

GOVERNMENT OF HARYANA



SPEECH

OF

Shri B. D. Gupta

DEPUTY CHIEF MINISTER, HARYANA

**Presenting the
Budget Estimates for the year 1989-90 in the
Haryana Vidhan Sabha**

**Chandigarh,
8th March, 1989**

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Sub. National Systems Unit,
National Institute of Educational
Planning and Administration
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**Speech of Shri B. D. Gupta, Deputy Chief Minister, Haryana
representing the Budget Estimates for the year 1989-90
in the Haryana Vidhan Sabha on the 8th March, 1989.**

Honourable Speaker, Sir and my distinguished colleagues,

I feel greatly honoured in presenting the Budget Estimates for the second year in succession as these Estimates will help translate into action the commitments made by our Government to the people of Haryana.

It is a strange irony of fate that in contrast to the last year which saw the worst drought of this century, the current year has experienced unprecedented heavy rainfall and wide-spread floods in most parts of the State. Nature has, thus, shown us the two extremes of weather in the first two years of our Government's tenure in office. Each natural calamity posed a serious challenge to the State Administration. We have successfully met the challenge as I will be stating a little later and have safeguarded life and property besides preventing disruption of the development process. The nefarious activities of the desperate terrorists resulted in several incidents of killings of innocent citizens at Panipat, Shahabad, Pehowa, Kaithal and Thanesar, etc. Again, our Government displayed tremendous strength and determination to counter the repercussions of these incidents and successfully nabbed all the culprits behind these shameful incidents. The proneness of our State to terrorist violence has cast a special responsibility on the State Government and I had to make emergent financial allocations to strengthen the police force and its weaponry. However, while due to unprecedented drought in the last year, the State income went down by 2.2% over the previous year, this year we are expecting it to grow by 9% due to the good effect of monsoons in the agricultural sector.

The adverse pressure on the State finances has not dampened the enthusiasm of our Government to fulfil the assurances given to the people. We have taken all care to ensure that the renewed efforts to support the weak and downtrodden sections of society and to accelerate the pace of developmental process are not slowed down. The significant measures initiated towards this end include the announcement of the scheme of unemployment allowance for the unemployed graduates and further extension of the benefits of the liberalised old age pension scheme and other schemes to our senior citizens, the widows and the handicapped.

Ninth
Finance
Commis
sion

A noticeable event of the outgoing financial year is the award of the 9th Finance Commission. At the outset, I feel happy to inform the Hon'ble members that after holding detailed discussions with us in the month of May last year, the Chairman of the 9th Finance Commission publicly complimented Hon'ble Chief Minister and the Haryana Government for its prudent and efficient financial management. On account of the cogent and effective advocacy of our proposals the Commission recommended special allocations of Rs 20 crores for modernisation of the law and order machinery and Rs 4 88 crores for construction of school buildings. However, in general, the award of the 9th Finance Commission for the financial year 1989-90 has not been quite encouraging. As the Hon'ble members are aware we had proposed a set of alternative terms of reference for this Finance Commission in order to reflect better the needs and aspirations of the people of this country. The Chief Ministers of the Non-Congress(I) ruled States played a major role in building up a thinking process over these terms of reference in the country. But, their endeavours have not helped a revenue efficient State like Haryana. The objective use of the normative approach both for the States and for the Centre has not been resorted to in formulating the recommendations

for 1989-90. The emphasis continues to be on offering doles to the deficit and backward States disregarding the revenue efforts and financial discipline by States like Haryana. The formula for devolution of income tax and excise duties evolved now gives added weightage to the poverty and backwardness which has reduced our percentage shares in these divisible taxes. On the other hand, we will not get any share from the deficit and upgradation grants amounting to Rs. 1156 crores approximately recommended by the 9th Finance Commission. Our Hon'ble Chief Minister, Ch. Devi Lal, has however, been crusading the cause of the States and the joint feeling of the States was voiced in the Conference at Calcutta on 28th January, 1989 and in the Chief Ministers' Conference on 9th & 10th February, 1989 at Delhi. I hope the 9th Finance Commission in its second report for the period of the Eighth Plan (1990—95) would be more generous to Haryana.

The document "Economic Survey of Haryana 1988—89" already circulated among the Hon'ble Members gives an over-view of the economic situation during last year. I would like to recapitulate here some of the salient points. During the year 1987-88 the State passed through unprecedented drought conditions which affected its economy rather adversely. According to quick estimates, State income at constant prices (1980-81) is estimated at Rs. 3954 crores in 1987-88 against Rs. 4042 crores in 1986-87 showing a decrease of 2.2%. However, at current prices the State income is estimated at Rs. 6478 crores in 1987-88 as against Rs. 5931 crores in 1986-87, thereby, showing an increase of 9.2%. The sectoral analysis reveals that the contribution of primary sector declined by 14.2% whereas the secondary and tertiary sectors recorded growth of 6.5% and 10.7% respectively. The adverse effect of the severe drought conditions in 1987-88 is quite clear in the primary sector. In the year 1987-88 the per capita income (at 1980-81 prices)

Economic
Survey
1988-89

has been estimated as Rs. 2572 and has declined by 4.4% as compared to the previous years level. At current prices it was Rs. 4214 as against Rs. 3947 in 1986-87. Despite the unprecedented drought, the price rise in Haryana has been less than the national average. While the All-India Working Class Consumer Price Index (base 1960=100) increased from 686 in March, 1987 to 753 in March, 1988 showing a rise of 9.8% and it further rose to 806 in September, 1988, the Haryana State Working Class Consumer Price Index (base 1972-73=100) increased from 288 to 313 between March, 1987 and March, 1988 and thus, rose by only 8.7%. The economic and functional classification of the State Budget Estimates for the year 1988-89 revealed a direct capital formation amounting to Rs. 139 crores apart from an additional capital formation of Rs. 259 crores as State Government's contribution towards the private and public sectors.

**Revised
Annual
Plan Outlay
1988-89**

The outgoing year is the 4th year of the 7th Five Year Plan (1985-90) for which an outlay of Rs. 2900 crores had been envisaged. The State Plan expenditure upto 1987-88 has been Rs. 1371 crores and the current year's outlay was fixed at Rs. 600 crores. The plan outlay under certain heads was subsequently increased by Rs. 50 crores. However, the State resources to finance this plan faced some erosion due to various factors. The major reasons for the shrinkage in the resources available for development schemes were the unanticipated expenditure of Rs. 75 crores approximately on the grant of ADA instalments and pensionary benefits on the basis of recommendations of the Fourth Central Pay Commission, an expenditure of Rs. 12 crores on natural calamities. Also amounts of approximately Rs. 7 crores and Rs. 11 crores were respectively spent on strengthening the law and order machinery and in granting UGC scales etc to the University teachers and Government and private college teachers. The Annual Plan outlay for 1988-89 has been accordingly

revised to Rs. 550.63 crores. The revised outlays, inter-alia, provide for Rs. 140 crores for Power, Rs. 96 crores for Irrigation and Flood Control, Rs. 196 crores for Social and Community Services, Rs. 48.6 crores for Agriculture and Allied Services including Cooperation and Rs. 30.65 crores for Transport and Communications.

**Annual
Plan
1989-90**

An outlay of Rs. 676 crores has been provided for the State Annual Plan 1989-90 in the Budget Estimates which shows an increase of 23.36% over the revised outlay for the current year. This includes Rs. 62.88 crores for Agriculture & Allied Services including Cooperation, Rs. 15.73 crores for Rural Development, Rs. 93.95 crores for Irrigation and Flood Control, Rs. 202 crores for Power, Rs. 14 crores for Industries, Rs. 37.51 crores for Transport and Communications, Rs. 233.18 crores for Social Services, Rs. 6.75 crores for other services and Rs. 10 crores for Decentralised Planning. The outlay for Sutlej Yamuna Link Canal Project has been fixed at Rs. 15 crores. Our plan continues to place great emphasis on the development of our infrastructure for agriculture and industry. Accordingly, we have allocated 29.9% of the total plan outlay to the Power sector and 13.9% to Irrigation schemes. Besides, we have also accorded a high priority to the Social Services Sector for development of human resources and for providing social security by allocating 34.5% of the total outlay to this sector. I would now place before the Hon'ble members a brief account of the plan-activities to be undertaken during the year 1989-90.

**20 Point
Programme**

The restructured 20-Point Programme has been dovetailed with the over-all plan-activities to accelerate the pace of development. Under the poverty alleviation programmes, against a target of assisting 73,332 families during 1988-89, 55,873 families have been assisted by January, 1989, including 29,013 families belonging to the Scheduled Castes. Gainful employment for 26.10 lakh

mandays has been proposed to the rural poor upto January 1989 under NREP and RLEGP against a target of 40.00 lakh mandays out of which employment for 10.08 lakh mandays have been provided to Scheduled Castes families. Under the Rural Water Supply Programme against a target of 440 villages clean drinking water has been provided to 290 problem villages upto January, 1989 benefiting a total of 3.85 lakh population including 0.97 lakh Scheduled Caste population. Under the Universal Immunization Programme 3.65 lakh children have been covered against a target of 3.97 lakhs. In the Housing sector, shelter has been provided to 522 Scheduled Caste families in the rural areas under Indira Awas Yojana and to 284 families under EWS and LIG Housing Schemes upto January, 1989. Under the programme relating to improvement of slums, 8710 persons have been benefited. A total of 4947 pump-sets have been energised against a target of 19,000 pump-sets and 35,480 improved chullahs have been installed upto January, 1989. A similar emphasis on these activities under the 20-point programme will be maintained in the Annual Plan 1989-90.

Irrigation

Facility of assured irrigation has played a stellar role in the massive transformation of rural economy in the country particularly in the northern States. Our State continues to maintain exemplary standards of achievement despite its handicap in not having too many perennial sources of irrigation. In 1987-88, despite acute drought conditions the gross irrigated area in our State was 66%. The World Bank aided Canal Modernisation Scheme has so far helped lining of 459 million square feet of irrigation channels saving 1920 cusecs of water potential. The outlay for this project during 1989-90 will be Rs. 31.50 crores. The review mission of the World Bank has commended the quality of work executed under this project in Haryana. We intend to make the arid and undulating terrains of South-West Haryana further green

with an outlay of Rs. 5 crores for the JLN and Loharu Lift Irrigation Schemes. The work on the Hathnikund Barrage will progress further with an outlay of Rs. 3 crores for 1989-90. Under the special Food Grains Production Programme of the Government of India lining of 10 channels at a cost of Rs. 6.47 crores would be achieved by June, 1989 to create an additional irrigation potential of 6630 hectares. Next year we plan to create an additional irrigation potential of 20,000 hectares under all these schemes. Another important feature of our strategy is to impart advanced training to our engineers in the latest techniques and concepts of water management.

I have to state with regret that the Govt. of India continues to drag its feet on the vital question of completion of the Punjab portion of the SYL Canal. We have been continuously pursuing the matter with the Central Government. In the meantime the cost of the project has escalated from Rs. 160 crores in 1983 to Rs. 430 crores in 1988. The colossal loss in the prospective food-grains production and the loss of income to our people due to non-completion of this project is certainly a cause of national concern. This year an amount of Rs. 34.5 crores has been spent on this project and next year we propose to spend another Rs. 15 crores. I cannot help express our apprehension that the Central Government is discriminating against Haryana in this matter presumably because we are an opposition state. But let me assure this august House that given the united support of the Hon'ble members we will succeed in obtaining our rightful due from the Government of India.

Sutlej
Yamuna
Link
Canal

The Flood control machinery of our State was put to the most difficult test in the unprecedented floods during the year 1988. The rainfall from July to September, 1988 was many times more than the normal rainfall and as a result the rivers of

Flood
Control

Yamuna, Markanda, Tangri, Ghaggar and their tributaries overflowed with water inundating large areas of our State. Thanks to the good work done in this direction whereby 16 lakh hectares of flood-prone area in our State were already protected against floods, considerable damage to our infrastructure and agricultural production could be avoided. In the process however, an expenditure of about Rs. 12 crores has been incurred by our Government from its own resources to provide succour to the flood affected people. For 1989-90 we have allocated an amount of Rs. 13 crores for flood protection works and the work on the Khara, Chhudani and Bahadurgarh drains nearing completion will be benefitting the Jhajjar and Bahadurgarh areas.

Power

Hon'ble members are aware that our Government was able to record unprecedented achievements in the power sector as a result of which both the agricultural and industrial sectors of the State economy are showing tremendous buoyancy at present. There were hardly any power cuts and this year we could supply 4914 MU of power as against 4555 MU in the first 9 months of the last year. The power availability prospects will further brighten up in the near future with the planned commissioning of a 210 MW Unit at Panipat and two Units of 8 MW each at W.J.C. Hydel Project by the end of the year 1989. Necessary preparatory work has also been taken in hand to set up another 210 MW Unit at Panipat. We are also pursuing with the Government of India, the scheme for setting up of a 216 MW gas-based Power Plant at Ballabgarh and another 600 MW Power Plant based on the HBJ gas. In order to muster more capital resources for HSEB, the Power Finance Corporation has been approached for extending capital loans for the projects. The Plan outlay for the Power sector during 1989-90 has been kept at Rs. 202 crores.

Agriculture

The hardworking farmers of our State continue to earn for it the pride of being one of the foremost States in agriculture in our country. Our contribution to the foodgrains

pool is 5.42% with just 1.96% of the cultivable area being in the State. We have laid special emphasis on the production of oilseeds and pulses. To further diversify agriculture we have set up a separate Department of Horticulture to promote the cultivation of fruit and vegetable crops. We propose to spend Rs. 93.55 lakhs during 1989-90 for this purpose. The remarkable resilience of our agricultural economy is reflected in the fact that the food grains production during Kharif 1988 has been 24.38 lakh tonnes as against a target of 24.10 lakh tonnes despite the heavy floods. The current Rabi also shows good prospects and we hope to achieve the production target of 60.40 lakh tonnes for the Rabi foodgrains. For the year 1989-90 we have set the foodgrains production target of 91.10 lakh tonnes and the targets for sugarcane (Gur), oilseeds, and cotton have been pegged at 8.50 lakh tonnes, 3.85 lakh tonnes and 9.50 lakh bales respectively. The area under high yielding varieties is expected to be 28.58 lakh hectares with the input of certified seeds, fertilizers and pesticides worth 2.05 lakh quintals, 5.80 lakh tonnes and 5000 metric tonnes, respectively. To develop minor irrigation facilities a subsidy of Rs. 1.02 crores will be provided for the installation of shallow tubewells and sprinkler sets. 12,000 more shallow tubewells and 2,270 sprinkler sets would be installed to provide irrigation facilities to 20,000 hectares during 1989-90.

We are preparing a project for the development of Kandi area in Ambala District to be funded by the World Bank in order to reclaim the degraded and saline lands. We will provide a subsidy of Rs. 1.75 crores for the purchase of gypsum and Rs. 80 lakh for the soil conservation activities. The Integrated Water-shed Management Project will be undertaken at a cost of Rs. 44 lakhs next year.

Our Cooperative Credit Institutions have achieved remarkable distinction in successfully implementing our Loan Waiver Scheme. So far, the HARCO Bank and the State Land Development Bank have given loan relief of

C-o-o-p-e-r-a-t-i-o-n

Rs. 33.61 crores to 3.99 lakh beneficiaries. Despite this we have not allowed their financial position to weaken and, as a result, the short and medium term credit disbursement during 1988-89 has been Rs. 251 crores and we have set up a target of Rs. 315 crores in 1989-90. Similarly, the target of lending for development of land, horticulture and agricultural equipments of HSLDB has been set at Rs. 75 crores for the next year. HAFED has played a pivotal role in the marketing of fertilizers and it is likely to market fertilizers worth Rs. 65 crores during the current year. The Cooperative Sugar Mills in the State achieved an all time high recovery rate of 9.82% and crushed 150.56 lakh quintals of sugarcane during 1987-88. During the current season, these sugar mills are likely to crush 180 lakh quintals of sugarcane. We have also provided a sum of Rs. 8.50 crores for 1988-89 and Rs. 11.40 crores for 1989-90 as the State's share capital for the three new Cooperative Sugar Mills at Kaithal, Meham and Bhuna. Half of this amount would be reimbursed by the N C D C. The outlay for the development of Cooperatives during 1989-90 has been kept at Rs. 11.00 crores.

Forests

With a dynamic afforestation policy 9.3% of the total area of our State is likely to come under forests from an initial level of 3.8%. The massive afforestation efforts along with the World Bank aided Project are expected to bring another 39,600 hectares of land under forests at an outlay of Rs. 25.90 crores next year. We have also submitted a project envisaging outlay of Rs. 4.13 crores for the rehabilitation of the denuded Aravalli Hills for external funding. The commercial activities of the department like the production of crates, apple boxes, furniture and making of coal etc. is likely to give a revenue of Rs. 6.30 crores during 1989-90.

Animal Husbandry

Our efforts to further improve and enrich the cattle wealth of the State continue and during the next year it is proposed to add another 40 Vety. dispensaries, 1 Poly-clinic and upgrade 30 Vety. dispensaries to full-fledged hospitals. Our Government gives priority to the members

of the Scheduled Castes taking up poultry, piggery, sheep and calf rearing and the outlay for this component for 1989-90 has been kept at Rs. 2.25 crores. In addition 4,500 families belonging to weaker sections will also be assisted in these occupations next year. The department aims at a production of 31.25 lakh tonnes of milk, 36.50 crores of eggs, 14 lakh kilograms of wool and 20 lakh broilers with a plan outlay of Rs. 5.98 crores during the next year.

To further develop fish farming in the State, our plan provides for an outlay of Rs. 1.85 crores for the next year. It is hoped that 500 lakh fish seeds will be stocked to produce 20,000 tonnes of fish and to create an employment of 4.50 lakh mandays. Fish Farmers Development Agencies at Hisar and Kurukshetra would also be set up during 1989-90.

Fisheries

The Food & Supplies Department has procured over 6 lakh tonnes of rice by January, 1989 for the Central Pool as against 2.87 lakh tonnes for the corresponding period last year. The network of the fair price shops for the distribution of essential commodities has been strengthened with the number of shops increasing to 6,516 and we have ensured that no consumer has to travel more than a distance of 2 kilometers to get his supply of essential commodities. In order to protect the interest of the consumers we have also decided to set up two District Redressal Fora at Hisar and Ambala.

**Food &
Supplies**

Our Government's strategy for economic development accords a very high priority to industrialization. Our Industrial Policy aims at liberalising the incentives for the speedy industrial growth in our State. The generating set subsidy has been increased from Rs. 1,000 to Rs. 1,200 per KVA for small scale units and from Rs. 500 to Rs. 600 per KVA for medium and large scale units and the maximum limit for the subsidy has also been enhanced to Rs. 15 lakhs. The Central/State/Mewat subsidy have also been increased to 25% from 10-15%. New units set up, expanding or diversifying after 1.4.88 will be entitled to sales tax exemption or deferment as

Industries

per their choice. For electronics industry even more liberal incentives have been announced. The improvement in power availability has given a new thrust to this process. The network of tiny industrial units will be further expanded next year with the establishment of 2,500 more such units. In addition 15 large and medium scale units would also be set up. HSIDC is rendering valuable services in increasing necessary infrastructure by setting up 3 new Industrial Estates at Dabwali, Gohana and Murthal. With its assistance one Printed Circuit Board Manufacturing Plant at Bawal and one RAX Project at Gurgaon are being set up. Target for disbursement of term loans by HFC would be Rs. 32 crores during 1989-90.

**Labour &
Employment**

The Government has taken all steps to maintain industrial peace and to ensure equitable wages to the working class. We have revised the minimum wages for unskilled workers with effect from 1-1-89 to Rs. 625 p.m. or Rs. 24 per day for industrial workers and Rs. 25 per day for agricultural workers which is perhaps highest in the country. Two more Labour Welfare Centres are proposed to be set up during the next year.

It is gratifying to state that our Government by granting unemployment allowance to the unemployed graduates at the rate of Rs. 100 per month effective from the Haryana Day, the 1st November, 1988 has not only fulfilled its electoral pledge but has also taken a progressive step worth emulation. For this scheme we have earmarked a sum of Rs. 6.04 crores for the next year.

**Science &
Technology**

The Council for Science and Technology has tendered valuable advice to our Government on the policy and measures for the use of Science and Technology in development. A Remote Sensing Application Centre is being set up at a cost of Rs. 2 crores at Hisar to use the latest remote sensing techniques in the various sectors of economy. Substantial progress has been achieved in setting up the Solar Energy Centre at Gwal Pahadi in Gurgaon. Tata Energy Research Institute is also setting up another similar project at Gurgaon costing Rs. 10 crores. The department is also setting up two Solar Thermal Power Plants of 50 KW capacity

each and one 20 KW Solar PV Power Plant in the State. The use of non-conventional sources of energy will be encouraged with the extension of Integrated Rural Energy Programme to three more blocks in 1989-90. The plan outlay for the development of Science and Technology has been kept at Rs. 86 lakhs for 1989-90.

Technical Education

We have given a high priority to the development of technical manpower by improving the technical education facilities both intensively and extensively. While the Engineering College at Murthal has already started functioning and the building for this is coming up very fast, we propose to set up another Engineering Institute at Hisar. New Polytechnics are also being opened at Narnaul, Uttawar, Gurgaon and Jind and for Women, a Government Polytechnic at Faridabad will be set up. The plan outlay for Technical Education has been kept at Rs. 6.15 crores.

Industrial Training & Vocational Education

Our thrust on creating and developing technical skills and vocationalising education continues. The Department has prepared a project for the upgradation and expansion of industrial training facilities at an outlay of Rs. 18 crores approximately to be implemented from 1989-90 to 1994-95. This project is being posed for the World Bank assistance to the extent of fifty per cent. Two more Women ITIs and new trades for women like Electronics Mechanic, Draughtsman, etc. will be introduced during 1989-90. For the development of ITI's, the plan outlay next year has been kept at Rs. 2.53 crores. In the field of Vocational Education, the number of seats will be increased from 8680 to 9720 during 1989-90 and a State Institute of Vocational Education is likely to be set up during 1989-90. The plan outlay for Vocational Education next year is Rs. 3.85 crores.

Transport

Haryana Roadways is providing valuable economic service of transport through its wide and efficient transport network. Our buses carry 14 lakh passengers everyday over 9.7 lakh kilometers. The operational parameters achieved by the department have won appreciation at every review

and the Planning Commission has already judged it as the best Transport Undertaking. We have taken the unique step of providing the feeder transport service on rural routes by mini buses and we intend to add 100 more mini buses to an existing fleet of 61. Besides, in order to check irregular plying of tempos and taxies and to raise revenue for the State, comprehensive instructions have been issued for the registration of all such carriers and intensive campaign has been launched to effectively implement this scheme. As a result 1,083 tempos and taxies have been registered in the State upto 15-11-1988 yielding a revenue of Rs. 10.54 lakhs as road tax and permit fee. In the Annual Plan 1989-90, the outlay of Rs. 15.10 crores provides for an addition of 200 buses and replacement of 387 buses.

Roads & Bridges

For an efficient network of transport, good roads are a necessity. The next year plan aims at improving 290 Kms. of existing roads and providing 220 Kms. of new metalled roads. While work on another bridge over Yamuna near Karnal has already been taken in hand, we are planning for additional bridges over Yamuna near Faridabad and at Kurukshetra-Shaharanpur road. The four laning of National Highway No. 1 in 80 Kms. from Murthal to Karnal is in advanced stages and is likely to be completed before the target date i.e. April, 1991. During 1989-90 Karnal-Ambala-Rajpura road will also be widened. The plan outlay for the development of roads and bridges has been kept at Rs. 20 crores.

With a view to provide additional resource support for the development of rural roads, we have decided that the Haryana Agricultural Marketing Board would take up rural link roads as far as possible for their maintenance and from the next year would also start constructing new such roads. The Board has already paid Rs. 2.50 crores to the PWD (B&R) for the maintenance of roads this year and the next year it would undertake construction of 300 Kms. of new link roads at a cost of over Rs. 8 crores.

The innovative tourist facilities created in Haryana have become a legend in the country. We are implementing a novel idea of developing tourist facilities at the historic Chaubisi-ka-Chabutra (Meham) by uniquely blending tradition with modernity. Two musical fountains at Pinjore gardens and Asakhera Complex are being installed and for the first time in the country an airconditioned boat has been provided at the Abubshehar Complex. The Crafts Mela now held every year at Surajkund is another example of imaginatively promoting tourism and culture together. An auditorium and a restaurant at Surajkund, a new golf course at Faridabad and new tourist complexes at Damdama and Bahadurgarh are fast coming up. Tourist accommodation at Panipat, Hisar, Sonapat and Karna Lake complexes is also being increased. These activities of the Department would be undertaken during 1989-90 at a plan outlay of Rs. 2.25 crores.

Tourism

In keeping with the objectives of "Health for all by 2000 A.D.", the Annual Plan 1989-90 at an outlay of Rs. 15.29 crores will be adding another 161 Sub-Centres, 61 Primary Health Centres and 10 Community Health Centres to the existing infrastructure. The coverage of the ESI Scheme will be extended to 2645 more employees next year. An outlay of Rs. 75 lakhs has been especially kept for the promotion of Indian System of Medicines.

Health
Services

We have also given a high priority to the development of technical man-power and facilities at the Medical College, Rohtak. During the current year we have effected handsome revision in the pay scales of the faculty staff of the Medical College. New Courses of MD/Diploma in Radio-therapy, MDS in Orthodontic and MDS in Prosthodontic have been started and new departments of Cardiology and Cardiac Surgery have been created. The Cancer Hospital was also completed this year. During the next year a full body Cat Scan at a cost of Rs. 1.5 crores will be added and Diploma in Dental Hygiene will also be started. The new Medical College at Agroha with an intake of 50 students for

under graduate courses has also been sanctioned. This will be a concrete example of cooperation between the State Government and a philanthropic community in the service of our people. The plan outlay for the medical education and health services for 1989-90 is Rs. 19.08 crores.

Public Health

Our State was a pioneer in extending the tapped drinking water supply to more and more villages. By January, 1989 out of 2000 identified problem villages to be covered during the Seventh Plan period, such facilities have been extended to 1,740 villages. During 1989-90 plan outlay of Rs. 25.88 crores in addition to Rs. 5.50 crores under the centrally sponsored Accelerated Rural Water Supply Project will be earmarked for providing water supply facility to 400 more problem villages.

Education

We are fully conscious of the fact that the literacy rate in Haryana is quite low. Our emphasis, therefore, has been on the development of Primary Education and in consonance with this objective we have set up a separate Directorate of Primary Education. I am sure that this vital aspect of development will now receive the desired boost. We plan to open 200 Primary Schools for girls during this year and also provide additional teachers and equipment to 112 schools. 100 more primary schools, 50 middle schools, and 25 High Schools would be upgraded next year. This year we announced a unique scheme to motivate the children of the nomadic tribes to attend schools by providing cash incentive of Rs. 1 per school day per student. This scheme will be continued during the next year also. To improve the pedagogical skills, 8 District Institutes of Education and Training are being added this year, and the remaining 4 districts will be covered next year. During next year the remaining 3 Districts would also be having one Navodaya Vidyalaya each.

We believe that a contented teaching community will help the State in improving the quality of education. The

Government has, inter-alia, revised the pay scales of the University and College teachers on the pattern of the UGC scales of pay which caused additional financial liability of Rs. 11 crores for the State. The State Council for Higher Research and Training has been set up and another Council for Higher Education to effectively implement the National Policy on Education is on the cards. Next year we propose to open two Government Colleges at Taoru and Mandi Dabwali and we also propose to establish an Open University in the State.

Our State has produced many outstanding sportsmen who have won honours for the State and for the country. With a view to further develop the sports talents, we have launched a scheme of setting up Sports Nurseries in selected disciplines like wrestling and gymnastics in which our players have been rather exceptional traditionally. Two such nurseries at Ambala and Yamunanagar in Gymnastics and one nursery at Rohtak for Wrestling have been set up. In addition, various other activities for the development of sports would be undertaken at a plan outlay of Rs. 1.75 crores during 1989-90.

Sports

Welfare schemes for community benefit continue to receive our financial and administrative support. Our Old Age Pension Scheme has brought a new and unique sense of pride, self-respect and recognition for our senior citizens and it has evoked interest throughout the country. This year old-age pensions were given to 7.62 lakh beneficiaries and the amount disbursed was Rs. 79.60 crores and the next year the provision for this scheme is Rs. 90 crores. The widow pension has also been increased from Rs. 50 to Rs. 75 per month. We have enforced the Juvenile Justice Act, 1986 and accordingly we are setting up Juvenile Welfare Boards in each district, 3 Juvenile Courts at Ambala, Bhiwani and Sonapat and 3 Juvenile homes at Madhuban, Bhiwani and Chhachhriauli besides 5 observation homes. The importance given to this sector is evident from the fact that we have kept an outlay of

**Social
Welfare**

Rs. 97.92 cores for this department. For the socio-economic upliftment of Scheduled Castes, Backward Classes and other depressed classes, the schemes of environmental improvement of Harijan Bastis, housing assistance, drinking water supply and Harijan Chaupals, etc. are being implemented. The amount of scholarships to the students of these classes has also been enhanced from Rs. 15 to Rs. 30 per month for classes VI to VIII and from Rs. 20 to Rs. 50 per month for classes IX to XI and the Stationery grant has also been raised from Rs. 20 to Rs. 40 per annum for middle school classes and from Rs. 20 to Rs. 60 per annum for high/senior secondary classes. The State Government would be contributing Rs. 50 lakhs and Rs. 40 lakhs more as its share capital for the Haryana Harijan Kalyan Nigam and the Haryana Backward Classes Kalyan Nigam respectively during 1989-90.

**Special
Component
Plan**

Our Government has always shown special concern for the uplift of the Scheduled Castes. An amount of Rs. 54.40 crores in the current year and Rs. 70.86 crores in the next year has been earmarked for the Special Component Plan to assist the Scheduled Castes families. Upto January, 1989, 29013 Scheduled Castes families have already been assisted and it is proposed to assist 41713 such families in the next year.

**Mewat
Develop-
ment
Board**

Due to sustained development thrust by the Mewat Development Board this backward area of South Haryana is fast looking up. The upcoming Industrial Complex at Rozka Meo is a concrete example of the changing face of Mewat. The plan outlay for the activities of this Board has been kept at Rs. 3 crores for the next year.

**Matching
Grant
Scheme**

Our respected Chief Minister is the pioneer of the Matching Grant Scheme. Under his guidance we have involved people in all our developmental activities and we have great faith in the 'jan shakti'. With this ideology our Government has encouraged more and more development works of public welfare with the matching contribution from the panchayats and the community and the results

have been highly gratifying. We have provided liberal matching funds from the State exchequer and this year an amount of Rs. 2.66 crores and the next year an amount of Rs. 3.32 crores is likely to be spent on this account. The Hon'ble Chief Minister has also been giving out-of budget matching grants from the C.M.'s Relief Fund. In the current year he has given grants amounting to Rs. 1.12 crores for a number of development schemes throughout the State.

We realise that the financial position of the panchayats is not very sound. To augment their resources, the Government has separately decided to levy an additional duty @ Re 1/- per bottle on all the country liquor sold within rural areas. It has also been decided that the proceeds from the levy would be distributed between the Panchayat Samitis and the Panchayats as under :

- (i) 25% of this money would be given to the Panchayats according to quota of country liquor sold from their areas ;
- (ii) 50% of the proceeds would be distributed among various panchayats falling within the jurisdiction of the Samiti area on the basis of their population as determined by the last census.
- (iii) 25% would be retained by the Panchayat Samiti for undertaking development works in the Samiti area.

On the same pattern the proceeds of additional levy on the country liquor sold from urban vends would be given to the concerned Municipal Committees in lieu of octroi on country liquor.

Besides the outlays provided for the State Plan Schemes I have just mentioned, the Budget Estimates 1989-90 also provide for an expenditure on the Plan side of Rs. 98.44 crores as the Central Government's share on the various centrally sponsored/central sector schemes and other development schemes.

**Centrally
Sponsored
Schemes**

**Natural
Calamities**

In utter contrast to the last year the outgoing year was the year of the heavy deluge with the monsoon rainfall breaking the records for the many previous years. Extensive damage was caused by floods to the roads, irrigation works and dwellings etc. A large number of people were rendered homeless although the loss to human life was almost wholly prevented. Hon'ble members are aware of the 'magnanimity' of the Government of India for sanctioning an amount of Rs. 32.14 crores for flood relief against our demand of Rs. 192.10 crores. This pittance of a meagre central assistance obviously did not ameliorate our tight resources position but even then we have spent more than Rs. 12 crores on the relief to the affected people beyond the funds released by the Government of India. I have already stated that the State finances came under heavy pressure because of this unforeseen expenditure. The major items of expenditure were Rs. 4.12 crores for agricultural subsidies, Rs. 3.75 crores for food and shelter, Rs. 5.50 crores for the repair of roads, Rs. 14.20 crores for the repair and restoration of irrigation works and dewatering and Rs. 2.90 crores for the repair of damaged transformers. An amount of Rs. 1.42 crores was also released from the Chief Minister's Relief Fund for this purpose.

**Resource
Mobilisation**

Our Government realises fully well that its ambitious welfare and development schemes can be implemented only with a sound resource base. With a view to locating fresh resources a Committee was constituted in 1987. The Resources Committee continues to render valuable advice as a result of which we have been able to rationalise and effectively utilise the existing revenue and capital structure without increasing the burden on the people of the state. Notably, large chunks of Government lands lying unutilized and surplus are being put to residential and commercial use through the Haryana Urban Development Authority. The initial receipt to the Government on this account has been to the extent of Rs. 2.5 crores, which is

likely to multiply many times in the coming years. Similarly, the regularisation of the occupation of evacuee properties yielded a revenue of Rs. 3.17 crores during the current year and the future realisations are estimated at over Rs. 10 crores in a phased manner. The revision of power tariff undertaken to cover only a small fraction of the increased cost of generation is likely to yield revenue of Rs. 60.65 crores in the current year. Another very important step was taken on the advice of the Committee to curb the practice of under-valuation of immovable property which was causing a substantial revenue loss of stamp duties to the Government. Due to the formation of Evaluation Committees at the district and sub-division levels additional revenue of Rs. 13 crores approximately by way of stamps and registration fees will be realised this year. I feel, therefore, that under the valuable guidance of the Resources Committee my worry of finding finances for our schemes will keep on declining as we move on in our endeavour.

The Revised Estimates for the year 1988-89 taking into account the developments after the presentation of the Budget Estimates for the current year show that this financial year is likely to close with a deficit of Rs. 19.78 crores as per the books of RBI as against Rs. 36.32 crores projected in the Budget Estimates. These figures speak volumes for our Government's determination to maintain an efficient financial management system in the face of increasing commitments. As I have mentioned earlier, the year saw many adverse pressures building up on the State finances because of several factors. Besides, some additional plan outlays were sanctioned for some priority schemes and the State plan outlay was pruned in order to match the changed requirements and the resources vis-a-vis the liabilities of the State Government. As a result, the revised State plan outlay stands at Rs. 550.63 crores as against the original outlay of Rs. 600 crores.

Revised
Estimates
1988-89

The opening balance for the year 1988-89 has come out to be Rs. (—)7.51 crores as against the anticipated opening balance of Rs. (-)3.06 crores. The opening balance of Rs. (—)7.51 crores takes into account the Treasury bills of Rs. 16.85 crores held by the State Government as on 31st March, 1988. The major additional demands on the State exchequer during the year have been on account of the expenditure on undertaking relief, repair and restoration works in the wake of the unprecedented floods (Rs. 12 crores), revision of pensions and terminal benefits and also the grant of instalments of dearness allowance (Rs. 74.76 crores), social security measures like old age pension and unemployment allowance (Rs. 13 crores), revision of pay scales of the College & University teachers etc. (Rs. 11 crores), and strengthening of law and order arrangements necessitated by increased terrorists activities (Rs. 7 crores). While readjusting plan outlays for this year, we have taken care that the important development sectors like the power, irrigation and other public works do not suffer because of lack of funds. A notable feature of our Government's determination to mobilise more and more resources for development is the phenomenal rise in small savings collection during the year 1988-89. By successfully tapping this source, our Government has been able to receive a loan of Rs. 170 crores from the Government of India as against the budgeted amount of Rs. 110 crores. We hope to keep up this tempo in the coming year also. On the other hand, steps for effecting economy in Government expenditure initiated in the earlier years continue and expenditure on vehicles, furnitures, costly articles and on non-productive items has been contained as far as possible. Despite the situation outlined above and despite the restrictionist policy of RBI in allowing liquidity accommodation to the State, I may mention with satisfaction that the ways and means position of the State has been kept under full control throughout the year.

Hon'ble Speaker, Sir, I now present the over-all financial position of the State emerging as a result of the budgetary transactions covering the plan outlays mentioned above and the non-plan expenditure for the year 1989-90.

**Budget
Estimates
and Annual
Plan
1989-90**

Component	Revised Estts. 1987-88	Accounts 1987-88	Budget Estts. 1988-89	Revised Estts. 1988-89	Budget Estimates 1989-90
1	2	3	4	5	6
Rs. in crores					
I. Opening Balance—					
(a) According to Books of A.G.	(—)43.57	(—)43.57	(—)44.26	(—)29.75	(—)42.02
(b) According to Books of R.B.I.	(—)2.37	(—)2.37	(—)3.06	(—)7.51	(—)19.78
(c) Investment in Securities.	7.98	7.98	7.98	7.98	7.98
II. Revenue Account—					
Receipts	1357.98	1303.84	1447.47	1458.85	1665.52
Expenditure	1314.39	1287.48	1349.99	1512.76	1623.35
Surplus (+)/ Deficit (—)	(+)43.59	(+)16.36	(+)97.48	(—)53.91	(+)42.17
III. Capital Expenditure	140.23	60.49	132.58	132.12	126.89
IV. Public Debt—					
Debt incurred	586.98	542.07	532.94	409.65	610.28
Repayment	462.30	443.09	411.66	216.67	416.51
Net	(+)124.68	(+)98.98	(+)121.28	(+)192.98	(+)193.77
V. Loans and Advances					
Advances	177.63	198.26	221.91	188.28	241.80
Recoveries	28.37	25.35	33.91	26.50	32.82
Net	(—)149.26	(—)172.91	(—)188.00	(—)161.78	(—)208.98
VI. Inter-State Settlement.	—	—	—	—	—
VII. Appropriation to Contingency Fund.	—	—	—	—	—
VIII. Contingency Fund (Net)	—	(+)2.89	—	—	—
IX. Small Saving-Provident Funds, etc. (Net).	(+)96.94	(+)87.60	(+)48.38	(+)86.74	(+)53.27

Component	Revised Estts. 1987-88	Accounts 1987-88	Budget Estts. 1988-89	Revised Estts. 1988-89	Budget Estts. 1989-90
1	2	3	4	5	6
Rs. in crores					
X. Deposits and Advances—					
Reserve Funds, Suspense and Misc. (Net).	(+)23.59	(+)43.00	(+)20.18	(+)55.82	(+)3030.20
XI. Remittances (Net)	—	(—)1.61	—	—	—
XII. Year's Closing Balance—					
(a) According to Books of					
(i) A.G.	(—)44.26	(—)29.75	(—)77.52	(—)42.02	(—)558.48
(ii) R.B.I.	(—)3.06	(—)7.51*	(—)36.32	(—)19.78	(—)336.24
(b) Investment in Securities.	7.98	7.98	7.98	7.98	7.98

*After making adjustment of Treasury Bills amounting to Rs. 16.85 crores outstanding on 31st March, 1988 as reported by the RBI.

The table given above indicates that starting with an opening deficit of Rs. 19.78 crores, the year 1989-90 is estimated to close with a deficit of Rs. 36.24 crores as per the books of RBI. The revenue account is likely to yield a surplus of Rs. 42.17 crores and the net public debt will be incurred to the extent of Rs. 193.77 crores. The revenue receipts, both tax and non-tax, have been estimated to grow at higher rates than estimated by the 9th Finance Commission. As an example, the revenue from the State excise duties has been projected to grow by over 17% from 1988-89 and this increase may be still higher as a result of the modifications in the Excise Policy recently approved for the next financial year. Similarly, the revenue from the sales tax assumed to grow by 14.8% is likely to increase further as a result of the anti-evasion measures and with the possible receipts of consumption tax which may be imposed by the middle of the year as promised by the Central Government. Further in adopting the receipts and expenditure for non-plan purposes, the recommendations of the 9th Finance Commission have been

kept in view. Credit has been taken for the recommended grant of Rs. 20 crores by the 9th Finance Commission for strengthening the law and order machinery during the year and also for a grant of Rs. 4.88 crores for the construction of school buildings. No provision has been made for the payment of the instalments of dearness allowance which may be sanctioned from now on.

The Budget Estimates 1989-90 make provision for a State Plan outlay of Rs. 676 crores apart from an outlay of Rs. 98.44 crores on the plan side for Centrally sponsored schemes and other development schemes. The combined outlay of Rs. 290.95 crores for irrigation and power sectors showing an increase of 25.39% over the revised outlay for the current year signifies the highest priority accorded to the development of agriculture and industries in our State. In addition, the outlay for agriculture and rural development for 1989-90 shows an increase of 20.38% and that for social and community services of 19.37% over the present year's outlays.

I do not propose to levy any additional tax or duty nor do I propose any increase in any of the existing levies. But, despite this fact, the Hon'ble members, may appreciate that the closing deficit of Rs. 36.24 crores for the year 1989-90 has been kept within very safe and manageable limits. At the same time, I am afraid my counterpart at the Centre has imposed heavy levies in the Central Budget and in the pre-Budget measures by way of increase in rail freights, increase in administered prices of coal and steel and increase in excise duties on various items. These measures would certainly set in a cascading price spiral in the national economy which will surely cause a financial burden on the citizens of our State also. Therefore, I think by presenting a tax-free State Budget, I would be offering only a limited relief in not further increasing the sufferings of our people. The State Government will, however, have to further improve efficiency in managing services like transport and power so as to contain the ill-effects of price rise. I am, however, sure that with the

effective financial management and economy measures, this uncovered deficit of Rs. 36.24 crores for the year 1989-90 would be reduced further. I also trust that the Central Government will fulfil its promise of levying consignment tax by the middle of the next financial year. This measure is expected to yield additional revenue of about Rs. 50 crores per annum.

Facilities to
Government
Employees

We believe that in order to implement the Government schemes most effectively, the morale of the Government employees' who implement them must be kept high. And we have extended unprecedented benefits to our employees in keeping with this belief. For the first time our Government has granted Bonus equivalent to 27 days emoluments for the year 1987-88 on the pattern of Government of India for those who are not covered by any of the productivity linked bonus scheme or any other bonus or ex-gratia scheme. This would cause a financial liability of Rs. 22.22 crores, but keeping in view the difficult ways and means position of the Government because of floods, etc. the payment of bonus will be credited to the G.P.F. accounts of the employees. Besides, we also implemented our decision to grant the revised pensions and the terminal benefits in the light of the recommendations of the 4th Central Pay Commission w.e.f. 1.1.86, the financial liability on which account is estimated to be Rs. 19.32 crores in the current year and Rs. 7.50 crores in the next year.

We had also constituted a High Powered Ministerial Committee to take a sympathetic and pragmatic view to the various demands of the employees Associations. On the basis of its recommendations we revised the rates of daily allowance admissible to the employees on tour and further enhanced the medical allowance from Rs. 200/- per annum to Rs. 360/- per annum. This was done despite the acute financial difficulties, faced by the State Government to recompense the employees for their genuine difficulties while on tour or while in need of medical treatment. Separately, the

pay scales of the University teachers and teachers of both private and government colleges were revised on the UGC pattern and the pay scales for the faculty staff of the Medical College Rohtak were also improved corresponding to the revision of grades on the recommendations of the 4th Central Pay Commission. The Pay Anomalies Commission has already submitted its report on 27.2.89. We will examine and implement its recommendations with utmost speed. Our Government has undertaken these employee welfare measures in the conscious belief that the positive and generous attitude of the Government towards them will further motivate them to give their best in the efforts to build up our State.

Before concluding, I must express my appreciation and thanks to the team of officials who have laboured hard to meticulously prepare these Budget Estimates. The Accountant General, Haryana, has been particularly helpful in assisting us. The officers and staff of the Finance Department have really worked hard in preparing, compiling and producing the Budget Estimates well in time. The contribution of the Union Territory Press and the Haryana Press has also been, quite naturally, very vital in executing this task. I express my sincere thanks to all of them.

Sir, I now, commend these Budget Estimates for the consideration and approval of this House.

Jai Hind.

Sub. National Systems Unit,
National Institute of Educational
Planning and Administration
17-E, S. A. B. Marg, New Delhi-11001,
DOC. No. 27/1602...

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