3. Low Income Housing	—	70.000	2.000	—	—	72.000
4. Advances to Govt. Servants for house buildings	30.000	—	—	—	—	30.000
5. Urban Water Supply/Sewerage	—	52.800	34.200	13.172	10.355	110.527
6. Rural Water Supply/Sanitation	—	104.400	50.000	60.811	10.100	225.311
7. Govt. Servants Housing	71.328	49.500	32.644	27.012	14.680	195.164
8. Govt. Offices/Buildings	33.709	51.200	26.821	35.498	14.603	161.831
9. Urban Development (Development Authorities)	—	352.800	231.930	7.800	12.175	604.705
(a) Water Supply/Sewerage	—	275.182	194.930	—	—	470.112
(b) Low Income Housing	—	13.000	—	2.500	3.725	19.225
(c) Road/Bridges	—	21.445	3.350	—	0.200	24.995
(d) Others	—	3.173	27.000	5.000	8.250	43.423
(e) Katchi Abadis	—	40.000	6.650	0.300	—	46.950
10. Special Projects	—	—	1.700	—	—	1.700
11. Capital at Islamabad	277.500	—	—	—	—	277.500
12. Tourism	10.027	1.674	—	—	—	11.701
13. Interior Division	31.226	—	—	—	—	31.226
14. Frontier Constabulary/Levies and Thanas	17.926	—	—	—	—	17.926
15. FATA	24.200	—	—	—	—	24.200
16. FATA, DC	2.500	—	—	—	—	2.500
17. Northern Areas	34.598	—	—	—	—	34.598
18. Azad Kashmir	18.000	—	—	—	—	18.000
19. Science & Technology	2.622	—	—	—	—	2.622
20. Cabinet Division	5.000	—	—	—	—	5.000
21. Commerce Division	1.500	—	—	—	—	1.500
Total	561.086	684.074	379.930	144.293	61.913	1831.296

Annexure V

SUB-SECTOR-WISE ALLOCATIONS DURING 1979-80 AND 1980-81
(PUNJAB)

(Million Rs.)

Sub-Sector	Allocations in ADP 1979-80		Allocation in ADP 1980-81	
	Amount	Percentage	Amount	Percentage
1. Water Supply/Sewerage	351.837	56.25	432.382	63.20
(a) Urban	251.777	40.25	327.982	47.94
(b) Rural	100.060	16.00	104.400	15.26
2. Low Income Housing	108.530	17.35	123.000	17.98
(a) Plot Development	60.791	9.72	83.000	12.13
(b) House Construction	—	—	—	—
(c) Katchi Abadies	47.739	7.63	40.000	5.85
3. Govt. Servants Housing	43.806	7.00	49.500	7.24
4. Govt. Offices/Buildings	54.223	8.67	51.200	7.48
5. Other Urban Development Projects	60.225	10.16	24.618	3.60
6. Other Programme	3.552	0.57	3.374	0.50
Total	625.470	100.00	684.074	100.00

Annexure VI

SUB-SECTOR-WISE ALLOCATIONS DURING 1979-80 AND 1980-81

Sind

(Million Rs.)

Sub-Sector	Allocation in ADP 1979-80		Allocation in ADP 1980-81	
	Amount	Percentage	Amount	Percentage
1. Water Supply/Sewerage	97.300	55.35	279.130	73.46
(a) Urban	73.300	41.70	229.130	60.30
(b) Rural	24.00	13.65	50.000	13.16
2. Low Income Housing	2.00	1.14	8.650	2.27
(a) Plot Development	2.00	1.14	2.00	0.53
(b) Katchi Abadies	—	—	6.650	1.74
3. Govt. Servants Housing	15.793	8.98	32.644	8.59
4. Govt. Officers/Buildings	19.007	10.81	26.821	7.05
5. Other Urban Development Projects	35.800	20.36	30.350	7.98
6. Other Programme	5.900	3.36	2.335	0.65
Total	175.800	100.00	379.930	100.00

Annexure VII

SUB-SECTOR-WISE ALLOCATIONS DURING 1979-80 AND 1980-81
NWFP

(Million Rs.)

Sub-Sector	Allocation in ADP 1979-80		Allocation in ADP 1980-81	
	Amount	percentage	Amount	percentage
1. Water Supply/Sewerage	58.071	44.82	73.983	51.27
(a) Urban	14.680	11.33	13.172	9.13
(b) Rural	43.391	33.49	60.811	42.14
2. Low Income Housing	25.014	19.31	2.800	1.94
(a) Plot Development	25.014	19.31	2.500	1.73
(b) Kartchi Abadies	—	—	0.300	0.21
3. Govt. Servants Housing	20.767	16.03	27.012	18.72
4. Govt. Offices/Buildings	25.461	19.64	35.498	24.60
5. Other Urban Development Projects	0.253	0.20	5.000	3.47
6. Other Programmes	—	—	—	—
Total	129.566	100.00	144.293	100.00

Annexure VIII

SUB-SECTOR-WISE ALLOCATIONS DURING 1979-80 AND 1980-81
Baluchistan

(Million Rs.)

Sub-Sector	Allocation in ADP 1979-80		Allocation in ADP 1980-81	
	Amount	percentage	Amount	percentage
1. Water Supply/Sewerage	21.816	32.58	20.455	33.04
(a) Urban	11.767	17.57	10.355	16.72
(b) Rural	10.049	15.01	10.100	16.32
2. Low Income Housing	—	—	3.725	6.01
(a) Plot Development	—	—	3.725	6.01
(b) Katchi Abadies	—	—	—	—
3. Govt. Servants Housing	27.465	41.01	14.680	23.71
4. Govt. Offices/Buildings	13.888	20.74	14.603	23.59
5. Other Urban Development Projects	3.500	5.22	8.450	13.65
6. Other Programmes	0.30	0.45	—	—
Total	66.969	100.00	61.913	100.00

**SUB-SECTOR-WISE ALLOCATIONS DURING 1979-80 AND 1980-81
(FEDERAL GOVERNMENT)**

(Million Rs.)

Sub-Sector	Allocation in ADP 1979-80		Allocation in ADP 1980-81	
	Amount	percentage	Amount	percentage
1. Low Income Housing	26.227	6.12	30.000	5.34
(a) Housing Construction	26.227	6.12	30.000	5.34
2. Govt. Servants Housing	49.969	11.65	71.328	12.72
3. Govt. Offices/Buildings	24.265	5.65	40.209	7.16
4. Capital At Islamabad	191.415	44.62	277.500	49.46
5. Tourism	32.100	7.48	10.027	1.78
6. Programmes of Special Areas	67.947	15.84	79.298	14.14
7. Programmes of Constabularies, F.C. Corps, and other	34.018	7.94	49.152	8.76
8. Other Projects	3.020	0.70	3.572	0.64
Total	428.961	100.00	561.086	100.00

PART III

HUMAN RESOURCES AND SOCIAL DEVELOPMENT

(261—262)

THE UNIVERSITY OF CHICAGO

CHAPTER 17
EDUCATION AND TRAINING
REVIEW OF 1979-80

Financial Allocations and Utilization

The total outlay proposed for this sector in the Annual Development Programme for 1979-80 was Rs. 891.132 million. Against this, Rs. 830.552 million were utilized giving a utilization rate of 93%. However, there are wide variations in the utilization of development funds both agency-wise and sub-sector wise, as reflected in Table I.

TABLE I
Percentage utilization of ADP allocations for 1979-80 by executing agencies

Sub-Sector	Baluchistan	N.W.F.P.	Sind	Punjab	Federal Govt.	Pakistan
Primary	54	113	44	29	87	64
Secondary	78	103	92	57	105	91
Teacher	298	58	142	102	80	113
Technical	196	118	101	132	121	122
College	90	121	101	122	153	130
University	—	—	—	—	100	100
Scholarships	—	33	100	94	96	87
Miscellaneous*	120	40	103	57	97	98
Other Divisions	—	—	—	—	100	87
Sub-total	91	102	82	62	105	92
National Institute of Culture and Sports	—	—	—	—	100	100
GR N. TOTAL	91	103	82	62	104	93

*Includes expenditure on curriculum development books, adult and special education, archaeology museums, archives, sports, cultural activities, research, statistics and planning.

2. Among the executing agencies, the Federal Government has shown the highest rate of utilization i.e. 104% followed by the N.W.F.P. with a utilization rate of 103%. A rate of 91% of utilizing ADP allocations has been shown by Baluchistan, next to which comes Sind with the utilization rate of 82%. The Punjab which had allocated the lowest share (7.4%) to Education and Training compared to Sind, N.W.F.P. and Baluchistan (13.4%, 19.8% and 9.3%, respectively) has also the lowest utilization percentage of 62 only.

3. Even though highest priority was given to primary education in resource allocation in the ADP, the rate of implementation has been lowest in this sub-sector. The utilization of funds specified in the ADP for the primary education has declined from 67% in 1978-79 to 65% in 1979-80. The highest rate of implementation in this sub-sector was shown by N.W.F.P. (113%). In Punjab, the utilization rate reached the lowest ebb of 29% in 1979-80, compared to 65% in 1978-79. Baluchistan (54%) and Sind (44%) alongwith Punjab, showed poor utilization of funds for primary education. In the sub-sector of Secondary Education, Punjab had the lowest utilization rate of 57% compared to 103% for the N.W.F.P., 92% for Sind and 91% for the entire country.

4. The utilization of funds for implementing programmes in Teacher, Technical and College education sub-sectors has been fairly good but for N.W.F.P. and the Federal Government which registered utilization rates of only 58% and 80%, respectively in the sub-sector of Teacher Education. The utilization of funds for University Education and for the National Institute of Culture and Sports, both of which are the exclusive responsibilities of the Federal Government, was cent per cent. The sub-sectoral priorities for various executing agencies during 1979-80, are given in Table 2.

TABLE 2

Percentage of expenditure on sub-sectors of education by executing agencies during 1979-80.

Sub-sector	Baluchistan	N.W.F.P.	Sind	Punjab	Federal	Pakistan
Primary	18	48	19	19	6	17
Secondary	34	32	26	15	8	16
Teacher	9	1	16	10	2	5
Technical	5	6	7	16	10	9
College	9	10	18	13	11	12
University	—	—	—	—	17	9
Scholarships	—	2	5	17	7	8
Miscellaneous	15	1	9	10	39	24
Total	100	100	100	100	100	100

5. In overall terms, highest expenditure of 17% was for primary education. This is primarily because N.W.F.P. had given high priority to primary education and spent 48% of ADP funds. In Punjab also, highest percentage of ADP (19%) was spent on primary education. In Baluchistan and Sind, highest allocation had been given to secondary education which in terms of total allocation stands second only to primary education. As regards the sub-sector of teacher education, the highest share of 16% was given by Sind and the lowest of 1% by the N.W.F.P. To technical education sub-sector, Punjab gave the highest share (16%) and Baluchistan the lowest share (5%). Sind spent 18% of its total outlay on college education sub-sector which was the highest percentage share allocated by Provincial and Federal Governments on this sub-sector. College education sub-sector received 12% of the total outlay for Education and Training and thus received priority next to secondary education sub-sector.

6. The highest allocation by the Federal Government was given for university education which spent 17% of its total outlay because the responsibility for this sub-sector is now exclusively borne by it. The highest percentage share of expenditure on scholarships (17%) was

maintained by Punjab followed by the Federal Government (7%). The highest percentage share of 39% under miscellaneous programmes was by the Federal Government. The programmes include such national activities as curriculum development, production of text books, adult and special education, national institutions including Quaid-i-Azam Academy archaeology, museums and archives, cultural activities, research, statistics and planning and expenditure on the National Institute of Sports and Culture.

Physical Developments

7. *Primary Education*—The major physical targets achieved during the year include (i) opening of 1,585 primary and 665 mosque/mohallah schools, (ii) construction of new buildings for 839 existing primary schools, (iii) consolidation and improvement of 1,083 primary schools, (iv) supply of equipment to 2,229 existing primary schools, (v) provision of additional rooms in 700 primary schools, and (vi) construction of 265 residences for female teachers. The details of provincial and federal programmes are given in the following paragraphs :

8. In Baluchistan, 100 new primary schools were opened, buildings of 20 schools were completed and those of 59 were improved, while additional accommodation was provided to seven schools.

9. In N.W.F.P., the work was completed on the establishment of 205 primary schools (including 150 new ones). Buildings of 155 schools were improved and replaced and equipment was supplied to 400 schools. Eighty one teacher residences (including 70 under new programmes) were constructed.

10. In Sind, 145 primary and 276 mosque and mohallah schools were opened and the buildings of 176 schools were constructed (including 134 under new programme). Construction of buildings of 50 schools, initiated during the year, remained in progress while the consolidation and improvement of 274 schools was completed. Under the Fourth Education Project, addition of classrooms at 200 primary schools, construction of residences for teachers and other physical facilities were provided.

11. In Punjab, 1,135 primary and 145 mosque schools were opened. The buildings of 396 primary schools were completed (including 301 under new programme). Additional classrooms and other physical facilities were provided at 347 existing schools, boundary walls were added in 550 girls schools and educational equipment was provided to 1,512 schools. Residences for 158 teachers were constructed (including 100 under new programme).

12. Under the Federal Programme, foreign training was given to 43 personnel in connection with the Fourth Education project. Twenty-six books were translated into Sindhi language for distribution in Sindhi medium schools as supplementary reading material. Initial work for repair of 600 primary school buildings in disadvantaged areas was completed with the assistance of UNICEF.

13. In the Federal Areas, ten mohallah and mosque schools were opened. Improvement/expansion of three schools in Islamabad and four in Federal Area and one out of four under-construction village workshops reached completion stage. Furniture was supplied to 16 primary schools in the Federal Area. Work on the construction of three school buildings in the newly developed sectors of Islamabad was initiated.

14. Construction of two school buildings, one in Hyderabad and the other in Tulsa (Rawalpindi) cantonment reached completion stage. Out of 22 primary schools being established in the cantonment areas, two school buildings were completed while two others reached completion stage.

15. In F.A.T.A., 88 primary schools were opened and buildings of 53 were constructed while those of 35 remained in progress. Construction of buildings of 108 existing primary schools was completed while it remained in progress for 23 schools. Additional rooms were added to 53 existing schools and equipment was supplied to 300 primary schools. Construction of 26 female teachers' residences was completed.

16. In Northern Areas, on-going work on the extension of the building of K.G. Schools, Gilgit was completed and payment of land compensation for various schools in Gilgit District was made. Eight primary school buildings were constructed. Work on the re-construction of 40 primary school buildings in Diamir District and 12 primary schools in Baltistan District remained in progress.

17. In A.J.K., buildings of 50 primary schools were constructed through the Rural Development Programme.

18. *Secondary Education.*—Major physical targets attained during the year include: (i) completion of upgradation of 142 primary and 33 middle schools, construction of buildings of eight secondary schools, provision of 249 additional classrooms, establishment of two new secondary schools, construction of student hostels with three secondary schools and supply of agro-technical equipment to 154 secondary schools and (ii) continuation of upgradation of 59 primary and 33 middle schools, construction of buildings of 11 secondary schools, provision of 150 additional classrooms in existing secondary schools, provision of additional accommodation and acquisition of land for 141 high schools, establishment of nine secondary schools, construction of 15 student hostels and construction of staff residences in 32 existing secondary schools. Details of provincial and federal programmes are given in the following paragraphs:

19. In Baluchistan, on-going work of upgradation of seven middle schools was completed. Additional accommodation was provided to 16 schools while construction of buildings of five girls-high schools remained in progress. Teaching of Agrotechnical subjects was introduced in 30 secondary schools. Construction of two residences and two hostels with high schools was completed.

20. In N.W.F.P., work on upgradation of 37 primary schools (9 upgraded earlier and 28 upgraded during the year) and 19 middle schools (6 upgraded earlier and 13 upgraded during the year) was completed. One hundred and twenty-nine additional classrooms were constructed including 4 under on-going programmes. Work on the renovation of seven existing middle and high school buildings made progress. Agro-technical equipment was supplied to 79 secondary schools. Construction of one agro-technical workshop started during the previous year was completed.

21. In Sind, on-going works on schemes relating to upgradation of primary and middle to high schools addition of 100 classrooms with furniture, and construction of buildings on two high schools, were completed. Work continued on the scheme relating to nine primary and six middle schools upgraded during the year, conversion of existing primary schools into elementary schools, and construction of buildings of two high schools. Work on the improvement of nationalized middle and high schools, started during 1976-77 was also completed. Consolidation and improvement of five secondary schools started earlier was completed while that of one remained in progress. Sixteen classrooms were added to five middle schools and 34 classrooms were added to seven high schools and furniture was supplied to these institutions under a new scheme. Work was started for providing 16 additional class rooms with furniture at five middle schools and 37 classrooms with furniture at seven high schools. Under an on-going programme of the establishment of eight new high schools, work was completed on one while it continued on seven others.

22. In Punjab, the on-going work on the upgradation of 42 primary schools and four middle schools was completed while that of construction of buildings of girls comprehensive high schools at Rawalpindi and Sargodha and Girls High School, Bhera remained in progress. Under a new programme for the upgradation of 27 primary and 25 middle schools work was completed on four primary schools and continued on the remaining. Teaching of Biology was introduced in 200 high schools.

23. In FATA, work on the upgradation of 13 primary schools and two middle schools (including one new) while that on three new primary schools remained in progress. Science equipment was supplied to 20 existing high schools. On-going work on the construction of three secondary school buildings and one hostel was completed. Science laboratory was added to one high school.

24. In Northern Areas, work continued on the upgradation of 14 schools (including ten new ones) and construction of teacher residences at 20 middle and 10 high schools. Work of extension of building and, construction of staff quarters and boundary wall of a high school at Jutial remained in progress.

25. In A.J.K., on-going works of construction of additional accommodation in 141 schools, acquisition of land for 94 schools, construction of workshop for Agro-technical subjects and construction of eleven girls hostels remained in progress. Equipment was supplied to 25 schools. Work was initiated on the acquisition of land for 278 middle and 13 high in schools.

26. *Teacher Education.*—In Baluchistan, on-going works for the consolidation of teacher training institutes for men at Mastung and Pishin and establishment of Agro-technical teacher Training Centres were completed. In service training of teachers was organized under the Fourth Education Project with UNDP assistance.

27. In N.W.F.P., work on the improvement of facilities at Teacher Training Institute for Men at D.I.Khan and for Women at Peshawar and D.I. Khan under Third Education Project remained in progress. Work on the construction of building for pre-service and in-service Teacher Training Institute, Peshawar and Teacher Training Institute at Thana (Malakand) was started.

28. In Sind, work, on the consolidation of facilities at Teacher Training Institutes at Khairpur, Nawabshah and Karachi and establishment of new Teacher Training Institutes at Noro and Larkana remained under progress. Construction of a hostel for teachers of Teacher Training Institute for Women, Sukkur was started.

29. In Punjab, consolidation of facilities of six Elementary Teacher Training Colleges under the Third Education Project reached completion stage.

30. Under the Federal programme, work in the construction of a hostel for Federal College of Education remained in progress. Besides, the in-service training programme of AIOU of primary school teachers through distant teaching method, the Federal College of Education provided in-service training to 213 secondary and 486 primary school teachers of Islamabad, Federal Area, Cantonment Areas, Northern Areas and FATA. In-service training was also imparted to 122 agro-technical teachers belonging to these areas.

31. In FATA, work on the improvement of Teacher Training Institute, Jamrud, under the Third Education Project, remained in progress. Under another programme, the on-going work of construction of additional classrooms and staff quarters was completed.

32. In Azad Kashmir, work on the construction of the main building and hostel for Agro-technical Teacher Training Centre, Muzaffarabad, was started.

33. *Technical Education.*—In Baluchistan, on-going work on the development of Poly-technic Institute, Quetta, was completed.

34. In N.W.F.P., work on the addition of civil technology in Government Poly-technic Institutes at Haripur and D. I. Khan, construction of buildings and Polytechnic at Saidu Sharif and conversion of polytechnic, Peshawar into a Technical College was continued. The on-going work of construction of residential accommodation at Commercial Institute, Kohat and Vocational Institute, Abbottabad, and construction of building for commercial institutes at D.I. Khan, Chitral and Manshra remained in progress.

35. In Sind, the on-going works for the conversion of Government Poly-technic institutes at Karachi, Hyderabad, and Khairpur and improvement of nationalized polytechnic reached completion stage. Work on the up-gradation of Mono-Technic Institute, Hyderabad and consolidation and improvement of three polytechnics was started. The buildings of vocational institutes at Shahdadpur, Kotri and Badin and work relating to the improvement of nationalized vocational institutes reached completion stage. Work was started on consolidation and improvement of four vocational institutes. Work remained in progress on the scheme for the establishment of 45 vocational institutes at Taluka level.

36. In Punjab, work on the establishment of Government Polytechnic Institute at Sahiwal, expansion of polytechnic institutes at Rawalpindi and Lahore, and Swedish-Pak Institute of Technology, Gujrat reached completion stage. Consolidation of Government College of Technology, Multan reached completion stage while that of College of Technology, Rasul and Polytechnic Institutes at Leiah, Sargodha, Lahore (Women), Printing and Graphic Art, Lahore remained in progress. Work on the conversion of Government polytechnic institutes, Lahore (Men and Women) Sialkot, Faisalabad and Sargodha into technical colleges made progress. Construction of building of Vocational Teacher Institute (Girls), Faisalabad and consolidation and improvement of Government Vocational Teacher Training Institute for Women, Lahore was continued. Work also continued on the buildings of four commercial training institutes.

37. Under FATA programme, work on the construction of hostel for tribal students at Government Vocational Institute, Nowshera and another hostel at Polytechnic Institute, D.I. Khan was completed.

38. *College Education.*—The major physical programmes implemented during the year include (i) completion of on-going works of construction of four Inter/Degree colleges, improvement of three colleges, establishment of an Inter College and two student hostels and (ii) continuation of work on construction of 25 Inter/Degree colleges, improvement of 20 colleges, establishment of 17 colleges, upgradation of 13 intermediate colleges and 10 student hostels. Details of provincial and federal programmes are given in the following paragraphs:

39. In Baluchistan, work on the construction of two science laboratories in Government College, Panjgoor, purchase of science equipment and the improvement of six colleges through special grant remained in progress.

40. In N.W.F.P., the on-going work on the construction of buildings of Government Colleges at Charsadda, Topi, Mardan, Ghazi, Bannu, Dir, Pabbi, Hangu, Kohat (Girls), Havelian, Ghazni Khel, Lakki and Kaluchi remained in progress.

41. In Sind, on going work on the up-gradation of eight inter colleges remained in progress while work on two out of 12 Intermediate colleges being opened reached completion stage. Out of eight nationalized colleges being improved, work on Usmania Girls College, Karachi reached completion stage. Works on Composite Degree College, Lyari and Government College, Moro establishment of degree science colleges at Malir and Liaqatabad, improvement of girls colleges at Latifabad (Hyderabad) and Home-Economics college, Karachi and construction of building of Government Inter College, Rato-Dero and Girls College, Sanghar remained in progress. Work on the addition of science classes in Government College, Dadu was completed. The construction of hostel at Mumtaz College, Khairpur reached completion stage while that at Moro made progress.

42. In the Punjab, work reached completion stage on the construction of buildings of and provision of equipment for Government College at Bahawalnagar, Sharqpur, Isakhel, Narowal (Women), Model Town, Lahore (Women) SA College, Dera Nawab Sahib, and improvement of Islamia College, Railway Road, Lahore, Alamdar Hussain Islamia College, Multan and Vigar-un-Nisa Girls College, Rawalpindi.

43. Under the Federal programme, work on the development of Urdu Science College, Karachi was completed. Preliminary work for the establishment of Cadet College, Mastung has been started. Work on the up-gradation of Cantonment Inter Colleges at Bannu, Wah and Kohat (Women) reached completion stage while that of boys Inter College, Peshawar and the construction of new blocks for Government College for Women, Rawalpindi remained in progress. Some science equipment was also supplied to these colleges, work on the establishment of Commerce College, Islamabad, expansion of Islamabad College for Girls and addition of science laboratories in F.G. College for Women, Islamabad was completed. Construction of buildings of Federal Government Colleges for Men in H-8 and H-9 sector reached completion stage.

44. In FATA, work on construction of boundary wall and rest house of Cadet College, Razmak was completed. On-going work of construction of buildings of two other colleges remained in progress. Science equipment was supplied to Government College, Miran Shah and construction of hostels at Inter Colleges at Ladda and Wana was completed.

45. In Northern Areas, construction of the building of one Government College Skardu was completed while that of another college building was continued. Work on the upgradation of Inter College, Gilgit reached completion stage and partial equipment was supplied to Girls College, Gilgit.

46. In A.J.K. construction of building of Inter College, Athmuqam was completed, while completion of three other college buildings and nine hostels remained in progress. Partial equipment was supplied to three colleges.

47. *University Education.*—The on-going work of construction of Geology and Physics/Mathematics blocks of the Science Faculty of Baluchistan University has been completed. The construction of 42 staff residences remained in progress. Books and journals were procured for the main library and equipment was supplied to various science departments of the university.

48. The on-going work on the establishment of an Institute of Education and Research, Mining Engineering Department and Agricultural farms at the University of Peshawar reached completion stage. Work on the construction of residences for teachers and other staff was started. The preliminary works connected with the development of Gomal University Campus in Phase II was completed.

49. The on-going work on the development of the faculties of Arts, Commerce, Applied Chemistry and Pharmacy and the construction of an auditorium at Karachi University remained in progress. Work on the construction of the examination hall and establishment of Applied Economics Research Centre as an Institute of National Capability was initiated. Work on the Sind University township scheme reached completion stage while the development of institute of Education and National Herbarium was continued. Work on the construction of four hostels and the establishment of the Sind University Campus at Khairpur was continued. Work on the development of the Institute of Sindiology also remained in progress.

50. Work on the construction of new campus of the University of the Punjab and development of the faculty of Pharmacy and the Institute of Chemical Engineering and Technology remained in progress. Work on the development of the University of Multan Campus made progress. Partial payment for the land acquired for the development of the campus of Islamia University, Bahawalpur was made.

51. The on-going work of construction at the Quaid-e-Azam University, Islamabad continued to make progress.

52. Preliminary works in connection with the construction of various buildings of the Allama Iqbal Open University were completed and contract for the construction of the Institute of Educational Technology block has been let out. During the year, 22,229 primary teachers took correspondence courses of PTC and primary teacher orientation courses. Functional courses were arranged in the fields of agriculture, elementary Arabic and shorthand (on campus) and 9,455 students were enrolled in these courses. At intermediate level 24,225, at B.A. level 6,827 and at M.A. level 207 students were registered. During the year, a number of national and international conferences/seminars/workshops relating to specific educational subjects were organized.

53. *Scholarships*.—Under provincial programmes, 68,000 scholarships were awarded to students at various levels on merit-cum-poverty basis. Of these 17,000 were in N.W.F.P., 11,000 in Sind and 40,000 in Punjab. In Baluchistan, scholarships are awarded out of the revenue budget.

54. Under the various Federal programmes, scholarships were awarded to 10,603 students of which 238 were for advanced studies abroad. The break-up under various programmes is given in the table below:

TABLE 3
*Scholarships awarded under Federal Programmes during
1979-80*

Programmes	Number of Scholarships		
	On-going	New	Total
1. Loan to Needy Students	—	3,000	3,000
2. Interest Free Loans to Displaced East Pakistani Students	—	500	500
3. President's 1,000 scholarships Scheme	3,225	1,000	4,225
4. Nishan-e-Hadier Scholarships	68	20	88
5. Education of Talented Students from Under-Developed Areas	276	46	322
6. Stipend to Indigent Students	—	2,000	2,000
7. Overseas Scholarships to N.W.F.P. Students under CMLA directive	—	1	1
8. Central Overseas Training Scholarships Scheme	160	55	215
9. Merit Scholarships Scheme	20	10	30
10. Quaid-e-Azam Scholarships Scheme	16	6	22
11. Merit Cash Award by CMLA President	—	200	200
Total	3,765	6,838	10,603

55. In addition, the Federal Government subsidized scholarships awarded for studies abroad by various foreign governments under cultural agreements and awarded scholarships to students from friendly countries.

56. *Curriculum Development and Examination Reforms.*—Under the programme of curriculum development, curricula up to class XII have been reviewed to remove objectionable material. Work continued on the development of integrated curricula for classes I-II. Curricula of a number of subjects were modified and scheme of studies of a number of subjects finalized. Over 2,000 Master Trainers and 3,000 teachers at grass root level have been trained in various subjects.

57. In-service training/workshop was organized for examiners to give them orientation in evaluation and testing techniques. Guidelines for the improvement of question papers and the examination system at various stages and elimination of malpractices were given to the Boards of Intermediate, Secondary and Technical Education for implementation. Advisory services were provided to the educational institutions for development of comprehensive examination of their own.

58. *Production and Supply of Textbooks.*—Under the programme of the National Book Foundation, forty titles of foreign textbook were locally produced and 300 titles of foreign textbooks were imported. Under another programme 25,000 copies of 25 titles were published for the benefit of general readers. About 45 titles of school textbooks were printed by National Book Foundation on behalf of Textbook Board. The approved sets of supplementary reading material were distributed to 7,000 schools and 29 books included in this set were translated in Sindhi for distribution in Sindhi medium schools.

59. *Special Education.*—Four pilot projects one each for the education of physically handicapped, mentally retarded, blind, deaf and dumb were started at Peshawar, Karachi, Lahore, Quetta, Multan, Hyderabad. Bahawalpur Institute for Blind has been upgraded. Equipment for the blind was provided to four institutes of deaf and dumb in the country. The Middle School, Lahore for the physically handicapped and Chambelli School, Rawalpindi for the mentally retarded were provided additional rooms, equipment, furniture and transport vehicles.

60. *Adult Education.*—The Adult Education programme was continued while more adult education centres were established in N.W.F.P.

61. *Sports, Archaeology and Culture.*—In N.W.F.P., work on the development of Peshawar and Dir Museums and excavation work at Rehman Dheri were started.

62. In Sind, the academic and educational programmes of the Institute of Sindhiology, Sind Adabi Board and Mehran Arts Council were continued. Work on the establishment of Shah Nawaz Bhutto Memorial Library, Larkana, Sind Archives, development of Mehran Arts Council, Hyderabad, and Hyderabad Museum remained in progress. Sports grounds were developed in schools and colleges.

63. In Punjab, work on the development of Lahore and Bahawalpur museums remained in progress.

64. Under the Federal programme, the construction of stadium, gymnasium and practising hall of olympic standard and development of external ancillary services for the sports complex of the National Institute of Sports and Culture made good progress. Work on the development of hockey stadia at Karachi, Lahore and Peshawar was started. Astro-turf was laid at Hockey Stadium, Karachi while laying of astro-turf in Hockey Stadium, Lahore remained in progress.

65. The on-going programme for the development of museums and archaeological sites in the country remained in progress. The presentation and preservation works for Shalimar Garden

and Fort at Lahore and the archaeological remains at Harrapa were continued. An agreement has been signed with UNESCO for assistance in the execution of works envisaged in the Master Plan for the Preservation of Mohenjodaro. Work on the digging of collector drains, under the programme of lowering the under-ground water-table was started.

66. *Establishment Division.*—Work on the expansion of office and hostel accommodation and construction of residential unit for faculty members of NIPA, Karachi reached completion stage. At the Academy for Administrative Training, Lahore construction of a hostel for 50 probationers was completed. Work on the construction of residential quarters and renovation of roads in the campus of the Pakistan Academy for Rural Development, Peshawar remained in progress. Under another programme, scholarships were awarded to 6,471 children of Federal Government employees in grades 1—15 and 675 to children of employees in grade 16 drawing a salary upto Rs. 1,500 per month.

67. *Research and Statistics.*—During the year 11 research studies on important socio-economic subjects were completed by the Planning and Development Division.

68. In Baluchistan, work on the development of statistical services and organization of Baluchistan Bureau of Statistics was continued.

69. In N.W.F.P., books and equipment were supplied to the library of Planning and Development Department. Work on the Regional Development Project and on the improvement of Bureau of Statistics was continued.

70. In Sind, work on the re-organization and expansion of Sind Bureau of Statistics and establishment of Planning and Management Cell in the Education Department was continued.

71. In Punjab, the Programmes for the addition of photographic and re-production unit and sample survey unit in the Bureau of Statistics and the establishment of Project Preparation and Evaluation Training Centre were continued.

72. *Women's Division.*—The Women's Division was allocated a block development grant of Rs. 19.666 million. Under the programmes of the Women's Division for the year 1979-80, 925 women centres (Industrial Homes), 3,474 women centres for adult education, 215 centres for health and nutrition education, 118 for training in poultry and live-stock, 18 centres for secretarial work, 15 carpet weaving women centres, etc. were set up.

73. *Cabinet Division.*—An IBM computer was purchased by the Cabinet Division with a view to computerize the Department of Communication Security.

74. *Science and Technology Division.*—The on-going work of establishment of the Pakistan Museum of Natural History was continued.

PROGRAMME FOR 1980-81

75. With a view to maximising the attainment of Plan targets, the strategy of the ADP for 1980-81—the mid-year of the Fifth Five Year Plan—is designed both to complete the programmes initiated in the early years of the Plan and launching of new programmes to be completed during the Plan period.

Financial Allocation

76. A sum of Rs. 1291.580 million has been provided in the ADP for various development programmes covered under the Education and Training sector. This gives an increase of 45% over the ADP allocation of Rs. 891.132 million in the preceding year. The total allocation for the year 1980-81 is 3.9% of the public sector development outlay as against 4.3% allocated in the year 1979-80.

77. The increase in the allocation for programmes of education is 41% against the overall increase of 45%. The table below shows the percentage increase in the allocation of the various sub-sectors of education in 1980-81 over the allocation of 1979-80;

TABLE 4

Sub-sectoral allocations : Percentage Change in 1980-81 over 1979-80

Sub-sector	% change
Primary education	+26
Secondary education	+34
Teacher education	+55
Technical education	+59
College education	+19
University education	+76
Scholarships	+19
Miscellaneous	+84
Education Sector	+41

78. It may be noted that whereas the overall allocation for education increased by 41%, the allocations for school and college education and scholarship increased only by 26%, 34% and 19%, respectively, and the allocations for university and technical education increased by 76% and 59%, respectively.

79. The sub-sectoral priorities have also under-gone changes over the last one year. The comparison of the sub-sectoral allocations by executing agencies for the years 1979-80 and 1980-81 is given in Annexure III. The share of the primary education has declined from 23.6% in 1979-80 to 20.5% in 1980-81. Similarly, the share of secondary education has fallen from 16.3% to 15.1%. The shares of teachers education and technical education, however, have registered marginal increase from 4.1% to 4.5% in case of the former and from 7.1% to 7.9% in case of the latter. The share of college education has declined from 9.0% to 7.1%, whereas the share of university education has increased from 8.7% to 10.6%. The share of the scholarships has come down from 6.9% to 5.8% but the miscellaneous items which include production of textbooks, learned bodies including Quaid-e-Azam academy, special education, planning and research, students services etc., would be 10.0% of the total allocation for 1980-81% as compared to 7.8% in the year 1979-80.

80. An important aspect of development strategy is its stress on the completion of on-going programmes. The break-up of development programmes into on-going and new schemes, shown in Annexure IV indicates that 71% of the outlay has been earmarked for on-going schemes during 1980-81. Most important change has occurred in case of primary education where the ratio between new and on-going schemes has declined from 87:13 in 1979-80 to 52:48 in 1980-81. The break-up of proposed expenditure between new and on-going schemes has almost remained unchanged for secondary, teacher college and university education. But in case of technical education, the ratio has gone up from 11:89, in 1979-80 to 24:76 in 1980-81. The share of proposed outlays for the new schemes in the total allocation for scholarships was 1% in 1979 which has gone up to 9% in 1980-81. In case of miscellaneous items, ratio of allocation between new and on-going schemes has fallen from 49:51 in 1979-80 to 32:68 in 1980-81.

81. Consequent upon the federal funding of university education in 1979-80, the provinces are now in a position to allocate more resources to school education. As a result, the total allocations to primary education by four provinces has increased by 27% in 1979-80 and by 23% in 1980-81

thus raising the allocation from Rs. 138.2 million in 1978-79 to Rs. 177.0 million in 1979-80 and Rs. 217.0 million in 1980-81. Similarly, the total provincial allocations for secondary education has increased by 4% in 1978-80 and by 35% in 1980-81 raising the allocation from Rs. 106.0 million in 1978-79 to Rs. 110.2 million in 1979-80 and to Rs. 149.0 million in 1980-81. The province wise increase in allocations for school education in 1979-80 and 1980-81 is given in the following table :

TABLE 5

Province-wise increase in ADP allocations for school education

Province	Level		1978-79	1979-80	1980-81	% increase/ decrease in 1979-80 over 1978-79	% increase/ decrease in 1980-81 over 1979-80
			(Rs. in million)				
Total for all provinces	Primary	..	138.2	177.0	217.0	+27	+23
	Secondary	..	106.4	110.2	149.0	+4	+35
			244.6	287.2	366.0	+18	+27
Baluchistan	Primary	..	8.9	10.8	16.1	+21	+49
	Secondary	..	13.1	14.0	13.5	+7	-4
			22.0	24.8	29.6	+18	+19
N.W.F.P.	Primary	..	62.0	59.8	71.5	-4	+20
	Secondary	..	42.4	44.2	34.6	+4	-22
			104.4	104.0	106.1	+0	+2
Sind	Primary	..	26.0	39.7	43.2	+53	+9
	Secondary	..	19.2	25.4	27.0	+32	+6
			45.2	65.1	70.2	+44	+8
Punjab	Primary	..	41.3	67.7	86.2	+64	+27
	Secondary	..	31.7	26.6	74.8	-16	+181
			73.0	94.3	161.0	+92	+71

82. The province of Baluchistan was able to increase allocation for primary education by 49% in 1980-81 as a result of federal funding of university education. Similarly, the provinces of Sind and Punjab were able to increase allocations for primary education by 53 and 64 per cent, respectively, in 1979-80. Again, as a result of federal funding of university education, Punjab was able to increase allocation for secondary education by 181% in 1980-81 compared to 35% increase for all the Provinces.

83. As regards the development programmes of other Divisions, the allocation for sports, archaeology and culture has risen from Rs. 20.820 million in 1979-80 to Rs. 44.611 million showing an increase of 114%. Besides, the Islamabad Sports Complex has been allocated a sum of Rs.120.00 million in 1980-81 against Rs. 83.720 million in 1979-80, an increase of 43%. The allocation for Women's Division has increased by 103% from Rs. 19.670 million in 1979-80 to Rs. 40.000 million in 1980-81. A sum of Rs. 21.652 million has been allocated to Statistics Division for the purchase of a Computer and meeting the related needs.

PHYSICAL PROGRAMMES 1980-81

Physical Programmes:

84. *Primary Education.*—The major programmes in the Annual Plan include opening of 1,536 primary schools, 698 mosque and mohallah schools construction of buildings of 212 primary schools and construction of residences with 120 girls primary schools in rural areas beside improving facilities of 956 existing primary schools. The details of provincial and federal programmes are given in the following paragraphs :

85. In Baluchistan, 100 new primary schools will be opened. The on-going work of construction of 30 primary school buildings will be completed. Additional accommodation will be provided for existing primary schools/sections under the programmes of special repairs and Fourth Education Project.

86. In N.W.F.P., construction of buildings of 32 primary schools started last year and establishment of 250 new primary schools will be completed. Under the programme for improvement and replacement of buildings, on-going work on 77 primary school buildings will be completed and 244 new school buildings shall be constructed. In addition, completion of on-going work on 21 primary school teacher residences will be completed and 85 new residences will be constructed.

87. In Sind, 400 mosque and mohallah schools will be opened. Two hundreded primary schools will be opened in rural areas and buildings constructed. Under the on-going programme of opening 22 five-room new primary schools, work was started on 6 schools during 1979-80. The buildings of these six schools shall be completed and work shall start on 6 other primary school buildings. Under the programme of constructing 55 primary school buildings started last year, the on-going work on five school buildings will be completed and work on five other school buildings shall be initiated. New buildings will be constructed for 60 existing primary schools.

88. In Punjab, 926 primary schools and 138 mosque schools will be established. Buildings of 350 existing primary schools will be constructed. Under the programme of consolidation and improvement, 600 existing primary schools will be covered. For qualitative improvement, equipment will be supplied to 1,456 existing primary schools. During the year, 66 teacher residences will be constructed and one-room shall be provided at each of the 69 mosque schools, opened during 1979-80.

89. Under the Primary Education Projects, 100 teacher assistants will be trained. In the existing primary schools and Teacher Training Institutes, 1,000 classrooms will be added. Teacher residences will be provided at girls primary schools in Baluchistan and Sind. In Baluchistan, two hostels for lady teachers of primary schools will be constructed. The on-going programme for the supply of teaching kits in primary schools/sections in Pakistan will be completed.

90. In the Federal territory, the on-going work on the improvement and expansion of primary schools and construction of 10 primary schools will be completed. Furniture will be supplied in primary schools where required. Out of 44 primary schools being improved, buildings of 20 primary schools will be improved/replaced. Thirty mohallah schools and 10 village workshops will be established in Islamabad. Construction of buildings of three primary schools in newly developed sectors of Islamabad will be completed under on-going programmes. In addition, work will commence on the construction of buildings of ten new primary schools in these sectors under a new scheme.

91. The work for replacement of two primary school buildings, one at Hyderabad Cantt. and the other at Tulsia, Rawalpindi Cantt will be completed. The completion work of two out of four primary schools established last year under the scheme for the establishment of 22 new primary schools in cantonment areas will be executed while work shall start on 7 new primary schools.

92. In F.A.T.A., on going work on the establishment of 29 primary schools will be completed. Work on the construction of buildings of 52 on-going and 15 new primary schools, will be completed. Provision of additional accommodation being made in 31 primary schools shall be completed and additional accommodation shall be provided to 5 more primary schools during the year. Residences will be provided for female teachers in existing 14 primary and middle schools.

93. In Northern Areas, the on-going work for the opening of 35 primary schools in Baltistan District and construction of their buildings will be completed. Work on the opening of 2 more primary schools will be completed. Construction of buildings of 19 primary schools in Diamir District will be completed while work will remain in progress at 9 primary schools.

94. In Azad Kashmir, under the programme of rural development, Rs. 6.500 million have been provided for the improvement of physical facilities of primary schools.

95. *Secondary Education.*—The Major physical targets include completion of work on 135 middle and 58 high schools upgraded earlier and 217 middle and 92 high schools to be up-graded during 1980-81. Of the 53 secondary schools on which construction started last year, work on 11 will be completed while work on 42 will remain in progress. Work shall start on the buildings of 56 secondary schools. Under a programme of consolidation, 155 class rooms will be added in existing secondary schools, while the on-going work for provision of additional accommodation in 141 high schools in Azad Kashmir will remain in progress. Equipment will be supplied to 414 middle and high schools. On-going work of construction of workshop and supply of agro-technical equipment in 12 secondary schools will be completed while it will be continued in 6 schools. Construction of 18 student hostels and 16 teacher residences shall be continued. The details of provincial and federal programmes are given in the following paragraphs :

96. In Baluchistan, the on-going work on 16 up-graded middle and 20 high schools will be completed. On-going works of construction of 5 secondary school buildings, provision of 9 classrooms, 5 boundary walls, 2 science rooms, one drawing room and a hall for various existing schools will be completed. The on-going work of construction of staff residences at 16 middle and high schools shall be continued. Equipment will be provided to ten existing high schools. Of the two hostels under construction for high school students, one will be completed while one will remain in progress. Equipment will be provided in four hostels already constructed. Agro-technical equipment will be provided in four secondary schools.

97. In NWFP, on-going work on the construction of 12 up-graded middle schools and 13 up-graded high schools will be completed. In addition, work on the construction of buildings of 51 primary and 13 middle schools to be up-graded during the year will be completed. For the consolidation of existing middle and high schools, construction of 45 additional rooms will be completed. On-going work on the construction of 4 hostels will be continued. In accordance with the re-organization of education system envisaged in the National Education Policy, classes IX & X will be added with Khanpur Inter College, Hazara.

98. In Sind, on-going work on the up-gradation of ten primary and two middle schools will be completed, while work will remain in progress on six primary and five middle schools. Work on the up-gradation of 6 primary schools will also be initiated. The on-going work on the construction of two high school buildings will continue. The on-going work on the buildings of six newly established high schools will be completed while work will remain in progress on one school building. The on-going work for the addition of classrooms with furniture in 5 middle schools (16 class rooms) and in 7 high schools (34 classrooms) will reach completion stage. Under a new programme, work for the addition of classrooms with furniture in 12 middle schools (40 classrooms) and six high schools (34 classrooms) will be started. Furniture will be provided in 30 (15 each in Hyderabad and Karachi Region) existing high schools. On-going work of consolidation of two high schools and construction of one hostel with a high school will be completed while work will continue at the hostel with another high school. In addition, Rs. 7.474 million have been provided for various consolidation and improvement programmes of middle and high schools in the province.

99. In Punjab, the on-going work on 10 primary schools up-graded in 1979-80, and two middle schools upgraded earlier will be completed. Work shall also be completed on 125 primary and 77 middle schools to be up-graded during 1980-81. The construction of buildings for girls comprehensive high school at Sargodha, girls high school at Bhera (Sargodha) and middle schools (boys and girls) at Sagri (Jhelum) will be completed. Under a programme for the improvement of

the teaching of science facilities for the teaching of Biology will be introduced in 169 existing high schools. Existing middle and high schools will also be repaired at the estimated cost of Rs. 2.27 million.

100. The on-going Federal programme for the supply of agro-technical equipment to 1,000 middle and 200 high schools will be completed. On-going work on the construction of middle schools in Federal Area will reach completion stage. Construction of workshops and supply of equipment for the introduction of Agro-technical subjects in 12 secondary schools will be completed. The on-going programme of expansion of 3 secondary schools in Islamabad, the model school for Boys in Islamabad and development of two secondary schools in Federal Area will be completed. Classes XI and XII will be added in girls Comprehensive high school of Islamabad by providing equipment only and in two boys secondary schools of Federal Area by constructing laboratories and providing science equipment. Library books and science equipment will be supplied in secondary schools of Islamabad and Federal Area where required.

101. The on-going works on the up-gradation of 6 primary schools and 5 middle schools and addition of classrooms and science laboratories in Public school, Murree will be completed. Work for the replacement of the building of Public Secondary School, Rawalpindi Cantonment, will be started. For introduction of Agro-technical subjects, 3 workshops will be constructed and equipment will be supplied. For the improvement of cantonment educational institutions, furniture and library books will be supplied to secondary schools all over the country.

102. In FATA, the on-going work on the up-gradation of 15 primary schools and 10 middle schools will be completed. Work on 7 primary schools to be up-graded during the year will be completed. Science laboratories will be added in six high schools and one middle school. The on-going work of construction of one middle school building will be completed while work on one girls high school and one middle school will remain in progress. Additional accommodation along with boundary wall will be provided in one high school. On-going work of construction of hostel building for high school at Zinda will be completed. The construction of one workshop with a high school to be started during the year will be completed and furniture will be supplied to 30 high schools. Classes XI and XII will be added to high school, Sadda (Kurram Agency) by providing additional classrooms, laboratories and office accommodation.

103. In Northern Areas, on-going work of construction for the upgradation of 4 primary schools will be completed while that of 22 primary schools will remain in progress. The on-going work of construction for the up-gradation of 3 middle schools will reach various stages of completion. On-going work of construction of the buildings of 10 high schools and 20 middle schools will continue. The programme for provision of additional accommodation at three existing high schools and construction of three existing middle buildings will continue. The work of construction of staff residences, a hall, a canteen and boundary wall in connection with the establishment of a high school at Jutial will remain in progress. During the year, work will be initiated for the establishment of a new high school at Astore.

104. In Azad Kashmir on-going work for the provision of additional accommodation at 94 high schools and aquisition of land for 134 high schools will reach completion stage. In addition to the accommodation being provided under the above scheme to 45 newly upgraded high schools, work will start on the construction of buildings of these schools under another scheme. The on-going work of construction of hostel for 11 girls secondary schools will remain in progress. The on-going programme for the supply of equipment to 43 high schools will continue. Under the new programme, work on the improvement of physical facilities in 79 existing middle school *i.e.* additional accommodation and acquisition of land will be started. For qualitative improvement of education, a new programme for the supply of equipment to 344 middle schools will be launched. Under a programme of supplying buses to three degree college and Public High School, Muzafarabad, one bus will be purchased during the current year.

105. *Teacher Education.*—In Baluchistan, development work (completion of library) for Education Extension Centre will be completed. In-service training of teachers will be arranged through UNDP assistance.

106. In NWFP, construction of buildings of Teachers Training Institutes at Peshawar and Thana will continue. Improvement of Teacher Training Institutes under Third Education Project will also continue. Teachers of schools and colleges will be imparted in-service training for improvement in teaching.

107. In Sind, work will remain in progress on the improvement of three teachers training institutes and establishment of two new institutes at Larkana and Moro, provision of hostel and library room with training school for women at Sukkur and construction of three library rooms in two male teachers training schools at Hyderabad and one female teacher training school at Sukkur.

108. In Punjab, development of six colleges for elementary teachers under the Third Education Project will be continued. In-service training of teachers will be provided to primary, middle, high and college teachers.

109. Under the Federal programmes the, National Institute of Teacher Education, Islamabad will provide training to 250 Master Trainers and 1,000 Science and Mathematics teachers of secondary schools and work on the establishment of National Technical Training Centre at Islamabad will be initiated. Work on the construction of hostel building for Federal College of Education, Islamabad will be completed. In-service training of 600 primary and secondary school teachers will be arranged. Teacher Guides will be supplied in Federal Government Educational Institutions.

110. In FATA, improvement of Teacher Training Institute, Jamrud under the Third Education Project will be completed. In-service training of teachers will be arranged.

111. In Northern Areas, work on the up-gradation and consolidation of Teacher Training Institute, Gilgit will remain in progress.

112. In Azad Kashmir, the programme of in-service training of teachers will continue. Work on the acquisition of land, construction of building and provision of equipment in respect of three elementary teacher training colleges will be taken up. The on-going work for construction of building and provision of hostel for Agro-technical Teacher Training Centre will be continued.

113. *Technical Education.*—In Baluchistan, work on the improvement of Poly-technic Institute, Quetta will be completed.

114. In NWFP, expansion of Government, Poly-technic Institute Peshawar will be completed. Work on the construction of hostel and supply of Sui Gas for Peshawar Poly-technic will be started. Civil technology will be introduced in poly-technics at D. I. Khan and Haripur.

115. Work relating to the establishment of polytechnic at Saidu Sharif (Swat) and two vocational institutes at Swabi and Bannu will continue. The on-going work of consolidation of commercial training institutes at Kohat and Mansehra will be continued. The work of construction of hostel for 60 students for Commercial College, Peshawar will be initiated.

116. In Sind, the on-going works on (i) the improvement of three nationalized polytechnics and three colleges of technologies and (ii) conversion of Government Polytechnic Institutes at Karachi, Hyderabad and Khairpur into technical colleges and introduction of additional technologies in four poly-technics will be completed. Work relating to the establishment of polytechnic for women at Karachi will remain in progress. Additional facilities will be provided at Vocational Institute, Sukkur in connection with its upgradation to polytechnic level. The on-going work of consolidation and improvement of three vocational institutes for women and three for men will continue. Five vocational schools for women will be established during 1980-81 under a scheme for the establishment of 45 vocational schools. Construction of building and provision of equipment for three government commercial training institutes will be completed.

117. In Punjab, the consolidation and expansion of facilities of colleges of technology at Rawalpindi, Lahore and Multan will be completed while work on seven others and on expansion of Swedish Pakistani Institute of Technology, Gujrat will continue to make progress. Work relating to the establishment of Government Polytechnic Institute, Sahiwal will be completed. Work relating to the up-gradation of Polytechnic Institute for Women at Lahore and polytechnics at Sialkot, Faisalabad and Sargodha will remain in progress. Construction of building of Vocational Institute for Women at Faisalabad will remain in progress. Work on the establishment of ten vocational institutes for women will be taken in hand. Construction of buildings of Commercial Training Institutes at Rawalpindi, Faisalabad, Jhang and Jhelum will continue to make progress. Work relating to the establishment of ten commercial training institutes will be taken up.

118. Under the Federal programmes, work on the development of NED University of Engineering and Technology, Karachi-Phase II will be started while work relating to the establishment of Baluchistan Engineering College, Khuzdar, Mehran Engineering University, Nawabshah, Second Campus of University Engineering & Technology Lahore at Taxila will continue at an accelerated pace. The programme for the establishment of computer section, consolidation of existing facilities of Mining Engineering Department and establishment of Book Bank in University of Engineering and Technology, Lahore will remain in progress.

119. Under the programmes of FATA, work on the construction of a hostel for tribal students at Poly-technic institute at D. I. Khan will be completed. Initial equipment for converting Government College, Ladha into a Poly-technic Institute will be supplied. The on-going work of construction of a vocational training institute in Khyber Agency will be completed. Under a new programme, work will start on the construction of the building of Commercial Institute at Mehran Shah and construction of a hostel for 80 tribal students at commercial college, Peshawar.

120. *College Education.*—The major programmes relating to intermediate and degree colleges include (i) completion of on-going construction of buildings of 16 colleges, consolidation of eight colleges, construction of three laboratories, upgradation of six intermediate colleges to degree level and construction of four hostels; (ii) continuation of on-going work of 30 college buildings, consolidation of 13 colleges, opening of 12 intermediate colleges, construction of a college laboratory, upgradation of seven intermediate colleges and construction of two hostel buildings, (iii) initiation of works on new schemes relating to the construction of college buildings, consolidation of two colleges, construction of three student hostels and two hostels for lady teachers and (iv) supply of scientific and other components for qualitative improvement of college education. Details of provincial and Federal programmes are given in following paragraphs:

121. In Baluchistan, the on-going works (completion of store and science laboratories) for the upgradation of Inter College, Mastung will be completed while construction of science laboratories for Government Intermediate College, Panjgoor will continue. Land will be purchased for Girls Intermediate College, Kalat. Science equipment will be supplied in colleges.

122. In N.W.F.P., on-going work of construction of five college buildings will be completed while that of six other colleges will be continued. The on-going work of consolidation will be completed while that of two others will remain in progress. The work of construction of three student hostels and two hostels for lady lecturers will be taken up. Science equipment will be supplied to colleges.

123. In Sind, work on two out of eight intermediate colleges taken up for upgradation to degree level in 1973, will be completed while work on others will reach completion stage. On-going works relating to the establishment of degree science colleges of Malir, Liaquatabad and Lyari, composite degree college at Lyari and Cantonment Intermediate Science College at Malir, Karachi will continue. Work on the establishment of eight intermediate colleges started earlier will continue. Improvement work on two out of eight nationalized and five government colleges started earlier will be completed. Construction of building of Government Girls Intermediate College, Sanghar and S. M. College, Tando Allah Yar will continue.

124. In Punjab, the on-going work of construction of buildings of four colleges will be completed while work will continue on two college buildings. On-going work on consolidation of four colleges through improvement of their buildings and supply of equipment will be completed.

125. Under the Federal programme, construction of building for Urdu Science College at Karachi, will be completed while that of Urdu Arts College will remain in progress. Library requirements of Urdu College will be met and work on the Publication and Translation Unit of Urdu Science College, Karachi and Tasneef-o-Taleef Department of Urdu Arts College, Karachi will be started. Work on the construction of buildings for Cadet College, Mastung and Government College, Swabi will be taken in hand.

126. Work on the construction of college buildings in H-8 and H-9 sectors of Islamabad will be completed. Equipment will be supplied to Commerce College, Islamabad and Home Economics Department of the Federal Government College for Women, Islamabad. Further development of Islamabad Colleges for Boys and Girls will be undertaken.

127. Facilities for college education in cantonment areas will be expanded and consolidated through up-gradation of two boys and two girls intermediate colleges located in Cantonments, construction of science laboratories for these colleges, and construction of two hostels for the students each at up-graded girls colleges at Kohat.

128. In FATA, the on-going works of construction of buildings of four inter colleges, staff residences at one inter college, construction of hostel buildings and supply of equipment in two inter colleges, will be completed. The on-going work for the establishment of Cadet College, Razmak will be completed.

129. In Northern Areas, work on the up-gradation of two inter colleges, supply of equipment and construction of building will remain in progress. Construction of fourteen staff residences with other ancillary facilities in Degree College, Skardu will be started.

130. In Azad Kashmir, the on-going work on the acquisition of land and construction of buildings for 18 colleges will continue. Under new programmes, work will start on acquisition of land, construction of building for three girls intermediate colleges, supply of equipment to inter colleges at Garhi and Athmuqam and construction of boundary wall at 7 degree colleges.

131. *University Education*.—The development of university education in the country has become the Federal responsibility since 1979-80 even though universities located in the provinces remain under the administrative control of the respective provincial governments.

132. The on-going work on the construction of 42 staff residences and science faculty at the Baluchistan University Campus shall continue to make progress. Partial payment for the acquisition of 1,000 acres of land for the campus will also be made. Work on the construction of three hostels and 100 staff residences will also be continued.

133. The on-going civil work of the various departments of the University of Peshawar will be completed. Construction of staff residences will remain in progress. Work on the construction of hostel for 500 students will be started. Programme for the development and extension of Home Economics College will be initiated. Furniture and books will be supplied in various departments of the University of Peshawar. Work shall be started on the execution of Phase II programmes of the development of Gomal University, D.I Khan, which will cover construction of hostels, academic blocks, administrative block, auditorium, Jamia Mosque, godown and telephone exchange.

134. The on-going work at development of the campus of Karachi University and campuses of Sind University at Jamshoro and Khairpur shall be continued. In Sind University, work on the construction of staff residences, four hostels, development of the Institute of Sindhiology and establishment of an Institute of Business Studies will continue. In Karachi University, work on the construction of examination hall and Applied Economic Research Centre as an institute of national capability will continue.

135. The on-going work on the development of the new campus of the Punjab University will be continued. Work for establishment of a faculty of pharmacy and the Institute of Chemical Engineering and Technology will continue. Development of Solar Energy and Solar Cell Technology, Industrial Arts and Science Education at the Institute of Education and Research of the University of Punjab will be initiated. Work on the establishment of Bahauddin Zakariya University at Multan will be continued. Under the development project of Jamia Islamia University, Bahawalpur, work on the construction of Central Library Building, site development and supply of equipment, books, furniture, transport facilities will be continued. Facilities for Overseas Training to University Teachers will be provided. The acquisition of 252 acres of land will be completed. Construction of Federal Students hostel and the university hostel will remain in progress.

136. The work of construction of the central library building at the Quaid-e-Azam University, Islamabad will be completed. Work on the site development, staff residences and health centre, will continue. Work relating to the establishment of Earth Science Department and construction of a Guest House will be initiated. Furniture, books, scientific and office equipment will be supplied.

137. Campus development of Allama Iqbal Open University will be started. Construction of educational technology block, purchase of furniture and equipment will be continued. Reading material to be mailed to the students of various levels and programmes will be produced. Work on the Integrated Functional Education programme will be continued. Under the project aided by Asian Development Bank, building will be constructed for installation of printing machinery.

138. Under the Federal projects, work on the development of centres of excellence, area study centres, Pakistan study centres and National Academy of Higher Education will be continued. Research scholarships will be awarded for the development of research activity in universities and transport facilities will be provided for various universities.

139. *Scholarships*.—Scholarships for studies within the country shall be awarded to 63,963 school and college students by provincial governments on merit-cum-poverty basis as per table below :

Province	No. of Scholarships
Baluchistan	*
N.W.F.P.	15,766
Sind	11,000
Punjab	37,197
Total	63,963

*Provision for scholarships is made in Baluchistan in the revenue budget.

140. Under various scholarship and student loans programmes of the Federal Government 11,751 students shall receive financial assistance as per table below :

TABLE 6
Scholarship Programmes of the Federal Government 1980-81

Programme	No. of Scholarships		
	On-going	New	Total
1. Loan to needy students	—	3,500	3,500
2. Interest free loans to displaced East Pakistan Students.	—	750	750
3. President's 1000 Scholarship Scheme	3,525	1,000	4,525
4. Nishan-e-Haider Scholarship	88	22	110
5. Education of Talented Students from under developed areas	250	46	296
6. Stipend to Indigent students	—	2,000	2 000
7. Over-seas Scholarships to NWFP students and CMLA Directive	1	2	3
8. Central Overseas Training Scheme	200	60	260
9. Merit Scholarships Scheme	25	30	55
10. Quaid-e-Azam Scholarships	20	15	35
11. Merit Cash Award by CMLA/President	—	210	210
12. Indigent-cum-Talented Students' Education at Aitcheson College, Lahore under CMLA directive.	—	7	7
Total	4,109	7,642	11,751

141. In addition, scholarships awarded to Pakistani students by foreign governments under bilateral cultural agreements shall be subsidized by the Federal Government and sixty scholars from abroad shall be given scholarships to enable them to pursue their studies in Pakistan. Scholarships shall also be awarded to students of various universities from the non-development budget.

142. *Special Education.*—Under the pilot projects for the education of the blind, deaf and dumb and mentally retarded, educational/vocational equipment, transport vehicles and furniture will be supplied to existing institutions. In addition, development of Chambelli School for the mentally retarded at Rawalpindi and Audiological Clinic for the deaf and dumb in Gung Mahal, Lahore will be continued. Construction work at National school for deaf and dumb at Gujranwala will be initiated and equipment and furniture supplied to it. The civil works for expanding the main building of Pakistan Society for Rehabilitation of the Disabled, Lahore will be completed and equipment and transport will also be supplied to it. Moreover, civil works in 4 existing institutions for the physically handicapped will continue.

143. *Text-Books.*—To improve the printing and supply of text-books, the six text-book boards, one in each province, and two in Islamabad will be fully equipped with bindery, cutting facilities and transport within the printing press. Foreign training will be provided to personnel of each textbook board in press maintenance, textbook, printing, press management, quality control and technical editing.

144. *Teaching Aids.*—During the year, 5 seminar/workshops will be held to evolve prototypes of teaching aids at different levels of education. Under the programme for the development of Basic Vocabulary Booklets, 30 booklets will be printed and distributed to adult literacy centres in Phase-I. Work on the preparation of 30 manuscripts based on basic vocabulary by each regional academy will be started. A draft illustrated booklet on Pakistan will be prepared.

145. *Examination Reforms.*—The programme of introduction of objective-type tests will be further consolidated by developing items pool for classes IX and X based on revised textbooks. In-service-training of paper-setters and examiners will be arranged in test construction, measurement and evaluation techniques, evaluation criteria and grading of performance will be developed. Orientation sessions, seminars and lectures on evaluation and testing policies and practices will be conducted for the benefit of parents, students and teachers. Standard achievement tests and services for the measurement of aptitude and behaviour will be developed.

146. *National Book Council.*—The remaining work on the establishment of regional centres at Muzaffarabad and Hyderabad and on up-grading courses in the book field of the National Book Council will be completed. Work on the expansion of Karachi Headquarters and Lahore Centre of the National Book Council and supply of equipment and furniture will be started. Two vans will be purchased for the mobile service of these centres.

147. *Adult Education.*—The adult education programme in Federal area includes continuation of on-going programme, while in N.W.F.P., it includes opening of new centres and continuation of existing ones.

148. *Programmes of Sports, Archives and Culture.*—In N.W.F.P., the on-going work on the improvement of the museum at Chak Dir will be completed. The on-going work for the excavation of Rehman Dheri, improvement of Peshawar Museum and the construction of an auditorium for the Arts Council at Peshawar will be continued.

149. In Sind, work on the development of Sind Adabi Board and Mehran Council, Hyderabad, will be completed. Work shall continue on the development of the Institute of Sindhiology, Jamshoro, Shah Nawaz Bhutto Library, Larkana, Sind Archives at Karachi and Hyderabad Museum. Under the new programme, work on the development of the Arts Council, Karachi will be initiated.

150. In Punjab, the on-going work for the development of Bahawalpur Museum will be completed. The programme for the development of Lahore Museum and Mass Contact Publicity will remain in progress. Under the new programme, improvement of picnic spots in Changa Manga, construction of youth hostel and work on the project of cultural heritage will be started.

151. The on-going work on the stadium, gymnasia, practising hall, external services and out-door fields of the National Institute of Sports and Culture will be continued. Work will be taken in hand on the construction/improvement of Cricket Stadium, Peshawar and construction of hockey stadia at Karachi and Lahore.

152. Under the Federal programmes for preservation and presentation of historical monuments, the on-going work on Shalimar Garden, Lahore and Lahore Fort will be continued. Works on different programmes included in the master plan for preservation of Moenjodaro will be started. Work on the national folklore archives, National performance group, cassette dubbing plant and ethnology and folklore will be continued. Under the new programme work on the extension of the hostels of the Pakistan National Council of the Arts will be started.

153. *Planning, Research and Statistics* —During the year, Planning and Development Division will continue work on the following four studies :

1. Regional Development Studies in Multan/Bahawalpur and Mekran/Lasbela Regions.
2. Capacity Utilization in Major Industries (MICAS).
3. Incentives to Encourage Establishment of Industries in Less Developed Areas.
4. Inflation and Output Growth in Pakistan.

154. In Punjab, work on the expansion of Project Training Institute in the Planning and Development Department will be continued. Work will be started on the buildings of Economic Research Institute, Lahore, Improvement of the Bureau of Statistics and Central Library, Bahawalpur. In N.W.F.P., consolidation and improvement of the library of Planning and Development Department and the Bureau of Statistics will be continued. The programme of minor feasibility studies and regional development projects will also be continued. In Baluchistan, work on the development of Statistical Services and organization of the Baluchistan Bureau of Statistics will be continued.

155. Under the Federal programme, work on the installation of airconditioning plants and computer system at the Statistics Division will be completed.

156. *Establishment Division*. —Work on the expansion of office and construction of hostel accommodation and residential units for staff members of NIPA, Karachi will be completed. Construction of residential quarters and renovation of roads in the campus of the Pakistan Academy for Rural Development, Peshawar will remain in progress. Scholarships will be awarded to 700 children of the employees of Grade 1—15 and to 1000 children of the employees of Grade 16 drawing pay upto Rs. 1,500 P.M.

157. *Women's Division*. —For 1980-81, a block allocation of Rs. 40.0 million has been made for the programmes of Women's Division. Of this amount a sum of about Rs. 14.0 million will be utilized for continuing the programmes started in 1979-80 and the balance will be utilized for setting up more units/centres similar to those started in 1979-80 and for setting up of new programmes. Training in sericulture will be introduced in all the 4 provinces and the facilities of various training programmes will also be extended to Azad Jammu and Kashmir, FATA and Northern Areas. In Punjab, a production centre will be established at the Women Polytechnic, Lahore and women training centres and women welfare centres will be established at Multan. In Sind, new programmes will include rural crafts centres, day-care centres, Centres for Children and Mothers, (MCH), vocational institutes and community centres for the dis-advantaged women. The programmes in NWFP will concentrate on the consolidation and expansion of the programmes started in 1979-80. In Baluchistan, adult literacy and carpet centres will be set up, and in Azad Kashmir training of auxiliary workers will be started in poultry, vegetable growing, child and mother care, basic hygiene and social welfare, and 150 sewing machines and 150 knitting machines will be supplied to needy women.

ADP ALLOCATIONS AND REVISED BUDGET ESTIMATE FOR 1979-80

Sub-Sector	Baluchistan		N.W.F.P.		Sind		Punjab		Federal Govt.		Total	
	Allocation	R.B.E.	Allocation	R.B.E.	Allocation	R.B.E.	Allocation	R.B.E.	Allocation	R.B.E.		
Primary Education	10.829	5.830	59.753	67.350	39.700	17.276	67.964	19.532	32.020	27.982	210.066	137.452
Secondary Education	13.977	10.916	44.197	45.350	25.445	23.284	26.625	15.232	35.610	37.234	145.854	132.016
Teacher Education	2.040	5.900	3.800	2.200	10.500	14.940	9.834	10.000	10.980	8.807	37.054	132.016
Technical Education	0.730	1.430	6.644	7.868	6.300	6.378	12.547	16.495	37.490	45.460	63.711	77.632
College Education	3.150*	2.850	12.126	14.690	18.051	16.247	10.715	13.065	35.190	53.836	77.252	100.688
University Education	—	—	—	—	—	—	—	—	78.240	78.240	78.240	78.240
Scholarships	—	—	7.000	2.280	4.500	4.500	18.141	16.984	33.250	31.950	62.891	55.714
Miscellaneous	3.929	4.713	3.200	1.280	7.500	7.772	17.324	9.934	46.233	45.074	70.074	68.773
Other Divisions	—	—	—	—	—	—	—	—	62.290	53.970	62.290	53.970
Sub-Total	34.655	31.621	136.720	141.018	109.996	90.397	163.058	101.243	362.983	282.553	807.412	746.832
National Institute of Culture & Sports	—	—	—	—	—	—	—	—	83.720	83.720	83.720	83.720
Grand Total	34.655	31.621	136.720	141.018	109.996	90.397	163.058	101.243	446.703	466.273	891.132	830.552

*Note.—In addition an allocation of Rs. 17.50 million was made out-side ADP for College Education.

PERCENTAGE OF SUB-SECTORAL ADP ALLOCATION (1979-80) UTILIZATION (1979-80) AND ADP ALLOCATION (1980-81) BY VARIOUS EXECUTING AGENCIES

Executing Agencies

	Executing Agencies																							
	Baluchistan						N.W.F.P.						Punjab						Federal Government					
	1979-80		1980-81		1979-80		1980-81		1979-80		1980-81		1979-80		1980-81		1979-80		1980-81		1979-80		1980-81	
	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation	Utili- cation	Allo- cation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Primary	31	18	42	44	48	45	36	19	34	41	19	32	7	6	7	24	17	21						
Secondary	40	34	35	32	32	22	23	26	21	16	15	28	8	8	7	16	16	15						
Teacher	7	9	3	3	1	6	9	16	9	6	10	4	2	2	3	4	5	4						
Technical	2	5	3	5	6	7	6	7	10	8	16	7	9	10	8	7	8	8						
College	9	9	10	9	10	13	15	18	16	7	13	5	9	11	5	9	12	7						
University																								
Scholarships				5	2	3	4	5	4	11	17	7	7	6	6	7	8							
Miscellaneous	11	15	7	2	1	4	7	9	6	11	10	17	41	39	44	24	21	28						
Total Amount	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
	34,660	31,621	38,459	136,720	141,018	159,190	109,990	90,397	128,000	163,060	101,243	271,956	446,700	446,273	693,975	891,130	830,552	1291,580						

SUB-SECTOR-WISE ALLOCATION; ANNUAL DEVELOPMENT PROGRAMME 1979-80 AND 1980-81

(Million Rs.)

Sub-Sector	Baluchistan		N.W.F.P.		Sind		Punjab		Federal Govt.		Total			
	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81	Allocation as % of total	1979-80	1980-81	Allocation as % of total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Education														
Primary..	10.830	16.100	59.750	71.473	39.700	43.241	67.700	86.173	32.020	47.909	210.000	23.6	264.896	20.5
Secondary	13.980	13.525	44.200	34.633	25.440	27.021	26.600	74.812	35.610	45.146	145.830	16.3	195.137	15.1
Teacher	2.040	1.100	3.800	9.500	10.500	12.020	9.830	11.895	10.980	23.038	37.150	4.1	57.553	4.5
Technical	0.730	1.000	6.640	11.164	6.300	12.888	12.530	19.120	37.490	58.130	63.690	7.1	102.302	7.9
College	3.150	3.834	12.130	21.204	16.050	19.994	10.700	13.434	35.190	33.412	77.220	9.0	91.878	7.1
University									78.240	137.196	78.240	8.7	137.196	10.6
Scholarships			7.080	5.500	4.500	5.500	18.120	18.750	33.250	44.882	62.870	7.0	74.632	5.8
Miscellaneous	2.570	1.900	1.480	4.026	4.000	4.336	17.580	46.056	46.232	72.940	71.862	8.0	129.258	10.0
Sub-Total (Education)	33.300	37.459	135.000	157.500	106.490	125.000	163.060	270.240	309.100	462.653	746.862	83.8	1052.852	81.5
Other Programmes.														
Sports Archaeology and Culture								1.716	20.820	42.895	20.820	2.3	44.611	3.7
Islamabad Sports Complex									83.720	120.000	83.720	9.4	120.000	9.3
Women's Division									19.670	40.000	19.670	2.2	40.000	3.1
Statistic Division										21.652			21.652	1.7
Establishment Division									6.830	4.000	6.830	0.8	4.000	0.2
Planning & Development Division	1.360	1.000	1.720	1.690	3.500	3.000			4.600	2.775	11.180	1.3	8.465	0.8
Science & Tech. Div.									1.000		1.000	0.1		
Cabinet Division									1.050		1.050	0.1		
Sub-Total	1.360	1.000	1.720	1.690	3.500	3.000		1.716	137.680	231.322	144.270	16.2	238.728	18.5
Total (Education & Trng. %)	34.660	38.459	136.720	159.190	109.990	128.000	163.060	271.956	446.702	693.975	891.132	100	1291.580	

This includes books, learned bodies, special education, planning and research, students services, repair of educational institutions etc. For details see annexure VI.

SUB-SECTORAL BREAKDOWN INTO ON-GOING AND NEW SCHEMES INCLUDED IN ADP 1980-81

(Million Rs.)

Sub-Sectors	Baluchistan		N.W.F.P.		Sind		Punjab		Federal		Total			
	On-Going	New	On-Going	New	On-Going	New	On-Going	New	On-Going	New	On-Going	New		
	%	%	%	%	%	%	%	%	%	%	%	%		
Education														
Primary	15.500	0.600	23.194	48.279	25.091	18.150	25.100	61.073	38.298	9.611	127.183	48.01	137.713	51.99
Secondary	16.925	2.600	12.222	22.411	24.830	2.191	6.027	68.785	31.429	13.717	85.433	43.78	109.704	56.22
Teacher	1.100	—	7.500	2.000	11.570	0.450	11.895	—	20.826	2.212	52.891	91.90	4.662	8.10
Technical	—	1.000	7.164	2.000	12.228	0.660	17.120	2.000	39.430	18.700	77.942	76.19	24.360	23.81
College	3.750	0.084	16.605	4.599	18.244	1.750	9.490	3.944	20.844	12.568	68.933	75.03	22.945	24.97
University	—	—	—	—	—	—	—	—	135.195	2.001	135.195	98.54	2.001	1.46
Scholarship & Loans	—	—	—	5.500	5.500	—	18.750	—	43.500	1.382	67.750	90.78	6.882	9.22
Miscellaneous	1.900	—	1.714	2.312	4.086	0.250	45.476	0.580	34.242	38.698	87.418	67.63	41.840	32.37
Total	33.175	4.284	70.399	87.101	101.549	23.451	133.858	136.382	363.764	98.889	702.745	66.75	350.107	33.25
Other Programmes	1.000	—	1.690	—	3.000	—	0.716	1.000	208.033	23.289	214.439	89.26	24.289	10.74
G. Total	34.175	4.84	72.089	87.101	104.549	23.451	134.574	137.382	571.797	122.178	917.184	71.01	374.396	28.99
Percentage	89	11	45	55	82	18	49	51	82	18	71	29		

Notes: 1. Under miscellaneous are included programmes relating to curriculum development, programmes of reprint and import of foreign textbooks, adult and special education, archaeology, museums and archives, sports and cultural activities, research, statistics and planning.

2. Funds for all inter-sectoral programmes have been apportioned to related sub-sectors.

Annexure V

REVISED BUDGET ESTIMATE FOR 1979-80 AND ALLOCATION 1980-81 BY VARIOUS EXECUTING AGENCIES

(Million Rs.)

Sub-Sector	Balochistan		N.W.F.P.		Sind		Punjab		Federal		Total	
	R.B.E. Allocation											
Primary Education	5.812	16.100	67.350	71.473	17.276	43.241	19.532	86.173	27.982	47.909	137.952	264.896
Secondary Education	10.916	13.525	45.350	34.633	23.284	27.021	15.232	74.812	37.234	45.146	132.016	195.137
Teacher Education	5.900	1.100	2.200	9.500	14.940	12.020	10.000	11.895	8.807	23.038	41.847	57.553
Technical Education	1.430	1.000	7.868	11.164	6.378	12.888	16.496	19.120	45.460	58.130	77.632	102.302
College Education	2.850	3.834	14.690	21.204	16.247	19.994	13.065	13.434	53.836	33.412	100.688	91.878
University Education	—	—	—	—	—	—	—	—	78.240	137.196	78.240	137.196
Scholarship	—	—	2.280	5.500	4.5	5.5	16.984	18.750	31.950	44.882	55.714	74.632
Miscellaneous	4.713	2.900	1.280	5.716	7.772	7.336	9.934	47.772	99.044	184.262	122.743	247.986
Islamabad sports Complex	31.621	38.459	141.018	159.190	90.397	128.000	101.243	271.156	382.553	573.975	746.832	1171.580
	—	—	—	—	—	—	—	—	83.720	120.000	83.720	120.000
	31.621	38.459	141.018	159.190	90.397	128.000	101.243	271.156	466.273	693.975	830.552	1291.580

RBE = Revised Budget Estimates.

Allocation = ADP Allocation.

DETAILS OF PROGRAMMES UNDER MISCELLANEOUS

Programme	Baluchistan		NW.F.F.P.		Sindh		Punjab		Federal		Total	Allocation as % of total ADP		
	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81	1979-80	1980-81				
Books/Libraries/Curriculum	1.570	0.500	—	1.100	0.800	0.400	—	1.018	17.136	38.231	19.506	2.0	41.249	3.2
Learned Bodies	—	—	—	—	1.600	1.600	—	—	2.725	11.400	4.325	0.5	13.000	1.0
Special education	—	—	0.200	0.800	—	—	0.274	0.476	2.134	6.522	2.608	0.3	7.798	0.6
Planning & Research	—	—	—	—	—	0.386	1.518	2.973	0.085	5.908	1.603	0.2	9.467	0.7
Students' services	—	—	—	—	0.800	0.400	—	—	2.438	5.400	3.238	0.4	5.800	0.4
Innovations in educations/Adult education	—	—	0.800	1.100	—	—	—	—	2.864	2.219	3.664	0.4	3.319	0.3
Repairs	—	—	—	—	—	—	3.460	34.999	—	1.462	3.460	0.4	36.461	2.8
Culture activities	—	—	0.480	1.026	0.400	1.3500	5.328	—	—	—	6.208	0.7	2.376	0.2
Miscellaneous/Minor works	1.000	1.400	—	—	0.400	—	7.000	6.590	18.848	1.798	27.248	3.1	9.788	0.8
Total	2.570	107.900	1.480	4.026	4.00	4.336	17.580	46.056	46.220	72.940	71.860	8.0	129.258	10.0

CHAPTER 18

HEALTH

In Annual Plan 1980-81, Health sector has been able to get better share of the cake compared to 1979-80. This allocations for 1980-81 stand at Rs. 942.458 million against Rs. 716.984 million in the previous year. In spite of higher allocation in the current year, there is still a shortfall of Rs. 407 million to meet the targets set for in the Fifth Five Year Plan. There has been a strong emphasis on the preventive medicine during the current year. Nearly 7 per cent of the total allocation i.e. Rs. 66.15 million has been set aside to protect 30 per cent of target population against six preventable diseases. Furthermore, malaria control project which was to be completed by June, 1980 has been extended for another three years to maintain the gains achieved in the past.

REVIEW OF 1979-80

2. The health sector allocation for development programmes during 1979-80 was Rs. 834.035 million. The allocation was, reduced to Rs. 716.984 million consequent upon 10 per cent economy cut. The revised estimates are placed at Rs. 737.974 million, showing a utilization of 100 per cent of the budgetary allocations. The ADP allocations and revised estimates by executing agency for the year under review are given at Annexure I.

3. The recurring budget for the year under review was Rs. 744.469 million. Revised estimates are placed at Rs. 661.892 million, giving a utilization rate of 88.9 per cent. Agency-wise breakdown of revised estimates for 1979-80 and budget estimates for 1980-81 appear in Annexure II.

4. There has been a significant shortfall in the achievement of physical targets of infrastructure. In the rural health programme, 480 basic health units (BHUs) and 28 rural health centres (RHCs) were constructed against the target of 478 BHUs and 65 RHCs. Progress in respect of addition of hospital beds remained very low as only 754 hospital beds were added against a target of 3,563 beds. The target set for production of health manpower viz. doctors, nurses and paramedics has, however, been met. Agency-wise achievements are discussed below.

Federal Programme

5. Out of 42 schemes under implementation by the Federal Health Division, only seven schemes were completed during the year. Five of these schemes relate to Jinnah Postgraduate Medical Centre, Karachi. Physical progress of some of the major on-going Federal Programmes is summarised below.

6. *Bolan Medical College, Quetta*.—Rs. 50.0 million were provided to this project during 1979-80. Revised estimates indicate full utilization. The construction work on teaching hospital, college building and residential colony Phase-I remained in progress. Two boys hostels were completed and handed over to the Baluchistan Government. The physical progress achieved during 1979-80 is given below :

(i) Boys Hostels A&B	100%
(ii) Teaching Hospital	60%
(iii) College building	60%
(iv) Residential Colony Phase I	90%
(v) Site development.	100%

7. *Islamabad Hospital*.—The project has two phases. Nuclear Medical Center, Islamabad, also forms part of this project. Civil work remained in progress on Phase I of the hospital (296 beds) and 70% of the work could be completed by June, 1980. A sum of Rs. 16.5 million was spent against allocation of Rs. 24 million. The Nuclear Medical Centre had an allocation of Rs. 4.357 million. Revised estimates show complete utilization of funds. In physical terms 30 per cent of project work has been completed.

8. *Ayub Medical College, Abbotabad.*—This project got Rs. 18 million which were fully spent during the year. Hundred acres of land were acquired to house the future medical college, 500-bed teaching hospital and residential colony. Work on upgradation of DHQ, Abbotabad, remained in progress for its conversion into a teaching hospital.

9. *Malaria Control Programme.*—The fiscal year 1979-80 was the last year of the Five Year Extended Programme of Malaria Control. The project was provided Rs. 63 million, including a foreign exchange component of Rs. 48 million. The amount was fully utilized for purchase of insecticides, equipment, spare parts and anti-malarial drugs. During the transmission season, 30% of the houses in the operational area were sprayed with malathion and benzene hexachloride. The case detection mechanism continued throughout the year to diagnose and treat the malaria cases. Successful execution of the Extended Plan has reduced the incidence of malaria to such a manageable level where it no longer poses a major public health hazard.

10. *Expanded Programme of Immunization.*—This was the first year of the project with an allocation of Rs. 8.514 million. The objective was to immunise 10 per cent of target population against six preventable diseases in the urban areas and the same is expected to be achieved during the year.

11. *Azad Kashmir.*—Rs. 15.343 million were provided to complete 4 RHCs, 20 BHUs/dispensaries and 120 hospital beds. The revised estimates indicate an expenditure of Rs. 11.781 million or a utilization rate of 76.8%. Only the targetted number of dispensaries/MCH centres could be completed. No hospital bed or rural health centre was added during 1979-80. The progress of two major schemes viz. Paramedical school at Mirpur and District Headquarters Hospital, Kotli is very slow and only 9% of civil work has been completed in each project.

12. *Northern Areas.*—Northern Areas got an allocation of Rs. 9.442 million and according to revised estimates utilization was to the extent of 100 per cent. The physical targets envisaged were construction of 35 hospital beds and 14 BHUs/dispensaries. Achievements include completion of 25 dispensaries and five M.I. rooms.

13. *FATA.*—An allocation of Rs. 17.826 million was made for the health sector to achieve target of construction of 2 RHCs, 9 BHUs and 50 hospital beds, besides training of 85 doctors and 240 paramedics. The revised estimates were Rs. 10.908 million with a utilization rate of 61.2 per cent. All the targets set for 1979-80 have been achieved except shortfall of one RHC.

14. *Science & Technology Division.*—Rs. 4.292 million were provided for Pakistan Medical Research Council including data generation cell, for conducting research on national health problems. Two research projects viz. research programme on study of national health problems Phase I and research programme in bacteriological study of T.B. were to be completed. However, the objective could not be achieved because of 10% budgetary cut. The data generation cell has been working at a very low key. So far, intervention of MCH services and poly-immunization have not been carried out. Testing of these interventions was to be started in 1978-79. The main reason advocated for slow pace was shortage of technical staff.

15. *Interior Division.*—Rs. 0.393 million were provided to the Interior Division for Buner Pilot Project for the treatment and rehabilitation of drug dependents. Revised estimates show complete consumption of allocated money.

Provincial Programmes

16. *Punjab.*—The physical targets set for 1979-80 were completion of civil work of 16 rural health centres, 174 basic health units and addition of 1,500 hospital beds. Only 4 RHCs could be completed against target of 16 RHCs, whereas construction of 26 basic health units was accomplished beyond the target. Only 132 hospital beds were made functional, by completing additional 100

beds in DHQ Hospital, Sheikhpura, and 32 beds in 4 RCHs. Work on extension of two DHQ Hospitals and 12 THQ Hospitals was staggered on to the next year. The short-fall in teaching beds has been more pronounced. Construction work on two THQs, two DHQs and Casualty Block, Mayo Hospital, Lahore could not be started.

17. On the financial side, revised estimates show utilization of Rs. 310.88 million against an allocation of Rs. 267.199 million, completing 65 schemes against a target of 85. Subsector-wise financial allocations and revised estimates are detailed below :

TABLE I

Allocation and utilization of ADP 1979-80 in Punjab

(Million Rs.)

Sl. No.	Sub-sector	Allocation 1979-80	Revised Estimates 1979-80
1.	Rural Health Programme	129.900	141.990
2.	Hospital Beds	62.540	83.841
3.	Health Manpower Development	65.400	74.546
4.	Preventive Programme	00.489	1.785
5.	Miscellaneous	8.870	8.718
	Total	267.199	310.880

18. *Sind*.—An allocation of Rs. 72.5 million was made for the health sector. The revised estimates indicate 90.3 per cent utilization (Rs. 65.450 million). On the non-development side the revised estimates were Rs. 101.684 million against the budget estimates of 106.684 million. The targets set for the production of health manpower were fulfilled during the year. However, there was a shortfall in the rural health programme and the hospital beds.

19. *NWFP*.—According to revised estimates, Rs. 102.395 million have been spent against an allocation of Rs. 99.907 million. Three rural health centres and 87 basic health units have been completed against the target of 6 RHCs and 98 BHUs. There is also shortfall in hospitals beds ; only 44 beds have been added against the target of 400.

20. *Baluchistan*.—The Provincial health sector was allocated Rs. 23.233 million against which Rs. 18.448 million or 79.4 per cent of allocation was utilized. The physical targets set for 1979-80 were addition of 128 beds and completion of civil work on 40 basic health units and 3 rural health centres. The achievements include completion of 6 rural health centres and 49 basic health units. The target set for the addition of hospital beds fell short as work on 100-bed surgical ward in civil hospital, Quetta, could be completed upto 90 per cent. A hostel for 20 nurses has also been completed at Quetta. Various hospitals and dispensaries have been supplied equipment worth Rs. 1.350 million.

PROGRAMME FOR 1980-81

21. The Annual Development Programme for Health Sector is Rs. 942.458 million. While the Federal Programme is for Rs. 413.655 million, the Provincial component is Rs. 528.803 million. Agency-wise allocations are given below :

TABLE 2

Agency-wise ADP allocations for Health 1980-81

		(Million Rs.)		
Sl. No.	Agency	Allocation 1979-80 (net after cut)	Revised Estimates 1979-80	Allocation 1980-81
I. FEDERAL :				
	(i) Health Division	206.849	202.655	348.395
	(ii) Azad Kashmir	15.343	11.781	20.000
	(iii) Northern Areas	9.442	7.442	14.200
	(iv) FATA	17.826	10.908	23.000
	(v) Science & Tech. Division	4.292	4.292	5.400
	(vi) Interior Division	0.393	0.393	2.660
	Sub-Total-I	254.145	237.471	413.655
II. PROVINCIAL :				
	(i) Baluchistan	23.233	18.448	20.138
	(ii) N.W.F.P.	99.907	64.031	117.500
	(iii) Sind	72.500	52.622	70.415
	(iv) Punjab	267.199	310.880	320.750
	Sub-Total-II	462.839	445.981	528.803
	Grand Total	716.984	683.452	942.458

22. The allocation for 1980-81 for Health Sector has registered 31.4 percent increase over the previous year. However, there is a big gap between the allocation proposed in the fifth Plan and those for the Annual Development Programme for the year 1980-81, Fifth Plan has suggested Rs. 1351.10 million for 1980-81.

23. Programme-wise distribution of Rs. 942.458 is given in the table below :

TABLE 3

Programme-wise ADP for Health Sector

(Million Rs.)

Sl. No.	Programme	1979-80	1980-81	%age
(i)	Rural Health Programme	232.784	285.763	30.32
(ii)	Preventive Programme	100.193	124.175	13.18
(iii)	Hospital Beds including Teaching Hospitals ..	174.521	246.603	26.17
(iv)	Health Manpower Development	184.387	245.097	26.00
(v)	Medical Research	15.097	11.920	1.26
(vi)	Miscellaneous	10.002	28.900	3.07
	Total	716.984	942.458	100.00

24. Annual Plan lays emphasis on speedy completion of on-going programmes. Nearly 75 per cent of the allocations have been reserved for the on-going schemes. Allocations by Sub-sectors and executing agencies are at Annexure III.

25. The policy guidelines for the Annual Plan 1980-81 are briefly summarised as under :

- (i) Shift in emphasis from curative to preventive measures will be continued. The major preventive activities include expanded programme of immunization, malaria control programme and tuberculosis control programme.
- (ii) To achieve a better balance between the urban and rural health facilities.
- (iii) Integration of special programmes like clinical component of family planning programme with general health services without jeopardising their objectives.
- (iv) Consolidation of expansion programme undertaken in the higher medical education.
- (v) Linkage of health with other programmes will be strengthened.

26. The targets set for 1980-81 and those envisaged in the Fifth Plan are not comparable as the size of ADP is not matching with the proposed allocations in the Fifth Plan. The expansion of physical facilities for 1980-81 compared with Fifth Plan targets are given below :

TABLE 4

Physical Targets 1980-81

Sl. No.	Category	Fifth Plan targets	ADP Targets 1980-81
1.	Basic Health Units	960	328
2.	Rural Health Centres	130	54
3.	Hospital Beds	5,065	3,038
4.	Doctors	2,513	3,012
5.	Dental Surgeons	115	92
6.	Nurses	960	1,020
7.	Paramedics/auxiliaries	4,836	2,797
8.	Community Health Workers	11,458	Nil

The Agency-wise targets are given in Annexure IV.

27. The targets set for containment of communicable diseases are as follows :

- (a) Zero level of smallpox will be maintained ;
- (b) Current low level of malaria incidence will be maintained by providing insecticidal umbrella to areas having high malariogenic potentials. However, case detection and radical treatment will continue in the operational areas.
- (c) Immunization against six preventable diseases viz. tuberculosis, whooping cough, diphtheria, tetanus, measles and poliomyelitis will be extended to cover 30 per cent of target population by June, 1981.

Federal Programme

28. The allocation for Federal Health Programme is Rs. 413.655 million. The breakup of the allocation by executing agencies/major programmes is given below :

Agency/Major project	(Million Rs.)
(i) Health Division	348.395
(a) Bolan Medical College, Quetta	82.500
(b) Ayub Medical College, Abbottabad	30.000
(c) Islamabad Hospital	70.000
(d) Malaria Control Programme	50.000
(e) Expanded Programme of Immunization	42.850
(f) Nuclear Medical Centre, Islamabad	3.000
(g) Improvement of J.P.M.C, Karachi	12.600
(h) Polio-vaccine and Equipment Project	23.300
(i) Improvement of Radiotherapy Deptt. Ganga Ram Hospital, Lahore	5.000
(j) Improvement of N.I.H., Islamabad	13.614
(k) Grant to Allama Iqbal Medical College, Lahore	2.861
(l) Miscellaneous	12.670
(ii) Azad Kashmir	20.000
(iii) Northern Areas	14.200
(iv) FATA	23.000
(v) Science & Technology Division	5.400
(vi) Interior Division	2.660
Total	413.655

29. The salient features of important Federal Programmes are summarised below :

- (i) *Bolan Medical College, Quetta.*—The allocation for this project is Rs. 82.5 million including a foreign exchange component of Rs. 15 million. The present allocation will help completion of 80 per cent of the project work relating to college building and teaching hospital. The civil work of residential colony will be completed up to 90 per cent. The PC-I of the project is under revision. It is anticipated that the project would become functional by June, 1983.
- (ii) *Islamabad Hospital.*—Rs. 70 million, including a foreign exchange component of Rs. 10 million, have been allocated for this project. The major development efforts include construction of residences, outpatient department, casualty block and remaining civil work of 296-bed indoor wards. This would help completion of Phase I of the project to make 296 beds operational.
- (iii) *Ayub Medical College, Abbottabad.*—Rs. 30 million have been allocated for Phase I of the project. The land has already been acquired to house the college, 500-bed teaching hospital and the residential colony. The major part of the allocation is to improve and upgrade the district headquarters hospital and *zannana* hospital to serve as a teaching hospital for the medical college. The pharmacology department will be equipped during the year and an additional hostel block will be completed. Work will also be started at the new site of the college.
- (iv) *Malaria Control Programme.*—Rs. 50 million have been earmarked for the purchase of insecticides, equipment, spare parts and transport. This includes foreign exchange component of Rs. 40 million. During 1980, insecticidal spray will be carried out in 30 per cent of operational area depending upon the malariogenic potentials and receptivity of different areas. Besides insecticidal umbrella, surveillance activities will continue to detect malaria cases and their treatment thereof. The programme will also initiate operational research to devise alternate economic ways of controlling the transmission of malaria.
- (v) *Expanded Programme of Immunization.*—The project aims at covering 60 per cent of the target population by 1984 for immunization against six preventable diseases *viz.* poliomyelitis, whooping cough, tetanus, diphtheria, measles and tuberculosis. The programme was initiated in 1979-80. An allocation of Rs. 42.850 million has been made in 1980-81 to extend the coverage to 30 per cent of target population. This includes foreign exchange component of Rs. 42.680 million aided by UNICEF and CIDA. The allocation is primarily meant for establishment of cold chain, purchase of vaccines, equipment and transport. So far, 236 EPI Centres have been established for the training of nearly all the EPI managers upto the district level.
- (vi) *Polio-vaccine preparation projects.*—These projects (3 in number) are related to expanded Programme of Immunization. These projects include establishment of polio-vaccine laboratory at National Health Institute Islamabad, import of laboratory equipment, import of polio concentrate vaccine, training of local talents in polio-vaccine preparation techniques and hiring of technical experts. The ultimate aim is to make the country self-sufficient in manufacture of polio-vaccine. CIDA is supporting these schemes.
- (vii) *Improvement of J.P.M.C, Karachi.*—Rs. 12.6 million have been provided for Jinnah Post graduate Medical Centre, Karachi. It includes a number of schemes like construction of residential accommodation for essential staff, improvement of combined blood bank building and school of paediatrics, construction of under-ground water tank and boundary wall around the Centre. The major allocation is earmarked for a one-time activity to be completed during the year without perpetual effect on improving the general conditions prevailing in the Centre which will include remodelling, some addition of new building and purchase of equipment.
- (viii) *Nuclear Medical Centre, Islamabad.*—Rs. 3.0 million have been allocated for this project. The main construction work is likely to be completed by June, 1981. The project on completion will form part of Islamabad Hospital Complex.

(ix) *National Institute of Health, Islamabad.*—Rs. 13.614 million have been allocated for National Health Institute Islamabad. This includes Rs. 9 million for its general improvement and Rs. 4.614 million for five schemes involving improvement/construction of residences, provision of over head water reservoir and improvement of various departments. These allocations are over and above the financial commitments for polio-vaccine preparation facilities at National Institute of Health, Islamabad.

30. *Azad Kashmir.*—The allocation earmarked for Azad Kashmir is Rs. 20.7 million of which Rs. 20 million are under the Health Sector and Rs. 0.7 million under Rural Development for health and sanitation. This represents an increase of 30 per cent over the last year's allocation. However, in terms of share from total ADP, health sector has 9.2 per cent of allocation which is slightly less than last year in terms of percentage. The physical facilities to be added by June, 1981 include 6 rural health centres and 110 hospital beds. The major share of ADP will be allocated for the under-construction Paramedical School at Mirpur and District Hospital, Kotli.

31. *Northern Areas.*—The size of ADP for the Health Sector is Rs. 14.2 million; of this Rs. 12.2 million are for general health services and Rs. 2 million for the Rural Health Project. By the end of June, 1981, 27 basic health units/dispensaries and 100 hospital beds would become functional.

32. *FATA.*—Rs. 23 million have been allocated for the Health Sector. In terms of physical facilities, one rural health centre, 23 basic health units and 60 hospital beds would be added by the end of financial year. Besides this, 6 dispensaries will be upgraded to BHUs and a hostel for 200 students will become functional in Khyber Medical College to provide residential facilities for medical students of FATA.

33. *Science & Technology Division.*—The allocation for Pakistan Medical Research Council for research projects is Rs. 5.4 million. This includes Rs. 0.7 million for Data Generation Cell. Three Research Cells will be established during the period in medical colleges, one each in Punjab, Sind and Baluchistan provinces.

Provincial Programmes

34. *Punjab.*—Rs. 320.750 million have been provided for health sector which constitutes 11.46 per cent of total provincial ADP. Rural Health Programme continues to enjoy high priority. A provision of Rs. 164.5 million i.e. 51.28 per cent of the total allocation for the health sector has been made for this programme. Physical targets of rural health programme include completion of 152 basic health units and 19 rural health centres. Construction work will continue on 250 basic health units and 24 rural health centres.

35. In order to strengthen the referral care for the rural health institutions and to improve the teaching hospitals Rs. 81.437 million have been allocated. Work will remain in progress on 12 *tehsil* headquarters hospitals with an allocation of Rs. 24.010 million. Seven THQs will be completed by the end of 1980-81, providing an additional 420 beds. The allocation for District Headquarters Hospitals is Rs. 12.6 million. Expansion of Allama Iqbal Memorial Hospital, Sialkot and construction of District Headquarters Hospital, Vehari will be completed adding 257 beds at DHQ level. Work on construction of District Headquarters Hospital, Kasur will continue during the year. Provision for the teaching hospitals is Rs. 44.827 million. By June, 1981, 800 teaching beds will be added in the various hospitals.

36. Provision for health manpower development includes Rs. 57.706 million for establishment of newly created medical colleges and improvement of established colleges. A sum of Rs. 11.505 million has been earmarked for scholarships for medical students, nurses, lady health visitors, paramedics and midwives/dais. Health manpower development targets include output of 914 medical graduates, 80 dental surgeons, 511 nurses, 1,193 paramedics including 160 lady health visitors, 381 midwives and 584 dais.

37. Sub-sector wise breakdown of allocations is given in the table below :

TABLE 5

ADP Allocation for Health—Punjab

(Million Rs.)

Sub-sector	Total Allocation	On-going schemes	New Schemes
Rural Health Programme	164.502	85.390	79.112
Hospital Beds including Teaching Hospitals	81.437	76.037	5.400
Medical Education	69.211	63.941	5.270
Miscellaneous	5.600	3.600	2.000
Total	320.750	228.968	91.728

38. *Sind.*—Rs. 70.4 million have been earmarked for the health sector with the following distribution :

TABLE 6

ADP Allocations for Health—Sind

(Million Rs.)

Sub-sector	Total allocation	On-going Schemes	New Schemes
Rural Health Programme	21.180	11.180	10.000
Hospital beds	20.100	13.965	6.135
Health Manpower Development	27.300	24.295	3.005
Preventive Programme	1.060	1.060	—
Miscellaneous	0.775	0.325	0.450
Total	70.415	50.825	19.590

39. Nearly 72% of the total allocation *i.e.* Rs. 50.825 million is for the completion of on-going programmes. Rs. 10 million have been set aside from allocation to new schemes for the local councils to develop infrastructure for the rural health programme.

40. Rs. 21.180 million have been provided for the rural health programme. This would enable completion of 23 rural health centres and 22 basic health units, while work will continue on 9 RHCs and 8 BHUs. A sum of Rs. 20.1 million has been allocated for addition of hospital beds. This would enable completion of 5 *Taluka* Hospitals and one District Hospital at Mirpur Khas. However, work will continue on improvement of six district hospitals and upgradation of 17 *Taluka* Hospitals. Other important on-going schemes include construction of OPD in Karachi Civil Hospital, 100-Bedded Hospital in Liaquatabad at Karachi, construction of Services Hospital at Karachi and Mental Hospital, Hyderabad. The target for hospital beds is addition of 467 beds in rural areas and 125 beds in the urban areas.

41. Medical education is getting the highest share of the cake with an allocation of Rs. 27.3 million. The major development effort in this field is consolidation of newly established medical colleges and improvement of old colleges. The physical targets include completion of residential flats for 24 lady doctors and 2-room flats for 24 class III employees in Liaquat Medical College, Jamshoro. Health manpower output targets are production of 1,750 doctors, 181 nurses and 581 paramedics.

42. *N.W.F.P.*—The Annual Development Programme for the health sector 1980-81 is Rs. 117.5 million. Nearly 78 per cent of allocations are reserved for on-going schemes. The local councils share is Rs. 45,682 million from the ADP to develop rural health infrastructure. Sub-sector-wise breakdown of ADP is depicted in the table below :

TABLE 7

ADP Allocation for Health—N.W.F.P.

Sub-sector	(Million Rs.)		
	Total Allocation	On-going Schemes	New Schemes
Rural Health Programme	54.221	33.748	20.473
Hospitals including Teaching Hospitals	46.959	43.959	3.000
Medical Education.. .. .	11.974	11.363	0.611
Preventive Programme	2.846	1.546	1.300
Miscellaneous	1.500	0.800	0.700
Total	117.500	91.416	26.084

43. Rural Health Programme enjoys the highest priority sharing 46 per cent of the allocation. The physical facilities likely to be added in the rural area include 84 basic health units spread over ten districts and two rural health centres. Next sub-sector getting major share of the allocations (Rs. 46.959 million) is hospitals including teaching hospitals. The physical facilities include addition of 125 hospital beds; four hostels for 170 house-officers, one each at DHQ Hospitals, Mardan, D. I. Khan and Saidu Sharif, and one at Lady Reading Hospital, Peshawar; completion of casualty block, Lady Reading Hospital; dentistry block in Khyber Teaching Hospital and completion of Leprosy Hospital at Balakot.

44. Rs. 11.974 million have been reserved for the medical education. The health manpower targets for 1980-81 are output of 133 doctors including 12 dental surgeons, 125 nurses and 553 paramedics including 150 lady health visitors. Medical education is also getting an additional share of Rs. 30 million through Federal ADP by way of allocation to Ayub Medical College, Abbottabad.

45. *Baluchistan*.—Rs. 20.138 million have been allocated to implement 17 schemes in the field of health. The major concentration is to provide maximum health facilities to the rural areas. An outline of likely achievements during 1980-81 is as under :

- (i) Completion of 100 bed Surgical Ward in Sandeman Hospital, Quetta.
- (ii) Addition of 8 beds to Ladgasht Hospital and 10 beds each to Loralai, Kalat and Gawadar Hospitals.
- (iii) Construction of five new rural health centres besides completion and providing equipment to four rural health centres continued from last year.
- (iv) Opening of 32 BHUs.

46. On the non-development side 22 posts of doctors, 96 paramedics and 60 of LHVs have been created. Drug testing and quality control organization will be established during the year. Medicines amounting to Rs. 10 million will be purchased for hospitals and health institutions in Baluchistan.

Annexure I**ALLOCATION IN 1979-80 ADP AND REVISED ESTIMATES BY EXECUTING AGENCIES**

(Million Rs.)

Sl. No.	Executing Agency	Original Allocation	Allocation after cut	Revised Estimates	Percentage Utilization
1.	Health Division	262.900	206.849	202.655	98.0
2.	Azad Kashmir	19.500	15.343	11.781	76.8
3.	Northern Areas	11.000	9.442	9.442	100.0
4.	F.A.T.A.	26.060	17.826	10.908	61.2
5.	Interior Division	0.500	0.393	0.393	100.0
6.	Science & Tech. Div.	5.595	4.292	4.292	100.0
7.	Baluchistan	17.280	23.233	18.448	79.4
8.	N.W.F.P.	110.000	99.907	102.395	100.0
9.	Sind	80.500	72.500	65.450	90.3
10.	Punjab	299.200	267.199	310.880	100.0
	Total	832.535	716.984	737.974	100.0

Annexure II**RECURRING EXPENDITURE BY EXECUTING AGENCIES**

(Million Rs.)

Sl. No.	Executing Agency	Budget Estimates 1980-81	Revised Estimates 1979-80
1.	Health Division	145.389	119.159
2.	Azad Kashmir and Northern Areas	9.664	7.169
3.	F.A.T.A.	17.050	15.043
4.	Science & Technology Division	2.300	1.725
5.	Interior Division	5.880	5.585
6.	Baluchistan	58.841	45.056
7.	N.W.F.P.	138.321	111.016
8.	Sind	106.686	101.425
9.	Punjab	310.286	255.714
	Total	794.417	661.892

ALLOCATION 1980-81 BY SUB-SECTORS AND EXECUTING AGENCIES

(Million Rs.)

Programme	Health Division	Azad Kashmir	Northern Areas	FATA	Science and Tech. Division	Interior Division	Baluchistan	NWFP	Sind	Punjab	Total
Rural Health											
Total	3,850	10,487	6,493	14,088	—	—	10,942	54,221	21,180	164,502	285,763
On-going	3,850	10,286	5,402	8,444	—	—	10,472	33,748	11,180	85,390	168,772
New Schemes	—	0,201	1,091	5,644	—	—	0,470	20,473	10,000	79,112	116,991
Hospital beds											
Total	79,140	4,163	4,763	2,105	—	—	7,936	46,959	20,100	81,437	246,603
On-going	73,140	4,162	2,731	1,805	—	—	3,706	43,939	13,965	76,037	219,505
New Schemes	6,000	0,001	2,032	0,300	—	—	4,230	3,020	6,135	5,400	27,098
Medical Education											
Total	127,821	2,000	0,184	6,207	—	—	0,400	11,974	27,300	69,211	245,097
On-going	114,960	2,000	0,184	2,207	—	—	—	11,363	24,295	63,941	218,950
New Schemes	12,861	—	—	4,000	—	—	0,400	0,611	3,005	5,270	26,147
Preventive programme											
Total	116,200	1,349	—	—	—	2,660	0,060	2,846	1,060	—	124,175
On-going	66,200	1,318	—	—	—	2,660	—	1,546	1,060	—	72,784
New Schemes	50,000	0,031	—	—	—	—	0,060	1,300	—	—	51,391
Research											
Total	6,520	—	—	—	5,400	—	—	—	—	—	11,920
On-going	6,520	—	—	—	1,800	—	—	—	—	—	8,320
New Schemes	—	—	—	—	3,600	—	—	—	—	—	3,600
Miscellaneous											
Total	14,864	2,001	2,760	0,600	—	—	0,800	1,500	0,775	5,600	28,900
On-going	5,564	2,000	1,621	0,390	—	—	0,800	0,800	0,325	3,600	15,100
New Schemes	9,300	0,001	1,139	0,210	—	—	—	0,700	0,450	2,000	13,800
Total Allocation	348,395	20,000	14,200	23,000	5,400	2,660	20,138	117,500	70,415	320,750	942,458
On-going	270,234	19,766	9,938	12,846	1,800	2,660	14,978	91,416	50,825	228,968	703,431
New Schemes	78,161	0,234	4,262	10,154	3,600	—	5,160	26,084	19,590	91,782	239,027

PHYSICAL TARGETS 1980-81

Sl. No.	Executing Agency	Doctors	Nurses	Paramedicals	BRUs/ Dispy.	RHCs	Hospital beds
1.	Health Division	—	169	—	—	—	296
2.	Azad Kashmir	40	—	134	—	5	110
3.	Northern Areas	18	—	48	27	—	100
4.	FATA	45	—	176	23	1	60
5.	Baluchistan	124	34	112	20	4	15
6.	N.W.F.P.	133	125	553	84	2	150
7.	Sind	1756	181	581	22	23	592
8.	Punjab	994	511	1193	152	19	1572
	Total	3104	1020	2797	328	54	3038

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CHAPTER 19

POPULATION PLANNING

Review of Programme 1979-80

A total amount of Rs. 200 million was allocated during 1979-80. Further, in the wake of resource constraint, a downward revision of 15.5 per cent was necessitated. The revised allocation thus stood at Rs. 169 million, including FEC of Rs. 74 million. Out of the total allocation, Rs. 43.36 million were earmarked for commodities. Moreover, the allocation included both development as well as establishment costs out of which Rs. 103.7 million were expended for establishment purposes. One of the main reasons for the high establishment cost is that the salaries of service personnel (Rs. 8.3 million) were also met from the ADP allocations.

2. The programme review yields a utilization of Rs. 126.638 million during 1979-80 ; this includes commodity assistance worth Rs. 17.575 million only. This shows that project expenditure during the entire year is estimated to be 75 per cent only of the allocation. The bulk of the shortfall is attributed to the non-availability of commodity assistance. This is not a new situation as the receipt of commodity assistance has been persistently low during the recent years. This phenomena of course, reflects low assessment of the programme potentials by the foreign donor agencies. Besides, the shortfall of Rs. 3.30 million has been due to suspension of information, education and communication (IEC) components and savings (Rs. 1.7 million), on establishment cost at the federal level. These agencies have expressed serious concern over population problems, programme management, as well as project identification and formulation.

3. The atmosphere surrounding the field operation was also unwholesome' as uncertainty continued to prevail among the field functionaries due to large scale and prolonged screening process. Besides, the field operations lacked direction due to re-organization of the programme structure, absence of a specific population policy and clear-cut-programme directions. As a result of all this, together with the economy measures the programme's out-reach in the field remained limited and it operated at a low ebb. The performance in respect to clinical and conventional contraceptive coverage during the Annual Plan period 1979-80 may be seen in the following table :

TABLE 1

Physical Target and Achievements 1979-80

Method	Unit	Target 1979-80	Achievement	
			Absolute	Percentage
(i) Conventional Contraceptives	Gross.	895,810	542,494	61
(ii) Oral Pills	Million Cycles.	4.62	3.46	75
(iii) IUDs	No. of cases.	299,717	103,776	35
(iv) Sterilizations	No. of cases.	14,588	25,359	174
(v) Injectables	No. of Injections.	60,000	13,633	23

4. The performance in the above table has been projected on the basis of 9 months' (July to March) actual performance. The general review indicates that the targets for 1979-80 were somewhat lower as compared to the previous years and as such the programme operations continued at a low key.

5. The overall programme performance review indicates a general pattern of shortfall among all methods except sterilization. The performance in respect of sterilization was over and above the

target (74 per cent). It, however, is worth-noting that the overall target for sterilization was rather modest (14,588). The performance in respect of conventional contraceptives even though below the target yet it was comparatively better than the clinical and semi-clinical devices (excluding sterilization). The conventional continued to enjoy the long standing popularity and the performance was comparatively encouraging. Such methods are used as protective measures (prior to conception), are easy to use, commonly available, cost effective, free from side effects and do not require services of trained or professional manpower. These, however, suffer from low effectiveness, need a system of effective stock replacement and ensured supplies. Besides, use prevalence and popularity of these devices has been estimated only on the basis of the reported distribution figures. The Administrative Division, on the basis of the degree of protection, lump together the distribution figures for condoms (for males) and liquid foam (for females); this reporting practice does not allow to establish the use rate among males and females separately. Hence, on the basis of past performance, it is not possible to determine the future programme targets for catering to the need of males and females. Likewise, the sterilization for males and females are reported together at the level of the Administrative Division. This also possess difficulties in way of determining future programme directions and thrust.

6. The Administrative Division has reported a certain number of births averted on the basis of various clinical devices. In case of conventionals, the births averted have been related to the total distribution and does not necessarily imply the level of use. Besides, no distinction is made between a casual and a regular user.

7. Oral pills have been another popular method. This is supported by table 1. The performance of oral pills has been highest after sterilizations. In spite of definite side-effects it is widely used because of its relatively easy adoption. It, however, suffers from all limitations discussed under conventional contraceptive devices.

8. Amongst the clinical contraceptives sterilizations exceeded the target. This method which is the safest of all, requires highest degree of motivation due to its irreversible nature. Though there are some chances of its reversibility however, the technology is not yet commonly available. However, the trend over the past few years indicates to some extent, the effectiveness of the clinical/field set-up. It is, however, important to take into account the age factor of the clients. This will enable to determine its value in a programme directed towards fertility control and also enable to ascertain its future dimensions. Such an examination is also important as large scale adoption of this method would require large number of field outlets or a highly developed mobile out-reach system.

9. IUDs on the other hand have not fared well as it has only shown a slight improvement over previous years. This method is clinical in nature and requires very effective followup. A decline in its popularity possibly shows a lack of faith of clients in this method due to weak and inadequate followup services. The recent shortage of IUD supplies also negatively affected the performance of this method.

10. The injectable is a long-term method which was offered for the first time during the review period. As such the achievements indicate an encouraging trend however, it is an expensive method, requires close followup, and can be administered only by trained personnel. It also suffers, from definite side-effects. Even after its discontinuation the fertility is restored after a time lag. Besides, this too, is a female contraceptive.

11. The level of contraceptive performance indicates an insignificant contribution towards birth averted and, thereby, no appreciable decline in the fertility level can be expected. However, there are some encouraging trends as regards the popularity of safer methods. As such this tendency can be further exploited for future programme design.

12. Some of the important developments that are likely to have far-reaching repercussions are discussed here. Firstly, the government decided to transfer the control of the Population Division from the Ministry of Health to that of Planning, thereby providing a platform for integration of

population with other development activities. Secondly, Councils for Population Planning have been established at national, provincial, district and local levels. These councils would provide a platform for indicating government's commitment to the programme as well as providing an opportunity for local participation in programme activities. Thirdly, an Adviser on Population to President was appointed which further affirms the Government's commitment towards the population cause. Lastly, the government has announced the formulation of a Three Year Population Planning Plan for the period 1980-83.

POPULATION PROGRAMME 1980-81

13. The work on plan formulation has commenced and the nine working groups namely, Clinical/Technical Aspects of Programme ; Population & Family Life Education ; Supplies & Logistics ; Communication & Information ; Medical/Clinical Research ; Field Programme & Training ; Demographic Policies & Programme and Evaluation ; Differential Approaches, Social Policy Measures and Related Research, have finalized their initial reports. Various projects have been identified and work on project formulation is in hand.

14. The UNFPA has indicated the possibility of substantial financial assistance subject to the project requests reaching the headquarter prior to October, 1980.

15. Major reorganization will shortly take place in the sense that the programme which had so far been administered by the Federal Government directly, will now be provincialized according to the recent Cabinet Decision. Thus all operational functions alongwith personnel at present working in each province will be transferred to the same province. At the operational level, each province will decide the modalities of coordination with various nation-building departments. The provinces will be independent to decide if they desire to maintain an independent population planning hierarchy. Besides, the programme during 1980-81 is likely to operate on project basis the details of which have yet to be finalized. It is, therefore, not possible to provide here a detailed plan of action for this period. However, in the light of available information a generalised course of action can be predicted.

16. The Population Division at the federal level will continue to remain a part of the Planning Ministry. It will retain the functions of planning, information, training, supplies, statistics, monitoring, evaluation, research, coordination and foreign assistance.

17. A new and broad based programme strategy, envisaging involvement of local leaders, NGOs, Organized Sector, professional and interested groups and the nation-building departments, is under consideration. This strategy will be based on the concept that population and development are inter-related and that population policies are constituent elements of the overall social planning process.

18. At the individual level, the changing socio-economic conditions will induce couples to make necessary adjustment in their fertility behaviour. In addition, the programme would seek to educate those who have yet to enter the reproductive stage while those already in these age groups would be encouraged to decide freely and responsibly the number and spacing of their children. Adequate supplies for contraceptive methods in a cafeteria style, will be offered. The people will thus have the freedom of choice to avail these services whenever they are ready for it.

Financial Allocations

19. The ADP 1980-81 stands at Rs. 159.50 million with FEC of Rs. 52.45 million. The total allocation is 5.3 per cent lower than that of 1979-80 allocation of Rs. 169 million. In spite of this the programme operations will be fully protected and the reduction will be accommodated by reorganized and cost effective establishment structure. However, in view of economy in programme operations it will be sufficient to meet programme requirements. In addition Rs. 0.5 million have been allocated for the Population Research and Development Project (Planning Division). Thus the total ADP for Population Sector stands at Rs. 160 million.

Physical Targets

20. The target during the year under reference aims to reduce crude birth rate from 14.5, 1000 to 40.1/1000 and envisages CDR decline from 12/1000 to 11/1000 which would yield an annual population growth rate of 2.91 per cent by end of June, 1981. The decline in the fertility level

is thus estimated as 3.1 per cent. This will be made possible by increasing the level of contraceptive use to 3 million couples. For achieving the above demographic targets the following contraceptive targets are envisaged by the programme:

TABLE 12

Physical Targets 1980-81

Sl. No.	Method	Targets
(1)	Conventional Contraceptives (Million Gross)	1.27
(2)	Oral Pills (Million Cycles)	5.35
(3)	IUDs (No. of cases)	2,51,680
(4)	Sterilizations (No. of cases)	21,882
(5)	Injectables (No. of injections)	72,000

Annexure I

ALLOCATION/EXPENDITURE 1970-81

(Million Rupees)

Year	Allocation	Expenditure
1970-71	48.1	42.5
1971-72	27.9	25.7
1972-73	24.1	41.9
1973-74	102.0	103.3
1974-75	145.0	104.5
1975-76	189.5	187.8
1976-77	243.0	193.0
1977-78	243.0	104.5
1978-79	174.1	114.1
1979-80	169.0	126.6
1980-81	*160.0	—

*This includes Rs. 0.5 million allocated to Population Research and Development Project (Planning Division).

Annexure II

CONTRACEPTIVES ACHIEVEMENTS

(Million)

Year	Sterilisation	IUDs	Oral Pills (Cycles)	Conventional Contraceptives	Injectables
1970-71	0.005	0.238	0.005	68.4	—
1971-72	0.003	0.124	0.006	25.2	—
1972-73	0.003	0.107	0.163	28.8	—
1973-74	0.004	0.092	1.265	48.0	—
1974-75	0.008	0.137	2.540	82.2	—
1975-76	0.014	0.224	5.510	148.0	—
1976-77	0.015	0.176	4.100	98.45	—
1977-78	0.007	0.072	1.456	57.8	—
1978-79	0.013	0.078	1.882	67.1	—
1979-80	0.025	0.140	3.46	78.1	0.014
1980-81*	0.022	0.252	5.55	154.1	0.072

*Targets.

POPULATION PROJECTIONS

(Million)

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
Rural	54.92	56.17	57.48	58.81	60.09	61.24
Urban	20.70 (27.4%)	21.69	22.68	23.68	24.67	25.66 (29.5%)
Total	75.62	77.86	80.16	82.49	84.76	86.90
CBR (per 000)	43.6	42.6	41.6	40.1	38.0	35.5
CDR (per 000)	13.8	13.0	12.0	11.0	10.5	10.2
Growth Rate %	2.98	2.96	2.96	2.91	2.75	2.53
Rural 1978-83	2.2%					
Urban	4.4%					

Annexure IV

FEDERAL * ADP 1980-81

SECTOR 1 Population Planning

(Rs. in million)

S. No.	Agency	Establishment	Services	Medicines	Commodities	Total
1	2	3	4	5	6	7
1.	Punjab	43.330	2.640	2.610	26.900	75.480
2.	Sind	20.798	1.279	1.420	13.630	37.127
3.	N.W.F.P.	13.900	0.620	0.930	7.750	23.200
4.	Baluchistan	3.355	0.095	0.330	0.770	7.550
5.	Federal	8.900	6.843		0.400	16.143
	Total	90.283	11.477	5.290	52.450	159.500**

*Tentative Provincial Shares in Federal ADP 1980-81 have been incorporated in the above table.

**This excludes Rs. 0.5 million allocated to Population Research and Development Project (Planning Division).

CHAPTER 20

SOCIAL WELFARE

The scope and content of social welfare do not remain confined to one small and isolated sector of social welfare which represents only a fraction of total welfare activities to be carried out during the Annual Plan period of 1980-81. In fact the Social Welfare services are reflected in various development programmes, particularly those pertaining to social sectors.

REVIEW OF 1979-80

Financial Allocation

2 The Sector was allocated Rs. 31,875 million during 1979-80, against which the actual development expenditure stood Rs. 25,114 million. Table 1 gives agency-wise details of financial allocations and expenditures during 1979-80.

TABLE 1

Allocation and expenditure 1979-80

S. No.	Executing Agencies	ADP Allocation for 1979-80	Expenditure for 1979-80
<i>(Million Rs.)</i>			
I. FEDERAL AGENCIES			
1.	Health and Social Welfare Division		
	(a) Social Welfare Wing	1.191	0.903
	(b) National Council of Social Welfare	2.900	2.600
2.	Establishment Division (Staff Welfare Organisation)	1.963	1.963
	Sub-Total I	6.054	5.466
II. Provincial Agencies			
1.	Punjab	21.483	16.746
2.	Sind	1.500	0.700
3.	N.W.F.P.	1.428	1.428
4.	Baluchistan	1.410	0.774
	Sub-Total II	25.821	19.648
	Grand Total (I & II)	31.875	25.114

Physical Targets and Achievements

3. The development programme envisaged consolidation and expansion of 163 on-going social service units and initiation of only 4 new social service units. During the period under review 2 social service units were completed and transferred to revenue expenditure in Baluchistan and 4 new social service units namely (i) one Artificial Limb Centre at Peshawar (ii) one Rehabilitation Centre for the handicapped at Quetta (iii) one Rehabilitation Centre for the handicapped at Karachi and (iv) one Home for destitute women at Hyderabad were started.

4. The significant physical achievements pertain to supportive and promotional programmes in the fields of Child Welfare, Women Welfare and Community Development. Table 2 gives details of Agency-wise physical targets and achievements during 1979-80.

TABLE 2

Physical Targets and achievements, 1979-80

S.No.	Executing Agencies	Physical targets throwforward for 1979-80 (Social Service Units)			Physical Achievements for 1979-80 (Social Service Units)		
		on-going	New	Total	on-going	New	Total
I. FEDERAL AGENCIES							
1. Health and Social Welfare Division							
	(a) Social Welfare Wing	3	—	3	3	—	3
	(b) National Council of Social Welfare	768*	—	768*	725*	—	725*
2. Establishment Division (Staff Welfare Organization)							
		6	—	6	6	—	6
	Sub-Total I	9		9	9		9
II. PROVINCIAL AGENCIES							
	1. Punjab	138	—	138	138	—	138
	2. Sind	5	2	7	5	2	7
	3. N.W.F.P.	8	1	9	8	1	9
	4. Baluchistan	3	1	4	1	1	2
	Sub-Total II	154	4	158	152	4	156
	Grand Total (I & II)	163	4	167	161	4	165

*The figure indicates number of grant receiving agencies which are not included in the total of Social Service Units.

5. At Federal level, the existing 3 community development projects; 1 each at Gilgit, Skardu and Islamabad were expanded, construction works on 5 buildings were carried-on to house staff welfare Centres, 3 Social Work Training Courses in the public and private sectors were organized, and 757 voluntary social welfare agencies including 5 universities and 27 colleges were provided grants-in-aid for standardization of voluntary social services and field work training.

6. At the provincial level, in the Punjab the completed 138 social welfare projects which were overdue for transfer to revenue budget were carried-over for continuation. No Fifth Plan programmes could be started in this province due to continuation of such a large number of completed projects under the development budget. In Sind, 2 new social service units i.e. one home for destitute women at Hyderabad and one rehabilitation centre for physically handicapped at Karachi were established. Besides, 5 social service units which include 3 socio-economic centres for women; one each at Thatta, Nawabshah and Jacobabad, 1 action research project and 1 home for destitute women at Sukkur were completed and transferred to revenue budget. In NWFP, 8 on-going community development projects were expanded and preliminary work on one new social service unit i.e. artificial limb centre for rehabilitation of the Handicapped was started. In Baluchistan, 2 community centres were constructed; 1 each at Jiwani and Harnai, 1 rehabilitation centre for the physically handicapped was undertaken for establishment and construction works. A school for the blind at Quetta was also established in this province.

PROGRAMME FOR 1980-81

Financial Allocations

7. The development programme for 1980-81 for social welfare sector stands at Rs. 38.334 million. Out of this, Rs. 31.046 million are for on-going programmes and Rs. 7.288 million for new programmes. In Punjab, out of Rs. 21.666 million provision, Rs. 16.666 million will be consumed by the completed social welfare projects overdue for transfer to revenue budget. Details of the Annual Plan allocations (1980-81) are given in the following Table 3.

TABLE 3

Revised Estimates (1979-80) and Allocations (1980-81) by Executing Agencies

(Million Rs.)

S. No.	Executing Agencies	Revised Estimates 1979-80	Allocation for 1980-81		
			on-going	New	Total
I. FEDERAL AGENCIES					
1. Health and Social Welfare Division					
	(a) Social Welfare Wing	0.903	1.296	1.000	2.960
	(b) National Council of Social Welfare	2.600	2.900	0.600	3.500
	2. Establishment Division	1.963	2.000	—	2.000
	Sub-Total I	5.466	6.196	1.600	7.796
II. PROVINCIAL AGENCIES					
	1. Punjab	16.746	21.266	0.400	21.666
	2. Sind	0.700	0.986	0.514	1.500
	3. N.W.F.P.	1.428	1.726	3.276	5.000
	4. Baluchistan	0.774	0.872	1.500	2.372
	Sub-Total II	19.648	24.850	5.688	30.538
	Grand Total I & II	25.114	31.046	7.288	38.334

Physical Targets

8. The physical targets during 1980-81 envisage establishing, expanding, promoting and continuing social service units as well as infrastructure and supportive programmes units. While 155 on-going social service units will be carried-over from 1979-80 to 1980-81 for expansion, consolidation and continuation, 32 new social service units including 21 self-help projects will be established. The infrastructure and supportive programme targets include disbursement of grants-in-aid to voluntary welfare agencies, universities, colleges and industrial homes as well as establishment of administrative units, organization of social welfare conferences, completion of research studies, food assistance and construction of buildings. The Table 4 gives sub-sector-wise and agency-wise details of physical targets for 1980-81.

TABLE 4
Sub-Sector - wise Physical Targets during 1980-81 By Executing Agencies

S. No.	Sub-sector	Federal Agencies		Punjab		Sind		N.W.F.P.		Baluchistan		Total	
		On-go-ing	New	On-go-ing	New	On-go-ing	New	On-go-ing	New	On-go-ing	New	On-go-ing	New
1	2	3	4	5	6	7	8	9	10	11	12	13	14
I. Social Service Units.													
	1. Child Welfare Units	—	—	17	—	—	—	—	—	—	—	17	—
	2. Women Welfare Units	—	—	34	—	2	—	—	1	—	2	36	—
	3. Community Development Projects	3	—	69	—	—	—	8	—	—	—	80	—
	4. Rehabilitation Service Units for the handicapped.	—	4	3	—	1	—	1	1	2	1	7	6
	5. Medical Social Service Units in District Hospitals.	—	—	15	—	—	5	—	—	—	—	15	5
	6. Self-help Projects	—	21	—	—	—	—	—	—	—	—	—	21
	Total Social Service Units	3	25	138	—	3	5	9	2	2	3	155	32
II. Infrastructure/Supportive Programme Units													
	7. Training Courses	3	—	—	—	—	—	—	—	—	—	3	—
	8. Grants-in-aid to Voluntary Welfare Agencies, Colleges and Universities	757	264	500	—	200	—	120	—	60	—	1637	264
	9. Divisional Social Welfare Conferences	—	20	—	—	—	—	—	—	—	—	—	20
	10. Research Studies	—	10	—	—	—	—	—	—	—	—	—	10
	11. Grants-in-aid to existing Lady Industrial Homes in Public Sector	—	—	1142	—	—	—	—	—	—	—	1142	—
	12. Inspectors for maintenance of uniform standard in Rehabilitation Services	—	1	—	—	—	1	—	—	—	—	—	2
	13. Establishment of Social Welfare Offices in sub-divisions	—	—	—	—	—	19	—	—	—	—	—	19
	14. Creation of Research, Evaluation and Planning Cell in Social Welfare Directorates	—	—	—	—	—	—	—	—	1	—	1	—
	15. Food Assistance to Social Welfare Institutions in Punjab under W.F.P.	—	—	—	1	—	—	—	—	—	—	—	1
	16. Construction of buildings to house Social Service Units	5	—	—	7	—	—	—	1	2	2	7	10
	Total Infrastructural Supportive Programmes	765	295	1642	8	200	20	120	1	63	2	2790	326

Agency-wise Targets

9. *Health & Social Welfare Division.*—The Social Welfare Wing and the National Council of Social Welfare of the Ministry of Health and Social Welfare will implement the following programmes:

- (i) Grants-in-aid/financial, technical and professional assistance to 1901 voluntary welfare agencies (Punjab 500 Sind 200; NWFP 120; Baluchistan 60; and Federal Government Agencies 1021).
- (ii) Grants-in-aid to 5 university departments of social work at Lahore, Karachi, Hyderabad, Peshawar and Quetta.
- (iii) Grants-in-aid to 27 colleges (Punjab 17 and Sind 10) for field work training in social welfare discipline.
- (iv) Continuation of 3 community development projects one each at Gilgit, Skardu and Islamabad.
- (v) Initiation of 21 self-help projects (Punjab 6; Sind 5; NWFP 4 and Baluchistan 6).
- (vi) Organisation of 3 in-service training courses for social welfare personnel in the public and private sectors.
- (vii) Organisation of 20 divisional social welfare conferences (Punjab-8, Sind-6, NWFP-4 and Baluchistan 2) to arouse social and public awareness towards social welfare problems and needs.
- (viii) Completion of 10 evaluative studies of voluntary social welfare programmes.
- (ix) Establishment of an inspectorate in the National Council of Social Welfare for maintenance of uniform standard of rehabilitation services in the private sector.
- (x) Preliminary work for establishment of 4 rehabilitation centres; 1 each for the blind, deaf and dumb, mentally retarded, and orthopaedically disabled at Islamabad.

10. *Establishment Division.*—The staff Welfare programmes for 1980-81 comprise on-going construction of 4 community centres, 1 each at Karachi, Peshawar, Lahore and Quetta as well as starting construction of holiday home at Murree to provide recreation, rest and leisure time activities to low-paid Federal Government employees.

11. *Punjab.*—The Punjab will continue 138 completed project units on the development budget. The completed projects, which will consume Rs. 16.666 million out of total allocation of Rs. 21.666 million consist of followings:

- (i) Seventeen child welfare units consisting of 5 day-care centres to look-after the children of working mothers, 6 mothers and children homes, 4 social service centres for lost and kidnapped children, 2 model orphanages and 1 abandoned babies home.
- (ii) Thirty four women welfare units consisting of 2 homes for destitute women, 5 rescue homes (darul aman), 22 district industrial homes and 5 hostels for working women.
- (iii) Sixty nine community development projects to mobilize and organize local resources, initiatives and leadership in an effort to establish social welfare services at community level.
- (iv) 15 medical social work units in district hospitals for after-care and convalescence services to needy and poor patients.

12. In addition to these units, the Government of Punjab will disburse financial assistance to 500 voluntary social welfare agencies and 1142 lady industrial homes. The new programmes also include purchase of land for 7 district industrial homes (*sanatzars*) and food assistance to child welfare institutions in the public and private sectors.

13. *Sind*.—The Government of Sind will expand the on-going two projects of women welfare i.e. homes for destitute women; one each at Sukkur and Hyderabad. The on-going rehabilitation centre for the physically handicapped will also be strengthened and consolidated in order to provide assessment, treatment and care, vocational training and job placement services. The new programmes include establishment of 5 medical social work units in district hospitals; one each at Sukkur, Nawabshah, Larkana, Mirpurkhas and Dadu. The infrastructure and supportive programme consists of establishment of 1 inspectorate for rehabilitation services and 19 sub-divisional offices for implementation and operation of development projects at local level. Additionally, the Government of Sind will provide financial assistance to 200 voluntary social welfare agencies.

14. *N.W.F.P.*—The Government of NWFP will implement and expand eight on-going community development projects and one rehabilitation service unit for the physically handicapped. A new programme of women welfare will also be undertaken. A building for welfare home at Peshawar will be constructed to provide accommodation facilities to beggars. The Government of NWFP will disburse grants-in-aid to 120 social welfare agencies.

15. *Baluchistan*.—The Government of Baluchistan will concentrate on expansion of 2 on-going projects of rehabilitation centres; one each for the Blind and the Disabled.

16. The new programmes consist of construction of 2 buildings to house the rehabilitation centre for the blind and the handicapped; establishment of a school for mentally retarded children at Quetta; and construction of 2 hostels for working women; one each at Sibi and Zhob. The infrastructure project of research and evaluation cell will be completed. Additionally the Government of Baluchistan will disburse grants-in-aid to 60 voluntary welfare agencies.

State Support to Private Sector Agencies

17. The private sector has played a pioneering and major role in the development and provision of social services in Pakistan. The number of voluntary registered social welfare agencies stands at 3500. It has been the established policy of the Government to provide financial support to such agencies. During 1979-80 the Federal Government disbursed Rs. 2.60 million among 725 voluntary social welfare agencies. These were able to expand their activities in 1175 projects.

18. According to the audited accounts of these agencies the private investment as mobilized by them amounted to Rs. 14.75 million in cash only. In other words for every rupee given as grant the agency's own contribution comes to about Rs. 6/-. During 1980-81, 1021 voluntary social welfare agencies will be provided financial and technical assistance. The grants-in-aid programme on the basis of achievements of previous year aims at mobilization of Rs. 17.4 million private investment in social welfare by aided agencies during 1980-81. During the year, 1400 social service projects will be organized and it is estimated that 60,000 needy persons will be benefitted from the social services of these project activities in the private sector against, 54,000 beneficiaries in the year 1979-80.

19. In addition to the on-going grants-in-aid project. The Federal Government (N.C.S.W.) has undertaken self-help programme of motivation of the private sector in social welfare during 1979-80. The underlying objective of this self-help programme is to mobilize and organize private effort, initiative, and resources to meet the community's felt-needs at local level in cooperation with both the local government institutions and local voluntary welfare agencies. Most of the activities of the self-help programme will pertain to the construction and repair of link roads, small culverts, ponds, construction and repairs of buildings of schools, dispensaries and community centres at local level. These activities will be organized with a maximum of government grant of Rs. 25,000 for purchase of equipments and material to attract voluntary labour and additional funds.

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Non-Developmental Expenditure on Social Welfare

21. In 1979-80 Rs. 15.692 million were incurred on social welfare programmes from regular revenue budget. During 1980-81 a sum of Rs. 23.289 million has been provided for non-developmental expenditure. The details of revenue expenditure by executing agencies are given in the following Table 5.

TABLE 5

Non-Developmental expenditure on Social Welfare

S. No.	Executing Agencies	Revised Estimates 1979-80	Budget Estimates 1980-81
I. FEDERAL AGENCIES			
1.	Health and Social Welfare Division (Social Welfare Wing and Council of Social Welfare)	2.037	4.614
2.	Establishment Division (Staff Welfare Organization)	0.998	1.152
	Total Federal	3.035	5.766
II. PROVINCIAL AGENCIES			
3.	Punjab	3.607	4.927
4.	Sind	5.903	8.540
5.	N.W.F.P.	1.216	1.326
6.	Baluchistan	1.931	2.730
	Total Provincial	12.657	17.523
	Total Social Welfare	15.692	23.289

22. *Federal.*—The social welfare programmes under non-developmental expenditure at federal level comprise 41 staff welfare service units, special grants and measures for social services and federal administrative set-up.

23. *Provincial.*—In Punjab, 79 social service units which include 73 community development projects, 5 medical social work projects and 1 child welfare and in-service training institute are funded from revenue budget. Besides, 5 divisional and 22 District Offices in addition to Social Welfare Directorate at the provincial headquarter are financed by the non-developmental expenditure. In Sind, 63 social service units consisting of 35 community development projects, 10 medical social work projects, 5 women welfare centres, and 13 child welfare units are running under revenue budget in addition to administrative offices at provincial, divisional and district levels. In Sind, an annual expenditure of Rs. 0.10 million is also being incurred on promotion of voluntary social welfare services. In N.W.F.P. in addition to 3 administrative units at provincial and divisional levels, 15 social service units including 13 community development projects, 1 *Darul Aman* and 1 welfare home for buggars are operating under non-developmental expenditures. In Baluchistan, 28 social service units comprising 25 community development projects, 1 medical social work project, 1 *Darul Aman* and 1 school for the blind are under operation. Besides, the non-developmental expenditures also supports 3 administrative units at provincial and divisional level and financially assists 50 voluntary welfare agencies.

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CHAPTER 21

MANPOWER AND EMPLOYMENT

Human resource development is an integral process of augmenting the knowledge, the skills and the capacities of participants in the productive process of a nation. This covers all aspects of employment, utilization and reproduction of human skills and abilities.

2. Population, labour force, and gainful employment are all composed of human beings educated and trained to different levels and degrees. Viewed in this context, it would be observed that the population of Pakistan in January, 1980 was estimated as 80.16 million. Based on the findings of the Labour Force Survey 1974-75, the size of the labour force would be of the order of 23.66 million with a participation rate of about 30 per cent. The total employment would be of the order of 23.26 million with an unemployed labour force of 0.40 million, which constitutes 1.7 per cent of the total labour force.

3. The male participation rate is estimated as 27.49 per cent in relation to total population and 52.08 per cent against total male population. The female participation rate is estimated as 2.02 per cent in relation to total population; and 4.3 per cent to the total female population.

4. During the 1974-75 the GDP per employee per month at the price level of 1974-75 was Rs. 434 which rose to Rs. 452, Rs. 466 and Rs. 471 during the year 1977-78, 1978-79 and 1979-80, respectively. The G.D.P. is expected to grow at the rate of 6.6% during the year 1980-81 with an employed labour force of 24 million. Thus the productivity per employee per month is expected to be Rs. 487. The estimated figures of population, labour force, employment, and productivity are given in Table-1 below:—

TABLE 1

Population, Labour Force, Employment and Productivity Estimates, 1975-1981

(Million Nos.)

	1974-75	1977-78	1978-79	1979-80	1980-81
Population	69.21	75.62	77.86	80.16	82.49
Labour Force	20.42	22.22	22.93	23.66	24.42
Labour Force Increase	—	0.62	0.71	0.73	0.76
Labour Force/Growth rate%	2.9	3.2	3.2	3.2	3.2
Employment	20.07	21.84	22.54	23.26	24.00
Productivity* Rs.	434	452	466	471	487

*G.D.P. per employee per month 1974-75 prices.

5. It would be observed that against an estimated labour force of 24.42 million during 1980-81, there will be an estimated employment for 24.00 million. The bulk of employment will be in the

agriculture sector (13.95 million). Other sectors, estimates are : Manufacturing 3.18 million ; wholesale and retail trade 2.55 million and services 2.20 million. Sector-wise employment is shown in Table 2.

TABLE 2
Sector-wise Employment 1974-75 to 1980-81

Sector	(In Million Nos.)				
	1974-75	1977-78	1978-79	1979-80	1980-81
Agriculture	11.00	12.36	12.76	13.17	13.59
Mining	0.03	0.03	0.03	0.03	0.03
Manufacturing	2.74	2.90	2.99	3.08	3.18
Electricity	0.10	0.11	0.11	0.11	0.11
Construction	0.84	0.90	0.93	0.99	1.02
Trade	2.23	2.30	2.38	2.46	2.54
Transport	0.98	1.02	1.06	1.08	1.12
Banking	0.13	0.14	0.14	0.14	0.14
Services	1.96	2.01	2.07	2.13	2.20
Others	0.06	0.07	0.07	0.07	0.07
Total	20.07	21.84	22.54	23.26	24.00

6. There are two main dimensions of unemployment situation in the country : open unemployment in urban areas ; and chronic under employment in agriculture. Approximately 64 per cent of the total unemployment is among persons ranging between the age of 10 to 24 years. Those without any work and activity fall mainly in the category of school leavers. These new entrants to the labour force pass through a transitional period of unemployment which could be considered frictional. However higher rates are found among the literates and more highly educated ones.

7. Disguised unemployment in agriculture has been estimated at over 2 million workers. This figure indicates that many workers could be released from the agriculture sector without any significant effect on production. Vast unemployment in agriculture, entry into the labour force at young age and absence of remunerative job opportunities in rural areas lead to substantial migration to urban areas.

8. The unemployment and underemployment situation has been somewhat eased by the vast emigration of the workers to the OPEC countries of the Middle East. The problem of educated unemployment especially those with technical skills has been reduced to a considerable extent due to their emigration. The following is the year-wise distribution of the outflow of human capital and the inflow of their remittances in US dollars :

Year	Number of emigrant workers	Remittances in million US dollars
1971	3,734	—
1972	4,530	130
1973	12,300	136
1974	15,328	213
1975	23,077	235
1976	41,690	578
1977	80,271	1,227
1978	81,992	1,395
1979	118,259	1,725

9. The Fifth Five Year Plan (1978—83) envisaged annual outflow of 80,000 workers. During the first two years of the Plan *i.e.* 1978-79 ; 1979-80 to the total emigrants exceeded the Fifth Plan target in fact the size of their remittances could be larger than what has been reported officially.

10. The emigration of workers to the OPEC countries of the Middle East has reduced the social pressure of unemployment. Besides, the remittances of overseas Pakistanis provided much needed balance of payment support. But this situation has given birth to new problems detrimental to the progressive development. The attrition of skilled human capital from the labour force definitely has its negative impact on the pace of development within the country.

REVIEW OF 1979-80

11. During the year under review, the main thrust of the manpower Policy was on the skill development. The other programmes included safety, security and research, etc. The over-all sectoral allocation were Rs. 59.361 million (25.198 million for the Federal Projects and 34.163 million for the Provincial). The actual utilization at federal level was Rs. 19.955 million, whereas the revised estimates of the Provincial ADP was Rs. 28.731 million. The details of the Provincial ADP's are given in Table 3. Against the target of 80,000 overseas employment was secured for 1,18,259 workers. A review of various programmes is given below :

TABLE 3

Programme-wise and province-wise allocation and Utilization during 1979-80

Programme	Punjab		Sind		NWFP		Baluchistan		Total	
	A.D.P.	R.E.	A.D.P.	R.E.	A.D.P.	R.E.	A.D.P.	R.E.	A.D.P.	R.E.
Skill Development
Employment Services
Safety and Security
Industrial Relations
Research and others
Total	21.782	21.333	1.100	1.070	5.421	0.888	5.860	5.549	24.163	28.731

R.E. = Revised Estimates.

Federal Programmes

12. *Skill Development*.—The Federal programme for skill development was launched by the Manpower Division in collaboration with ILO/UNDP and was finally approved by ECNHC in May, 1978 at a total cost of Rs. 17.94 million of which Rs. 15.537 million were UNDP assistance in the shape of equipment, fellowships, and experts. The main objectives of the scheme were to develop training/teacher training curricula for 11 trade areas i.e. machine tool-operators, electrical workers, refrigeration and air conditioning workers, plumbers and pipe-fitters and expansion of the existing national classification of occupations initially for approximately 40 occupational areas.

13. On the physical side draft job descriptions in about 40 occupational areas have been framed on the basis of a field study for the mechanical, electrical, automotive, and construction trade areas. The work on curriculum development has been completed for skilled workers in electrical, mechanical, construction and electronic trades and instructors training; development of trades standards and trade testing is expected to be completed during 1980-81.

14. *Crash Training Programme*.—The accelerated rate of emigration has necessitated provision of more training facilities to cope with the rising external demand for skilled manpower as well as to meet the need of domestic industry for skilled hands. To achieve this objective, the Federal Government started a crash programme for training of skilled and semi-skilled workers for overcoming skill deficiencies within the domestic market as well as for overseas employment at a cost of Rs. 19.248 million. Crash courses of 6—9 months duration in a variety of common trades were organised by the National Training Bureau in late 1976. The number of persons so far trained under this programme is given below :

Year	Name of persons trained
1976-77	3,135
1977-78	4,033
1978-79	4,043
1979-80	5,074

15. The performance level of the Crash Training Programme was low due to certain technical, financial and managerial constraints. However, the programme has gained momentum and the initial difficulties in the way of implementation have been overcome. If the same trend continues, the next year's output will be above five thousand.

16. *National Vocational Training Programme*.—The World Bank indicated their interest in funding an integrated vocational training project for Pakistan in 1978. The project is still in the formulation and appraisal stage. A token allocation of Rs. 0.088 million was provided in the ADP 1979-80, but since the Project was not approved the funds could not be utilized. Token allocation of Rs. 0.100 million has been provided in the ADP 1980-81 with the condition that additional funds would be made available if the agreement is reached between the Government of Pakistan and the World Bank with regard to the components and size of the Project.

17. *Employment Services*.—This programme had two components i.e. National Development Volunteer Programme and Survey of Pakistanis Working & Studying abroad. The net allocation for the former was Rs. 7.902 million. The survey component was provided Rs. 0.087 million. The NDVP was expected to register 1700 volunteers and arrange placement for 1500, but since the programme came under serious criticism, it is doubtful whether such performance level was achieved by this organization. It has been decided to discontinue the programme from the year 1980-81.

18. *Research and other Programmes*.—This programme had 5 components namely : (i) National Talent Pool ; (ii) Orientation and Briefing Centres ; (iii) Regular visit of Pakistani experts positioned abroad to Pakistan ; (iv) Studies on Population, Labour Force and Migration and (v) Employment, Income and Basic Needs.

(i) *National Talent Pool*.—As a first step, the Pool embarked upon a programme for collection and compilation of data concerning doctors, engineers, scientists and agricultural experts only. Against 100,000 questionnaires mailed, only 26,000 responded were returned by the respondent duly filled in. The National Talent Pool was provided Rs. 1.049 million against which Rs. 0.67 million were utilized.

- (ii) *Orientation and Briefing Centres*.—Since there had been a ban on the recruitment of staff, the centres could not be made functional. Rs. 50,000 provided for this purpose was, therefore, surrendered by the Manpower Division.
- (iii) *Regular Visit of Pakistani Experts Positioned Abroad to Pakistan*.—This scheme was initiated during 1978-79 on the directive of the President and Rs. 0.70 million was provided, against this Rs. 0.60 million were utilized. Under this programme sixteen experts visited Pakistan.
- (iv) *Studies on Population, Labour Force and Migration*.—This project was undertaken with the assistance of ILO/UNFPA. Rs. 1.280 million were made available during the year under review. The survey which was sub-contracted by the Pakistan Institute of Development Economics to the Statistics Division has been completed.
- (v) *Employment, Income and Basic Needs* :—The project was undertaken with the assistance of the Netherlands Government. It was allocated Rs. 2.160 million against which Rs. 0.210 million were utilized. During the period under review, three Dutch experts have started work.

19. As regard Survey of Pakistanis, the project could not be prepared and got approved by the Manpower Division. The entire amount was therefore surrendered.

Provincial Programmes

20. The Province-wise allocation and revised expenditure for the year 1979-80 appears in Table 3. It would be observed that in Punjab the main thrust had been on skill development for which Rs. 15.61 million were provided out of total ADP allocation of Rs. 21.782 million. The share of skill development in the ADP of N.W.F.P. and Baluchistan has been quite fair; whereas in Sind the allocation for the Manpower and Employment sector as a whole had been quite negligible. Most of the development projects of the Manpower and employment sector completed in Punjab are budgeted from the development side which inflates the A.D.P. allocations.

PROGRAMME FOR 1980-81

21. The A.D.P. allocations for the year 1980-81 have been substantially reduced to Rs. 44.800 million (Federal Rs. 13.100 million and Provincial Rs. 31.700 million) as compared to Rs. 59.361 million last year. This shortfall is attributed to discontinuance of the National Development Volunteer Programme; and the transfer of "Regular visit of Pakistani experts positioned abroad to Pakistan project" to revenue-side. The Agency wise and programme-wise allocations are given in Table 4.

TABLE 4

Distribution of A.D.P. allocations 1980-81 Agency-wise and Programme-wise

(Million Rs.)						
Agencies	Skill Dev.	Employment Services	Safety & Security	Industrial Relation	Research and other	Total
Federal ..	8.120	—	—	—	4.980	13.100
Punjab ..	17.502	1.400	4.398	0.400	—	23.700
Sind ..	0.900	—	—	—	0.100	1.000
N.W.F.P. ..	3.509	—	—	0.184	0.100	3.793
Baluchistan ..	1.300	0.157	0.330	0.150	1.270	3.207
Total ..	31.331	1.557	4.728	0.734	6.450	44.800

Federal Programme

22. It would be observed that skill development has been provided Rs. 8.120 million ; whereas for research and other programme Rs. 4.98 million have been made available. The National Vocational Training Programme is expected to end up with larger ADP during the year if an agreement is reached between the Government of Pakistan and the World Bank. The allocations for each of the above mentioned programmes are given below :

	Allocation (Million Rs.)
(i) Federal Programme for Skill Development	5.00
(ii) Crash Programme for Training of Skilled and Semi-Skilled workers	3.02
(iii) National Vocational Training Programme	0.10

23. Research and other programmes have been provided Rs. 4.98 million as detailed below :

	Allocation (Million Rs.)
(i) National Talent Pool	1.188
(ii) Employment, Income and Basic Needs	2.700
(iii) Survey of Pakistanis working/studying abroad	0.100
(iv) Studies in Population, Labour force and Migration in Pakistan	0.992
Total	4.980

24. All the above mentioned projects have reached a fairly advanced stage and are expected to be completed during the year 1980-81. However the scheme "Survey of Pakistanis working and Studying Abroad" is likely to get a start in the middle or close of the year as the scheme has yet to be approved by the competent authority.

Provincial Programme

25. *Punjab*.—The Government of Punjab has provided Rs. 23.700 million. The funds will be spent on 14 on-going (Rs. 19.500 million) and three new schemes (Rs. 4.200 million). The skill development and training received highest priority as laid down in the Fifth Five Year Plan. Seven on-going projects have been provided a sum of Rs. 13.302 million. These projects are located at Gujjar Khan (Rs. 2.18 million) ; Lahore (Rs. 1.200 million) ; Sargodha (Rs. 2.00 million) ; Sahiwal (Rs. 3.00 million) ; and Barani Area (Rs. 1.65 million). The two apprentice ship training centres are located at Ferozwala Rs. 0.800 million ; and Gujranwala Rs. 2.472 million. The three new technical training centres will be established at Kasur Rs. 2.00 million ; Bahawalnagar Rs. 1.200 million ; and Mianwali Rs. 1.00 million.

26. In view of the importance of Mines, Safety and Security, a provision of Rs. 4.398 million has been made for three on-going schemes (Rs. 4.398 million). Among these schemes are ; Mines Rescue and Safety Station, Khushab (Rs. 0.800 million) ; Mines sample testing laboratories Khushab (Rs. 1.278 million) ; and training centres for Mining Supervisors and Mining technicians at Jhelum (Rs. 2.320 million).

27. Labour market organization received the third priority. An allocation of Rs. 1.400 million has been made for three on-going schemes. The projects are vocational guidance and employment counselling centres (Rs. 0.400 million) ; establishment of manpower planning cell (Rs. 0.400

million) ; and Introduction of interviewer system in employment exchanges (Rs. 0.600 million). Industrial relation has been provided Rs. 0.400 million for one on-going scheme *i.e.* strengthening of Industrial Relations Institute creation of Public Relation Cell at Lahore.

28. *Sind*.—A sum of Rs. 1.000 million has been provided for three on-going schemes (Rs. 0.900 million) ; and one new scheme (Rs. 0.100 million). These schemes are technical training centre, Sukkur (Rs. 0.700 million) ; international weights and measures laboratory (Rs. 0.100 million) ; Additional facilities to technical training centre, Kotri (Rs. 0.200 million) ; and central rescue research and training centre, Lakhra (Rs. 0.100 million).

29. *N.W.F.P.*—Rs. 3.793 million have been earmarked by the Government of N.W.F.P. for 5 on-going schemes (Rs. 3.693 million) and one new scheme (Rs. 0.100 million). The projects are : technical training centre, D.I. Khan (Rs. 0.921 million) ; technical training centre, Khuzdar (Rs. 0.816 million) ; modernization and improvement of technical training centre, Peshawar (Rs. 0.272 million) ; technical training centre, Mingora (Rs. 1.500 million) ; mobile training unit for training of mines workers (Rs. 0.184 million) ; and one new project *i.e.* construction of labour welfare directorate (Rs. 0.100 million).

30. *Baluchistan*.—Rs. 3.207 Million has been provided for 5 on-going Schemes (Rs. 1.750 Million) ; and three new Schemes (Rs. 1.457 million). The projects are labour colony at Quetta (Rs. 8.500 million) ; manpower survey (Rs. 0.150 million) ; two low cost housing colonies (Rs. 0.770 million) ; and strengthening of factories inspectorate (Rs. 0.330 million). The three new projects are hostel for trainees of artisan training school, Quetta (Rs. 0.800 million) ; modernization of vocational training institute, Loralai (Rs. 0.500 million) ; and mines rescue and safety (Rs. 0.157 million).

O: ganizational-Legal Matters

31. The importance and status of the Manpower sector has already been recognized in the Fifth Five Year Plan. Increased out flow of human capital especially skilled manpower necessitated launching of skill development programmes in the country. In order to formulate comprehensive training policies in the country an ordinance was promulgated with regard to the constitution of a National Training Board ; and a Provincial Training Board in each province. The Overseas Workers Foundation which came into existence for the welfare of overseas Pakistanis has also started skill development programme. As far as the labour problems are concerned, the Government had appointed a Labour Commission in September, 1978. The Commission submitted its report to the President in July, 1979, which is under active consideration of the Government.

CHAPTER 22

RURAL DEVELOPMENT

Keeping in view the priority accorded to rural welfare in the current Fifth Five Year Plan, concrete programmes for rural development were chalked out during 1979-80 by all the four provinces, Azad Kashmir, Northern Areas, FATA and Federal Capital Area. The *Marakez* which are the planning and executing units of development projects, like farm to market roads, provision of drinking water supply, primary education, basic health and sanitation, village electrification, etc. were further strengthened. There were 603 *Marakez* by the end of the June 1979. *Marakez* had not become fully operational due to financial and manpower constraints. Difficulties were also faced due to lack of close coordination, between the various departments serving the cause of development at village level. The Government therefore, decided to consolidate efforts in selected *Marakez* rather than spreading the programme to new centres. The number of *Marakez* was, therefore, reduced from 603 to 487 by the end of June 1980 (290 in Punjab, 72 in Sind, 47 in Baluchistan, 33 in N.W.F.P. 30 in Azad Kashmir, 11 in Northern Areas, one of FATA and 3 in Federal Capital Area).

2. Absence of Local Government Institution had been the biggest bottleneck in the involvement of the people in government efforts to achieve the nation's social and economic objectives. Elections to various tiers of Local Government system were held in September, 1979 and the elected representatives were inducted into office in December, 1979. The Government have delegated responsibility and powers to local bodies, which will not only result in decentralisation of decision making but will also promote participation of the people in nation building efforts. Agency-wise progress of the rural development programme is given below :

Punjab

3. In 1979-80, Rs. 90.704 million were provided for rural development projects, out of which Rs. 79.00 million were spent, an utilization of about 87 per cent. The physical achievements include the construction of 605 Km of metalled roads, terracing of 8,283 acres, running of adult-education centres, afforestation over 7,100 acres, completion of 2,188 small scale village schemes, repair/renovation of 800 union councils and 36 *Marakez*/buildings, etc. By the end of June 1980, 290 *Marakez* were made operational by providing them with staff and material.

4. The allocation for 1980-81 has been increased to Rs. 355.088 million. The main targets proposed to be achieved are construction of farm to market roads, metalling of 354 Km of rural roads, *wat bundi* over 2,500 acres of land, afforestation over 2,500 acres, execution of 14,994 small scale village schemes, repair/renovation of 104 *markez* building. Allocations have also been made for Bogehad Pilot Project in District Jhelum and *Barani* Area Development.

Sind

5. An allocation of Rs. 21.000 million was made for rural development projects during 1979-80, which was fully utilized. The major physical works included construction of bridges and roads. Some of the funds were placed at the disposal of 561 union councils.

6. During 1980-81, Rs. 30 million have been allocated with the following distribution : Rs. 4.00 million on construction of bridges and roads, and Rs. 26.000 million to be distributed among 561 union councils for undertaking small development schemes of local importance.

N.W.F.P.

7. The entire allocation of Rs. 20.000 million was spent during 1979-80. In physical terms, 19 Km of shingled road, 21 Km *katcha* road and 4 bridges were constructed, besides completion of 11 open surface wells, 36 water tanks and 7 handpumps. In addition, the achievements included construction of 26 Km water channels, 8 irrigation bunds, 13 protection bunds, 2 waiting sheds, 2 rooms and repair of 5 buildings of community buildings.

8. A sum of Rs. 41.000 million have been allocated for rural development programme in 1980-81. This will be spent by 12 district councils and 434 union councils. The district councils have been assigned the responsibility for the construction of rural roads, spurs, water supply and

sanitation works, their extension and maintenance. The union councils will undertake other minor works which include improvement, construction and maintenance of street lights, pavement of village streets, internal village roads, village drainage system, ponds, village sanitation and minor irrigation works.

Baluchistan

9. An amount of Rs. 25.639 million were spent on rural development projects during 1979-80. This represented 100 per cent utilization of ADP funds. The achievements include construction of 55 km *katcha* road, maintenance of 18 industrial homes, 1 veterinary centre and construction of open surface wells, 47 storage tanks, etc.

10. An allocation of Rs. 22.000 million has been made for this programme during 1980-81. The physical targets include construction of 200 km *katcha* roads, maintenance of 8 industrial homes, maintenance of 7 veterinary centres, and construction of 105 open surface wells, and development of 116 storage tanks.

Federal Programme

11. *Special Areas*.—In the Annual Development Programme 1979-80, Rs. 45.339 million were allocated for special areas, including Azad Kashmir (Rs. 20.456 million) Northern Areas (Rs. 7.081 million) FATA (Rs. 5.000 million) and Federal Capital Area (Rs. 12.802 million) including Federal Ministry of Local Govt. & Rural Development. As per the revised estimates, Rs. 40.070 million have been spent on rural development projects in special areas; Azad Kashmir Rs. 21.057 million Northern Areas Rs. 6.581 million, FATA Rs. 5.814 million and Federal Capital Areas Rs. 6.618 million.

12. For the year 1980-81, Rs. 58.994 million have been allocated to Azad Kashmir & Federally controlled areas for the implementation of various on-going and new rural development projects. Of this, Azad Kashmir will receive Rs. 27.150 million, Northern Areas Rs. 10.000 million, FATA Rs. 9.000 and Federal Capital Areas (including the M/o LG & RD) Rs. 12.844 million.

13. In Azad Kashmir 158 Km of farm to market roads, 17 bridges, 131 primary schools and two parada wall schemes, 153 rural water supply/sanitation schemes, irrigation water for 120 acres, 3 Marakez buildings and one store, and 23 schemes of health and sanitation were completed. About 549 acres of land were saved from erosion. In Northern Areas, physical work remained in progress on 380 schemes out of which 45 schemes for rural roads, 115 schemes for drinking water supply, 6 schemes for rural electrification, one scheme for health and sanitation, 20 schemes for the construction of bridges and culverts and 10 schemes for the construction of protective bunds were completed during 1979-80. Besides, one community centre building at Gilgit, 20 on-going projects of rural water supply sponsored on self-help basis with UNICEF assistance were completed thus providing spring water to 20 villages. In case of FATA 11 Km of shingle roads, 49 culverts, 4000 cft. of retaining walls, 35 flood protection bunds, 58 spurs, three equiducts, 92 open surface wells, 79 tanks and one karez for water supply, 1 Primary school, one civil dispensary, one slaughter house and three community centres were completed in 1979-80.

14. In 1979-80, an allocation of Rs. 12.802 million was made to the Ministry of Local Govt. and Rural Development. out of which the Rs. 3.624 million were to be spent exclusively in projects relating to the Federal Capital Area. Against this, an amount of Rs. 3.181 million was utilized till June, 1980. On the physical side achievements included construction of 26 Km of shingled/black top roads, construction of retaining walls, causeways and culverts on two other roads; sinking of 8 new open surface wells, repair of 50 old wells and motorisation of two wells for drinking water supply; pavement of streets in 6 villages; purchase of 9 flow pumps for installation in Federal Capital Area, construction of residential accommodation at Sihala and Bharakau (work in progress); establishment of nursery at Tarlai; construction of machinery shed (work in progress) and purchase of agricultural machinery in IRD Marakez Bharakau; training of 8 Engineers and 57 Supervisors in construction of cheap farm to market roads; and layout of 565 demonstration plots in Federal Capital Area.

15. During 1980-81, Rs. 19.394 million have been earmarked for 11 on-going and 2 new projects. The objective of one of the new projects development of suburban villages and farms around Islamabad is to improve supply of vegetables and other dairy products. With the inception of new district of Islamabad, it has been decided to transfer the projects located in the Federal Capital Area together with the funds to the Punjab Government for placement at the disposal of the newly created district.

16. The financial allocation and utilization agency-wise appears in Annexure I.

UTILIZATION DURING 1979-80 AND ADP 1980-81 ALLOCATION

(Million Rs.)

Agency	1979-80			ADP 1980-81 Provision	Percentage Increase/ decrease over 1979-80 expenditure
	Allocation	Revised estimates	Percentage utilization		
Federal					
Rural Development Division	12.802	6.618	51.4	12.844	94.1
Azad Kashmir	20.456	1.057	102.9	27.150	28.9
Northern Areas	7.081	6.581	92.9	10.000	51.9
FATA	5.000	5.814	116.3	9.000	54.8
Sub-Total (a)	45.339	40.070	88.4	58.994	47.2
Provincial					
Punjab	90.704	79.000	87.10	355.085	349.5
Sind	21.000	*21.000	100.00	30.000	42.9
N.W.F.P.	20.000	*20.000	100.00	41.000	105.00
Baluchistan	25.639	25.639	100.00	22.000	-14.2
Sub-Total (b)	157.343	145.639	92.6	448.086	207.7
Total (a & b)	202.682	185.709	91.6	507.082	173.0

*Revised estimates are not given for 1979-80 in the ADP for 1980-81. It is presumed that entire amount allocated during 1979-80 has been utilized.

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CHAPTER 23

SPECIAL AREAS PROGRAMME

The term "Special Areas" is used for the areas comprising Azad Kashmir, Northern Areas and the Federally Administered Tribal Areas (FATA), FATA Development Corporation (FATADC) of NWFP Province. The aim of Government is to accelerate the development of these areas to bring them at par with comparatively developed parts of Pakistan as quickly as possible. For this reason, special treatment has been accorded to these areas in the annual development programmes as well as the medium term plans of the country.

2. These areas which are mainly hilly are spread over an area of 109,278 sq. Km.—Azad Kashmir 116,42 sq. Km., Northern Areas 70,416 sq. Km. and Federally Administered Tribal Areas 27,220 sq. Km. The total population (1972 Census) is 4,476 million—1.573 million in Azad Kashmir, 0.417 million in Northern Areas and 2.486 million in Federally Administered Tribal Areas. In view of the hilly terrain and difficult communication and scattered population, special attention is given to evolve such development strategy as may result in quick and visible impact on the life of the local people.

3. During 1979-80, ADP programme of Rs. 527.155 million was made for the development of these special areas. Against this, the utilization amounted to Rs. 542.138 million. The agency-wise allocation and utilization for 1979-80 for these areas is given in the table below :

TABLE 1

ADP Allocations & Utilization

Agency	Provision for 1979-80	Utilization during 1979-80	% Implemen- tation
1. Azad Kashmir	169.160	169.160	100.0
2. Northern Areas	106.217	101.639	95.7
3. FATA (Provincial)	196.698	208.619	106.1
4. FATA-DC	55.080	62.720	113.9
Total	527.155	542.138	102.8

4. During 1980-81, a provision of Rs. 657.524 million has been made for these special areas, an increase of 25% over Rs. 527.155 million provided in 1979-80. The agency-wise programme for 1979-80 and 1980-81 alongwith their per cent increase is given in the following table :

TABLE 2

ADP Allocations 1980-81

Agency	Provision for 1979-80	Provision for 1980-81	% Increase of col. 3 over col. 2
1	2	3	4
1. Azad Kashmir	169.160	225.000	33
2. Northern Areas	106.217	139.000	31
3. FATA (Provincial)	196.698	225.000	14
4. FATA-DC	55.080	68.524	24
Total	527.155	657.524	25

5. The review of programme for 1979-80 and the programme for 1980-81 for these special areas is given in the succeeding paragraphs.

I. FEDERALLY ADMINISTERED TRIBAL AREAS (FATA)

Review of 1979-80

6. For the year 1979-80, a provision of Rs. 251.778 million was made in the Federal Budget for the development programme of FATA. Of this, Rs. 196.698 million was placed at the disposal of the Government of NWFP for the development of social and physical infrastructures, agriculture and extension of power in the FATA while the remaining Rs. 55.080 million was allocated to Federally Administered Tribal Areas Development, Corporation (FATADC) for utilisation on schemes relating to the development of water resources, industries and minerals. By the end of June, 1980, an expenditure of Rs. 271.339 million (Rs. 208.619 million by FATA—NWFP and Rs. 62.720 million by FATA DC) is reported to have been incurred showing about 108% utilisation. The sector-wise details of financial allocation and utilisation are given in Annexure I.

7. The physical progress achieved in various sectors, during the year under review, is discussed in the following paragraphs.

FATA/NWFP

8. *Agriculture.*—The major programmes under execution in this sector in FATA NWFP pertained to plant protection coverage, maintenance of fruit farms, afforestation, raising/maintenance of forest nurseries and treatment of livestock etc. During the period under review, an area of 9830 hectares was sprayed, 18286 hectares was rodent controlled, 1868 hectares of land were levelled and 163,466 fruit plants were distributed as against the targets of 8804 hectares, 17577 hectares, 2632 hectares and 150,000 fruit plants, respectively. Besides, 21 scholarships were awarded to B.Sc. (Agriculture) students.

9. In the animal husbandry sub-sector, the target of opening of 4 new dispensaries was fully achieved while work on 60 dispensaries and 2 hospitals continued according to the target. About 168,167 animals were treated and 9586 animals were castrated.

10. Under the forestry sub-sector, block plantation on 748 hectares and linear plantation on 579 avenue km. were completed as against the targets of 629 hectares and 557 avenue km. respectively, thereby exceeding the targets in both the cases while nurseries were also established on 11.5 hectares achieving the target fully.

11. *Industrial Training.*—Under the industrial training programme, as many as 27 persons completed their training while 70 were under training as against the target of 90 in various crafts in 2 metal and 1 woollen training-cum-production centres, of which one is located at Kohat Pass while the other two are at Miranshah. Training in another centre at Wana to be converted into metal from woollen training-cum-production centre has yet to be started.

12. *Communications.*—In this sector, the achievements made in the road development programme in FATA/NWFP included construction of 110 kilometres of shingled road, 45 kilometres of black-topped road, 165 kilometres of improvements of existing roads and construction of 5 bridges as against the targets of 115 kilometers, 31 kilometres, 106 kilometres and 5 bridges, respectively.

13. *Power.*—The following table presents the physical targets and achievements.

	Revised target 1979-80	Achievement 1979-80
1. Erection of H.T. Lines	87 Kilometres	95 Kilometres
2. Completion of H.T. Lines	158 Kilometres	147 Kilometres
3. Erection of L.T. Lines	111 Kilometres	97 Kilometres
4. Completion of L.T. Lines	165 Kilometres	128 Kilometres
5. Installation of transformers	116 Nos.	115 Nos.
6. Electrification of villages	138	139

14. *Education.*—The physical targets envisaged and the achievements made in the education sector, during the period under review, are indicated below :

	Target 1979-80	Achievement 1979-80
(i) Const. of new primary schools	48	53
(ii) Const. of buildings for existing primary schools	36	35
(iii) Upgrading of primary schools to middle status	14	13
(iv) Const. of buildings for existing middle school	1	1
(v) Upgrading of middle schools to high status	6	5
(vi) Const. of college building	1	1
(vii) Addition of class rooms in the existing schools	32	28
(viii) Residential accommodation for female teachers	17	15

15. *Health.*—In the health sector, during the period under review, 9 basic health units as against the target of 14 were completed. One hospital was upgraded, and a 50 bed hospital was also constructed. Improvements were effected on 36 hospitals/dispensaries as against the target of 38 units. Besides 85 doctors and 240 paramedics were trained.

16. *Physical Planning & Housing.*—In this sector, under the housing programme in all 8 schemes were undertaken out of which 6 were reported to have been completed during the period under review. Under the sub-sector of public health engineering, the programme envisaged completion of work on 19 schemes covering 7,3891 population ; out of this, 16 schemes covering 51,661 population have been completed.

17. In FATA-DC against the allocation of Rs. 55.080 million provided for the schemes of water resources, industries and mineral sectors, the utilisation during 1979-80 stood at Rs. 62.720 million, thereby showing an achievement of 113.9%. The physical achievement, during the period under review, in different segments of economy are as under :

18. *Water.*—In this sector, physical progress achieved during the period included installation of 27 public tubewells as against the target of 35, construction of one pumping station, re-modelling of 23 kilometres irrigation channel and 17 kilometres lining channel thus achieving the targets fully while 60 new structures were constructed as against the target of 129. As a result of implementation of this programme, a total area of 7202 hectares benefitted as against the target of 6010 hectares of this, 6716 hectares were supplied surface water and 486 hectares ground-water.

19. *Industry.*—Out of 7 schemes, 4 schemes namely (i) Marble Processing Plant, Paindi Lalma, Khyber Agency, (ii) Balancing of Cigarette Factory, Khyber Agency, (iii) Sizing Plant, Mirali Tehsil, N.W. Agency and (iv) Balancing of carpet yarn factory, Miran Shah, N.W. Agency were completed while work on oil expelling and refining plant, Bajaur agency was completed to an extent of 87%. The quantum of work due on plantation of poplar trees, Miran Shah, N.W. Agency reached 55% and progress on survey and investigation for preparing industrial projects in FATA stood at 64% during the period under review.

20. *Minerals.*—Financial allocations were made for two mineral schemes. The original project relating to exploitation of soap stone in Daradar valley, Kurram agency was completed to an extent of 77% and the scheme has since gone under revision. The other project relating to detailed investigation and exploration of prospective areas in FATA showed a physical progress of 27 per cent.

Annual Plan 1980-81

21. A sum of Rs. 293.524 million (Rs. 225.000 million for FATA/NWFP and Rs. 68.52 million for FATA-DC) has been earmarked for financing development projects in FATA, which shows an acceleration of about 17% over the previous year. The sector-wise financial break-down of allocation is given at Annexure II.

22. The major physical targets for 1980/81 are briefly discussed below :

FATA/NWFP

23. *Agriculture.*—The major programmes pertain to spraying of an area of 7847 hectares and levelling of an area of 2631 hectares, opening of 4 veterinary dispensaries under animal husbandry sub-sector and raising/maintenance of 324 hectares block plantation, 64 avenue km. linear plantation and 11.94 hectares of nurseries under the forestry sub-sector.

24. *Industrial Training.*—Under this programme, training facilities to 90 students would be provided.

25. *Communications.*—It is proposed to complete construction/improvement of 282 kilometres of roads (68 kilometres of black topped, 106 kilometres shingled and 108 kilometres improvement). In addition, 3 bridges are also proposed to be constructed.

26. *Power.*—The plan aims at electrification of 109 villages, installation of 86 transformers, erection of 276 kilometres of transmission lines and completion of 300 kilometres of transmission lines.

27. *Education.*—The physical targets proposed to be achieved include the following :

(i) Const. of new primary schools	52
(ii) Const. of buildings for existing primary schools	44
(iii) Upgrading of primary schools to middle status	12
(iv) Upgrading of middle school to high status	1
(v) Const. of building for middle school	1
(vi) Const. of college buildings	5
(vii) Addition of class rooms in existing schools	18
(viii) Residential accommodation for female teachers in existing schools	12
(ix) Const. of science laboratories	7
(x) Const. of hostels	2
(xi) Addition of inter class to high school	1
(xii) Technical workshop	1

28. *Health.*—The programme for 1980/81 envisages construction of 23 basic health units, one rural health centre and upgrading of 6 dispensaries into basic health units.

29. *Physical Planning & Housing.*—In this sector, as many as 25 schemes (22 relating to public health engineering and 3 housing) will be completed.

FATA-DC

30. *Water.*—The programme includes installation of 60 public tubewells, 4 pumping stations, remodelling of 3.2 km. irrigation channels, lining of 3.2 km. channel and construction of 63 new structures. As a result, 1337 hectares would be benefitted of which 730 hectares would be supplied surface water and 607 hectares ground water. Besides, survey and investigation work in an area of 103.60 sq. km. would be carried out for planning and preparation of future water development projects.

31. *Industry.*—Four major schemes viz. oil expelling and refining plant in Bajaur agency, balancing of footwear and leather goods industry, S.W. Agency, balancing of leather tannery, S. W. Agency and survey and investigation for preparing industrial development projects in FATA will be completed.

32. *Minerals.*—The scheme for exploitation of soap stone in Daradar valley in Kurram Agency will be fully completed and 40% progress will be registered on the scheme relating to detailed investigation and exploration of prospective areas in FATA.

II. AZAD KASHMIR

Review of 1979-80

A sum of Rs. 169.160 million was provided in the Annual Development Programme 1979-80 for Azad Kashmir which was utilized in full. The sector-wise break-up of allocation and revised estimates is given at Annexure III.

2. A brief account of the physical performance in each sector, during the year under review, is given in the following paragraphs :

3. *Agriculture.*—In this sector, the important programmes being executed included distribution of fertilizer, improved seeds, promotion of potato and vegetable cultivation, development of horticulture, setting up of the soil testing laboratory and agriculture training institute, besides strengthening of agriculture extension services. During 1979-80, 47 tonnes of paddy seeds, 112 tonnes of wheat seeds and 56 tonnes of maize seeds were distributed thus achieving the target fully except in case of maize where 50% target was achieved. Against 8,000 metric tons distribution programme of fertilizer, 4,079 metric tons of fertilizer was distributed. For plant protection coverage, about 5 tons of pesticides, insecticides, fungicides etc. were procured. Against the training programme of 60 field assistants, 30 were imparted training in various fields. For the development of horticulture, about 2 lakh fruit plants were produced and distributed and as a result 607 hectares of land were brought under fruit cultivation. In addition, 3 lakh seeds/chota stock were purchased and about 1.50 lakh stock plants were budded and grafted. Under the programme of promotion of vegetable and seed production, about 235 hectares of area was brought under vegetable cultivation and 2165 tonnes of fresh vegetables were produced. In the soil testing laboratory, about 3,500 soil samples were tested. Under the animal husbandry sub-sector, the major achievements included award of scholarships to 26 DVM students, improvement and expansion of disease control laboratory, establishment of feed mill and hatchery at Muzaffarabad. Under the forestry sub-sector, 4233 hectares of gross area were closed, 3972 hectares reforested, 283 hectares maintained and 52071 hectares were protected. For the protection and development of wildlife, parks/sanctuaries/game reserves in an area of 51740 hectares have been protected.

4. In order to develop tourism in Azad Kashmir, construction work on 4 tourist huts was at different stages of execution while repairs of Muzaffarabad Fort (Phase-II) also progressed. Against the programme of trout development, 3 brooder tanks, 6 fry tanks and 1 water tank have been constructed.

5. Under the Hill Farming Technical Development Project, as many as 9 schemes currently in execution registered some progress. Achievements during 1979-80 included establishment of two maize demonstration farms—one at Abbaspur and the other at Bagh ; 35,570 apple plants produced and 89 hectares of land put under orchards ; 250,000 chota stock procured and planted, out of 10 extension centre buildings to be constructed, one has been completed while 35% work was done on others ; 33 candidates were selected and deputed for training in agriculture course ; 4 in-service trainees deputed for maize research ; 20 apple technicians selected and deputed for training ; 590,000 plants procured for plantation in 506 hectares of land in 4 project areas ; 330 cows registered for artificial insemination in 2 project areas—Saran and Gujar Bandi; 165 cows were inseminated ; the birth of 62 new baby heifers and calves were recorded. Besides, socio-economic survey regarding farming system has been conducted.

6. *Industry.*—In this sector, the major achievements included completion of building work of wood work training-cum-development institute, Kotli and 50% completion of construction work of leather tanning, curing and leather goods training cum-development institute-Bhimber. Under the programme of setting up of women industrial schools, 10 schools have been started in rented buildings and necessary machinery purchased. Work has also been initiated for the setting up of a small industrial estate at Bhimber. About 12 trainees have been deputed for training in various trades.

7. *Power.*—Under the programme of power development and distribution facilities, the achievements included construction of 257 Km. of lines (120 Km HT and 137 Km LT), installation of 94 transformers and provision for 6741 service connections. Under the electrification programme of rural areas, construction of 80 Km of lines (48 Km HT and 32 Km LT) was completed 20 transformers were installed and provision for 500 service connections made.

8. *Transport and Communications.*—Major achievements included reconditioning of Chechian to Jatli road, 50% completion of work on Mangla Chechian road, 30% completion of Jatli-Ali Baig road, 50% matalling/tarring of Banjusa-Trarkhel road, 80% completion of widening and complete soling of 13 Km of Neli Reshian road, 50% completion of metalling and tarring of Jhola Nar Road and 50% improvement and 30% soling of Dawarandi, Abbaspur, Kahuta roads. Besides, 5 to 10% work on Kotli-Nakial, Kotli-Pallandari, Bhimber-Sumani-Pirgali-Chattar, Kalas-Gharidupatta, Chattar Kalas-Rangla and Kotli-Hot spring roads was completed. Work on bridges at Chela Bandi over river Neelum, Rajdhani bridge, suspension bridges at Dhani Maisahiba and Bhimber Nala has been fully completed, while 80% progress on suspension bridges—Salian, 30% Langerpura, 30% Qamrooti, 20% Bont Bian, 80% Shera and 40% Ainpana has been made. Besides, work on suspension bridges at Khel, Plan, Digar, Nampura, and Jamalpur has also been initiated during the period under review.

9. *Physical Planning and Housing.*—Work on Assembly building, residential colony for government servants residential quarters for gazetted government servants, 22 quarters for non-gazetted government servants and extension of Mirpur rest house has been completed, while 50% progress each in case of secretariat complex, Muzaffarabad, state guest house, Muzaffarabad, and extension of Kotli rest house has been achieved. Under the drinking water supply programme, water supply scheme, Rawalakot has been fully completed while 73% progress has been made on water supply scheme, Kotli. Necessary materials for water supply scheme, Pallandari have been purchased. No progress in respect of greater water supply scheme, Muzaffarabad could be made.

10. *Education.*—Under the programme of provision of additional accommodation for 38 old and 103 new high schools, only 5 to 16 per cent achievements were recorded, while in case of construction and acquisition of land for 34 old and 100 new high schools/inter-colleges and 16 colleges, progress ranging from 7 to 15% was registered. Construction work on hostels with Girls High Schools, Mirpur, Akalgarh, Pallandari, Chakswari and Abbaspur has fully been completed. In case of Government College-Dudyal, building work was continuing. Library books, sports goods, science equipment etc. have been provided to the existing degree colleges. Necessary equipment has also been provided to 21 new high schools. Work in respect of compound walls for 7 degree colleges remained in different stages of execution. Over 35 per cent work on the main building and 23% on the hostel building of the national agro-technical teachers training centre, Muzaffarabad was completed. Workshops for the introduction of agro-technical subjects in classes VI to VIII have been constructed at Bhimber, Sehnsa, Muzaffarabad, Rawalakot and Bagh. Under the training programme of primary school teachers, hostel at Rawalakot for primary teacher centre has been completed.

11. *Health.*—Progress achieved during the period included addition of 11 doctors, 44 nurses and 24 hospital beds, setting up of 4 rural health units and opening of 20 dispensaries.

12. *Rural Development.*—Under the Rural Development Programme, the major achievements included construction of 131 primary school buildings, completion of 153 rural water supply schemes, improvement of 22.5 Km of road, construction of 17 bridges, repairing of 6 bridges and maintenance of 418 Km of roads. Besides, 88 other schemes pertaining to irrigation, soil conservation, physical planning and housing, health and sanitation, horticulture, training workshop and agro-industries were also implemented.

Programme for 1980-81

13. During 1980-81, an allocation of Rs. 225.00 million has been made for the development programme of Azad Kashmir compared to Rs. 169.160 million during 1979-80—an increase of 33%. Highest priority has been accorded to transport and communications sector followed by power, agriculture, and rural development sector. Sufficient allocations have also been made for other segments of economy. The sector-wise break-up is given at Annexure-IV.

14. The major physical targets proposed to be achieved during 1980-81 are briefly discussed below :

15. *Agriculture.*—The programme for the distribution/procurement of improved varieties of seeds viz maize (37 tonnes), wheat (112 tonnes), paddy (56 tonnes) and potato seed (56 tonnes), will continue during 1980-81. The target set for the off-take of fertilizer works out to 10,300 metric tons. The plant protection programme covers purchase of 10 tons of spray materials and equipment.

In the field of horticulture, about 220,000 fruit plants will be produced, distributed and planted in orchards, about 200,000 chota-stock will be purchased and planted in all the nurseries and about 200,000 plants of fruit trees will be budded and grafted. Vegetable cultivation will cover an area of 340 hectares, and 20 new extension centres will be set up and 40 field assistants will be imparted training. About 5,000 soil samples will be collected and 1000 samples tested in the soil testing laboratory. In the animal husbandry sub-sector, the major programme includes full completion of hatchery and feed mill and hatchery at Mirpur with the assistance of UNDP and continuation of stipends to 26 DVM students. Under the forestry sub-sector, the programme envisages closing of 4451 hectares of gross area, re-forestation of 1821 hectares, carrying out soil conservation work on 1609 hectares, protection of 55875 hectares and maintenance of 206 hectares. A trout hatchery and a watcher hut will be constructed at Sharda. Games sanctuaries in an area of 92232 hectares would be looked after. Under WFP assistance programme, 13 hectares of fruit nurseries would be raised and 8.31 lakh forest plants, 24.5 lakh poly-thene tubes and 3.3 lakh chota-stock would be purchased. For the Development of Tourism in Azad Kashmir, 2 out-boat engines, 2 fiber-glass boats, 2 Suzuki Vans and 4 tourist huts/rest houses are proposed to be purchased/constructed.

16. Under the Hill farming technical development project, food deficit would be minimised by intensive use of agriculture inputs and fuel shortage would be removed by extensive plantation of fire wood. Tree crops, particularly apple crops, would be encouraged. A study would be conducted to ascertain the socio-economic level of the areas and better techniques would be applied after land use planning.

17. *Industry.*—Under the industrial training programme, it has been proposed to expand and modernize the three existing training-cum-production centres at Muzaffarabad, Rawalakot and Mirpur, to train 20 trainees in various crafts, to complete 6 silk worm rearing halls and to initiate work on two more rearing halls. Wood-working training-cum-development institute at Kotli and leather tanning, curing and leather goods training-cum-development institute at Bhimber would be completed while residential quarters for staff would also be completed. Work will be initiated on the setting up of one more women industrial school at Trarkhel. The work on the establishment of small industrial estate at Bhimber would also be implemented.

18. *Water.*—To irrigate 3925 hectares of land in Jari-Bhimber, a scheme based on the feasibility study prepared by WAPDA has been submitted. The work on the irrigation canal would start soon after its approval by the competent authority.

19. *Power.*—Over 161 Km of lines (32 Km HT and 29 Km LT) would be laid, 65 transformers would be installed and 2,000 service connections would be provided under the programme of power development and distribution facilities in Azad Kashmir, while under the programme of electrification of rural areas in Azad Kashmir, 210 Km of lines (150 Km HT and 120 Km LT) would be laid, 100 transformers would be installed and 10,000 service connections would be provided.

20. *Transport and Communications.*—Work would be completed on widening of 22 Km, metalling of 41 Km and reconditioning/surfacing of 57 Km, of roads including construction of 8 Km fair weather roads. Besides, work on 6 suspension bridge at Salian, Shera, Bont Bian, Qamrooti, Langerpura and Ain Pana would be completed, while 25% work will be done on 7 suspension bridges at Kel, Nampura, Plan, Jamalpur, Digar, Abbaspur and Dangali. Work will also be initiated on the construction of 3 bridges at Domel, Azad Pattan and Gharidupatta.

21. *Physical Planning & Housing.*—The major proposed targets for 1980-81 include achieving an overall percentage progress of 57% and 66% on the construction of Secretariat Complex, Muzaffarabad and State Guest House, Muzaffarabad respectively. Besides, work on 12 residential quarters for non-gazetted government servants, construction of High Court Building, Muzaffarabad and residential quarters for Gazetted Government servants would be completed in all respects while work would be initiated on construction of Kashmir House at Islamabad. Under the drinking water supply programme, water supply scheme at Kotli would be fully completed, while work on the Greater Water Supply Scheme, Muzaffarabad and water supply scheme, Pallandari would continue.

22. *Education.*—The proposed targets include completion of 3 primary schools, 4 middle schools and 2 high schools; provision of additional accommodation for 79 middle schools, 94 high schools and 7 degree colleges; completion of 30% work on the construction of hostel accommodation for 9 colleges and 11 girls high schools; supply of equipment to 3 Agro-Technical institutions,

completion of 20% work of Dudyal College and acquisition of land for 12 high schools and 4 inter colleges. Under the primary teachers training programme, construction of 1st floor of PTC hostel, Muzaffarabad would be completed.

23. *Health*.—The programme aims at providing 110 additional beds, setting up of 6 more rural health units and opening of 10 additional dispensaries.

24. *Rural Development*.—Over 115 primary school buildings would be constructed, 250 water supply schemes would be completed, including 149 in collaboration with UNICEF and 241 Km of roads and 11 bridges would be constructed in various rural areas. In addition, schemes in various other sectors would also be implemented.

III. NORTHERN AREAS

Review of 1979-80

An allocation of Rs. 106.217 million was made in the Annual Development Programme for Northern Areas in 1979-80. The highest priority was given to physical planning and housing followed by transport and communications, education, health and power sectors. The utilisation, during the year under review, stood at Rs. 101.639 million showing about 95.7 per cent achievement. The sector-wise break-up of allocation and utilisation is given at Annexure V.

2. The physical progress in various sectors upto the end of June, 1980 is summarised below:

3. *Agriculture*.—Major achievements included distribution of 32,700 bags of fertilizer on subsidized rates, 15,600 Kg. of improved seeds, treatment/spray of 6070 hectares of cropped area and 40,000 fruit plants against the respective targets of 25,000 bags of fertilizer, 187 tonnes of improved seeds, 10522 hectares of cropped area and 150,000 fruit plants respectively. In the animal husbandry sub-sector, against the target of setting up of 27 static dispensaries, 3 mobile units and treatment of 570,000 animals/poultry birds, 11 static dispensaries, 1 mobile unit, and treatment to 490,000 animals/poultry birds were provided, respectively. Some progress has also been made on the remaining 14 on-going projects. Necessary medicines worth Rs. 0.312 million were procured for various veterinary hospitals and dispensaries. In the forestry sub-sector, 350,700 plants covering an area of 283 hectares were planted, 132,700 plants of various species were distributed and an area of 40 hectares was re-generated. Under the fisheries programme, 3 on-going projects viz (i) salmonids development in Gilgit, (ii) Trout hatchery at Bara and (iii) Trout hatchery at Ghizer were in an advanced stage of execution. About 60,000 fry in Hasho and Bara trout hatcheries and 10,000 brown trout fry in Gakuch hatchery were made available while 2,000 Rainbow eyed ova was procured from Kagan.

4. *Industry*.—No tangible progress could be made in the industries sector except continuation of work on 3 vocational schools. The fruit dehydration plant could not be commissioned due to legal complications.

5. *Power*.—Work on 27 on-going power schemes was continued, of which 2 schemes were completed while work on 2 hydel stations was nearing completion. About seventy five per cent work on replacement of power distribution system in Gilgit city and power stations at Sherquillah and Chatorkhand has been completed while work on 200 KW hydel station at Khyber and Hasanabad (Phase-II) has been initiated. As a result, an increase of 792 KW in power generation has been made.

6. *Water*.—Out of 27 on-going water projects, only 5 projects-3 for repairing/modification of channels, one of construction of channel, and one lift irrigation scheme have been completed. About 12,000 kanals of land will be irrigated with the completion of these schemes.

7. *Transport and Communications*.—Work on about 116 on-going schemes was undertaken, out of which 24 schemes have been fully completed while work remained in different stages of execution on other schemes. In all, construction of 13 Km of metalled roads, 105 Km jeepable roads 8 Km truckable roads, and 25 bridges (5000 rft.) have been completed.

Physical Planning and Housing.—Work on 110 on-going schemes pertaining to construction of residential/office buildings and water supply arrangements was taken up. Out of these, 16 schemes for construction of 52 office/residential units in a total built-up area of 121,000 sq. ft. and 5 rest houses in a built-up area of 15,000 sq. ft. have been completed. Besides, work on 21 water supply schemes to provide clean drinking water to an estimated population of 66,000 has also been completed.

9. Education.—Work on 44 on-going education projects remained in progress during the year under review, out of which 4 projects relating to construction of 12 primary school buildings in Baltistan, extension of K.G. School and Girls High School, Gilgit, up-gradation of 2 primary schools to middle schools at Hunza and Nagar and up-gradation of primary school, Khomar, Gilgit were completed. Work on the ground floor of the high school building at Jutial was completed while that on the 2nd floor progressed. The high school started functioning. Repair work on educational institutions in Baltistan, Hunza, Nagar, Gilgit, Diamir and Ghizer progressed. Construction of office and residential accommodation for Director Education and residential quarters for teaching staff at Diamir remained in progress.

10. Health.—In this sector, 34 on-going schemes and a scheme covering rural health system remained in progress. The achievements included completion and functioning of 25 "C" class dispensaries, and 5 M.I. Rooms. Construction work on 42-bed T.B. ward, 24 bed female ward, 10 bed eye ward and three 10 bed hospitals was completed. Necessary equipment was purchased for completed hospitals, dispensaries and Laboratory, 15 nursing candidates were imparted training. Under rural health system, 175 health guards were given fresh training/refresher courses while 280 were given retraining/refresher courses. Over 3800 medical kits were issued and drugs replenished to health guards, 7820 children were vaccinated by the mobile medical teams while 158 narcotic addicts were treated in different hospitals in Gilgit District.

11. Rural Development.—Work progressed on 380 small rural development projects, out of which 310 were completed, including one community centre building at Gilgit. Besides, 20 rural water supply projects out of 57 sponsored on self-help basis with UNICEF assistance were completed, thus providing clean spring drinking water to 20 villages. Fairly good progress was also made on the remaining 37 projects.

Programme for 1980-81.

12. During 1980-81, an allocation of Rs. 139.00 million has been made for the development programme of Northern Areas compared to Rs. 106.217 million in 1979-80, showing a rise of 30.8 per cent. The first priority is being given to physical planning and housing followed by transport and communications, education and power sectors. The sector-wise break-up of allocation is given at Annexure VI.

13. The major physical targets proposed for various sectors are discussed below.

14. Agriculture.—Work on 24 schemes (21 on-going and 3 new) will be taken up. The major targets include distribution of 30,000 bags of fertilizer on subsidized rates, 156 tonnes of improved seeds, covering of almost all the affected crop area of Northern Areas by plant protection measures and maintenance of all existing nurseries. About 7,500 plants will be distributed amongst growers and 165,000 fruit plants of various species will be raised in all existing fruit nurseries. In the animal husbandry sub-sector, work on 17 schemes (14 on-going and 3 new) will be executed. The targets set include improvement/construction of 2 veterinary hospitals, construction of 2 office/residential buildings and 40 veterinary dispensaries. Moreover, maintenance of one poultry farm and construction of another will be continued. Necessary veterinary treatment to animals/poultry birds will be provided through-out Northern Areas. Under fisheries sub-sector, work on 9 schemes (8 on-going and one new) will be executed; of which 4 schemes viz Salmonide development in Gilgit, Hasho, Bara and Ghizer Trout hatcheries will be fully completed, while physical work on fish-cum-duck culture farm in Naltar, live fish stocking vehicle, trout development in Darel/Tangir and Astore will also be completed. About 160,000 brown and rainbow trout will artificially be produced and liberated in the trout waters. About 3 tons fish will be put to sale in the market accruing an income of Rs. 25,000. In the forestry sub-sector, 17 on-going projects (including 2 projects of Wildlife conservation and Khunjerab National Park) will be executed. Maintenance/up-keeping and regeneration of 20 existing nurseries, road side plantation and conservation of wildlife will be carried out through out Northern Areas. 172,000 forest plants will also be raised and distributed for plantation.

15. *Industry*.—During 1980/81, work on 2 on-going projects *i.e.* setting up of Dehydration plant and 6 Vocational Schools will continue.

16. *Power*.—Work would be continued on 19 power schemes while 4 more new schemes will also be taken up for execution. Out of these, 4 schemes will be completed, resulting in the generation of 2522 KW of power.

17. *Water*.—About 27 on-going and 2 new schemes for construction of water channels and lift irrigation will be executed during 1980-81. Out of these, 4 schemes will be completed thereby providing irrigation water to 17,800 kanals of land.

18. *Transport and Communications*.—The programme for 1980/81 envisages construction of 19 Km of metalled roads, 161 Km of jeepable roads, 40 bridges (8000 rft.), 29 Km of 3-tonner roads and one Baily Suspension Bridge (400 rft.).

19. *Physical Planning and Housing*.—About 96 schemes (85 on-going and 11 new) will be executed during 1980-81, out of which 43 schemes are proposed to be completed to achieve the target of construction of 67 residential quarters, 31 non-residential, 4 rest houses and provision of drinking water to 8 villages for a population of 45,000.

20. *Education*.—During 1980-81, as many as 63 schemes for construction of school buildings, office/residential buildings and supply of equipment for schools will be executed. About 19 primary school buildings, 11 middle and high school buildings and 2 office/residential buildings will be completed besides purchase of equipment to all middle and high schools and partly for primary schools.

21. *Health*.—In addition to Rural Health System, 47 development schemes (28 on-going and 19 new) will be executed during the year 1980-81. Major physical targets embody completion of work on Agency Surgeon's House, Gilgit, 25 "C" class dispensary buildings, 2 maternity homes, improvement/renovation of Agency Hospital, Gilgit, improvement/modification of Skardu, Shigar and Khaplu hospitals and up-gradation of 16-bed hospital to 20-bed hospital at Shigar. Moreover, 100 hospital beds would be come functional. Besides, work will also be initiated on one 40-bed female hospital at Skardu, three 20-bed hospitals at Thowar, Tolti and Parkuta one 10-bed hospital at Siksa, 11 "C" class dispensary buildings in various places in Baltistan district, 12 dispensary buildings in Gilgit and Diamir district and one auditorium at Skardu. Moreover, additions/alterations of Aliabad hospital and reconstruction of buildings at Gilgit and Skardu will also be taken up.

22. *Rural Development*.—About 413 small development schemes covering all villages of Northern Areas will be executed during the year, out of which 380 projects mainly for repair/construction of irrigation channels, water tanks, pony tracks, jeepable roads, small bridges and culverts, protective bunds, community centres and small hydel schemes will be completed in all respects through self-help basis. A scheme for office building of the Directorate will also be completed. About 37 on-going schemes for rural water supply with the assistance of UNICEF will be completed and 20 more will be initiated.

**FINANCIAL ALLOCATION AND UTILIZATION 1979-80
(FATA)**

(Million Rs.)

S. No.	Sector	Allocation	Utilization	% Implementation
A. FATA/NWFP				
1.	Agriculture (Incl. irrigation)	19.614	19.286	99
2.	Power	23.055	23.774	100
3.	Industrial Training	1.414	0.849	60
4.	Transport and Communications	66.973	75.016	112
5.	Physical Planning and Housing	21.161	23.020	109
6.	Education	41.655	42.551	102
7.	Health	17.826	18.309	103
8.	Rural Development	5.000	5.814	116
	Sub-Total (A)	196.698	208.619	106
B. FATA/DC				
1.	Water	35.901	39.258	109
2.	Industry	13.933	18.345	132
3.	Mineral	2.520	2.212	88
4.	Miscellaneous	2.726	2.905	107
	Sub-Total (B)	55.080	62.720	114
	Grand Total (A & B)	251.778	271.339	108

ANNUAL DEVELOPMENT PROGRAMME 1980-81
(FATA) FINANCIAL ALLOCATION

(Million Rs)

S. No.	Sector	Allocation	Percentage to total
A. FATA-NWFP			
1.	Agriculture (Incl. Irrigation)	22.000	9.78
2.	Power	26.700	11.87
3.	Industry	2.000	0.89
4.	Transport and Communications	72.100	32.04
5.	Physical Planning and Housing	24.200	10.76
6.	Education	46.000	20.44
7.	Health	23.000	10.22
8.	Rural Development	9.000	4.00
	Sub-Total (A)	225.000	100.00
B. FATA-DC			
1.	Water	55.161	80.50
2.	Industry	8.899	12.99
3.	Mineral	1.964	2.86
4.	Miscellaneous	2.500	3.65
	Sub-Total (B)	68.524	100.00
	Grand Total (A & B)	293.524	

FINANCIAL ALLOCATION AND REVISED ESTIMATES 1979-80

(AZAD KASHMIR)

(Million Rs.)

S. No.	Sector	Allocation	Revised Estimates (1979-80)	% Implementation
1.	Agriculture	27.538	27.542	100.0
2.	Water	-0.787	0.002	0.3
3.	Power	25.964	25.963	100.0
4.	Industry	6.352	4.721	74.3
5.	Mineral	0.728	0.950	130.5
6.	Transport and Communications	40.913	42.778	104.5
7.	Physical Planning and Housing	16.523	19.903	120.5
8.	Education	14.556	14.463	99.3
9.	Health	15.343	11.781	76.8
10.	Rural Development	20.456	21.057	102.9
	Total	169.160	169.160	100.0

ANNUAL DEVELOPMENT PROGRAMME 1980-81

(AZAD KASHMIR)

								(Million Rs.)	
S. No.	Sector							Allocation	Percentage to total
1.	Agriculture							30.000	13.33
2.	Water							1.000	0.44
3.	Power							45.000	20.00
4.	Industry							10.331	4.59
5.	Mineral							1.669	0.74
6.	Transport and Communications							54.500	24.23
7.	Physical Planning and Housing							18.000	8.00
8.	Education (Incl ; P&D Department)							17.350	7.71
9.	Health							20.00	8.89
10.	Rural Development							27.150	12.07
Total							225.000	100.00	

FINANCIAL ALLOCATION AND UTILISATION 1979-80
(NORTHERN AREAS)

Annexure V

(Million Rs.)

S. No.	Sector	Allocation	Utilization (1979-80)	Percentage Implement- ation
1.	Agriculture	9.835	9.582	97.4
2.	Water	3.934	1.693	43.0
3.	Industry	0.809	0.212	26.2
4.	Power	8.655	10.302	119.0
5.	Transport & Communications	24.841	24.841	100.0
6.	Physical Planning & Housing	27.537	27.537	100.0
7.	Education	14.083	14.083	100.0
8.	Health	9.442	6.808	72.1
9.	Rural Development	7.081	6.581	92.9
	Total ..	106.217	101.639	95.7

ANNUAL DEVELOPMENT PROGRAMME 1980-81
(NORTHERN AREAS)

Annexure VI

(Million Rs.)

S. No.	Sector	Allocation	Percentage to total
1.	Agriculture	13.842	10.0
2.	Water	5.066	3.6
3.	Power	15.000	10.8
4.	Industry	1.000	0.7
5.	Transport & Communications (incl : NATCO)	26.194	18.9
6.	Physical Planning & Housing	34.598	24.9
7.	Education	19.100	13.7
8.	Health	14.200	10.2
9.	Rural Development	10.000	7.2
	Total ..	139.000	100.0

GLOSSARY

1 Metre	=	1.09361	Yds.	1 Kilogram	=	2.20462	Pounds
1 Kilometre	=	0.62137	Mile		=	1.07169	Seers
1 Yard	=	0.9144	Metre	1 Metric Tonne	=	0.98421	Ton
1 Mile	=	1.609344	Kilometres		=	26.7922	Maunds
1 Litre	=	1.75980	Pints	1 Ton	=	1.01605	Metric Tonne
1 Litre	=	0.87990	Quart	1 Sq. Metre	=	1.19599	Sq. Yds.
1 Litre	=	0.219976	Gallon (Imp)	1 Hectare	=	2.47105	Acres
1 Pint	=	0.56824	Litre	1 Sq. Kilometre	=	0.386101	Sq. Mile.
1 Quart	=	1.13649	Litres	1 Sq. Ft.	=	929.03	Sq. Centi Metres
1 Gallon (Imp)	=	4.54596	Litres	1 Sq. Yd.	=	0.83613	Sq. Metre
1 Gallon (U.S.)	=	0.83268	Gallons (Imp)	1 Acre	=	0.404686	Hectares
	=	3.78533	Litres	1 Sq. Mile	=	2.58999	Square Kilometres