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Assam Legislative Assembly Debates

OFFICIAL REPORT

FOURTH SESSION OF THE ASSAM LEGISLATIVE
ASSEMBLY ASSEMBLED AFTER THE
THIRD GENERAL ELECTION UNDER
THE SOVEREIGN DEMOCRATIC
REPUBLICAN CONSTITUTION OF
INDIA

BUDGET SESSION

VOL. I

No. 6

The 8th March, 1963



सत्यमेव जयते

1963

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1. General Questions and Answers

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3. Budget Speeches

BOARD OF GENERAL ELECTION UNDER
THE SOVEREIGN DEMOCRATIC
REPUBLICAN CONSTITUTION OF
INDIA

BUDGET SESSION

VOL. I

No. 1

The 8th March, 1901



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Price 10 Cents

Proceedings of the Fourth Session of the Assam Legislative Assembly assembled after the Third General Election under the Sovereign Democratic Republican Constitution of India.

The Assembly met in the Assembly Chamber, Shillong at 9 A.M., on Friday, the 8th March, 1963.

PRESENT

Shri Mahendra Mohan Choudhury, B. L., Speaker in the Chair, ten Ministers, three Ministers of State, three Deputy Ministers and sixty-nine Members.

QUESTIONS AND ANSWERS

STARRED QUESTIONS

(To which oral answers were given)

(Starred Question No.6 standing in the name of Shri Harendra Nath Talukdar was not put and answered as the hon. Member was absent.

Re: Pandu Inland Port

Shri DEVENDRA NATH SARMA (Gauhati) asked:

*7. Will the Minister-in-charge of Transport be pleased to state—

- (a) Whether the development of Pandu Inland Port will be completed within the life-time of the present Assembly ?
- (b) What is the progress of the work done in all respects so far all-round development of this inland port is concerned ?

Shri SIDDHINATH SARMA (Minister, Transport) replied:

7. (a)—Yes.

(b)—(i) Pile Driving	..	..	..	1,040 ft.
(ii) R. C. C. Capping	..	..	..	1,040 ft.
(iii) Boulder Apron	..	..	..	1,040 ft.
(iv) Rubble Stones Masonry	..	..	..	663 ft.
(v) Hard Standing	..	..	..	400 ft.

The work is in progress.

Shri DEVENDRA NATH SARMA (Gauhati): May I know from the Honourable Minister whether the project is going to be completed during this year, *i. e.* 1963-64 ?

Shri SIDDHINATH SARMA (Minister, Transport): According to the terms of the contract the work is to be completed within two years.

Shri DEVENDRA NATH SARMA: May I know whether the steamers belonging to M/S. R. S. N. and I. G. N. and other private Companies will be allowed to move through the Jetty when the inland port will be completed ?

Shri SIDDHINATH SARMA: Yes.

Shri DEVENDRA NATH SARMA: May I know from the Honourable Minister whether after completion of the Inland Port, there will be any place for parking vehicles which will carry goods to the port ?

Shri SIDDHINATH SARMA (Minister, Transport): Yes, vehicles will be allowed to go to the port.

Shri SARBESWAR BORDOLOI (Titabar): What will be the total allotment of funds for this port ?

Shri SIDDHINATH SARMA: About 30 lakhs of rupees.

Shri DEVENDRA NATH SARMA: My question was whether there will be any arrangement for loading and unloading of goods by trucks ?

Shri SIDDHINATH SARMA: Yes, certainly there will be such arrangements.

Shri DEVENDRA NATH SARMA: May I know from the Honourable Minister, what will be the total length of the port ?

Shri SIDDHINATH SARMA: The total length of the port will be 1600 ft.

Shri DEVENDRA NATH SARMA (Gauhati): May I know from the Honourable Minister how many Jetties will be there ?

Shri SIDDHINATH SARMA: There will be three shades.

Shri DEVENDRA NATH SARMA: Sir, what is the estimates of the Government regarding loading and unloading of goods in the inland port ?

Shri SIDDHINATH SARMA: I cannot give the reply off-hand.

Shri DEVENDRA NATH SARMA : Sir, without knowing this estimate how this port is going to be developed ?

Shri SIDDHINATH SARMA : The estimate is there. But I cannot tell it now. I may inform the hon. Member if he so desires later on.

Mr. SPEAKER : Whether the old contract has since been terminated and new contract given ?

Shri SIDDHINATH SARMA : Yes, the old contract expired and: new contractor is appointed.

Shri DEVENDRA NATH SARMA : Sir, I want to know the volume of goods for the purpose of loading and unloading ?

Shri SIDDHINATH SARMA : I cannot give the reply off-hand.

Shri DULAL CHANDRA BARUA (Jorhat) : May I know from the Honourable Minister who is the contractor newly appointed ?

Shri SIDDHINATH SARMA : M/S. Bengal Behar Construction Company.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Sir, may I know whether there is any obligation on the part of the Steamer Companies to utilise the inland port ?

Shri SIDDHINATH SARMA : We have not entered into any contract with them.

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries) : The port is constructed for giving facilities to the Steamer Companies so no agreement is necessary.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Will the Minister-in-charge be pleased to enquire and take steps ?

Shri SIDDHINATH SARMA (Minister, Transport) : It is besides the point.

Shri TARAPADA BHATTACHARJEE (Katigora) : Sir, may I know from the Honourable Minister what is the total estimated cost ?

Shri SIDDHINATH SARMA : As I have already said it is Rs. 30 lakhs approximately.

Shri MAHAMMAD UMARUDDIN : Sir, my question is that the Government is going to spend Rs. 30 lakhs for construction of this inland port. If the Steamer and other Companies do not use it, is there any law by which they will be compelled to utilise this port ?

Shri SIDDHINATH SARMA : I have not followed the hon. Member.

Mr. SPEAKER : Suppose the Steamer Companies do not utilise the port, will the Government enact certain laws to compel them to use the inland port ?

Shri SIDDHINATH SARMA : I do not think that the Companies will not utilise it.

Shri BIMALA PRASAD CHALIHA (Chief Minister) : After the port is developed, we will see if any law is necessary.

Shri DEVENDRA NATH SARMA (Gauhati) : Sir, whether assessment has been made regarding plying of Steamers which may be moored in the port ?

Shri SIDDHINATH SARMA : Not yet assessed.

Shri DEVENDRA NATH SARMA : Sir, without ascertaining the number of steamers to be moored there, how the capacity of the port is going to be assessed ?

Shri SIDDHINATH SARMA : It must have been assessed when this project is formulated.

Shri DEVENDRA NATH SARMA (Gauhati) : The number of steamers, barges, etc., must increase now than the period of the assessment. What the Government will then do ?

Mr. SPEAKER : It may be so. It will be considered.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Sir, is there any law which may regulate the use of the port ?

Shri SIDDHINATH SARMA (Minister, Transport) : There is no law at present. If necessary, it will be enacted.

Shri MAHAMMAD UMARUDDIN : Sir, how long after completion of the port, will the law be enacted ?

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries) : As soon as the port is completed, this will be in force.

Shri MAHAMMAD UMARUDDIN : Will the Minister-in-charge be pleased to reply whether there will be any levy of taxes ?

Shri SIDDHINATH SARMA : Yes, for the service given to the Companies, there should be imposition of a levy.

Shri DEVENDRA NATH SARMA : Sir, is there any proposal for establishing a port at Palasbari ?

Shri SIDDHINATH SARMA : I have no information.

UNSTARRED QUESTIONS

(To which oral answers were given)

Re: Electric Installation at Abhayapuri

Dr. GHANASHYAM DAS [North Salmara (Reserved for Scheduled Castes)] asked :

2. Will the Minister-in-charge of Electricity be pleased to state—

- (a) Why the electric installation at Abhayapuri town is not functioning as yet ?
- (b) Whether Government is aware that the work was completed last year ?
- (c) When it is expected to function ?

Shri KAMAKHYA PRASAD TRIPATHI (Minister-in-charge Electricity) replied:

2. (a)—A power Station with an installed capacity of 50 KW has already commenced functioning at Abhayapuri from 1st January, 1963.

(b) & (c)—Does not arise.

Shri GHANASHYAM DAS [North Salmara (Reserved for Scheduled Castes)] : May I know whether the installation is temporary or permanent ?

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries) : Life is temporary and in that sense this can also be regarded as temporary.

Mr. SPEAKER : His question is whether this 50 KW station will stay for some time to come ?

Shri KAMAKHYA PRASAD TRIPATHI : It will stay for some time to come as far as the future is visible but as I said the installation is as much permanent or temporary as the life itself.

Shri SARBESWAR BORDOLOI (Titabar) : .. May I know for how many hours a day this station will supply power ?

Shri KAMAKHYA PRASAD TRIPATHI : I have no information.

Shri SANTIRANJAN DAS-GUPTA (Lumding) : Is it for the purpose of supplying electricity to the town only or whether power will also be available for other purposes like cottage industries, etc. ?

Shri KAMAKHYA PRASAD TRIPATHI : 50 KW is too small for the purpose of supplying power to industries.

Shri MAHAMMAD UMARUDDIN (Dhubri) : Will the project be economical ? Have its economics been worked out ?

Shri KAMAKHYA PRASAD TRIPATHI : These small projects are not generally economical.

Shri SANTIRANJAN DAS-GUPTA (Lumding) : What is the horse power strength for this 50 KW station ?

Shri KAMAKHYA PRASAD TRIPATHI : Sir, is it a seminar for examination ?

Shri SANTIRANJAN DAS-GUPTA : As Minister of Electricity, you should know how much horse power is necessary to work a 50 KW station.

Shri BIMALA PRASAD CHALIHA (Chief Minister) : 1.75 Horse power per KW. The hon. Member may now calculate. There may be two generators of 25 KW each. In that case the prime mover will be of lesser horse power.

Shri MAHAMMAD UMARUDDIN (Dhubri) : In case there is a loss who will bear it ?

Shri KAMAKHYA PRASAD TRIPATHI (Minister, Industries) : The State Electricity Board.

Shri SYED AHMED ALI (Gauripur) : Is there any proposal for installation of a power station at Gauripore, which is one of the oldest towns in Assam ?

Mr. SPEAKER : That question does not arise.

Shri MAHAMMAD UMARUDDIN : Is it a fact that the State Electricity Board has approached the State Government to subsidise it for the loss suffered on account of these small installations ?

Shri KAMAKHYA PRASAD TRIPATHI : There has been no separate approach to us for subsidy on this score.

Shri TARAPADA BHATTACHARJEE (Katigora) : What is the total expenditure incurred for installation of this station ?

Shri KAMAKHYA PRASAD TRIPATHI : I want notice.

Mr. SPEAKER : We pass on to the next item. Mr. Ahmed.

Presentation of the Budget

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) : Mr. Speaker, Sir, I beg to present the Budget for 1963-64.

Mr. SPEAKER : The Business of the House will be suspended for 10 minutes and in the meantime the Budget Speech and the Budget will be distributed to the hon. Members.

After the interval of 10 minutes

Mr. SPEAKER : Order, order. I now request the Finance Minister to read out the Budget Speech.

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) :
Mr. Speaker, Sir,

I rise to present the statement of the estimated receipts and expenditure of the State of Assam for the financial year 1963-64.

2. At the time of placing before the Assembly, in June 1962, the final Budget for the current financial year, I had sought for, in the interest of development of Assam, greater sacrifices to bear considerably higher expenditure necessary to overcome our difficult problems and to shoulder heavy responsibility. Today the present situation demands still greater efforts and sacrifices. While engaged, under the guidance of this august House, in implementing the programme laid down for the year, we were badly stricken by the two successive devastating June-July Floods, severely shaken by the massive Chinese attacks and aggression on our border and greatly deprived of supplies by the hold up of steamers to and from Calcutta in Pakistan territory due to the strike by Pakistani ratings of the Joint Steamer Company. Unauthorised incursions into our area in N. E. F. A. by China, resulting in some incidents, had been going on for some years and we were hoping that these and similar incursions in Ladakh area would be settled through negotiations. We neither expected nor were prepared for the aggression started by China in last September followed by massive attacks on 20th October and in the middle of November. Our forces suffered initial set-backs. These had powerful effects on our plan, work and the people, resulting in shifting of priority, diversion of funds and extensive dislocation of Governmental machinery and work. These also brought to light the most welcome spontaneous display of unity among the people, their eagerness to support measures taken by Government and their determination to face the peril to the country's integrity and freedom with courage and all the sacrifices it necessitated. Our Governor has already placed before the House the various steps taken by the Government to meet the emergency. He has also acknowledged, with deep gratification and appreciation, the spontaneous and unqualified co-operation and service given by men and women from all walks of life. I do not propose to deal in detail with these matters except to emphasise that the manner in which our people rose to meet the emergency, closing petty internal differences and considering it their first duty to prepare themselves to meet the aggression effectively,

gives us not only comfort and pride but also demonstrates the capacity of our people to rise to the occasion at the time of peril and their readiness to sacrifice everything to protect the country's integrity and freedom. I would also like to add that, notwithstanding the unilateral order of cease-fire and subsequent withdrawal by the Chinese, the development on our border is not free from difficulty and anxiety. Apart from the fact that the Chinese Government have not yet accepted even the Colombo proposal, the presence of the Chinese Army in strength along our border is not a matter which should be lost sight of. Another disturbing element is the attitude of Pakistan at this time of emergency. The effort, which Government of India is now making for promoting good neighbourly relation with Pakistan and for reaching a peaceful solution of the Kashmir and other disputes, with a view to eliminate conflict between the two countries, is praiseworthy and deserving of full support. I, however, feel that in dealing with Pakistan, which is at present playing the role of an opportunist, extreme caution is called for and our country cannot afford to take any step which is not in consonance with the basic principles of secularism which we have been striving to consolidate in our country and of which Kashmir is a symbol. I also feel that repeated infructuous meetings with Pakistan followed by all kinds of rumours, which are exploited by communalists, are fraught with the danger of impairing the unity and work for integration of our people so essential at this time. To cut short, the fact that Pakistan has entered into a border pact with China in respect of a territory, which does not legally belong to her, and has in the past not been friendly, to put it mildly, at the time of our difficulties, and that border disputes with China have been transformed into armed hostilities, call for our policy and programme of work to be conditioned by the realisation that there are formidable hostile external forces around us and we in Assam are particularly concerned with such difficulties and threats. Inevitably, therefore, the developments on our border are the overriding issues before us and our State's activities have to be undertaken and concentrated on these basic issues. With these preliminary but essential observations, I propose to place the current year's proposals before the House and I trust the hon. Members will in this context offer their criticisms and suggestions.

Review of Economic Condition

3. Following the previous practice I shall first deal with some important features of the national economic conditions. The

Chinese aggressions and attacks in N. E. F. A. and elsewhere subjected the country's economy to various stresses and strains. Under these circumstances, production in some cases from the items decided earlier had to be and was diverted to other items because of defence requirements. Measures were also taken to mobilise the country's physical, financial and other resources to meet the nation's increased defence needs. These had the effect of slackening the country's economy somewhat in its tempo during the year under review though overall agricultural and industrial output increased. The national income during 1961-62 is estimated to have risen by about 2 per cent as against an increase of 8 per cent in the previous year. The shortfall was due to the fact that there was only a small rise in agricultural and industrial output though, on the basis of average rate of advancement, higher rise was envisaged at the time of preparation of the Third Plan. The production of foodgrains for 1961-62 is expected to be slightly higher than 80.5 million tons produced in the previous year. The jute crop was a record one ; but the cotton crop was not satisfactory. The increase in agricultural production for 1961-62 is estimated at about 1.6 per cent as against 8 per cent in 1960-61. In February 1962, the general index of industrial production reached the figure of 282 but later decreased to 189.5 in June. For the whole year 1961 it was 181 (base 1950=100). Taking into consideration the decline in the rate of expansion since the last quarter of 1960 it appears that the rise in the output index improved from 4.8 per cent in the first quarter to 8.3 in the second quarter of 1962. For the first 6 months of 1962 the rate of growth (6.5 per cent) was lower than in the corresponding period of 1961 (8.9 per cent) or in the corresponding period of 1960 (13.5 per cent). This decline in the rate of growth of industrial output was due to reduction in import of raw materials and some bottlenecks in the coal, power, transport and other sectors. The money supply in 1961-62 rose by 7.9 per cent as against 7.3 per cent in 1960-61. Earnings from export showed a welcome increase but the balance of payment continued to be precarious with the foreign balance standing below Rs. 100 crores. During the emergency the commodity prices showed declining trends as against their usual behaviour in war time. The index of wholesale prices (base 1952-53=100) declined from the year's mid-November peak of 130.07 to 125.6 in the mid-December. Early in the year, however, prices had risen upwards and a series of measures were taken for maintaining the price of essential commodities like foodgrains, cotton, woollen textile and drugs,

by some degree of price-control and regulation of production in specific fields, combined with a programme of opening of Consumer Stores for equitable distribution of essential consumers' goods at fair price. However, in order to maintain the price level, a heavy import programme of rice and wheat from the U. S. A. under PL.480 as well as through commercial deal was envisaged to supplement domestic output.

4. So far as Assam is concerned, apart from the dislocation and disruption caused by the Chinese aggression and massive attacks on its N. E. F. A. border and the deterioration in the supply position due to the strike of Pakistani ratings of the Joint Steamer Company, the State was visited by two successive devastating floods resulting in very heavy loss to crops, cattle and property to the extent of about Rs. 24 crores, considerable loss of human lives and great loss arising from dislocation of business, transport and administration.

5. In the year 1962, the State laid some concrete foundations towards further industrialisation and economic growth. Noonmati Refinery, India's first public sector Refinery went into production on the first day of the year and the Spun-Silk Mill at Jagiroad about six months later. The long awaited Brahmaputra Bridge was opened to goods traffic at the end of October, 1962. In other fields also, such as transport, communications, community development, etc., long strides forward have been made. In the field of power, good progress was visible in respect of Umiam Hydro-Electric Project and Naharkatiya Gas-Turbine Project at present under construction. Namrup Fertiliser Factory, a Central Project is also under construction. The private sector also had programmes for establishment of a number of consumer industries but how many such industries will be established in the private sector is a matter of conjecture because of the situation created by the Chinese invasion. It is hoped, however, that confidence will return to the entrepreneurs soon and that these industries in the private sector will come up at an early date. The State National Income in 1961-62, in terms of 1948-49 prices, rose by 6 per cent over 1960-61, the aggregate income amounting to Rs. 314 crores. Actually Assam's growth rate of income during the year has been higher than that of India. Expressed on the basis of current prices, the State Income was Rs. 385 crores and *per capita* income Rs 319. The State's income has risen by 41 per cent in the first eleven years of planning but, because of the rapid increase in the population, the *per capita* income has increased in 1961-62 to only Rs.260 as against Rs.256 in

1950-51. This rise in the State National Income was due to increased agricultural production, increased industrialisation and expansion in trade, commerce, communications, etc., and owing to the increased tempo of developmental activities. So far as agricultural production was concerned, rice production rose to 16.5 lakh tons from 16.4 lakh tons in 1960-61 and the total foodgrain production increased to 16.9 lakh tons as against 16.8 lakh tons in the previous year. Jute and sugar production reached the figures of 11.3 lakh bales and 55 thousand quintals respectively. Oil seeds production, however, was only 37,000 tons as compared to 60,000 tons in 1958-59. The over-all agricultural production in 1961-62 increased by over 9 per cent. The outlook for the current year, however, is not very good and there may be a set-back in foodgrains production because of the havoc caused by the devastating floods mentioned earlier. There has been further progress in industry and mining notwithstanding a temporary set-back because of the Chinese invasion. Coal production in 1961 was 7.4 lakh tons; and, in the first nine months of 1962, 8.9 lakh tons, that is, 9 per cent higher than in the corresponding period of the previous year when the production was only 5.4 lakh tons. The petroleum refining capacity is roughly three times what it was a year ago though the Noonmati Refinery had some teething troubles in the beginning. The actual production in 1962 was 0.24 million tons in terms of crude oil input. The Digboi Refinery recorded its highest production (0.47 million tons) during the year. More Sillimanite was extracted during the year 1961 reaching the figure of 8,113 tons. Further, in the first eight months of 1962, production of Sillimanite was about 7.6% higher than what was produced in the comparable period of 1961. In spite of this, however, it appears that the production of Sillimanite is still below the demand. In 1961, production of tea was 183 million Kilo-grams. In 1962, however, production is not expected to be better because of floods and breakdown of river transport in the recent past. Because of these factors the production of tea up to August 1962, was 4.5 per cent lower than in the corresponding period of the previous year. 3.1 million gross boxes of safety matches were produced in 1961 and in the first six months of 1962, production was 1.5 million gross boxes or about 1 per cent higher than in the corresponding period of 1961. Thirty-eight million Kwt. of electricity was generated in 1961 and 27 million Kwt. in 1962 up to August. The census of Assam Government employees, conducted recently, showed that the total number of State Government employees in 1961 was 64,158. Employment

in the public sector, as a whole, taking both Central and State Government administrations and commercial undertakings together, rose from 1·86 lakh in March 1962 to 1·91 lakh in June 1962. The number of persons on the live register of the Employment Exchanges on 31st August 1962 was 37,985 as against 30,205 a year ago. The average daily employment in tea gardens and factories was estimated at about 5·8 lakhs and 78,000 respectively. The Third Plan is expected to create additional jobs of the order of 3·9 lakhs as against a requirement of 5·8 lakhs. The number of unemployed in Assam at the beginning of 1962-63 was estimated at about 1·1 lakh and 10,000 in the rural areas and urban areas respectively. It is not possible to say what will be the effect on unemployment because of the intensified plan effort owing to the emergency. It is definite, however, that there will be scope for able-bodied persons to join the Armed Forces and in the rural areas, a large number of unskilled persons are expected to be employed in construction and other works, especially in view of the expected short-fall in the immigration of unskilled labour during the winter season. The emergency has created a demand for a huge labour force and in order to supply the same, Sramik Bahinis are being increasingly encouraged to make available unorganised man-power. The index of whole-sale prices (1953=100) was 135 in 1961 and 134 in the first eight months of 1962 as against 135 in the corresponding period of the previous year. The index for food articles rose from 130 in January to 143 in August but the non-food index remained fairly stable at low levels. For a few weeks, during the floods, there were reports of scarcity of essential foodstuffs from some areas but the situation was brought under control by Government and other social organisations undertaking relief measures. To ensure adequacy of foodstuffs and hence stability of prices, the policy of State Trading in foodgrains was followed as usual. In the last season, i.e., from November 1961 to August 1962, the Marketing Societies had procured 11·7 lakh quintals of paddy. As in the other parts of India, prices in Assam did not rise abnormally during the period of Chinese aggression and difficulties of transport and throughout the critical period of October to December, the prices remained almost at normal levels. However, the lengthy strike by the Pakistani crew of the Steamer Companies led to accumulation of huge stocks of tea in the Assam factories and there was a crisis when, about the third week of November, Commercial Banks refused to advance credit to the tea gardens and the

tea industry of Assam almost collapsed. In the case of Jute, the buyers did not make purchases because of the strike and the farmers were compelled to resort to distress sale at such low prices as Rs.8 to Rs.10 per maund in spite of Government advice. Government took steps to increase transportation by rail and road route to meet the situation. In respect of jute the scheme to purchase jute from the cultivators at a floor price, utilising the Apex Marketing Societies and the Warehousing Corporation, was set on foot. The cost of living in 1962 in the State did not rise appreciably compared to that in the previous year. The consumer price index for the general working class for the first 9 months of 1962 stood at 118 which was the same for 1961 as a whole. For the rural population the index rose from 163 to 168 (base 1944 = 100).

Accounts for 1961-62

6. I now proceed to place before the House the actuals for 1961-62 and the revised estimates for 1962-63. The year 1961-62 started with a deficit opening balance of Rs. 768.35 lakhs. In the revised estimates for 1961-62, a deficit of Rs. 194.83 lakhs was anticipated in the Revenue Account while on the capital side a surplus of Rs. 248.73 lakhs was anticipated. In addition to this, it was anticipated that in the Public Account there would be a surplus of Rs. 5.89 lakhs and that in the Contingency Fund Account there would be a surplus of Rs. 49.82 lakhs. Taking into account the above-mentioned opening balance, surplus and deficit figures, it was expected that the year 1961-62 would close with a deficit balance of Rs. 658.74 lakhs. The actuals for the year 1961-62, however, reveal that, under Revenue, the receipts increased by Rs. 87.35 lakhs and the expenditure by Rs. 100.85 lakhs over and above the anticipated figures in the revised estimates for 1961-62. On the other hand, on the capital side, there was a decrease in receipts to the extent of Rs. 118.09 lakhs owing to short-fall in the amount of Central loan and Ways and Means Advance which we had expected for the year 1961-62 from the Government of India. On the capital side, there was also a decrease in the expenditure of Rs. 180.18 lakhs mainly due to decrease in the outlay on Industrial Development, Public Works and State Trading. Because of the difference between actuals for 1961-62 and the revised estimates for the same year, as explained above, the year 1961-62 actually closed with a deficit of Rs. 655.91 lakhs as against the deficit closing balance of Rs. 658.74 lakhs anticipated, in the revised estimates, for 1961-62. The figures in

respect of revised estimates for 1961-62 as well as the actuals in respect of the same year are given below in detail—

1961-62

				In lakhs of rupees	
				Budget (revised) estimates	Actuals
(a)	Opening deficit (—) balance	..	.	(—) 768.35	(—) 768.35
(b)	Revenue receipts	..	..	3,948.83	4,036.18
	Revenue Expenditure	..	..	4,143.66	4,244.51
	Deficit (—) on Revenue Account	..	..	(—) 194.83	(—) 208.33
(c)	Capital receipt	..	..	2,798.30	2,680.21
	Capital expenditure	..	..	2,549.57	2,369.39
	Surplus (+) on Capital Account	..	..	(+) 248.73	(+) 310.82
(d)	Surplus (+) or deficit (—) on Public Account			(+) 5.89	(—) 27.44
(e)	Surplus (+) on Contingency Fund Account	..		(+) 49.82	(+) 37.39
	Closing deficit (—) balance as on 31st March 1962.			(—) 658.74	(—) 655.91

Revised Estimate for 1962-63

7. As indicated in the previous paragraph, the year 1961-62 actually closed with an overall deficit closing balance of Rs. 655.91 lakhs as against that of Rs. 658.74 lakhs expected at the time of presentation of the final Budget in June last year. The Budget for 1962-63 placed the revenue receipts for the year at Rs. 4,404.63 lakhs and expenditure from revenue at Rs. 4,322.22 lakhs, thus showing a revenue surplus of Rs. 82.41 lakhs. The revised figures for 1962-63 indicate the revenue receipts at Rs. 4,542.70 lakhs and the revenue expenditure at Rs. 4,734.65 lakhs, thus indicating in the revised estimate, a revenue deficit of Rs. 191.95 lakhs. On the capital side, the revised receipt is Rs. 3,284.16 lakhs against the original estimate of Rs. 3,141.40 lakhs, showing an increase of Rs. 142.76 lakhs. The revised expenditure, on the capital side, is Rs. 2,935.69 lakhs against the original estimate of Rs. 2,864.55 lakhs, showing an increased outlay of Rs. 71.14 lakhs. Similarly, there are variations in Public Account and in respect of Contingency Fund between the Budget and revised estimate for the year

1962-63. The anticipated surplus, in the revised figures of all receipts and expenditure, for the year 1962-63 is Rs. 218.06 lakhs as against the surplus of Rs. 420.43 lakhs anticipated in the original estimate for the year placed before the House. Because of the heavy opening balance deficit at the beginning of 1962-63, the closing balance on 31st March 1963 continues to show a very heavy deficit, estimated at the revised figure of Rs. 437.85 lakhs as against the closing deficit balance of Rs. 238.31 lakhs anticipated in the original budget estimate for the year.

8. The revenue receipts in the Budget for 1962-63, included Rs.150 lakhs expected to be collected as arrear dues from the Road Carriage Tax, Rs. 176 lakhs as grant from Government of India on Police expenditure for border security Police force deputed from other States and for reimbursement of expenditure incurred on Naga Hills operation and Rs. 150 lakhs as due Central assistance on Second Plan account. These expectations have not till now fully materialised. The Assam Carriage Tax is still hanging fire and awaiting the decision of the High Court on the petitions challenging the validity of our Act. Notwithstanding the fact that the High Court was pleased to pass stay orders, the petitions, so far as my present information goes, have not even been heard and it is not expected that any decision will be forthcoming during the remaining few days of the financial year. Except for a partial grant in respect of past arrears on Police expenditure on the above items, the Central Government have not till now taken a decision on our request against the stoppage of grant since the award of the Third Finance Commission, for police expenditure for Border Security on Naga Hills side, which we had been receiving till 31st March 1962. This matter has been repeatedly, through correspondence and personally been brought to the notice of the Union Home and Finance Ministers, both by the Chief Minister and myself and the last I heard about it was that it was still receiving the consideration of the Government of India. As regards the amount expected from the Planning Commission, as due Central assistance on Second Plan account, this matter has also been personally taken up by me with the Planning Commission and they have asked for facts and figures. As a large amount of Central loan and grant assistance as arrears on Second Plan account are due, I propose to pursue this matter with the Planning Commission and persuade them to agree to our claim on availability of facts and figures required by them, which are in the process of collection from our various departments. In this connection, I would like to point out that the stand,

so far taken by the Planning Commission, against our claim is that, as, during the earlier years of Second Plan, unlike what is now the practice, it was not clearly indicated what would be the quantum of assistance admissible to the State from the Centre in respect of the Second Plan expenditure, we are not entitled to ask for any amount which was not then advanced by the Government of India. I feel, there is little justification in this stand taken by the Planning Commission because in every annual plan approved by them, during the Second Plan period, the proportion of expenditure to be borne by the Centre and the State was shown. To deny these arrear dues of Central grant and loan assistance on Second Plan account, which are considerable, would place the State in great financial difficulty at this time of emergency. The short-fall in expected receipts from these three accounts has, somewhat, been counter-balanced by higher receipts to the extent of Rs. 94.46 lakhs under Taxation Acts and under land revenue heads. These increases, are mainly due to a change in the rate of Agricultural Income-Tax and, to higher royalty on crude oil than the figures included in the original estimate. As indicated earlier, the revenue expenditure has also increased by Rs. 412.43 lakhs because of heavy expenditure on Civil Defence Schemes, on relief to flood-stricken people and on restoration of damages to roads and embankments caused by the floods which could not be anticipated and avoided because of national emergency, and because of the two devastating floods, after the budget was presented. For restoration of damages done by flood and for various relief measures to the flood-affected people, a sum of Rs. 253 lakhs has been sanctioned over and above the amount anticipated and included in the original Budget estimate. For emergency expenditure, an amount of Rs. 171 lakhs has been sanctioned during the current year and is expected to be spent on the national emergency schemes. The major items of such expenditure are, Rs. 10.42,600 on District Administration, Rs 50,60,000 on Police, Rs. 5,86,880 on P. W. D. (Tools, Plants and Establishment), Rs. 21 lakhs for strengthening of ferries, Rs. 21,09,200 for Civil Defence and Rs. 54 lakhs on supplies. As against this sanctioned expenditure of Rs. 171 lakhs, which is expected to be spent during the current financial year, it is estimated that about Rs. 105 lakhs will be reimbursed by Government of India by way of grant and loan of which about Rs. 84 lakhs is expected as grant and Rs. 21 lakhs as loan. In addition to this, a sum of Rs. 54 lakhs is also expected to be received from State Bank of India as cash credit accommodation for the procurement of essential goods.

On the capital side, the increased expenditure of Rs. 71.14 lakhs was mainly on account of agricultural loan to the extent of Rs. 45.87 lakhs and a loan of Rs. 62 lakhs to the Electricity Board which are, however, partly counter-balanced by a decrease in outlay of Rs. 37.90 lakhs under P. W. D. for the Rope-way and other schemes. The Budget estimates for 1962-63 as well as Revised estimates for the same year are given in detail in the table below—

1962-63

In lakhs of rupees

	Budget	Revised
(a) Opening deficit (—) balance as on 1st April 1962.	(—) 658.74	(—) 6,55.91
(b) Revenue receipt	4,404.63	4,542.70
Revenue expenditure	4,322.22	4,734.65
Surplus (+) or deficit (—) on revenue account.	(+) 82.41	(—) 191.95
(c) Capital receipt	3,141.40	3,284.16
Capital expenditure	2,864.55	2,935.69
Surplus (+) on capital account	(+) 276.85	(+) 348.47
(d) Surplus (+) on Public Account	(+) 61.17	(+) 49.11
(e) Surplus (+) on Contingency Fund Account	....	(+) 12.43
Total deficit (—) or Surplus (+) during the year.	(+) 420.43	(+) 218.06
Closing balance	(—) 238.31	(—) 437.85

9. In order to cover the deficit, with which the year 1962-63 started, I had to approach the Government of India for Ways and Means advance. Government of India accordingly granted an advance of Rs. 750 lakhs in June 1962, out of which a sum of Rs. 150 lakhs, on being approached, was later converted into a long-term loan. The balance of Rs. 600 lakhs has already been paid back to Government of India by adjustment against the State Government's share of Central assistance and other statutory grants. As I have pointed out the

year 1962-63, as per our revised estimates, is expected to close with a Ways and Means deficit of Rs. 437.15 lakhs to cover which I shall soon have to approach Government of India again for Ways and Means Advance unless, in the meanwhile, the amount claimed by us on account of Border Security expenditure, the amount due to us on account of emergency expenditure and the arrear claims and dues on Second Plan account are reimbursed and credited to our account.

10. Last year I had referred to the necessity of restoring normalcy to State's finances by the close of this year because of the almost chronic deficit closing balance since 1958-59. Not only the grant, under Article 273 of the Constitution, a portion of export duty is now not available to us, but the State has also suffered a heavy loss on account of proceeds from Railway fare having been frozen and converted into an *ad-hoc* grant at the last year's level and on account of reduction in the share of income tax to the extent of Rs. 60 lakhs or more annually because of shrinkage in the divisible pool and greater emphasis being given to collection without giving an allowance for area or place of origin of income. The State has further been deprived of such grants, as were received under the Second Finance Commission's award, for Police expenditure on border security and has also been denied consideration in respect of the loss of receipt arising from non-continuance of the Assam Road Carriage Tax and of the special difficulties of the State in the matter of ever-increasing needs of law and order and of administration. The expenditure, which had to be incurred for schemes to meet the emergency on account of the Chinese aggression and for relief of the flood-stricken people and towards repairs of the flood-damage done to embankments and roads, have further deteriorated the State's financial position. All these warrant serious consideration by Government of India to ensure that not only all our pending claims are speedily settled but this State of ours, bristling as it is with multifarious problems and difficulties, is also given the necessary financial backing and assistance, if necessary, by changing the prevailing pattern of transfer of Central Excise revenue from Tea and Oil to the State and by giving a share out of Central receipts from export duty on Tea. I feel, we have now reached a stage when the requirements of this backward State of ours, particularly at this time of emergency, can no longer be and should not be, overlooked in the way they have been done in the past. Early action to enable the State to restore

financial normalcy and proceed with the utilisation of national resources and the essential developmental work should be taken not only for the sake of the people of the State but for the interest of the entire country. The necessity to develop Assam and to help us early has attracted the attention of all those, including those in authority, who have recently taken the trouble of paying a visit to our State to understand our difficulties and problems. Shri T. T. Krishnamachari, Union Minister for Economic and Defence Co-ordination, was also kind enough, in response to our invitation, to come to our State in last January. We are grateful to him that he brought with him, Shri Tarlok Singh, Member of the Planning Commission and other senior officials of the Union Government of India all of whom took enormous trouble to study on the spot and discuss with us the various difficult and special problems of the State, particularly in the present context of the emergency. We expected that at least in respect of those of our difficulties appreciated by them early action would be taken by Government of India ; but, I regret to say, so far we have not been informed of any decision taken by Government of India, even though this year's working season in the State prior to rains, is fast slipping away. It is very unfortunate that, though the magnitude of the problems and of the difficulties and the challenge to solve them, which Assam presents, are admitted and appreciated by all those in authority in the Government of India, yet there is inadequacy of response. This is hard to explain when everybody admits that Assam should be helped but nobody is ready to do so.

11. Before placing the financial estimates for the year 1963-64, I now propose to deal with Annual Plan outlay under different heads of development and proposals, including a review of past activities, of the different departments.

Annual Plan 1963-64

12. Out of the total outlay of Rs. 120 crores, under the State Third Plan, the total outlay approved by the Planning Commission for 1961-62 was Rs. 17.40 crores of which Rs. 12.50 crores was Central assistance and Rs. 4.90 crores contribution from the State's resources. For 1962-63 the total outlay, originally approved by the Planning Commission, was Rs. 20.40 crores. Out of this Rs. 14.40 crores was to be Central assistance

and Rs. 6 crores the State's contribution. At the instance of the State Government, the Planning Commission, later, agreed to advance another sum of Rs. 3 crores for power development raising the ceiling of the 1962-63 annual plan to Rs. 23.40 crores. After re-assessment, in July 1962 of the resources of the State, which decreased because of the non-availability to the full extent of the grants and loan assistance as mentioned earlier, the Planning Commission suggested restriction of the expenditure to Rs. 22.70 crores against the outlay of Rs. 23.40 crores originally agreed to and indicated above. In addition, the Assam Electricity Board, with the permission of the State Government, floated a loan of Rs. 1.50 crores which actually netted a sum of Rs. 1.62 crores. The Plan outlay for the year 1962-63 was thus raised to Rs. 24.32 crores. In addition to the above ceiling, the Central Government have also since agreed to make available a sum of Rs. 15 lakhs for additional minor irrigation and Rs. 102 lakhs for additional flood control schemes. The Planning Commission have also been requested to make a sum of Rs. 30 lakhs available for the purchase of diesel sets to meet the power requirements of Defence. Thus a total programme of the order of Rs. 25.89 crores is being sought to be implemented during the year 1962-63.

13. While all possible steps were being taken to fulfil the plan target envisaged for the year, the Chinese invasion necessitated the diversion of funds in the plan from some less important items to more important items by re-orientation of the plan to suit the State's defence requirements. The National Development Council, at its meeting on the 4th and 5th November 1962 also suggested that the priorities in the Plan should be re-arranged and adapted to meet the emergency requirements. Accordingly, the 1962-63 programmes were reviewed by the State Government to strengthen our efforts in those fields which were considered more important. This has become more necessary in view of the fact that a number of new schemes to meet the present emergency had to be included in the programme. Within the total ceiling for 1962-63, a sum of Rs. 54.08 lakhs had to be provided for emergency programmes of the Agriculture Department (Rs. 10.3 lakhs), Veterinary Department (Rs. 5.96 lakhs), Health Department (Rs. 14.39 lakhs) P. W. D. (Rs. 12 lakhs) Technical Education for Craftsmen Training (Rs. 3.85 lakhs as State's share) and Publicity (Rs. 7.50 lakhs). Notwithstanding the stresses and strains and dislocation caused by the Chinese aggression, it is expected that the revised ceiling target for 1962-63 will be fulfilled.

14. For 1963-64 the Planning Commission have approved a programme of Rs. 20.3 crores out of which Rs. 14.30 crores will be Central assistance and Rs. 6 crores the State's share. The Planning Commission recommended to the Standing Committee of the National Development Council that the additional requirement of Assam over the known outlay for 1963-64 of Rs. 20.30 crores was Rs. 10.70 crores. As against this, the Planning Commission have now indicated an additional allocation of only Rs. 9.20 crores, subject to the condition that this amount as loan, would be available to us only if the State was prepared to increase its resources by additional taxation of Rs. 75 lakhs over and above that of Rs. 75 lakhs from taxation indicated in the State's resources for the year. In order to avail of the increased assistance, so essential for our emergency and development requirements, I had to accept the condition forced upon us at the Finance Ministers' Conference convened by the Union Finance Minister and held at Delhi early last month. Out of the additional allocation of Rs. 9.20 crores, indicated by the Planning Commission, Rs. 30 lakhs will be spent on Agricultural programme, Rs. 740 lakhs on Power and Rs. 150 lakhs on Flood Control Schemes. The total outlay for 1963-64, which has so far been agreed to by the Planning Commission subject to the condition aforesaid, would thus amount to Rs. 29.50 crores. This is also short of our requirements, particularly for starting work on the Kopili Power Project, undertaking work on the Medium Irrigation Jamuna Project and for development of work in the hill districts. The Chief Minister and the Minister, Industries have further discussed with the Planning Commission the allocation of more funds for these requirements and it is hoped that our case would receive favourable consideration at their hands. The Statement at Annexure 'A' indicates the break-up of the allocation of Rs. 29.50 crores under the different heads of the development.

Steps taken to ensure fulfilment of Plan Targets

15. To avoid delay in respect of the implementation of the various schemes provided for in the annual plan for 1962-63 these were cleared in discussion held with the representatives of the concern departments between May and July last year. This procedure is proposed to be continued in future. As indicated last year, increased financial powers have been delegated to the different Departments and Heads of Departments who have also been provided with Financial Advisers and Finance and Accounts Officers to help them in the exercise of their powers and in other financial matters. The man-power cell, which was created in

the Planning and Development Department for assessment of man-power needs, continued to make necessary studies for improving training facilities to make up the short-falls in respect of technical personnel. A Committee has been set up in the Public Works Department for the purpose of reducing construction cost wherever possible. A decision has been taken to constitute a State Planning Board to pay continuous attention in respect of plan matters. The progress of the various schemes under the Plan is also being continuously reviewed by the Planning and Development Department so that funds could be diverted, if necessary, by adjustment, to sectors where more funds are required.

Economy measures taken in the context of the National Emergency

16. The strictest economy in expenditure on administration particularly at the time of the present emergency is essential. It can help us in making resources available for the State's essential requirements. Towards this end various measures are called for and some actions have already been taken. Orders have been issued to eliminate completely all wasteful expenditure, to cut down all expenditure as is not absolutely essential and to stop recruitment of fresh staff. It has also been decided that even in cases, where new schemes of a productive nature (with their complement of staff) are being sanctioned, the men for such schemes should be found only by re-allocation from among the existing staff. The recruitment to existing or proposed vacancies has been frozen. Instructions have also been issued to curtail tours and reduce contingent expenditure to the barest minimum by effecting economy in the use of papers, forms, stationery, electricity, coal, etc. It has also been decided recently that work on some non-essential building projects outside the plan should not for the present be taken up. It is estimated that because of this economy drive, a sum of about Rs. 23 lakhs will be saved this year.

I feel that there is scope for effecting further economy in administration. Government therefore propose to appoint a Committee to go into this matter and further measures in this regard will be taken on receipt of the recommendations of this Committee.

Small Savings

17. Intensification of the Small Savings Scheme movement has become imperative in the context of the necessity for raising funds to meet requirements of expenditure for development and the various urgent measures on account of the

Chinese aggression. The progress of the Small Savings Campaign was adversely effected for a temporary period by the Chinese aggression, but it is expected that it will soon resume its tempo of activities. The amount collected through Small Savings has shown a steady increase every year being Rs. 251.66 lakhs in 1960, Rs. 352.23 lakhs in 1961, Rs. 402.23 lakhs in 1961-62 and Rs. 262.35 lakhs (up to December) in 1962-63. The net collections, under the Small Savings Schemes, are shared between the Centre and the State on 1:2 basis, State's share being advanced by Government of India in the form of a loan repayable in one instalment on the expiry of 10 years from the date of receipt of each loan. In respect of prize bonds, the amounts are shared between the Centre and the State on a 50 : 50 basis and the State's share is given as a 5-year loan. The Government of India however has recently decided to impose a maximum limit on the divisible pool going to the States, namely, Rs. 60 crores in 1962-63 and Rs. 65 crores in 1963-64 for all the States together. It is possible that this new formula may affect this State's share to a certain extent. We, nevertheless, are taking all steps to intensify and popularise the Small Savings Movement in the State and for this purpose the State has been divided into a few zones and placed under the charge of Ministers, Deputy Ministers and Parliamentary Secretaries. In addition, there is a State Small Savings Advisory Board which advise the State Government in the matter of further popularisation of the Small Savings Scheme. Further, at the village level, Panchayats are being encouraged to take up small savings agencies. The Union Finance Minister, at the time of presenting the Budget before the Parliament, has referred to the compulsory saving scheme to be enforced at all levels. The proposal in this regard was discussed by him with the State Finance Ministers at the conference, mentioned before, and it was then agreed that half the yield from such compulsory savings in the rural area, to be imposed on the basis of land revenue payable, would be given to the States in the form of loan. Thus, the compulsory saving schemes, recently announced by the Centre, is expected, on the one hand, to bring to the State an additional sum over and above the share out of realisation from the Small Savings. On the other hand, it may perhaps effect the collection from Small Savings and check the upward trend in our State from such collection in future years.

Agriculture

18. The total allocation for the Third Five Year-Plan, in the Agriculture sector, is Rs. 652.02 lakhs. The target for

additional food production, in the Third Five-Year Plan, as mentioned last year, has been fixed at 4.20 lakh tons. The expenditure, during the year 1961-62, was Rs. 59.81 lakhs, and an amount of Rs. 106 lakhs was provided for 1962-63. The allocation for the next year, including outlay of Rs. 30 lakhs out of the additional allocation, is Rs. 187 lakhs. This includes the outlay of Rs. 250 lakhs for the whole plan period and the outlay of Rs. 52 lakhs for the year 1963-64 earmarked for minor irrigation schemes which are being implemented by the P. W. D.

19. As the Hon'ble Members are aware, the weather conditions during 1962-63 were not favourable for agricultural production. Apart from the two successive devastating floods, affecting most of the areas of the State, insect pests appeared on a widespread scale, in the various parts of Assam, causing considerable damage to the standing crops. In particular, the district of Cachar and some parts of Upper Assam were severely affected by the pests, notwithstanding the fact that necessary steps were taken by the Agriculture Department for the prevention and destruction of these pests by free distribution of insecticide and other suitable measures. The programme of the Department, initiated during the first year of the Third Five-Year Plan, was continued during 1962-63. The schemes relating to the distribution of improved ploughs at subsidised rates and for supplying tractors to cultivators for mechanised cultivation were also implemented. The Department undertook schemes for improving cultivation of jute by distribution of improved seeds, fertilisers, etc. The development of other cash crops, such as cashew-nut, black pepper, arecanut, sugarcane, cocoanut and ginger, etc., has also been given encouragement and due attention. During 1963-64, increased facilities for teaching in the Agriculture College at Jorhat, by strengthening the staff and organising post-graduate courses in some important subjects like plant protection, horticulture and soil chemistry, which have a direct bearing on improvement of agriculture in the State, are proposed to be provided. The intensive agriculture district programme (Package Programme) in the district of Cachar was inaugurated by the Chief Minister on 26th January 1963. The object of the programme is to intensify agricultural development in the selected districts by providing advice, about suitable crops and better agricultural practices to the cultivators, as well as by making available to them fertilisers, improved seeds, agricultural implements, irrigation facilities and loans necessary for the

purpose. Under the programme, a soil testing laboratory and workshop for agricultural implements are also being set up in Cachar. Another new scheme to be undertaken, next year, is the programme for intensive rice cultivation which is also designed on the pattern of the Package Programme and envisages extending to the cultivators such necessary facilities for increasing production of rice as fertilisers, plant protection measures, green manure, improved seeds and technical assistance. It is proposed to cover next year, under this scheme, the four districts of the State. During the next year, 20 per cent of the area of each of the districts, selected under the scheme, is to be covered and the present production is expected to be stepped up by 25 to 30 per cent in one year.

20. The Department undertook emergency scheme for increasing production of food and subsidiary food crops, in view of the situation arising out of the Chinese invasion. The schemes implemented, during last year, at an expenditure of Rs. 20.40 lakhs, were undertaken to increase the production of vegetables, onions, potatoes, Boro and Ahu paddy. The additional area to be covered, under vegetable cultivation, was fixed at 1,500 acres. Under the scheme, vegetable seeds and seedlings were distributed at concessional price. The additional area to be brought under onion was 1,000 acres and subsidy on seeds and fertilisers was given. For cultivation of Boro paddy, seeds at subsidised rates were distributed. Power pumps were given free in areas where fresh Boro cultivation was taken up. Similar concessions were also given for additional cultivation of potatoes and Ahu paddy. It is proposed to continue these schemes during the next year also.

Co-operation

21. The total allocation for the Co-operative sector in the Third Five-Year Plan is Rs. 230 lakhs. The allocation for 1962-63 was Rs. 40 lakhs. During 1963-64, an allocation of Rs. 39 lakhs is proposed. During the year 1962-63, six new primary marketing societies were organised and it is proposed to organise six more such new societies in the coming year. These societies have been given necessary managerial subsidy and other assistance. Steps have been taken to improve the working of the Apex Marketing Society. In the sphere of rural credit expected progress did not materialise due to increase in overdues. The position relating to rural credit was gone into by a joint team consisting of officers of the Reserve Bank, Co-operative

Department and Apex Bank. On the basis of their recommendation, it is proposed to revitalise and strengthen the co-operative structure for rural credit in the districts of Nowgong, Cachar, Darrang and North Lakhimpur Subdivision during 1963-64. The scheme provides for improving functioning of the Central Bank by strengthening specially their bad debt reserve fund and by taking other financial and administrative measures. It is expected that, during the coming year, the land mortgage Bank would also be able to play a greater role in extending credit facilities for improvement of land to the cultivators in the State. A chain of consumers' co-operative stores and wholesale stores are being set up to make available essential commodities, such as rice, pulses, salt, etc., to the urban people at a reasonable price. Building up of Government stock was continued during 1962 by purchase of paddy through co-operatives. This is being implemented during the present season also with some modifications. Attempt is being made to link credit with marketing. This year the price of paddy has also been increased subject to the condition that 50 nP. per maund from the increased price of paddy will be deposited with the co-operatives in the account of the cultivators selling the paddy. This will also help in improving the position of the Central Bank, in which the amount so collected will be deposited in the name of the cultivator concerned. Steps have also been taken in the current year to improve the working of the Assam Co-operative Sugar Mill. The State Government advanced a loan of Rs.7,50,000 during the year to improve the financial position of the mill. The working of the mill was enquired into by a committee last year and its recommendations have been given effect to.

Panchayats

22. The State, excluding Autonomous districts, has now 16 Mahkuma Parishads, 120 Anchalik Panchayats and 2,574 Gaon Panchayats functioning in their respective fields, with the powers delegated to them and are undertaking full responsibility for planning and development of their respective areas. At the village level the Panchayat functions as the common agency for planning, directing and co-ordinating the scheme of work. The success and effective functioning of these Panchayati Raj institutions wholly depend on the responsive co-operation of the officials and non-officials assigned to the task and responsibility in the new set-up. In the changed situation under the National Emergency, when the need is total

mobilisation of both human and material resources, the Panchayats have a still more responsible and greater role to play for effective co-ordination, direction and supervision. Thus, in the sphere of agriculture, the Panchayats have been called upon to draw up and implement village production programmes. The co-operatives, the Field Management Committees and the Gaon Panchayats have to work hand in hand to achieve these production plans. The Village Volunteer Force scheme, of which the defence labour bank is an integral part, was inaugurated by the Prime Minister on 26th January 1963. The scheme, based on the donation of free labour at the minimum rate of one day per month from every able-bodied adult, or monetary contribution in lieu thereof, provides adequate resources within easy reach of the Panchayats to plan and undertake a programme of development and particularly of agricultural production, on a big scale. The concept of free labour is neither new nor has people's contribution so far been insignificant, but up-till now it has been mobilised in relation to specific projects concerning amenities. It was hitherto not directed to production programme and not broadbased, partaking of the nature of community action and was obtained mainly from the weaker section of the population. Now it stresses the obligation of each and every member of the community and provides an institutional framework for their participation. It is heartening to note that this scheme has been received with enthusiasm throughout the State and there is eagerness to give labour for intensifying the drive for agricultural production and building up of community assets. The success of the scheme will now depend on facilitating utilisation of what thousands of rural people are readily prepared to give. The budget for the year 1963-64 mostly provides for completion and for continuance of schemes already undertaken. There is also provision for training of large number of personnel connected with the Panchayati Raj institutions. Provision in the Budget has also been made for enabling the training Institute to continue its work of training about 2,000 personnel by stages. One Institute has already been established and is now imparting training to Presidents, Vice-Presidents and Members of the Panchayats. Four other Institutes are proposed to be set up during the Third Five-Year Plan period. A separate scheme for the training of Panchayat Secretaries has also been started and will be continued in the coming year. Approximately 250 Secretaries are expected to be trained during this year

and four hundred in the coming year. Sanmilans of officials and non-officials, at various levels, are contemplated to be organised, during the coming year, for exchange of ideas and for evolving solutions of the difficulties encountered by those entrusted with the work of Panchayats. The decision to contribute Rs.1,500 to each Gaon Panchayat for construction of an Office-cum-Godown building is proposed to be continued. Eight hundred and four Gaon Panchayats have already utilised these funds and constructed the office-cum-godown in the current year and provision has been made to provide similar assistance to 616 Panchayats in 1963-64. Provision has also been made for issue of grants and loans to such Panchayats as are prepared to create remunerative assets and sources of income for future in order to supplement their limited resources derived from grants, etc. Adequate provision has also been made for administrative, inspecting and audit staff to ensure proper guidance to the panchayat in the discharge of their various duties and responsibilities. In the interests of the weaker section of the Community, the Gaon Panchayats have been authorised to set up special sub-committees to undertake work for benefit of backward people.

Community Development

23. With the taking up of 30 Pre-extension Blocks from October 1962, the entire State has been almost covered by the Community Development Blocks. It will now be possible to provide benefit of extension service to the entire rural population, inhabiting 24,876 villages and covering 47,089.4 sq. miles, of the 160 Blocks (118 Blocks in the Plains Districts and 42 Blocks in the Autonomous districts). The Blocks in operation include 20 post-stage II Blocks in which the responsibility for continuing the development work, maintenance of staff and equipment, mainly devolves on the State Government and agency of the people. Under the present national emergency, the Community Development Blocks have an effective role to play. The most important contribution, which the programme can make, is to achieve rapid increase in agricultural production. With that end in view, reorientation has been effected in the plan programme and measures taken for mobilising resources for increasing agricultural production. Instruction have also been issued to blocks to concentrate all efforts on increasing agricultural production and to divert funds for such a shift in development, keeping as little funds as possible, for maintenance of social services

already established and for extension of rural water supply. The importance of village production plans, within the general framework of block plans, has been impressed upon all concerned and necessary measures taken to implement the ideas on a pilot scheme basis. A few projects for Applied Nutrition Programmes, of which the main elements were initiated under the auspices of the 'FAO', 'WHO' and 'UNICEF' have also been taken up and these include poultry-keeping, pisciculture, schools, community gardens, orchard, fodder and legume, milk production, organisation of supplementary feeding schemes for pregnant and nursing mothers and children in the villages and education and training particularly of youth and women. These will be implemented with the assistance of Medical, Agriculture, Animal Husbandry, Education and Social Welfare Departments with the State's share of outlay of Rs.3,21,700 per block. To help in the agricultural production 10,000 mds. of chemical fertiliser and 19,000 mds. of improved seeds were distributed in 1961-62. Over 6,000 Agricultural demonstrations were held. Over 6,785 furlongs of Kutchra roads were also constructed by the people and 9,402 furlongs of existing roads were repaired during the same year. Over 1,185 Youth Clubs and Farmers' Union and about 537 Mahila Samitis were organised. The problems of the blocks in the autonomous areas were examined in detail by various committees and, as a result, as many as 37 tribal development blocks have been allotted to the State for conversion of blocks, having large tribal population, with additional allocation of Rs. 10 lakhs for the Stage I period and Rs. 5 lakhs for the State II period by way of grant from the Government of India. Eight such blocks are already functioning and 4 more blocks are likely to be taken up in the coming year. The Department is also implementing an Integrated Child Welfare Demonstration Project in Hajo C.D. Block for which the donation of his house and land by the former Chief Minister of Assam, the present Governor of Madras and our revered colleague, Shri B. R. Medhi, is appreciated and which I trust will encourage the people of the locality to take keen interest to make it a success. The scheme provides for an expenditure of Rs. 5 lakhs over a period of 5 years which will be reimbursed by Government of India. During this year an amount of Rs.45,000 has been spent and a sum of Rs. 1 lakh is proposed to be provided during 1963-64. The estimates of requirement of man-power for extension of the programme in more blocks in the coming year and the training of officials and non-officials have been accorded proper priority. The various

categories of officers in the blocks from the Gram Sevaks upward will be provided with training in the various places. So far as Gram Sevaks are concerned, the 4 Integrated Training Centres within the State are expected to turn out about 200 every six months. Training of village leaders and Gram Sahayaks, which is conducted in camps organised from time to time by peripatetic parties, will be continued. It is also expected that a Centre for the training of B. D. Os will be set up in the State in the coming year. The Home Science Wing attached to the Integrated Training Centre at Jorhat turns out about 20 women VLWs in each season and the workshop attached to it imparts training in blacksmithy and carpentry to rural artisans and in scientific research.

Animal Husbandry and Veterinary

24. The Third Five-Year Plan provides for an expenditure of Rs. 164 lakhs out of which an amount of Rs. 22.62 lakhs was spent during 1961-62. The allocation for 1962-63 was Rs. 38.30 lakhs and it is proposed to provide for an outlay of Rs. 32 lakhs in 1963-64. The Department, besides maintaining the existing hospitals, dispensaries and artificial insemination Centres, undertook expansion of the various cattle farms for increasing the supply of milk. A small scheme for improving supply of milk at Gauhati has been undertaken. This provides for collection of milk from various pockets and its distribution, after pasteurisation, to the civil population and to the army. The preliminary work for a similar scheme at Tezpur has been completed and the scheme is expected to be undertaken in the coming year. To upgrade the indigenous cattle, arrangement has been made to obtain a few improved varieties (such as Holstein and Jersey) of Bulls, with the help of the Government of India. Steps have also been taken for increasing supply of cattle fodder, through a phased programme, by improving V. G. Rs. and P. G. Rs. and by intensive cultivation of fodder at different farms. Two goat and sheep farms and an additional piggery farm have been set up during the current year. It is proposed to undertake increased distribution of chicks and eggs to private breeders, to supply birds of improved breed and poultry houses on subsidised basis at Gauhati and Shillong and also to manufacture poultry feed and supply the same to private breeders at cost price. A duck farm is proposed to be set up in the coming year. The Department has taken necessary steps to extend the Veterinary College at Khanapara. There was an increase, during the year, in the number of students and the teaching staff has considerably been strengthened.

Fishery

25. The development of fishery is a matter of utmost importance for increasing the nutritive value of the diet of common man. The total allocation for the Fishery Department during the Third Plan, is Rs. 50 lakhs. An allocation of Rs. 11 lakhs is proposed for the year 1963-64. The Department is maintaining various fish farms and tanks for production of fish, for sale and for supply of fry and fingerlings to private breeders. A small storage plant has also been set up at Gauhati, with one ton capacity, for preservation and marketing of fish. During the current year, further progress was made towards improvement and reclamation of natural and derelict fisheries. The schemes, undertaken by the Department, include research on induced breeding of fish as well as survey of natural breeding pockets of fish in the various rivers and their tributaries in the State.

Flood Control and Irrigation

26. The recurrence of floods, erosion and water-logging of low-lying areas, which has assumed serious proportion since the 1950 Earthquake and posed a big problem because of recent population pressure continue to subject the State, from year to year, with considerable loss of life and colossal wastage and damage to crops, cattle and property. In the last 10 years, prior to the two devastating floods of 1962-63, the average annual loss of property and crops was of the order of Rs. 450 lakhs, besides the expenditure incurred on repairs of damaged roads and embankments, the national loss resulting from dislocation in the normal activities, and the average annual expenditure of about Rs. 22 lakhs on grants and loans to flood-victims. The floods during the current year resulted in the loss of 157 human lives, 30,522 heads of cattle, damage and loss of crops, valued at Rs. 24,11,09,170 and in the damage and destruction of over 76,000 houses besides enormous expenditure on relief to flood-victims and on repairs to damaged roads and embankments. All these call for special attention to enable the State to take up agricultural production programme effectively, to relieve its people from colossal loss to life, crop and property and to keep in check the ill-effects of the vagaries of monsoon. Even the modest Flood Control programme originally proposed by the State for inclusion in the Third Plan, which merely aimed at completing the works on construction of embankments,

has been drastically curtailed by the Planning Commission. Without taking the time of the House, in detailing the various steps taken by us in persuading the Planning Commission to accept our necessary proposals, in which efforts we have not so far succeeded, I have no hesitation in saying that the requirements of resources and technical personnel are so massive that our State, with its meagre financial and man-power resources, cannot face the problem without substantial assistance from the Centre. The enormity of the challenge which Flood Control in Assam confronts us demands nothing less than that it should be regarded not only as a national programme but also as one requiring immediate international assistance by way of loan and technical guidance in a determined and well-planned manner. The schemes so far taken up consist of construction of embankments, town protection works, drainage works, Jorhat Water works, protection and collection of hydrological data. So far, about 1,880 miles of embankments have been constructed, along the rivers and breaches. These include 87 miles constructed under the Community Development programme. The unprecedented floods during the year 1962, caused extensive damage to flood embankments and other flood-control structures. An area of approximately 7,000 sq. miles was affected by these floods. The cost of restoration of damage done by these floods is estimated at Rs. 163 lakhs, out of which Rs. 100 lakhs is expected to be spent during the current year and Rs. 63 lakhs in the coming year. The Planning Commission has agreed to allot a sum of Rs. 100 lakhs for expenditure on restoration of damage during the current year. As against the provision of Rs. 18 lakhs for 1961-62, Rs. 45 lakhs were spent during that year for emergent steps to avoid devastation from floods. The amount allocated for flood control under the Third Plan is Rs. 5 crores. The expenditure during the Second Plan on Flood Control was Rs. 4,22,95,490. Rupees 75 lakhs were allocated for the year 1961-62 and Rs. 99 lakhs for the year 1962-63 excluding Rs. 2 crores for Dibrugarh Town protection. The proposed outlay for the year 1963-64 is Rs. 255 lakhs including the amount given out of additional allocation. A scheme costing Rs. 24 crores was drawn up by the flood irrigation wing and placed before the State Flood Control Board presided over by the Chief Minister. It was decided by the Board that, pending construction of dams and detention basins, the work of closing the breaches and raising and strengthening the existing embankments, wherever required, and of constructing embankment of rivers, upstream or

down stream or on the opposite bank of the existing embankments with a view to afford complete protection to areas already covered by embankments and also to protect railways and roads of strategic importance, should be given priority. It was proposed to take up additional works costing about Rs. 9.11 crores during the remaining period of the Third Plan, over and above the works included in the regular plan of Rs. 5 crores. In addition to the above, the team of experts of the Government of India, who inspected the Dibrugarh Town protection work, recommended the additional allocation of Rs. 10 lakhs. The question, therefore, before us is to find a fairly big amount even for such short term and temporary measures with a view to lessen the rigours of floods. Unless the Planning Commission comes forward to help the State, there is little hope of finding this big amount out of the normal budget of the State.

27. For the medium irrigation projects, a sum of Rs. 228 lakhs has been allocated during the Third Plan which is expected to benefit an area of 73,000 acres. The medium irrigation programmes include the Jamuna, Sukla, Patradisa, Mora Dhansiri and Longa Irrigation Schemes. The Jamuna Irrigation Scheme was estimated to cost Rs. 193 lakhs but, for want of Government of India's approval, the project could not be started in the year 1961-62. This project would benefit areas under the jurisdiction of Nowgong and United M'kir and North Cachar Hills Districts. Some preliminary work was done on this project during the current year costing Rs. 5.45 lakhs. Similar preliminary works on Patradisa irrigation project is also being taken up. The amount allocated for medium irrigation schemes in 1963-64 is Rs. 5 lakhs only as against Rs. 9 lakhs provided in 1962-63 which is hardly adequate even for carrying on the investigation work. The Chief Minister has taken up the matter with the Planning Commission for further allocation, at least to begin the work, on the Jamuna Project and the result of the discussion with the Planning Commission is awaited with favourable expectation. The outlay for new minor irrigation scheme, under the Third Plan is over Rs. 200 lakhs and there is a further outlay of Rs. 50 lakhs for incomplete schemes of Second Plan. The expenditure on Agriculture Minor Irrigation Scheme for the year 1961-62 came to Rs. 29,92,318 and Rs. 58 lakhs was allocated during 1962-63. It is proposed to allocate Rs. 107 lakhs during 1963-64. The execution of all these schemes mostly comprised of earth work, depends on availability of labour, the majority of whom had

hitherto been recruited from outside the State. During the current year, there was inadequacy of such labour and, to overcome this inadequacy, the district officers have been instructed to contact the leading members of the public and panchayats to organise local labour and, wherever possible, utilise Sramik Bahinis and Bharat Sevak Samaj for expeditious completion of the work. The physical targets in respect of the year 1962-63 are 1,12,000 acres for Flood Control Schemes and 30,000 acres for Agriculture Minor Irrigation Schemes and for the year 1963-64, the physical targets proposed are 59,000 acres for flood control schemes and 22,000 acres for Agriculture Minor Irrigation schemes.

Power Development

28. The total provision for power development, during the Third Five-Year Plan, is Rs. 2,750 lakhs. An amount of Rs. 768 lakhs was originally allotted for expenditure during 1962-63. The revised outlay for the year, however, came to Rs. 969 lakhs. The actual expenditure, for 1961-62, was Rs. 524.51 lakhs. A provision of Rs. 1,467 lakhs is pressed for 1963-64, including a sum of Rs. 200 lakhs to be spent for advance action on Kopili Project, the construction of which will be taken up during the Fourth Five-Year Plan. The Planning Commission have, so far, agreed to a provision of Rs. 1,240 lakhs, including the amount given out of additional allocation, and for the balance an effort is being made to persuade them to agree. The Electricity Board is also pressing for an amount of Rs. 33.8 lakhs for the meter factory and Rs. 34 lakhs for the Gas Transmission Scheme at Naharkatiya. Investigation work in respect of Kopili Valley Hydro-Electric Project has been completed. The project is estimated to cost Rs. 4,200 lakhs for the first stage and Rs. 2,800 lakhs for the second stage. The preliminary work on this project has already been started and a detailed study to select the most suitable voltage for transmission for this project on the net work analyser in the India Institute of Science at Bangalore has been undertaken. The Board augmented the installed capacity by 3,800 KW in some of the important stations like Gauhati, Nowgong, Darrang, Jorhat, Tezpur and Karimganj, but there was still acute shortage of power during the year in all the stations under the jurisdiction of the Assam Electricity Board. In spite of this acute shortage, the Board has, nevertheless, succeeded in meeting the demand of essential services like defence, railways, All-India

Radio, P.&T. and Engineering and Research Institutions. The demand of industrial consumers has also been made as far as possible. The existing supply at Jorhat has almost completely been converted from D. C. to A. C. and conversion work at Tezpur is progressing satisfactorily. About 75 miles of 11/33 KV line have been completed during 1962-63 and the target for the next year is about 150 miles. The tempo of work for construction of the 11/33 KV line in Kamrup and Darrang is being increased. During the current year, the Board is proposing to take up a scheme for supply of power to the extent of 10,000 KW to the defence authority at different places.

Major Industry

29. The tempo of activities in the industrial sphere, generated during the Second Plan period, has been accelerated during the current year; but, owing to the Chinese aggression, in the last part of the year, it has unfortunately slowed down. Steps have been taken to revitalise the industrial programme. The total plan outlay for large and medium industries during 1962-63 is Rs. 36 lakhs out of which Rs. 28.55 lakhs is for spill over schemes and new schemes in the public and private sectors. The balance of Rs. 7.45 lakhs is meant for the Directorate of Industries (Major) and for participation in Indian Refineries Ltd. Among the State projects, the Assam Gas Company Limited has taken up the first phase of the Gas distribution scheme for commercial use. The pipe-line from Naharkatiya to Namrup will be laid by the Assam Electricity Board on behalf of the Assam Gas Company for speedy implementation of the project. A scheme for distribution of natural gas for use as fuel by the Tea Estates around Naharkatiya has been finalised and is soon likely to be implemented. The Assam Government Marketing Corporation has taken up the work of marketing cottage industries' products, handloom products, etc., and some of their branches, which had hitherto been running at a loss, have started earning profits. The Assam Spun Silk Mills, which, as already indicated, has gone into production, will enable the growers of Eri Cocoons, Muga and Mulberry silk workers to earn a good price for their produce and also enable silk weavers to get adequate quantity of silk yarn of good quality. The silk yarn, produced by this mill, is expected to be exported in increased quantity. The meter manufacture factory in Shillong has already started assembling house service meters and is expected to go into full

production during next year. In the private sector of the two cotton mills licenced during the Second Plan period, the one at Chandrapur went into production in November 1962 and the other at Charduar is nearing completion. The Chemical and mixed fertilisers unit at Chandrapur will go into production by the middle of 1963. The petro-coke calcination unit at Gauhati has gone into production. Negotiations for setting up a paper and pulp mill in the United Mikir and North Cachar Hills District are being carried on with M/s. Bengal Paper Mills Company, Limited. Negotiations for setting up two other rayon grade and pulp projects, based on the bamboo resources of Cachar and Mizo Districts are also being carried on with private parties. Work on the Cement Factory at Cherrapunjee is in hand and it is expected that the factory will go into production within two years. The major projects in the State are expected to go ahead at full steam in 1964 when adequate electricity will be available to meet their requirements.

30. I need hardly refer to the Award given by the Prime Minister on the oil royalty dispute between us and the Fuel and Mines Ministry of Government of India, as the copies of the Award have been laid before the House. I should, however, like to emphasise that the Award concedes that the Fuel and Mine Ministry ought not to have revised the royalty rate in the leases granted to Oil India without reference to the State Government; recognises the right of the State Government to be associated in the fixation of the royalty of crude oil produced from the oil fields in Assam and admits the proprietary right of State Government in the oil fields within the territory. The Award has, however, not accepted our contention of regarding Oklahoma price of crude oil as the well-head value of crude oil, the basis of calculation of royalty, on the ground that since restriction on import of crude oil from 1959 in U. S. A., the Oklahoma price no longer satisfies the test of a price prevailing in a substantially free markets. Our objection to Middle East price being considered as satisfying the test of price of a substantially free markets has also been sustained. Thus, in absence of any of these markets satisfying the test of price prevailing in a substantially free market, it became impossible and difficult to determine the well-head value of crude oil. The Award in determining the basis for calculation of the royalty has taken into consideration the price of crude oil paid by Refinery to Oil India. According to the Award the existing Oil India leases will be amended, the Oil Fields (Regulation and Development) Act and the rules made

thereunder will be amended to recognise the State Government's proprietary function and the State Government in future will have to be consulted before the Act or rules regarding oil fields are changed. The Award will not effect the leases entered into with the Assam Oil Company.

Geology and Mining

31. The Directorate of Geology and Mining is undertaking a survey of the mineral resources of the State as this is a prerequisite for industrialisation. The limestone deposits, near Kailajong in Mikir Hills, were subjected to drilling to ascertain their quality. This is also being done in respect of limestone deposits near Cherrapunjee. The data gathered from this will enable a decision to be taken regarding the location of the Cement Factory in a central place. Detailed investigation is being taken in connection with the establishment of Thermal Plant at Nangalbibia in Garo Hills for enabling us to locate the best place for a colliery.

Cottage Industry

32. The schemes, for supplying finance to small-scale and cottage industries by way of loans and grants, for training artisans in various trades, for finding markets for the products of small-scale and cottage industries and for arranging demonstration in rural and urban areas of modern techniques of production have been taken up. In order to speed up the development of small-scale and cottage industries, which can only create employment opportunity and an industrial climate, a number of schemes are proposed to be taken up during this plan period. For this an outlay of Rs. 270 lakhs has been provided. A programme of rural industrialisation has also been taken up. This envisages the setting up of industrial estates in rural areas with a view to attract industries, mills and factories in those areas. It is proposed to establish, at least 10 industrial estates during the Third Five-Year Plan. One industrial estate each has already been established at Gauhati and Dhekiajuli. Four more industrial estates are in process of being established during the current year at Sibsagar, Makum, Golaghat and Gauripur, in addition to the one at Nalbari, work on which is also in progress.

Khadi and Village Industries Board

33. The Khadi and Village Industries Board has been set up to bring about the integrated development of our rural economy. The Board has taken up, under their programme, the Gram-Ekai scheme, the gas plant scheme and the test relief scheme. Under the Gram-Ekai scheme, a village, consisting of a population of 500, is selected for introduction of this development scheme. The aims and object of the scheme is to make every village self-sufficient as regard clothes and other articles of bare necessities. So far, 6 Gram-Ekai centres have been sponsored by the Board and 14 others are to be sponsored by the end of the current financial year. Under the gas plant scheme, methane gas is to be manufactured from cowdung and other waste products to cope with the acute shortage of cheap sources of fuel and good manure for food production in rural areas. This scheme is proposed to provide manure and methane gas for cooking, lighting and for producing power for running small machines. In addition to the existing match factory at Gopinathnagar, the Board is proposing to start another such match factory at Roha. The Board also took up test relief schemes of paddy husking and khadi weaving at different places of the State to help the people in the flood-affected areas of the State.

Education

34. The programme for expansion of Primary Education which was taken up during 1961-62 has been continued during the current year. In the current year, 1,200 primary school teachers have been appointed for Plains and 1,000 for Hills districts within the Plan provision. For the efficient management of schools and also to raise the standard of education and for improving the qualifications and efficiency of teachers the Assam Elementary Education Act, was passed last June. The rules for its implementation have been finalised and they will come into operation from the next financial year. In consonance with the advice of the Union Ministry of Education, measures have been adopted for improvement of qualifications of teachers by providing training facilities as well as by weeding out the under-qualified teachers. Training facilities have been expanded by creating 720 additional Training places in the 6 new Basic Training Institutions which have been started this year.

Another measure that has been adopted for improving qualifications of teachers is a course of pre-training. This course

of training is meant for intending teachers who have passed necessary tests and have qualified for teachership. Fifty such centres are being arranged during the current year.

Till this date 31 pre-primary classes attached to primary schools have been started. With a view to train the women teachers of these pre-primary classes, a training centre has been started during the last month.

In order to carry out this programme which requires closer and improved inspection, 25 Sub-Inspectors of Schools have been appointed during the current year. Special measures have been taken up for improvement of girls' education for which purpose 80 school mothers have been appointed. Arrangement have also been made for improvement in teaching Science in 45 middle vernacular schools. A magazine for professional use for primary school teachers has been departmentally published this year and will continue to be published in future year.

35. In this current year, 12 High Schools were converted into Higher Secondary Schools. During the next year, schools already upgraded will be consolidated and no new schools will be converted. The tempo of expansion of Secondary Education has continued unabated. During the current year, 36 Middle English Schools and 17 High Schools have been brought under the Deficit System of Grants-in-aid, and besides, 116 new High Schools and 180 new Middle English Schools have been sanctioned *ad-hoc* maintenance grants in the current year. A sum of Rs.2,20,000 has been sanctioned as Science grants to 20 new High Schools at the rate of Rs 11,000 each. Special efforts have been made to ensure that schools situated in the under-developed areas are given preference. It was proposed during the last budget speech that Rs. 10 lakhs would be provided for schools other than Primary Schools and for Girls' education, in the under-developed areas, but due to the Emergency this amount has been reduced to Rs 5 lakhs for which Government sanction is under issue. It has been proposed to transfer the control and management of the Matriculation Examination from the Gauhati University to the Board of Secondary Education. A committee under the Chairmanship of Dr. M. N. Goswami, M.A., Ph.D., has been set up to study the problem of Secondary Education in the State and suggest ways and means for its improvement. The question of quality control of education in Assam has been given serious consideration.

36. Special emphasis was given during the current year to Girls' education. Common room and sanitary facilities have been provided in 30 Girls' Schools and co-educational schools at a total cost of Rs.1,50,000. During last year the number of Girls' High Schools in Assam both Government and Aided were 62 (2 + 60). This year, 20 new Girls' High Schools have been given grants-in-aid, 3 of which are under deficit grants and the rest other grants. Also as many as 34 Girls' M. E. Schools have been brought under the grants-in-aid system during the current year. It is proposed to convert next year 2 Girls' High Schools, one at Gauhati and the other at Jorhat into Higher Secondary Schools. Hostel facilities have been provided to 132 girl students at a cost of Rs.1,06,000 during the current year. It is proposed to start a model Girls' High School in Barangabari in the Darrang District in commemoration of the girl martyr Kanaklota who laid down her life during the struggle for freedom in 1942. The total number of Girls' High Schools under the deficit system in Assam till the last year was 49. This year 20 new Girls' High Schools have been taken up under the grants-in-aid system, 3 of which are under the deficit system and 17 under *ad-hoc* grants during this year.

37. The phased programme taken up for development of colleges under the Three-Year Degree Course is in progress. For this purpose, additional grants both recurring and non-recurring have been sanctioned to 6 non-Government Colleges so as to enable them to meet the cost of additional staff under the pattern recommended by the University Grants Commission. A proposal to bring more colleges under the deficit system of grants-in-aid in the next year is under consideration. Night B.Sc. classes were started during the current year in three colleges, *viz.*, Cotton College, St. Edmund's College and St. Anthony's College, to turn out Science graduates who are in short supply, specially for teachership in the Secondary Schools.

The State Government deputed teachers to the sandwiched course for Post-graduate studies in the University and further education course in Science in Cotton College.

38. A Board for Text Book Production and Research is being set up to implement the policy of nationalisation of text books as advised by the National Integration Committee. Five text-books have already been published.

39. The N. C. C. and A. C. C. schemes which have been treated as an integral part of the educational programme were greatly expanded during the Emergency. N. C. C. or N. C. C. Rifles training has been made obligatory by the University of Gauhati for students at the collegiate level. Their number is of the order of about 20,000 for which 70 additional N. C. C. Rifles companies, including 7 companies for girls and one medical company have been sanctioned by the Government. So far as the Junior N. C. C. and A. C. C. are concerned, 50 new N. C. C. troops and 100 A. C. C. platoons have been sanctioned and they have been allotted to High and Higher Secondary Schools. The newly raised units have already started functioning and regular training has been provided to the cadets by the existing N. C. C. personnel.

The State Government has also made mass drill compulsory in all schools in Assam. Steps have already been taken to train teachers and professors as officers of the N. C. C. for the additional troops.

To provide adequate number of teachers for physical training, 1,000 teachers, both men and women, have been given a short course of training and another 1,000 are being trained within this financial year.

Among the other measures taken up to make the education programme defence-oriented, mention may be made of the following—

With a view to promoting Rifle Club activities in the different districts, Government have agreed to render financial assistance to the Assam Rifle Association. During the current year, a sum of Rs.50,000 was given for the purpose.

In order to help the youngmen of the State to qualify for Emergency Commission, a preparatory training course has been organised at Nowgong from 1st February 1963.

Three thousand bighas of land has already been acquired for the Sainik School in Mornoi near Goalpara.

The Government of India has decided to provide physical training through an integrated scheme of National Discipline Scheme as well as N. C. C. and A. C. C.

The State Government have taken up a scheme for development of regional languages through the agency of learned Societies, namely, Assam Academy, Publication Board, Assam Science Societies and the Assam Sahitya Sabha for publications approved by a Board, specially constituted for the purpose with the Education Minister as Chairman.

The implementation of the Official Language Act has been entrusted to a committee recently constituted under the chairmanship of the Education Minister which has already taken certain measures in this behalf.

40. There are two Engineering Colleges, 4 Polytechnics and 6 Industrial Training Institutes functioning in the State. The five-year integrated course has been started from this year with 180 seats in Civil, Electrical and Mechanical Engineering in the Assam Engineering College, Gauhati and 120 seats in Civil Engineering in Jorhat Engineering College. It is proposed to start the courses of Mechanical Engineering and Electrical Engineering in Jorhat Engineering College from next session.

There are 4 Polytechnics for Diploma course in Civil, Electrical and Mechanical Engineering with 180 seats in each Polytechnic. A condensed course for diploma in the Polytechnics is under consideration. Land has been acquired for two new Polytechnics one at Dibrugarh and the other at Shillong.

There are 6 Industrial Training Institutes for craftsmen training in different trades. Government of India have sanctioned 4 Industrial Training Institutes at Tinsukia, Aijal, Shillong and Barpeta. Land has been acquired for Shillong and Barpeta already. In addition to this, during the National Emergency, short-term courses were introduced in different trades under the accelerated craftsmen training programme with 572 seats with a view to meet the defence demands for skilled technicians. A course for Motor Driving-cum-Running repairs with 240 seats was also started in 5 I. T. I's to meet the defence needs. A special course of Radio-Mechanics is also going to be introduced at I. T. I., Gauhati from 1st April 1963.

An annual grant of Rs.25,000 has been given by Oil India Limited and another Rs.25,000 by Indian Refineries Limited to

grant merit scholarships for studies both collegiate and post-graduate within the State and outside the State in Engineering, Medical, Scientific and Technological subjects. Besides, the State Government has got 12 overseas scholarships for higher training in technical subjects to provide teaching personnel in the Engineering Colleges and Polytechnics.

Publicity

41. The Publicity and propaganda work is carried on through various media, such as, written publicity, audio-visual publicity, rural broadcasting and exhibition. During 1962-63, in nine more subdivisions Information and Public Relation Units have been established. Eleven Information Centres have also been established in all district headquarters attached to the district information and Public Relation offices. In addition to the two monthly journals, "Assam Information" and "Asoma", the illustrated monthly journal, "Pragati", has also been brought out. Two documentary films, viz., "Folk dances of Assam" and "Wild Life Sanctuary" have also been produced. In the interest of national integration, inter-State exchanges of cultural troupes in music and dances and other cultural activities have also been organised. During the current year, over 100 radio sets have been installed throughout the State, various kinds of pamphlets have been produced and distributed and two emergency schemes, viz., the opening of information centres on the North Bank of the Brahmaputra and installation of fixed loud-speaker system in 3 more towns of the State, have been undertaken.

Medical

42. In the field of medicine, there has been further progress. Two Medical Colleges have been functioning since 1960. The site for the Medical College at Silchar has been finally selected at Ghungur. During the current year, pre-medical courses were started in both the colleges at Dibrugarh and Gauhati, with 260 seats altogether. Sixteen more additional seats were given to meet the emergency. Training in Pharmacy has been continued in the Institute of Pharmacy established in 1960. General Nursing training is given in 5 Government and 9 non-Government institutions. Auxiliary nurses and midwives training is given in 16 Government and 7 non-Government institutions. At present, 71 primary health units, exclusive of 71, 6 taken over during current year from C. P. Department, are functioning. In addition, 18 primary health units, for 18 (not 671) development blocks, are proposed to be set up and 8 primary

health units, for the remaining 8 blocks, are under consideration. Financial assistance is also given to non-official organisations for leprosy control. A scheme for eradication of leprosy, in Mikir and North Cachar Hills, has been undertaken during the current year. The contributory health service scheme, which ensures medical facilities to all State Government employees, at Shillong and Upper Shillong and to their families, free of cost at a nominal compulsory monthly contribution, levied on all classes of State Government employees, is being implemented. Arrangements have been made to shift Jorhat Civil Hospital to its new building where increased accommodation after completion of some minor works, will be available. One V. D. Clinic has been opened at Nowgong and an 8-bedded T. B. Ward has also been opened at Jowai Civil Hospital. During 1961-62, a sum of Rs.30,000 was sanctioned, as grants-in-aid, to poor scheduled caste patients suffering from T. B., Leprosy and such other contagious diseases. Another sum of Rs.92,700 was sanctioned, as grants-in-aid, to displaced T. B. patients and their dependents. The Government Ayurvedic College has been continued, as before and some physicians were sent to Jamnanar for post-graduate study in 1962. Fifty Government sub-ayurvedic dispensaries have been established and Ayurvedic outdoor sections have been opened in various Civil hospitals and Subdivisional hospitals. There are 109 Government subsidised allopathic dispensaries in the State, 10 such dispensaries are proposed to be taken up during the current financial year. All the 146 family planning clinics, opened in the State, are attached to the existing hospitals and dispensaries. In addition, 11 mobile family planning units, in each district and two in the two medical colleges at Dibrugarh and Gauhati are proposed to be opened. Under the normal public health scheme, there are at present 4 hospitals and 135 State Dispensaries. Eleven more new State Dispensaries are proposed to be established under the plan budget during the Third Five-Year Plan. At present, there are 83 Maternity and Child Welfare Centres functioning and 16 Leprosy colonies and 204 treatment centres attached to dispensaries and out-centres for control and treatment of leprosy in the State. The progress of the malaria eradication scheme in the State has not been very satisfactory and, in order to make the scheme a success and to provide full relief from malaria to the people of the State, it is proposed to re-organise the entire work and put it, for some time, under the control and supervision of an experienced officer to be appointed, through the assistance of Government of India, if possible, on loan from the Army.

43. The Public Health Engineering Department is mainly concerned with rural and urban water supply and sanitation under the national water supply and sanitation programme. In the rural sector, 3 spill-over schemes at Charing, Tongla and Dambuk, have been taken up for execution and three more new schemes, which were selected, could not be proceeded with on account of national emergency. In the urban sector the two continuing schemes at Gauhati and Shillong are under execution. The first phase of the Gauhati Water Supply Scheme is nearing completion. The other 2 schemes, at Rangia and Tinsukia, proposed to be taken up during the current year, were also dropped on account of the national emergency. For 1963-64, a provision of Rs. 17.16 lakhs has been made.

Jails

44. There is little to report about the fresh activities, except that, for the purpose of reformation of prisoners, officials are being trained in modern penological methods and sciences. The programme of imparting vocational training, in cottage industries, was continued and industries, such as, paddy husking, oil pressing by Ghanis, have been started in a few jails. Weaving, in Goalpara District jail and in the special jail at Nowgong, with a view to utilise the yarn spun in the jail, is proposed to be undertaken. The control of the magistrates' lock-up has also been taken over by the Jails Department.

Communication

45. For the Third Plan period, under the general plan, at State level, a provision of Rs. 15 lakhs for metalling of roads and, at district level, a provision of Rs. 10 lakhs for metalling of roads have been made. Out of this, a sum of Rs. 2.22 lakhs and Rs. 4.48 lakhs, respectively up to the end of September 1962, have already been spent. For construction of more roads, there is a provision of Rs. 2.05 crores, under the Third Plan, as against the provision of Rs. 5.25 crores for the entire programme. 385 new roads have been selected and a sum of Rs. 15 lakhs was allotted for expenditure on construction of new roads during the year 1962-63. A sum of Rs. 265 lakhs has been provided, for spill-over schemes to be undertaken, during the period of the Third Plan, and, out of this, Rs. 20 lakhs is expected to be spent this year. A

provision of Rs. 70 lakhs, for the plan period, has been made for improvement of existing low standard Public Works Department roads. Under this category, about 128 projects have been taken up and works, on these projects, are satisfactorily progressing. For reconstruction of bridges and culverts, against the Third Plan allocation of Rs. 100 lakhs, an amount of Rs. 2.92 lakhs has been spent up to the end of September 1962. The works on these bridges and culverts have been completed to the extent of 900 rft. out of 21,000 rft. proposed to be constructed during the period. There is an allocation of Rs. 80 lakhs, under the Third Five-Year Plan, for construction of 5 major bridges for which preliminary work, such as, collection of data, survey work, etc., have been mostly completed. Detailed estimates have also been prepared and tenders have already been called for. The work orders are expected to be issued shortly. Under the Third Five-Year Plan, Rs. 50 lakhs have been provided for improvement and construction of roads in connection with industries. In order to provide connecting roads to the Thermal Power House, at Naharkatiya town, a sum of Rs. 10 lakhs is being placed at the disposal of the Assam State Electricity Board. Another sum of Rs. 5 lakhs has been set apart for construction of roads leading to the Sugar Mill at Dergaon. Under the Third Finance Commission Award, a further sum of Rs. 25 lakhs has been earmarked for improvement of roads necessary for the industries. In respect of Centrally sponsored schemes, the construction of a major bridge (2,052 feet and 6 inches), over the Jia-Bharali river, on the North Trunk Road, was completed in July 1962 at a cost of Rs. 90 lakhs approximately. Out of the sum allocated by the Centre to the State, from the State's share of Central Road Fund, four programmes of road construction, costing Rs. 169 lakhs in all, have been taken up. According to the Finance Commission's Award, a sum of Rs. 3 crores for development of communication in the backward areas of the State is available. A programme estimated to cost Rs. 4½ crores has been drawn up and is in the preparation stage. The over-all allocation for the road project, under Article 275 of the Constitution, for the Third Plan period, is Rs. 90 lakhs. This allocation is meant for road projects in the plains tribal areas of Assam. Under this scheme, 91 projects in all have been taken up covering approximately 400 miles. The plan allocation for road development projects in the Autonomous Districts of Assam, under Article 275 of the Constitution, apart

from the allocation from State Plan expenditure, is Rs. 280 lakhs. The State Government have expanded this programme to a total cost of Rs. 456 lakhs out of which Rs. 134 lakhs will be spent on new schemes, Rs. 171 lakhs on spill-over schemes, Rs. 51 lakhs on spill-over border relief road schemes and Rs. 100 lakhs on semi-permanent bridges to the existing roads. A sum of Rs. 63.50 lakhs was spent, under this scheme, till 1961-62 and it is expected that an amount of Rs. 60 lakhs will be spent during the current financial year.

46. Owing to the unprecedented two successive floods, during the current year, immense damage was caused to Public Works Department roads and bridges in the plains districts of Assam, requiring immediate restoration for the purpose of maintaining regular traffic. All possible steps have been taken to get such roads and bridges repaired as quickly as possible. For the repair of these roads the Department laid emphasis on employing flood-affected people on test relief basis. With a view to strengthen and develop such communication as have become important, on account of the national emergency, a series of schemes have been taken up by dropping, as a measure of economy, non-essential building works already provided for in the current year's budget. The total road mileage in the State, according to figures available up to 31st March 1962, was 9,593.894 miles out of which 739.005 miles were included in the national highways and 8,854.889 miles in the State roads.

Transport

47. The State Transport will continue to operate on a route of 1,294 miles of which 145 miles were nationalised in 1962-63. A provision has been made for construction of a Central workshop building at Gauhati with modern equipment, for completion of the construction of the divisional workshops at Jorhat and Tezpur and commencement of the Shillong Workshop. For comfort and facilities to the travelling public, better coaches, with comfortable seats, have been provided, and regular service running, as per scheduled timings, has been ensured. Public amenities have already been provided at all stations and sub-stations on the existing routes. For long distant passengers, the State Transport is now operating an express service from Tinsukia to Gauhati, Dibrugarh to Gauhati, Shillong to Gauhati, Shillong to Goalpara and North Lakhimpur to North Gauhati. The State Transport is

handling on an average 25,000 passengers daily and goods, parcels and luggage to the extent of 12,000 mds. daily. The State Transport has provided employment to 3,239 employees of different categories, with service conditions almost equal to those admissible in similar services under the State Government. The State Transport Department, during the period of Chinese aggression, rendered help and praiseworthy service in evacuation of people from the North Bank and Lakhimpur District, including the evacuees from N. E. F. A., to various relief camps at Nowgong and other places. To facilitate the movement of goods from Calcutta by road, Government undertook steps to finalise the issue of Inter-State public carrier permits on a reciprocal arrangement with Bengal and Bihar on the basis of single point taxation. At the same time, we have raised a road transport organisation for movement of goods from the rail head at Siliguri in North Bengal to Gauhati. Decision has also been taken to augment the fleet of State Transport by 100 more trucks for existing private dealers to off-load wagons more quickly at business centres like Gauhati, Tezpur, Dhubri and Neamiati. This fleet will also assist the Defence Department to move its goods, whenever required, instead of the Defence Department being required to resort to requisition for this purpose.

48. Government undertook the survey of the Dhaleswari-Katakhal river in the Mizo District and also the survey of the fore-shore at Gauhati, on the bank of the Brahmaputra, in the interests of river transport. The survey of the Brahmaputra from Desangmukh to Dibrugarh, to examine the feasibility of making this stretch of river navigable, is in progress. The survey of the Kushiara river, in Karimganj Subdivision for construction of a lock at Nathiakhal is about to be completed. A proposal for preliminary survey of the Kolodyna river, in the south of Mizo District, is under consideration. For the construction of Pandu port a sum of Rs.8,35,046 has already been spent. This project is proposed to be completed within the Third Plan period. The survey of Shella-Shillong Ropeway, for preparation of the project report, has been completed and the global tender for execution of the work has been called for. The Government of India have offered a loan of Rs. 20 lakhs for 1962-63 and Rs. 12 lakhs for 1963-64 to enable the State to purchase 12 mar-boats and 100 single boats with out-board engines, during the national emergency.

49. The section between Siliguri and Narangi yard, at Gauhati, has been dieselised for the movement of goods traffic. The Brahmaputra Bridge has been opened both for

passenger and goods traffic. All passenger trains, which formerly used to originate and terminate at Amingaon and Pandu, are now terminating and originating from Gauhati passenger station. On the hill section, between Lumding and Badarpur, with a view to moving more traffic to Cachar, the capacity is being stepped up to 200 wagons a day. Besides dieselisation of the hill section is also under consideration. The section, between Dhalaibil and North Lakhimpur, has been opened for passenger traffic and further construction of line up to Morkongselek is in progress. Construction of the railway line, between Kalkalighat and Dharmanagar, is in progress. The State Government have taken up the matter of opening a railway line from Gauhati to Garo Hills, through Goalpara and of extending the broad-gauge line from Siliguri to Gauhati with Government of India. These proposals are under the consideration of the Government of India and it is expected that construction of a broad-gauge line from Siliguri to Jogighopa in Goalpara will soon be undertaken. The performance of the N. F. Railway, during the emergency, was excellent. To meet the need for acceleration of transport for essential commodities of the State, the Government created a post of Commissioner of Civil Supplies and Movement, who is assisted by other senior officers. Because of these steps, the movement of goods from and to Assam has been excellent during the emergency and thereafter. The river transport service of the Joint Steamer Company was interrupted from 7th October 1962 to 4th December 1962, as a result of the strike of the Pakistani crews. As many as 67 vessels were involved in the strike. The steamer service of the Joint Steamer Company has since been restored.

Tourism

50. There are 3 categories of tourist development schemes, viz., those which are entirely financed by Government of India, those which are partly financed by the State and partly financed by the Central Government and those which are financed entirely by the State Government. Two Tourist Bungalows, at Shillong and Gauhati, have been completed. Tourist Bungalows have also been completed at Kaziranga, Manas, Bhuban Hill Shrine, Naphak Lake and Bhalukpong. Arrangements have also been made in the stadium guest house at Gauhati for accommodation of tourists. The Tourist Bungalows at Sib-sagar and Cherrapunjee are under construction. The Tourism Department has also been provided with one small luxury bus

for the convenience of the tourists moving in the State and the proposal to provide more tourist conveyances, under the management of State Transport, for the convenience of the tourists, is under consideration.

Forest and Soil Conservation

51. The development expenditure on forests and soil conservation, under the plan except for minor variation, has remained fairly stationary at the figure of Rs. 18 to Rs. 20 lakhs, excluding the expenditure under Article 275 under which the expenditure has risen from about Rs. 14 lakhs in 1957-58 to about Rs. 21 lakhs in 1961-62, out of which in the latter year, about Rs. 17½ lakhs represented expenditure on soil conservation. During 1961-62, a Centrally sponsored scheme, estimated to cost Rs. 18.15 lakhs during the Third Plan period, was taken up for plantation of fast growing species over an area of 9,075 acres. Adequate steps have been taken to meet the increasing demand for timber and other forest produce from Defence Services. During the current year, a tent-pole making industry was started for meeting the requirements of Defence Forces. The timber seasoning plant of Forest Department, at Makum, which was completed during this year, is also serving defence needs and supplying seasoned timber for the different departments of the Government of India. The timber-treatment plant is also expected to be completed during this year. The shifting of the headquarters of Garo Hills Division to Goalpara is expected to be completed during this year and this will provide better protection and management of Zamindari forest on the south bank of the Brahmaputra. Sixty-five miles of new roads have been constructed and about 200 miles of existing roads are being maintained. The construction of 10 miles of new roads is proposed, in addition to the 50 miles of existing roads in the plains tribal areas. The provisions of Rs. 1,50,000 and Rs. 70,000 have been made for plantation of 3,000 acres of land for regeneration and maintenance of existing plantation both under the normal plan and under Article 275. A sum of Rs. 1,40,000 has been provided for creation of 300 acres of Khoir plantation and for maintenance of existing plantations. Large amounts have also been provided for creation of 95 acres of teak plantation, maintenance of 1,748 acres of Teak plantation and for continuing the match wood plantation.

Mr. SPEAKER : Mr. Ahmed, you are left with only about minutes in which to read out about 33 pages. You can leave out some portions and read the most important portions only.

Local Development Work

52. Grants have been given to local bodies and such agencies, under the local development works programme, which includes undertaking scheme for rural water supply, building of roads and, through pilot projects, for utilisation of rural manpower. Such pilot project includes schemes on irrigation, road construction and agricultural production. Provision of adequate drinking water facilities to the rural population has been given priority. At present, rural water supply schemes are being implemented by the Public Health and Medical Department. In order to bring about co-ordination in these matters, a committee at the State Headquarters with Development Commissioner as its Chairman, has been constituted. For the year 1963-64 a provision of Rs. 10.50 lakhs has been made for rural water supply, and Rs. 4.50 lakhs for building of rural roads and culverts. The entire provision is re-imbursable from Government of India on the basis of actual expenditure. The budget estimate also includes a provision of Rs. 30 lakhs for pilot projects for utilisation of rural manpower. So far 13 pilot projects have already been taken up, each with an outlay of two lakhs, for maximum utilisation of rural manpower resources available in rural areas and for participation of people in kind and by giving labour, to bring more land under cultivation. We expect to take up another 24 such projects in future.

Land Reforms

53. The acquisition of tenure holders, who are intermediaries next below the proprietor, is nearing completion. The operation of the preparation of record of rights, in the permanently re-settled areas of Goalpara district, has been completed. The preparation of record of rights, in permanently settled areas of Karimganj Subdivision of the Cachar district, is in progress, notwithstanding the difficulties. Sixteen revenue circles have been created in the district of Goalpara for the revenue administration of the acquired Zamindari Estates, after completion of the preparation of tenants' record of rights. The number of Dihis are also proposed to be reduced, with a view to switch over ultimately to the regular Tahsil pattern of revenue collection. The Assam Estate Acquisition of Lands, belonging to Religious and Charitable Institution of Public Nature Act, 1959 has been brought into force from the 18th January 1963. This Act aims at removing one more set of intermediaries not brought within the ambit of the Land Ceiling Act. During this year, the Assam Estate Acquisition of Zamindari (Amendment) Act, 1962, was brought into force with effect from 3rd September 1962 and the Assam Fixation of Ceiling on Land Holdings (Amendment) Act, 1962, was brought

into force with effect from 4th September 1962 and the Assam Gramdan (Amendment) Act, 1962 was brought into force with effect from 27th September 1962 and the Goalpara Tenancy (Emergency Provision) Act, 1962, was brought into force with effect from 11th September 1962. Dewan Manikchand Court of Wards Estate, with its two gardens, Bidyanagar and Sonaikhera, continues to remain under the Court of Wards. The financial condition of the estates, particularly of Bidyanagar T. E., continues to be unsatisfactory and is likely to involve the State exchequer in a huge loss.

Re-settlement Operations

54. During the current year, re-settlement operations, in the district of Kamrup, Sibsagar and also in the temporarily settled areas of Goalpara and Karimganj subdivisions, were in progress. The re-settlement operation in Goalpara District has been completed and those in Kamrup and Sibsagar are expected to be completed during the next year. The preparation of tenants' Adhikar record of rights has also been taken up along with the re-settlement operation in these areas. As the new rate of assessment was enforced with effect from 1st April 1962 in some parts of Kamrup, Sibsagar and Goalpara districts, an increase of Rs.6,24,026 in the annual revenue is expected which will increase further after the re-settlement operation of the remaining areas of the two districts are completed. The re-settlement operation of Dhubri town and that of the district of Nowgong are proposed to be started from the next financial year. A small official committee has been set up, in each subdivision, to assess the progress of implementation of the land policy resolution of 1958, specially with regard to settlement of land with landless people and co-operative farming societies and with regard to eviction of encroachers from various grazing reserves and from the reserve forests. The Deputy Commissioners and the Subdivisional Officers have been instructed to see that cultivable land are not left uncultivated and that it is brought under cultivation by making temporary allotment to landless people, in order to step up production to the maximum during the national emergency period. They have also been asked to earmark 21,000 bighas of land, in plains districts, for settlement with the dependents of Jawans who may be killed or disabled during action in the present emergency and to help the families of Jawans in collection of rents due to them from the tenants and to give all possible assistance to them in the matter of litigation.

Relief Measures

55. In the beginning of the financial year 1962-63, various calamities like fire-accident and cyclone, resulting in considerable damage and loss, were reported from some parts of the State. To help the victims of these calamities, Rs.62,458 for gratuitous relief and Rs.1,75,752 as rehabilitation loans, were sanctioned for the fire-affected people, Rs.1,09,655 as gratuitous relief and Rs.3,89,900 as rehabilitation loans for the cyclone and hail-storm affected people. In the months of June, July and August of 1962, two devastating floods occurred. I have already indicated the loss in human lives, property, cattle and crops which were caused by these floods. For the relief of these flood victims, Rs.9,68,925 as gratuitous relief, Rs.1,20,260 for test relief, Rs.70,000 as rehabilitation loans and Rs.13,15,000 as seed loans (distress loan) were sanctioned for the first flood and Rs.26,50,000 for gratuitous relief, Rs.16,50,000 for test relief, Rs.20,50,000 for rehabilitation loan and Rs.20,50,000 by way of seed loan (distress loan) were sanctioned to the people affected by the second flood. The total amount sanctioned for the victims of the two floods amounted to Rs.1,08,74,185.

Relief and Rehabilitation

56. The Relief and Rehabilitation Department has been abandoned with effect from 1st April 1962 and the work done by it has been taken up by various normal departments. During the current year, the rehabilitation unit has been implementing certain schemes in connection with education for which a total provision of Rs. 7 lakhs (Rs. 3 lakhs for Cachar College and Rs. 4 lakhs for other institutions) was made. In respect of Medical schemes, some allocations have been made for Fakua Dispensary, Bishnupur Dispensary and Sundari Mohila Sobha Blawan at Silchar. Certain miscellaneous schemes, such as payment of house-building loan to some families in Umpling, Khackuchi and Umjankpan were also taken up. For the year 1963-64, a provision of Rs. 5 lakhs has been made by Government of India for education and there is a provision of Rs.5,000 for discretionary grant. Another amount of Rs. 1 lakh has been provided for development work at Lutumai.

Welfare of Backward Classes

57. The current year's Plan outlay for the welfare of backward classes which was reduced because of the national emergency is Rs. 154 lakhs. Notwithstanding this reduction,

the 3 Education schemes as well as post-matric scholarship schemes and pre-matric scholarship scheme were continued without any alterations during the year. So far as the other backward classes are concerned, post-matric scholarships have been allowed in cases of first and second class/division students only. The rice-subsidy scheme of the border areas of United Khasi and Jaintia Hills and Garo Hills and Lungleh are being continued. With more roads constructed in these areas, the expenditure on the scheme will be gradually reduced. A scheme has been included to give grants-in-aid to the District Councils for financing their own plan schemes and for this purpose a sum of Rs. 12 lakhs was provided during the current year and Rs. 13 lakhs is being provided for 1963-64. Work on constructing the building at Shillong for a Research Institute in Tribal Culture is progressing. A sum of Rs. 1,61,550 was sanctioned during this year for the rehabilitation of families of North Cachar Hills bordering Naga Hills who were affected by the depredation of Naga hostiles. A sum of Rs. 5,75,250 was sanctioned for the Garo Hills District as agricultural loan, seed loan and gratuitous relief and test relief for the families in some plain mouzas badly affected by flood and storms. In addition, Rs. 29,000, Rs. 5,000, Rs. 3,31,000 were sanctioned for United Khasi and Jaintia Hills, Mikir Hills and Mizo Hills respectively, for test relief work. A sum of Rs. 50,000 was also sanctioned during the year for Mikir Hills as a measure of relief to the draught-affected families. The newly constituted District Councils of Mikir Hills, North Cachar Hills and Mizo Hills have taken over charge of the administration after the last general election in the early part of this year. Government has given considerable assistance to various District Councils as grants-in-aid to help augment their budget on normal administration. The Advisory Council for the Welfare of Scheduled Tribes in the autonomous districts, the Scheduled Tribes in the plains districts, the Scheduled Castes and other backward classes was reconstituted in the current year. The Finance Committee set up to examine the financial position of the District Councils has submitted its report to the Advisory Council and with the views of the Advisory Council this report is now under examination by Government.

Social Welfare

58. The work of construction of the Borstal School and Certified Institute is progressing and a sum of Rs. 2.78 lakhs has been provided for completion of the construction work.

The beggar home at Fatasil at Gauhati provides for maintenance of 25 vagrants. There are 3 State Homes and 4 Shelters at various places. Since the inception of the homes and the shelters they have rehabilitated 122 inmates by marrying them off, by providing them employment, or by restoring them back to their parents and husbands. The total number of inmates is 142. There are 9 Welfare Extension Projects in operation for upliftment of women and children. Owing to dearth of trained personnel in social welfare in Assam, a scheme to train persons in this field by awarding scholarship tenable in different social welfare training institutes in the country such as Tata Institute of Social Science at Bombay, has been taken up. The Bharat Sevak Samaj has begun 5 Kshetras under the Lok Karya Kshetras Scheme. The home for orphan and destitute children has been started with 15 children. The scheme of probation services has been implemented in the districts of Kamrup and Nowgong during this year and it is proposed to extend the service to the districts of Darrang, Sibsagar and Cachar in the coming year. During the year 1962-63, 8 discharged prisoners from after-care and other correctional institutions are expected to be given grants for their rehabilitation in society by gainful employment in the trade or crafts they have learnt during institutionalisation under the Rehabilitation of discharged person scheme. A scheme for the benefit of the wives and children of Jawans is being drawn up. A programme of training in Home Nursing for the lady employees of the Central and State Governments is also under consideration.

Labour Welfare

59. The policy of the progressive improvement of the standard of living of industrial workers, through legislation and welfare measure, is being pursued. A sum of Rs. 43 lakhs has been provided, under the Third Five-Year Plan to be spent on 8 different schemes which aim at the welfare of labour, in general, and that of plantation labour, in particular. For plantation labour, 9 community centres in concentrated tea areas and two welfare centres in urban areas for imparting crafts training have been set up. The Assam Tea Plantation Provident Fund Scheme and the Assam Tea Plantation Employees Welfare Fund Act have been working satisfactorily. The Employees' State Insurance scheme has already covered Gauhati, Dhubri, Dibrugarh, Tinsukia and Makum towns and it is proposed to extend this scheme to more towns in future. The Motor Transport Workers Act, which envisages welfare of workers engaged in transport undertakings, is proposed to be implemented.

National Employment Service

60. The statistics of the employment exchanges reveal that there was a rise in number of unemployed during the year ending November, 1962, as compared to the corresponding figures for the year 1961. The total number of unemployed from 30,081 in November, 1961 rose to 41,215 at the end of November, 1962. This rise was mainly due to the rush of applicants in anticipation of securing jobs in defence establishment during the present emergency.

As against this rise in the number of unemployed, there was a little decline in employment opportunities during the said period. In addition to the existing 14 Employment Exchanges, 2 Employment Information and Assistance Bureaus, 6 new Employment Exchanges and 6 Employment Information and Assistance Bureaus and 1 University Bureau have been started and it is proposed to open 9 more Employment Information and Assistance Bureaus during the remaining period of the Third Plan. Seven Vocational Guidance Units are now functioning to advise the unemployed in the right selection of their careers. A provision of Rs.1,84,000 has been made for 1963-64 for meeting the continued expenditure on the plan schemes started during 1961-62 and 1962-63.

Supply

61. During the year 1962, supply of the essential commodities was almost steady up to September, 1962. Just after the Puja, because of certain restrictions imposed by Railways, in order to give priority to the movement of goods for defence purposes, the situation became bad and further deteriorated on account of the sudden strike by Pakistani ratings of the Joint Steamer Company. The prompt action, taken by Government kept the situation, however, throughout, under control. In Tezpur Subdivision, even after the return of normalcy, there was disinclination on the part of the traders to invest money on essential commodities. The local officials were therefore directed to take delivery of in-transit wagons. The various essential commodities had also to be procured on Government account and distributed to the retailers and consumers at economic prices. We have adequate quantity of stock of rice and the demand for wheat is not high. Supplies of salt were greatly affected by the Steamer Company's strike, but those of sugar were kept steady and supplies of pulses and mustard oil were also arranged, through special trains, whenever there was any report of shortage. With a view to stabilising the prices of essential commodities,

it is proposed to keep a buffer stock of essential commodities, such as salt, sugar, pulses and mustard oil, over and above the private traders' account. For financing the scheme, the State Government have already asked for a loan of Rs.1 crore, for the current year and of Rs. 3 crores, for the next year, from both the State Bank and the Government of India. The Indian Sugar Mill Association will be establishing a buffer stock of sugar in various places. During the emergency, the supply position of petrol and petroleum products deteriorated mainly due to transport difficulty and inability of the railways to allot sufficient wagons. The oil distributing companies, however, tried to maintain supply by the road routes. The possibility of procurement of essential commodities like mustard oil and pulses, through the co-operative marketing societies of Assam and co-operative marketing federation of U. P., Bihar and West Bengal, is under consideration. The construction of additional godowns accommodation in the State is under contemplation of the Government and the Warehousing Corporation. Since the strike of the crews of the Joint Steamer Company, the Ministry of Transport of Government of India has taken up the question of organising the road transport service for transporting essential commodities to the extent of 30,000 tons per month to Assam. The existing Siliguri-Dhubri route by road, with a fleet of 110 trucks, is proposed to be extended for operating between Siliguri and Gauhati. During the aforesaid strike, exports of tea and jute to Calcutta were greatly affected and in consultation with the railways, arrangements were made for transporting tea and jute to Calcutta as back-load traffic. With the opening of the Brahmaputra Bridge to goods traffic and the lifting of the strike, the movement to and from Assam has improved. Under the Defence of India Rules, powers are vested in the State Government to maintain the prices of food-stuff at reasonable rates, but we have felt that, before resorting to such statutory price control or rationing in selected areas, a trial should be given to a system of Voluntary Price Regulation, by enlisting the co-operation of the trading community, panchayats and other Local Self-Government organisations. Accordingly, in each Subdivision, Price Vigilance Committees have been set up at the Subdivision, at Block and Gaon Panchayat level consisting of Government officials and others. The Vigilance Committees will fix reasonable maximum wholesale prices and retail prices within which the retailers are expected to agree voluntarily to sell articles, irrespective of the stock at their disposal. The vigilance committees will be responsible for seeing that there is no hoarding by traders and panicky purchases by the public and

that the reasonable prices, voluntarily fixed, are strictly adhered to by the dealers concerned, even when stocks are low. In case the dealer violates the voluntary price regulation scheme persistently, the Deputy Commissioner or the Subdivisional Officer will be able to deal with him under the law. Trading communities have, so far on the whole, been co-operative and there has been no tendency for prices to rise, particularly at the wholesale level.

62. During the year, 9,943.50 tons of G. C. I. Sheets were allotted by Government of India against our total demand of 32,380 tons. The supply position in respect of relaxed categories of steel, such as rods, bars, structurals, etc., is at present satisfactory. A steady and regular supply of cement was maintained during the whole year, except in November, because of operational restrictions and the Steamer Company's strike. A token consignment of 5,000 bags (250 tons) was, however, despatched *ex-Sindhri*, by road to Gauhati. During the year, 1,32,000 metric tons of cement were allotted by Government of India to this State. The year 1962 opened optimistically regarding the food situation, but there was heavy demand for food grains later on due to floods and the Chinese invasion. We were, however, able to meet the commitment successfully specially by release of paddy and rice from the reserve buffer stock. About 2,250 fair price shops were opened throughout the State and rice at controlled rates was distributed to the consumers of low-income group families through these shops. To help the flood victims, rice was also distributed, in the worst affected areas, at the subsidised rate of Rs.16 per maund, through cheap grain shops.

Housing

63. The Third Plan allocation for Housing schemes of Low-Income Group, Subsidised Industrial Housing, Plantation Labour Housing, village Housing Project, slum clearances scheme and Land Acquisition and Development Scheme is Rs. 199 lakhs, out of which, for 1962-63, Rs. 17.18 lakhs was provided. The target under the above schemes for the entire plan period are 1,000 houses, 1,362 subsidised industrial tenements, 1,250 plantation labour tenements, 1,200 village houses, 485 tenements under slum clearances schemes and 450 acres (2,500 plots) under land acquisition for development scheme. The amount provided in 1963-64 for all these schemes is

Rs. 14.11 lakhs. In addition to the above mentioned, the Middle Income Group Housing Schemes, which is outside the State plan, is also under implementation. During 1962-63, for this purpose, Rs. 63,300 was provided and the provision for 1963-64 is Rs.1,00,000. The activities under these schemes, due to the National Emergency, were restricted and this will continue to be so in the coming year also.

Town Planning

64. In order to guide and control the growth of towns due to unprecedented increase of population in urban areas of the State, the Town Planning Organisation has been set up and a sum of Rs. 116 lakhs has been provided in the Third Plan towards that end. Out of this, for the development of Gauhati Town, Rs. 55 lakhs has been provided (Rs. 40 lakhs for drainage, Rs. 15 lakhs for diversion of the railway line). The final Master Plan for greater Gauhati is expected to be published early. The draft Master Plan for Tinsukia was published in September, 1962. Under the scheme, "Training of Town Planning Personnel", scholarships were awarded for the study of town and country planning and the stipendiaries will have to serve the Town Planning Organisation for a specific period after completion of their training. Under the Urban Development Scheme, the Town Planning Organisation is sanctioning grants-in-aid to the Municipalities and Town Committees of Assam for specific Urban Development Schemes. The scheme for the development of Gauhati Town envisages the improvement of the present insanitary condition of the town. The survey for the drainage and sewage schemes has been undertaken and detailed schemes are expected early.

Sericulture and Weaving

65. Under the Third Plan programme, 7 broad based schemes are proposed, at an estimated cost of Rs. 75 lakhs and 3 schemes, at Rs. 10 lakhs, under the removal of untouchability programme. One Muga Seed Farm and 3 Grainages have been established. Necessary financial and technical assistance have been given to Muga seed cocoon growers. Eri spinning, charkha and Muga reeling machines, at concessional rates, has been supplied. Nurseries for food plants have been established and Muga food plants have been planted on grazing reserves. To increase the supply of Mulberry silk-worm seeds to 100 per cent and that of Eri and

Muga to 50 and 35 per cent respectively, by the end of the Third Plan, one Muga Farm at Dhakuakhana, 3 Eri Seed Grainages at Borduar, Dormikhal and Bongaon have been established. For experimental rearing, 1,961 grams of high-breed seed of Mulberry silk-worm were imported from Japan and it is proposed to import 1,972 grams for the same purpose in future. During the current year, some quantity of silk worm seed was exported to some places in England and it is proposed to export some more to France, U. A. R. and Korea. The area under Mulberry silk, which was 2,300 acres at the end of the Second Plan period, is proposed to be increased to 3,000 acres by the end of the Third Plan. Silk worm rearing, with modern scientific method, has been introduced among the sericulturists, by supplying improved appliances and by establishing Chowki-cum-Incubation centres at Agia, Ummulong, Dullavcherra, Mangaldai and Tura. A Japanese Farm has been requested to devise a Muga reeling machine and for that purpose 4,000 Muga cocoons were exported to Japan. The programme of the Silk Research Station, which has taken up various experiments on non-mulberry and mulberry, to reduce the cost of production and to improve the quality, has been sent to the Central Silk Board for consideration and approval. The Sericulture Training Institute at Titabor has been imparting training to many students.

66. So far as Weaving is concerned, training facilities has been extended in Assam Textile Institute and one more weaving training school was established at Sibsagar, in addition to the 21 existing Weaving Training schools. The handloom research and design section attached to the Assam Textile Institute at Gauhati continues to carry on research in the matter of improvement of different kinds of looms and designs for popularising them among the weavers. To improve the quality of fabric and to produce standard handloom cloths, 15 weaving extension service units have been established. Production centres have been attached to certain Weaving Training classes. To teach the tribal weavers up-to-date methods of production of handloom fabrics, 5 handloom peripatetic centres have been started in the Hill Districts.

Administration

67. The Administrative Training School, which was started at Jhalukbari, for imparting training to officers of

the A. C. S., has been closed down for the present in view of the emergency. The Secretariat Training School continues to give training to assistants, stenographers and typists from the Secretariat and also from the offices of the Heads of Departments at Shillong. Appropriate steps have been taken to step up output of work in the Secretariat. A more scientific method of assessing staff requirements for Government offices, through a system of work study, is under consideration. Periodical discussions have been held, in meetings of Secretaries and Heads of Departments, to devise ways of ensuring regular and systematic inspection of offices at all levels. The question of further delegation of powers to the Administrative Departments and Heads of Departments is under consideration of a Committee set up for this purpose.

Law and Order

68. The law and order situation in the State showed considerable improvement during 1962, as compared to the previous year. The Naga hostiles, however, continued their criminal activities and raided some villages, labour camps, tea gardens and one elephant catching camp. Some cattle were stolen by them in Sibsagar District and 55 persons were kidnapped by them of whom 51 were released later. One hundred and ninety houses including one L. P. School and P. W. D. camp were burnt down. The hostiles also opened fire on police and army patrol parties on 5 different occasions killing one policeman, one soldier and injuring two others. The hostiles also opened fire at running trains twice, killing 3 passengers and injuring 8 others. On 1st May, 1962, about 150 Naga hostiles crossed over to East Pakistan from Cachar. The activities of the Naga hostiles require close and constant watch and with the co-ordination between civil and military authorities, efforts are being made to check such activities by taking preventive measures.

69. After the fall of Bomdila and Chinese approach near the Foot-hills on 19th and 20th November, 1962, a large number of the civil population of Tezpur Town, moved out to places of safety, but gradually returned after cease-fire was announced. During this period of emergency, 503 prisoners escaped from the Tezpur Jail. Some of them have, subsequently, surrendered and some were captured. Efforts are being made to trace out the remaining prisoners. Some persons, including members of the C. P. I., were taken into custody under the Defence of India Rules for anti-social activities, particularly, at the time of the Chinese attack and approach to the Foot-hills.

70. On the Indo-Pakistan Border, the situation was not unsatisfactory. There was no firing incident, during the year, between our forces and Pakistan forces. Some crimes, such as, dacoities, kidnapping, smuggling and cattle-lifting, were, however, committed by the Pakistan nationals entering into our area. One Indian was detained under the P. D. Act for espionage activities on behalf of Pakistan. Strict vigilance is being maintained and constant checking is being done by the police staff to prevent infiltration of Pakistani nationals into India and a large number of cases of such infiltration has been detected and proper action taken. As a result of this vigilance, 39 Pakistani nationals, found indulging in anti-State activities, were taken into custody under the Defence of India Rules. While constant watch and strict scrutiny is necessary against infiltration of Pakistani nationals, care is called for to spare Indian citizens from harrasment.

71. In August, 1962, the Fourth Grade Employees of the State Government observed "No Work Day" to convey their discontent in the matter of their pay scales. The State Transport workers observed a token strike on 15th August, 1962. B. O. C. contractors' labourers at Digboi, Tipling and Duliajan Oil fields stopped work in early part of November to 17th November. The B. O. C. Labour Union at Digboi continued to agitate, demanding 5 months' pay as bonus.

72. The incidence of crime increased slightly during the year, as compared to the figures of the previous year. The number of murders was 413 as against 391 of the previous year. The number of burglaries reported was 3,876 as against 3,112 of the previous year and thefts 5,617 as against 5,079 of the previous year. In respect of riots, there was a slight decrease from 1,263 in 1961 to 1,245 in 1962. The number of motor accidents in 1962 increased to 1,151 from 1,090 in the previous year. The working of the State Anti-Corruption Branch showed improvement during the year in detection and prevention of corrupt practices among the State Government employees. In 1962, of the 180 enquiries instituted, 154 were found baseless. Departmental action was recommended in 57 cases involving 28 gazetted officers and 43 non-gazetted officers. Departmental proceedings were also drawn up against 2 high officials on the report of the Anti-Corruption Branch. One hundred and eighty-two enquiries against 83 gazetted officers and 99 non-gazetted officers were pending disposal at the end of the year and departmental action against 25 gazetted officers and 30 non-gazetted officers were also pending.

73. Measures were taken to improve the efficiency of the Police administration. More posts were sanctioned for the C. I. D. to strengthen the intelligence set up in the districts bordering Nagaland and to check infiltration of Pakistani nationals into the State. A special dog squad has also been set up. An additional battalion, viz., the 4th Assam Battalion was raised to preserve the internal security of districts bordering Nagaland. The 1st, 2nd and 4th Battalions of Border Security Force were reorganised and strengthened by providing additional staff. To strengthen D. E. F. of the State, 30 additional platoons have been sanctioned. About Rs. 54 lakhs were provided in the P. W. D. Budget for 1962-63 for construction of buildings for the accommodation of the police personnel in the State. Some contingent from other States—Andhra Pradesh Special Police, M. S. R. P., C. R. P., etc., were drafted to the State in connection with the National Emergency.

74. It is most unfortunate that, in the first week of February, 1963, communal disturbances broke out at Silchar, at a time when it was essential for each and every one to forget differences on religion, linguistic and such other considerations and work as one people to face the national emergency. The prompt action taken by us to control the situation need not be repeated as a reference to this has been made by the Governor, but I should like to join in expressing our sympathy to the families of the 9 persons killed and to those who were injured during the period of communal disturbances at Silchar. Such acts of hooliganism, which disturb peace and tranquility and involve the Government in additional burden of expenditure for controlling the after-effects, are not only deserving of strongest condemnation but also call for avoidance of such behaviour, both in speech and action, as is likely to give encouragement to such undesirable tendencies.

75. The Fire Service Organisation has been extended and the number of fire stations were increased, during the year, from 6 to 9. Apart from these fire stations, there are sub-stations functioning at certain other places. The opening of sub-fire station at Hojai (Nowgong) and at Burrabazar and Ward Lake at Shillong is under consideration.

Miscellaneous

76. The Sonari and Moran Town Committees started functioning during the current year. Large amounts have been

provided as loans to Golaghat Municipal Board for water supply, to Silchar Municipal Board for a refugee market and to Tezpur Municipal Board for a Municipal market. The elections in the superseded Shillong Municipal Board are now over and the administration of the Municipality has been taken over by the elected body. The general election of the Karimganj superseded Municipal Board has also been held and its administration will soon be taken over by the elected body. The period of supersession of the Hailakandi Town Committee has been extended for a further period of one year.

77. During the current financial year (up to January, 1963) Revenue Department has sanctioned remission of land revenue and local rates to the extent of Rs.86,311.86 to the Pattadars badly affected by flood and other calamities. The area of land acquired by Government stands at 1,75,815 bighas out of which 1,41,554 bighas have been allotted. In addition, 9,643 bighas of land have been acquired for military purposes. Some land has also been acquired for such projects, as Medical College, Gauhati, approach road to Brahmaputra Bridge, Fertiliser plant at Namrup, Namrup Thermal Project and Oil and Natural Gas Commission and further land is being acquired for the Oil Refinery and Silchar Medical College.

78. Government have constituted a Munsiff's Court at Nalbari with effect from 16th August, 1962 in the interest of public from whom there was persistent demand for the same.

Budget Estimates for 1963-64

79. I shall now place before the House the Budget Estimates for 1963-64. The receipts, on Revenue Account, have been estimated for 1963-64 at Rs. 5,263.60 lakhs as against the Revised Estimates for the year 1962-63 of Rs. 4,542.70 lakhs. Since the Budget was sent for print, however, we have received information from Government of India which indicates that the total receipts due to our State from them on account of Police expenditure will be Rs. 295 lakhs instead of Rs. 433 lakhs which we took as the receipt while preparing the Budget. This will reduce the receipts on Revenue Account for 1963-64 to Rs. 5,125.60 lakhs as against Rs. 5,263.60 lakhs shown in the printed Budget for 1963-64. The increase in Revenue receipts as compared to the revised figure for the year 1962-63, is mainly due to the increase anticipated by us of Rs. 78.86 lakhs under Land Revenue ; Rs. 18.03 lakhs under Excise ;

(—)Rs.41.90 lakhs under Sales Tax ; Rs.140.63 lakhs under other taxes ; Rs. 33.35 lakhs under Agriculture and the rest as increased grant-in-aid from Government of India on various accounts which, will however be partly offset by minor items of less yield under different heads. The details of variation are given in the Budget Memorandum. In arriving at the above figures, we have anticipated grant-in-aid to the extent of Rs. 349.79 lakhs from Government of India in respect of expenditure on the National Emergency Operations, Rs.85.55 lakhs in respect of expenditure incurred on the construction of Border roads and Rs. 433 lakhs in respect of Police expenditure.

80. So far as the expenditure on the schemes in connection with the National Emergency Operations for the year 1963-64 is concerned, the expected break up is explained hereafter. The total amount expected to be spent is about Rs. 592 lakhs. This includes some major items of expenditure such as Rs. 5 lakhs on District Administration ; Rs. 246 lakhs on Police ; Rs. 9 lakhs for strengthening of ferries ; Rs. 113 lakhs for Civil Defence ; Rs. 113 lakhs for Supply and Rs. 100 lakhs as loan to the Electricity Board. We have anticipated that as against this expenditure of about Rs. 592 lakhs we may expect to get a sum of about Rs. 350 lakhs, by way of grant and a sum of Rs. 109 lakhs, by way of loan, from the Government of India amounting in all to about Rs. 459 lakhs. In addition, cash credit accommodation to the extent of Rs. 100 lakhs is expected to be obtained from S. B. I. for procurement of essential food-stuffs (excluding rice and paddy) during 1963-64.

81. The expenditure, under Revenue Account, for the year 1963-64 is estimated at Rs. 5,096.61 lakhs against the current year's Revised Estimate of Rs. 4,734.65 lakhs. This increase of Rs. 361.96 lakhs is mainly due to expenditure on the Civil Defence Organisation and on Public Works Department. The details of variation are available in the Budget Memorandum.

82. In this connection, it may be incidentally added that we have made a specific provision of Rs. 95 lakhs in the next year's budget for opening up new roads as also for improvement of existing roads in undeveloped and backward areas. During the Third Plan period as a whole, we propose to spend a sum of about Rs. 300 lakhs for this purpose. This expenditure will be outside the Plan expenditure and is adjustable against the Finance Commission's Award for this purpose. In the

Budget for 1963-64, we have also made higher provision for grants-in-aid to the State Education Board and also for Post-Matric Scholarships. In addition, higher provision than usual had to be made for the procurement programme as Government have increased the procurement target for the next year as compared to that for the current year.

83. Owing to the fact that heavy expenditure is expected on schemes in connection with the National Emergency and owing to higher expenditure on various other things, as explained above, we have been in a position to make a provision of only Rs. 12 lakhs for new schemes during the next year. At the same time, in order to obtain as much funds as possible for meeting our requirements during this year and the next year, we had to drop a number of building projects which were earlier agreed to. This has saved Government a sum of about Rs. 23 lakhs during the current year and is expected to save a similar amount during the year 1963-64.

84. In respect of capital receipts, for the year 1963-64, we expect that it will be of the order of Rs. 3,248.85 lakhs as against the revised estimate of Rs. 3,284.16 lakhs for the year 1962-63. The capital receipts for the year 1963-64 include a loan of Rs. 300 lakhs which we expect to get from Government of India, in lieu of the amount which we would have otherwise got if we had gone in for market borrowing by ourselves and another sum of Rs. 320 lakhs which we expect to get as loan from the Central Government against the amount which we will collect through Small Savings collections and sale of prize bonds. As against this capital receipt, we expect the capital expenditure for 1963-64 to be Rs. 3,178.17 lakhs against the revised estimate of Rs. 2,935.69 lakhs for the year 1962-63. In this connection, it may incidentally be mentioned that the above figures of Revenue and Capital expenditures include a sum of Rs. 2,950 lakhs for the State's Annual Plan for 1963-64 and a sum of Rs. 170.60 lakhs for Centrally sponsored schemes including State's share of Rs. 15.33 lakhs. It is estimated that the surplus under Revenue Account for 1963-64 would be Rs. 28.99 lakhs and outside the Revenue Account would be Rs. (+)119.50 lakhs. But, taking into consideration all the figures indicated above as well as the fact that we expect to open the next year with a negative cash balance of Rs. 437.85 lakhs, the over-all budgetary gap at the end of 1963-64 is of the order of Rs. (—)289.36 lakhs and we expect to close the year 1963-64, with a negative balance of Rs. 289.36 lakhs as against

(—)Rs.151.36 lakhs shown in the printed Budget for the reasons already explained above.

85. In this connection it might be also added that the State Government have pressed for an additional allocation of Rs. 250 lakhs in respect of the Annual Plan for 1963-64, in addition to the amount of Rs. 2,950 lakhs already agreed to, as indicated earlier. Till now no firm indication has been received by us from the Planning Commission whether they are willing to accept our demand in its entirety. For this reason, no provision regarding this higher allocation could be made in the Budget now presented to Assembly.

86. At the time of presenting the final Budget for 1962-63, I had anticipated a ways and means deficit of Rs. 238.31 lakhs at the end of the year. An effort to reduce the expected deficit closing balance was made by raising additional revenues and, for this purpose, tax on passengers and goods carried by public motor vehicles or boats was resorted to and the rates of Agricultural Income-tax were revised. The effort, however, could not yield the desired result mainly because of very heavy unexpected expenditures on the unprecedented floods and on schemes to meet the national emergency due to the Chinese aggression. Because of such unavoidable expenditures, even after taking into account the receipts from aforesaid additional resources, the year is estimated to close with a ways and means deficit of Rs. 437.85 lakhs, that is to say, with much higher deficit closing balance than expected in the original estimates. I must emphasise that for the last 3-4 years we have been involved in these financial difficulties by events and circumstances which no one could anticipate. We cannot, therefore, rule out the possibility of similar unexpected and inevitable expenditure in the coming year. Further, apart from the necessity of restoring normalcy to the State finances, we have to make an effort to find resources not only to the extent of Rs. 75 lakhs, indicated in the Annual Plan resources for the next year, but also an additional amount of Rs. 75 lakhs—the pre-requisite condition on which additional allocation of Rs. 920 lakhs for 1963-64 has been given by the Planning Commission. There is also a possibility of the State not being allowed continuous heavy over-drawal on the Reserve Bank. If the over-drawal is denied, the tempo of expenditure on development schemes will receive a set-back and affect the pace of development and thus decrease production so essential at this time of the National Emergency. From the resumé of the schemes to be undertaken, in the coming year, in different sections of

of the State's economy and to meet the National emergency, it is seen that the demands on the State's slender resources are manifold. Surrounded on all sides by foreign territory and affected by natural calamities year after year, this State, having at the same time so many different interests to look after and with no easy access, has great problems and difficulties to tackle, particularly at this time of emergency. The enormity of the situation, which confronts us, demands greater sacrifice than before. It is all the more necessary and inevitable because, ungrudgingly, we have accepted, as our duty, the task of guarding the honour and integrity of our Motherland.

87. I was hoping that it would not be necessary to make substantial addition to taxes next year as I was expecting that our financial position would improve by the close of this year. But the unexpected unavoidable expenditure during the current year, our commitment to Planning Commission, and, above all, threats on our border have compelled me to place before the House proposals for raising additional resources by resorting to taxes and duties and by increasing the existing rates in the hope that, notwithstanding the burden and suffering they will entail, they will be supported by the House and accepted by the people ungrudgingly as being necessary and inevitable. Of this a sum of about Rs. 12 lakhs would go to the Municipal Boards and Town Committees, in proportion to the proportionate tax collected from each such Board or Town Committee on account of the proposed urban immovable property tax, for the purpose of enabling these Local Self-Government institutions to improve the drainage and sanitary conditions so necessary particularly because of the fast-growing population in the towns. The impact on the State's resources of the proposed measures would therefore be substantially less and would amount to about Rs. 162 lakhs during the current year. The following additional measures of taxation are proposed:—

- (a) The rates of Agricultural Income-tax will be revised keeping in view the general rise in the level of income-taxes of the country and particularly as follows: In the case of every individual Hindu undivided or Joint Family, Firm or other association or person whose total income exceeds Rs. 50,000, but does not exceed Rs. 1 lakh, the incidence will be 45 per cent on the excess over Rs. 50,000; 55

per cent up to Rs. 2 lakhs on the next addition of Rs. 1 lakh and 57 per cent of the balance. In the case of every company, the tax will be 45 per cent of the total income not exceeding Rs. 1 lakh ; 55 per cent of total income over Rs. 1 lakh but not exceeding Rs. 2 lakhs and 57 per cent of total income exceeding Rs. 2 lakhs.

- (b) Keeping in view the recommendation of the Road Transport Re-organisation Committee (Masani Committee) and the decision taken in the Transport Development Council in 1959-60, a revision of the existing taxes on Public Transport Vehicles will be undertaken. The aggregate of our taxes on such vehicles falls short of not only the All-India level but also of the Masani Committee's recommendation, which laid down 75 per cent of the then Madras rate as the maximum limit. The revised rates will be given effect to by an amendment of the Assam Motor Vehicles Taxation Act.
- (e) A tax will be levied on immovable property situated in urban areas at the rate of 3 per cent of the annual letting value of such property. Lands and Buildings exclusively occupied for public worship or vesting in the Central Government or in the State Government or in a local body and used solely for public purposes and not used or contemplated to be used for purposes of profit will be exempted from the tax.
- (d) The rate of Sales-tax on luxury goods, under the category of special goods, will be raised to 10 nP. in the rupee, the rate of Sales-tax on petrol will be raised from 8 nP. to 10 nP. per litre, and Kerosene, so far, an exempted commodity, will be subjected to Sales-tax at the rate of 2 nP. per litre.
- (e) The rates of stamp duty will be reviewed in comparison with the rates prevailing in other States. It is not proposed to raise the rate of court fees in general but in the cases where our existing rates are found to be very low compared with other States, a slight increase will be effected.

(f) 'The Excise duty on country-made liquors will be slightly increased and the rates of royalty of timber will be rationalised.

88. All the measures taken together will bring additional revenue of about Rs. 174 lakhs per annum. As indicated earlier, the proceeds from the urban immovable property tax will be wholly given to Municipal Boards and Town Committees and as such will have no impact on the State's resources. Necessary legislation, where necessary, will be introduced in the course of this season to give effect to these measures.

89. As a result of these measures, which are likely to yield an estimated net revenue of about Rs. 162 lakhs to the State Government during the year 1963-64, after taking into account the transfer of proceeds from the Urban immovable property tax to Municipal Boards and Town Committees, the over-all deficit in the ways and means of the State is likely to be reduced to (—)Rs. 127 lakhs.

90. While our State was striving during this year, to overcome evil forces and to utilise our resources in order to forge a united Assam and ensure its people progress and prosperity, we were shocked and shaken by the Chinese aggression and attacks on our borders in September-November 1962, threatening the freedom, integrity and honour of our country. Though the Chinese have declared cease-fire, yet the cessation of active fighting, on our borders, should not make us complacent, particularly in view of the recent developments and gathering of Chinese forces in strength on our frontiers. We have to be ever alert and active. The situation would inevitably call for greater effort, toil and sacrifice to meet the growing claims of defence and development, and, above all, the necessity to refrain from such behaviour as is likely to be exploited by anti-social elements, in their own interests, to disrupt communal harmony and destroy the peaceful atmosphere of our State so essential at this time of the emergency. Our Country and State, at this time more than at any other time, need citizens of patriotic zeal, intelligence, loyalty and sterling character to work and devote their energies for safeguarding and preserving the principles of democracy, freedom of thought and expression and of the secularism we have guaranteed to ourselves through the Constitution.

ANNEXURE 'A'

Final Allocations for 1963-64

				(Rs. in lakhs)	
Head of development				Final allocations	Remarks
(1)				(2)	(3)
1. Agricultural production	...	...	...	80.00	
2. Minor Irrigation—					
(a) Agriculture	...	...	...	25.00	
(b) Public Works Department			...	82.00	
3. Soil Conservation	...	...	...	3.00	
4. Animal Husbandry, Dairying and Milk supply.				32.00	
5. Forests	...	...	...	18.00	
6. Fisheries	...	...	...	11.00	
7. Co-operation, Warehousing and Marketing				49.00	
8. Community Development		...	...	141.00	
9. Panchayat	...	...	...	22.00	
10. Irrigation	...	...	...	5.00	
11. Flood Control	...	...	...	255.00	
12. Power	...	...	...	1,240.00	
13. Large and Medium Industries	...		...	55.00	
14. Mineral Development	...		...	10.00	
15. Village and Small Industries	...		...	90.00	
16. Roads and Bridges	...	...	...	131.00	
17. Inland Water Transport	...		...	1.00	
18. Tourism and Ropeway	...		...	...

Head of development					Final allocations	Remarks
(1)					(2)	(3)
19.	General Education	including	Cultural	programme.	248.00	
20.	Technical Education	...	...	...	60.00	
21.	Health	...	...	...	184.00	
22.	Housing	..	...	...	5.60	
23.	Town and Country Planning	...	..		7.10	
24.	Welfare of Backward Classes	...	...		170.00	
25.	Social Welfare	...	...	...	4.00	
26.	Labour and Labour Welfare including				11.00	
	craftsmen training and E. S. I.					
27.	Statistics	...	...	...	2.00	
28.	Publicity	...	...	...	3.00	
29.	Aid to Local Bodies	...	...	...	—
30.	Public Works Department Miscellaneous	...			5.00	
31.	Planning and Development Department	...			0.30	
					<u>2,950.00</u>	

"ANNEXURE B"

(As shown in the printed Budget for 1963-64)

(In thousands of Rupees)

Actuals, 1961-62 Revised, 1962-63 Budget, 1963-64

(1)

(2)

(3)

Trs.

Trs.

Trs.

RECEIPTS—

Opening balance ...	(—)7,68,35	(—)6,55,91	(—)4,37,85
Revenue Receipt ...	40,36,18	45,42,70	52,63,60
Receipt from debt raised in India.	25,52,18	32,20,10	31,86,92
Recoveries of Loans and Advances by the State Government.	1,28,03	64,06	61,93
Receipts from the Contingency Fund.	3,79,54	5,62,43	...
Receipt from Public Account.	1,11,12,02	1,32,79,23	1,33,14,41
Total ...	1,74,39,60	2,16,12,61	2,13,89,01

EXPENDITURE—

Revenue expenditure ...	42,44,51	47,34,65	50,96,61
Capital expenditure ...	3,57,95	7,92,75	9,75,56
Expenditure on repayment of debt raised in India.	12,59,42	10,95,92	7,43,56
Loans and Advances by the State Government.	7,52,02	10,47,02	14,59,05
Expenditure on Contingency Fund.	3,42,15	5,50,00	...
Expenditure on Public account.	1,11,39,46	1,32,30,12	1,32,65,59
Closing balance ...	(—)6,55,91	(—)4,37,85	(—)1,51,36
Total ...	1,74,39,60	2,10,12,61	2,13,89,01

Net Results—

Surplus (+)			
Deficit (—)			
(a) On Revenue Account	(—)2,08,33	(—)1,91,95	(+)1,66,99
(b) Outside the Revenue Account.	(+)3,20,77	(+)4,10,01	(+)1,19,50
(c) Net excluding opening balance.	(+)1,12,44	(+)2,18,06	(+)2,86,49
Estimated closing balance after taking estimated additional taxation receipts into account.	...	...	(+)10,64

“ ANNEXURE ‘C’ ”

(As corrected after receipt of information regarding grant-in-aid for Police expenditure from Government of India indicated at paragraph 79 of the Budget speech.)

(In Thousands of Rupees)

Budget, 1963-64					Trs.
Receipts—					
Opening Balance	...	...	...	...	(—)4,37,85
Revenue Receipt	...	...	...	...	51,25,60
Receipt from Debt raised in India			...	...	31,86,92
Recoveries of Loans and Advances by the State Government.					61,93
Receipt from the Contingency Fund	..		...	.....
Receipt from Public Account	...		...	...	1,33,14,41
Total					<u>2,12,51,01</u>
Expenditure—					
Revenue Expenditure	...	..	..	..	50,96,61
Capital Expenditure	...	...	...	...	9,75,56
Expenditure on Repayment of Debt	...		...	...	7,43,56
Loans and Advances by the State Government			...	...	14,59,05
Expenditure on Contingency Fund		...	...	.....
Expenditure on Public Account	...		...	...	1,32,65,59
Closing Balance	...	...	..	...	(—)2,89,36
Total					<u>2,12,51,01</u>
Net Results—					
Surplus (+)					
Deficit (—)					
(a) On Revenue Account	...	..	...	...	+ 28,99
(b) Outside the Revenue Account	...		...	...	+ 1,19,50
(c) Net excluding opening balance	...		...	...	+ 1,48,49
Estimated closing balance after taking estimated additional taxation receipts into account.					(—) 1,27,36

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) :
Sir, there is an omission. In page 63 of the Budget Speech in paragraph (b) after the first line the following sentence should be added :

“We also propose to increase the tax on private vehicles.”

* * * * *

Shri FAKHRUDDIN ALI AHMED (Minister, Finance) :
Sir, there is another omission. Under the head ‘Education’ at page 34 the following sentence should be inserted.

“It is proposed to convert two girls’ Higher Secondary Schools, one at Gauhati and one at Jorhat, into Government Schools.”

Mr. SPEAKER : The House stands adjourned till 10 A. M. tomorrow, the 9th March, 1963.

Adjournment

The Assembly was then adjourned till 10 a.m., on Saturday, the 9th March, 1963.

R. N. BARUA,
Secretary,
Legislative Assembly, Assam.