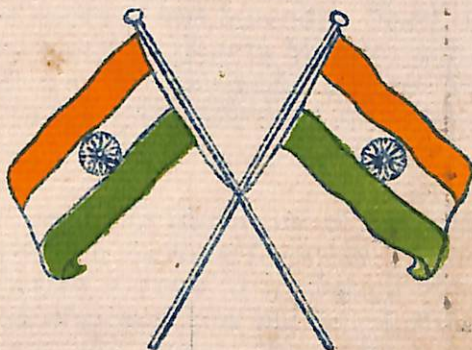


BUDGET SPEECH

1954-55



BY

Shri Motiram Bora

Finance Minister, Assam

11th March 1954

ASSAM GOVERNMENT PRESS

BUDGET SPEECH

1954-55



BY
SRI M. K. MURTHY
MINISTER, FINANCE
15th March 1955

NEW DELHI

Finance Minister's Budget Speech for March 1954 Session

MR. SPEAKER, SIR,

While presenting the annual statement of budget estimates for 1954-55, I have, as in the past, the misfortune to refer to the deaths of illustrious persons in our country. In the current year we have lost many leaders of all-India stature and eminence. Particular reference should be made to late Surendra Nath Buragohain, who, as Minister of Assam and as Deputy Minister in the Union Cabinet, achieved distinction and brought credit to our State. I take this opportunity to pay my humble tribute of respect to all the illustrious departed souls.

Sir, unlike the past, this misfortune of mine is, however, partly counterbalanced this year by some favourable circumstances in other directions. I am happy to state that though the budget estimates of the year 1954-55 disclose a very big deficit, still I have been able to present the same to this august House in a better atmosphere, under better circumstances and with a better hope for the future. The food position of the State has improved appreciably. There are clear indications of increase in production and from a state of chronic deficit for some years past in the matter of food supply, we are emerging into a surplus one in rice production and the unwanted system of control of foodgrains has virtually come to an end. During my budget speech last year I had observed that so far as food position was concerned we had turned the corner. I am glad to inform the House that my prediction has been literally fulfilled. The law and order situation is also showing definite indications of improvement as a whole. The Tea Industry, which is the main industry in the State, and with which the prosperity of the State is bound up to a large extent, has, after a critical period in 1952, maintained steady progress and has reached a period of unprecedented boom now. The commodity prices have also exhibited a downward trend in comparison to that of the last year. Public Health is in a tolerably good condition and we have been comparatively free from major disasters and calamities, this year. In comparison to last year, our jute is having a slightly better market now and our efforts to improve the shattered economy of the border areas after partition have slowly but steadily borne fruit. The oranges and other fruits in the border areas are fetching better prices than

in the past. Thus by and large the current year has made a steady progress towards substantial economic recovery. And judging by the present indications the outlook for the coming year is also reassuring. This state of comparative ease has enabled the Government to give better attention to the development schemes undertaken by us under the Five-Year Plan.

Five-Year Plan

It is not unknown to the Hon. Members that our original Five-Year Plan was for Rs. 12½ crores. Subsequently the welfare schemes under Article 275 of the Constitution were also included in the Five-Year Plan. Thereafter additional provision was made for the buildings of the Assam Medical College, the Reid Chest Hospital and the Dibrugath Protection Scheme. Since then the estimates for Hydro-Electric Scheme at Umtru had also to be revised upwards. The estimates for the construction of hill roads had also to be increased on the recommendations of the Ienger Committee. As a result of these, the Plan now stands at Rs.18,23,00,000.

Hon. Members are perfectly aware that during the first two years of the Plan, i.e., 1951-52 and 1952-53 there was no Central assistance forthcoming for the implementation of the plan except grants for grow more food projects and schemes taken up under Article 275 of the Constitution. Yet, on account of the importance and necessity of those schemes, even with our meagre resources, we had to implement a good part of them and the expenditure out of our State resources alone was of the order of Rs.90,87,500 in 1951-52 and Rs.1,37,68,000 in 1952-53. Early in April this year our officers from the Finance and Development Departments visited Delhi for detailed discussion of the Plan and for settling financial assistance. As a result of the discussions, Government of India have offered to give loan assistance for implementation of the plan. In the current year a loan of Rs. 1,25,00,000 has been offered. After considering all aspects of the matter it was felt that the implementation of the plan is so essential for the well-being of the State that even the loan assistance offered should be accepted. Accordingly, after careful scrutiny almost all the schemes have been accepted for implementation. Work on almost all of them has also been started in the current year. For the next year and the year thereafter, Government of India have held out hopes of further loan assistance and we feel that we are placed in a position now to implement the plan fully. It is quite true that due to absence of financial assistance from the Centre and some uncertainties prevailing, at that time, the progress of the plan had not been as satisfactory as it could have been

during the first two years. It is hoped that the deficiency will be made up in the remaining years and that by the end of the term, we will not be lagging behind other States in the implementation of the plan. The overall expenditure in the current year on schemes under the Five-Year Plan, excluding Art. 275 Schemes, is expected to exceed Rs. 2,64,29,000.

Hon. Members, will be pleased to learn that Government of India have decided to expand the plan further so as to make some money available in the current year for (1) Grow More Food projects, (2) schemes meant for improvement of areas permanently visited by scarcity and famine and (3) for an expanded road programme. This proposal of India for the further expansion of the Plan has been taken advantage of by this Government and three more sets of schemes for approval of India have been forwarded quickly. One set of schemes, for an expanded road programme is estimated to cost an amount of Rs. 1,54,00,000. The second set consists of 43 Irrigation Projects with an estimated cost of Rs. 1,40,00,000. The third set of schemes for improvement of areas permanently liable to famine and scarcity comprises 36 schemes estimated to cost Rs. 93,00,000. Government have attached the utmost importance to schemes of irrigation, drainage and embankment, having regard to the fact that ours is a State frequently devastated by floods. Every year, our people are put to great hardships and difficulties by furious floods of our turbulent rivers and Government are called upon to take up relief measures and to grant remissions of revenues, involving a very big amount. Hence schemes, designed to control floods and make riverine lands safe for cultivation, deserve utmost priority. In selecting the schemes Government were most anxious to do as much as possible in respect of almost all areas of the State affected by floods and scarcity. All these schemes were put up before the State Advisory Board on Embankment and Drainage and were duly approved by it.

Hon. Members, I am quite sure, will be glad to learn that Government have made a programme for improvement of the North Trunk Road also in consultation with the Assam Road Communication Board and has forwarded the same to India for acceptance. This improvement programme is estimated to cost a sum of Rs. 1,40,00,000 and the State Government have agreed to bear 10 per cent. of the total expenditure involved out of State revenues.

All these four new programmes are still awaiting approval of Government of India. Hence no budget provision for expenditure on them in the next year could be included in the Budget Estimates. If they are sanctioned, funds will have to be arranged

in due course. I am giving below a table which would show the progress of expenditure on the Five-Year Plan including Grow More Food projects but excluding schemes under Article 275 of the Constitution. The table would also show the amount of Central assistance received either by way of grant or by way of loan. The table would further show that this Government have already spent Rs.3,07,74,000 out of their own resources for the implementation of the Plan, though their original commitment was to find only Rs.1½ crores. It will thus be apparent that this Government have done more than what they were expected to do in the matter of finding resources for the implementation of the Plan.

	1951-52	1952-53	1953-54
	Rs.	Rs.	Rs.
Central Assistance for G. M. F. Schemes	11,98,322	40,46,114	57,47,231
Expenditure out of State Resources for G. M. F. Schemes.	32,50,557	49,70,841	24,76,585
Total G. M. F. expenditure	44,48,879	90,16,955	82,23,816
Central Assistance for non-G. M. F. Schemes, excluding Art. 275 Schemes.	Nil.	2,63,000	1,25,00,000
Expenditure out of State Resources for non-G. M. F. Schemes.	58,37,000	85,34,000	57,05,000
Total Expenditure on the Plan excluding Art. 275 Schemes.	1,02,85,879	1,78,13,955	2,64,28,816

It is not unknown to this House that preliminary discussions on a Second Five-Year Plan are already under way. To arrange for a more methodical planning of the second plan and to make up the deficiencies of the first plan, the State Government have taken certain measures. A Sub-Committee of the State Planning Advisory Board has been set up. Representation on the Sub-Committee has been given to all Sub-divisions in the State. Suggestions have been invited from various State and local organisations. In addition the departments of Government are giving special considerations to proposals for the next Five-Year Plan. It is expected that as a result of these co-ordinated activities and with popular suggestions and co-operation the second Five-Year Plan will be broad-based on the goodwill, co-operation and requirements of the people and will really serve the interest of the State fully. The Government are looking forward to valuable suggestions from the Hon. Members regarding the lines on which the Second Five-Year Plan should be drawn up. Government

also expect the Hon. Members to suggest as to how the resources, that may be necessary for a second Five-Year Plan, are to be found.

A matter on which considerable popular demand has been expressed is the question of including one or more river valley projects in the second Five-Year Plan for the State. The planning of a river valley project takes considerable time. It requires collection of considerable hydrological and other data. In the light of data so collected priorities as between different rivers have to be fixed. Then comes the question of technical personnel for investigation and preparation of the plan based on the study of the data. Hence limitations are many. It will be remembered that rivers in the State have not been properly studied and the little study that has been done was started only recently. Furthermore, a river valley project has also to be viewed from the point of view of the economic consequences of the scheme. Despite all these difficulties Government are trying their best for inclusion of river valley schemes in the second Five-Year Plan on merit.

Autonomous Districts

The anxiety of the Government and the people of Assam for the betterment and development of the six hill districts of the State needs no emphasis. It is also not denied that no scheme of development or betterment can be successful unless there is popular co-operation behind it. Government are very glad to know that co-operation from five hill districts is very encouraging. These five hill districts have already formed Autonomous District Councils and though new in the line, are making an experiment in the running of the local administration with such an amount of zeal and sincerity, that it has evoked admiration from all. Government are very glad to find the five District Councils functioning properly and progressively, illustrating thereby the capacity and willingness of our brethren in the hills for progress. With a view to equip the District Councils with the necessary paraphernalia of administration the Government of India have sanctioned in the current year an *ad hoc* grant of Rs.10 lakhs for distribution to the five Autonomous District Councils.

Hon. Members have probably seen that under the Sixth Schedule to the Constitution some sources of revenue have been earmarked for the District Councils. But they have not as yet been fully able to set up administrative machinery for taking over the collection of all these revenues. Consequently, they have authorised Government to collect the revenue on their behalf and return the same to them after deduction of the collection cost. That arrangement is continuing now. With a view to give an easy start to the

District Councils at the initial stage the State Government have given advances to the extent of Rs.4,50,000, in addition to lending officers to help in carrying on their administration. Government have also given a gift of houses and furniture worth Rs.20,500 to Garo Hills and Lushai Hills. The United Khasi-Jaintia Hills District Council has been given the use of Government buildings for holding their meetings. In the current year, the Pawai Lakher Regional Council in the Lushai Hills has been inaugurated and Government have sanctioned a grant-in-aid of Rs.10,000 to it, besides meeting Rs.500 for election expenditure and Rs.10,000 for starting works.

There had been complaints from District Councils as to the insufficiency of their resources for carrying on their duties. The matter was enquired into by the Joint Secretary to the Government of India in the Ministry of Finance, assisted by our officers, in May last. The officer submitted a report to the Government of India, who after some consideration passed it on to the State Government. The report is under the consideration of this Government. While on this subject I cannot help mentioning that due to the constitution of the Autonomous District Councils, certain sources of revenue which formerly belonged to the State Exchequer have passed on to the District Councils. They are land revenue, tax on professions and employments, revenues from un-reserved State forests, taxes on vehicles, etc. The drain on the State Exchequer due to the deprivation of these sources of revenues has been considerable. On the other hand the Sixth Schedule to the Constitution expected the District Councils to take over administration of certain subjects like sanitation, rural communication, primary education, etc. The District Councils have not however been able to take over any of these functions. In order to save the Councils from embarrassment the Government are continuing to administer these items and have been spending a very substantial amount from State finances on these and other developmental activities. For instance, though Primary education is a responsibility of the District Council, this Government are continuing all the responsibilities for Primary education, and the expenditure in the current year in respect of this item alone for the five scheduled districts having District Councils is over Rs.4,15,000. So also, in respect of public health measures, a subject coming under the purview of the District Council, this Government have to spend in respect of these five districts over Rs.3,00,000 in the current year. Likewise this Government are continuing to spend on such other items coming under the jurisdiction of the District Council like irrigation canals, town police, sanitation, maintenance of rural communication, rural water-supply, and so on.

There is also some wrong impression in some quarters that the gap between the revenue and the expenditure in respect of the administration of the Sixth Schedule districts is made up by the Government of India and that Assam does not spend anything for the six Autonomous Districts. This impression is absolutely unfounded and is due to want of information. The Government of India make a grant of Rs.40,00,000 annually, as a contribution to the State Government to meet a part of the gap between the revenue and the expenditure in respect of the administration of these six districts. The actual gap, however, is much more. The Government of India do not pay anything more except for the Article 275 schemes. What is received under the Article 275 Schemes is spent on these schemes. I am appending below a statement which will show the receipt and expenditure of the six Sixth Schedule Districts for the years 1952-53 to 1954-55.

	1952-53				1953-54				1954-55				Total in 3 years (District wise) Total of columns 3, 6 and 9.
	Revenue		Expenditure		Revenue		Expenditure		Revenue		Expenditure		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)			
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
United Khasi-Jaintia Hills	13,66,022	43,17,496	29,51,474	10,50,440	52,72,825	42,22,385	10,12,574	61,15,940	51,03,366	1,22,77,225			
Garo Hills	10,00,534	26,67,745	16,67,211	5,68,260	28,43,520	22,75,260	3,16,807	27,98,527	24,81,720	64,24,191			
Lushai Hills	5,31,366	25,11,468	19,80,102	4,84,593	31,49,648	26,65,055	2,80,743	37,05,715	34,24,972	80,70,129			
Mikir Hills	4,90,150	10,60,585	5,70,435	5,58,405	12,98,741	7,40,336	5,90,530	20,28,783	14,38,253	27,49,024			
North Cachar Hills	2,13,658	8,18,229	6,04,571	2,64,580	10,60,393	7,95,813	1,07,920	9,80,812	8,72,892	22,73,276			
Total	36,01,730	1,13,75,523	77,73,793	29,26,278	1,36,25,127	1,06,98,849	23,08,574	1,56,29,777	1,33,21,203	3,17,93,945			
Naga Hills	4,77,483	21,92,761	17,15,278	4,57,895	38,99,100	34,41,205	7,08,311	40,60,662	33,52,351	85,08,834			
Total	41,79,213	1,35,68,284	94,89,071	33,84,173	1,75,24,227	1,41,40,054	30,16,885	1,96,90,439	1,66,73,554	4,03,02,779			

From this statement it will be seen that the deficits in these three years are Rs.94,89,071, Rs.1,41,40,054 and Rs.1,66,73,554. The progressive decline of revenue is due to transference of sources of revenues to the District Councils, while the increase of expenditure is due to more and more schemes being taken up,

The table does not include receipts and expenditure under Article 275 Schemes. If Article 275 Receipts are shown on receipt side, Article 275 Expenditures shall have to be shown on expenditure side. Hence the net result will be exactly the same.

The costs of administration of these districts as shown in the table do not include such common expenditure like expenditure on Criminal Investigation Department, expenditure on the Armed Branch of the Police, expenditure on such common institutions like the Medical College, the University, the Agricultural College, the Cotton College, and so on and capital expenditure made out of the capital revenues of the State. Nor does it include expenditure on headquarters staff like head offices in Shillong, the Secretariat and such common expenditure like the Legislative Assembly, Ministers, Governor and so on. If a proportionate share of all this expenditure were debited to the six districts, the gap between the revenue and expenditure would be increased by several lakhs more.

I am making this position clear not with a view to find fault with anybody or to grudge the deficit accruing in respect of these districts. In a State all districts cannot produce revenue equally, whereas expenditure must be according to needs. This is a sound social system and it is a fundamental of the unity of the State. I am making these citations firstly to remove the misunderstanding that is prevailing in minds of a section of the people and secondly to show that the resources of the State are sufficiently strained emphasising need for caution for the future. Government are always ready to assist the District Councils in all possible manner consistent with the financial stability of the State. But it is equally necessary for the District Councils to raise sufficient revenues in order to meet the obligations imposed upon them by the Sixth Schedule to the Constitution.

The scheme of subsidising the cost of transport of rice ration from the nearest road heads to the respective distribution centres in the border areas of Khasi and Jaintia Hills, of subsidizing the cost of transport of limited quantities of essential supplies from Tura to the distribution centres in the border areas of Garo Hills and of subsidizing the cost of air-dropping essential supplies at Lungleh as also the cost of portage of Kerosene oil from Aijal to Lungleh was continued during the current year. The quantities of essential

supplies despatched to Lungleh Subdivision under the subsidy scheme were increased by 50 per cent. during the current year. The total cost of this subsidy scheme during the current year is expected to be about Rs.10,00,000.

As a part of the plan for effecting permanent improvement to avert scarcity and famine in the hill districts, Government have formulated schemes for the rehabilitation of the border people on lands suitable for wet cultivation and for introduction of cash crops cultivation such as pepper and cashewnut. Steps have also been taken to effect quick despatch of fruits from the hill districts to marketing centres and for starting plants for the preservation and utilisation of the fruits within the State. Apart from the road schemes under Article 275, another Road scheme for the border areas at a total cost of Rs.44,00,000 has been formulated. Work on some portions of the scheme is expected to be commenced in the current year.

Article 275 Schemes

The welfare schemes started under Article 275 of the Constitution in the last two years have been continued. In the current year the Government made a demand of Rs.74,75,000 under Article 275 for the Autonomous Districts. The Government of India, however, sanctioned only Rs.45,00,000. Subsequently due to more anticipated expenditure on the hill roads another sum of Rs.13,00,000 was sanctioned. Thus the amount sanctioned comes to Rs.58,00,000. This amount of Rs.58,00,000 has been distributed to the different Sixth Schedule Districts under the following major heads:

	Rs.
1. Education	5,57,250
2. Medical	1,95,287
3. Sericulture and Weaving ...	1,97,900
4. Public Health	1,44,005
5. Agriculture	3,10,940
6. Forest	2,10,368
7. Cottage industries	2,86,921
8. Co-operation... ..	1,00,000
9. Veterinary	96,085
10. Communications	34,90,891
11. Miscellaneous	2,10,340

This Government are, however, not remaining satisfied with what had been done under the Article 275 Schemes. The welfare schemes in the hill districts carried on purely from State revenues in the current year account for about Rs.15,00,000. For the next year also several welfare schemes for the hill districts are going to be taken up purely out of State revenues. The details may be seen in Appendix A of the Budget Memorandum. These Schemes are estimated to cost not less than Rs.15,69,000.

Plains Tribal Areas

Government are equally anxious to better the lot of the tribal people living in the plains tribal areas of the State. For that purpose, schemes of welfare are being undertaken both out of Article 275 Schemes and State revenues. In my budget speech last year I mentioned about certain roads in plains tribal areas financed out of State revenues. Works on them are being continued. In the current year Government got a sanction of Rs.15,00,000 under Article 275 of the Constitution for welfare activities in the plains tribal areas. The sum has been distributed under the following major heads:

				Rs.
1.	Education	...	...	4,23,250
2.	Public Health	...	...	3,30,990
3.	Forest...	...	...	46,152
4.	Sericulture and Weaving...	...	...	1,34,000
5.	Agriculture	...	...	13,350
6.	Medical	...	...	1,79,408
7.	Communication	...	...	1,00,000
8.	Veterinary	...	...	54,000
9.	Miscellaneous	...	...	2,18,850

All these grants under Article 275 are distributed according to the advice of the representatives of the areas and people concerned. As stated before, besides grant from India welfare schemes for the plains tribal areas are also being continued from out of State revenues. In the matter of location of dispensaries and grants for rural water-supply and rural communications special

attention is given to areas inhabited by plains tribal people. So also in the matter of starting new schools or provincialising old schools, preference is generally given to schools in areas inhabited by plains tribal people.

Removal of Untouchability.

Untouchability as such is practically non-existent in the State. However, some evil social systems are still continuing and Government are most anxious to see that such systems disappear and that no occasion arises for the use of the words "scheduled castes" in our State. It is with this end in view that Government are taking actions in several directions for achieving economic and social betterment of the people described as "scheduled castes". Special considerations, wherever and whenever possible and reasonable, are being given to them in the matter of distribution of lands and sale of fisheries. Encouragement is also being given to them to take up big fisheries by forming co-operative societies where possible. In the next year's budget provision has been made for allowing free and half free-studentships to students belonging to the scheduled caste communities. A scheme for removal of untouchability, to be financed jointly by the Government of India and the State Government, is under active consideration now.

Community Projects.

Hon. Members will probably remember that two full-fledged Community Projects and two Community Development Blocks were started in 1952-53. In the current year three more Community Development Blocks and 12 National Extension Service Projects have been sanctioned. These two Community Projects, five Community Development Blocks and twelve National Extension Service Blocks, taken together, cover an area of about 6000 sq. miles with a population of 14,75,000, in about 4,800 villages. Thus it will be seen that so far a little less than one-sixth of the population of the State has been covered under these intensified rural development Schemes. It is the intention of Government to cover about one-fourth of the State with these Community Development Schemes during the period of the first Five-Year Plan.

In the Community Projects areas, works in almost all directions are progressing satisfactorily. In the field of agriculture special attention is paid to compost manure, double cropping, cultivation of Boro paddy, extension of cultivation of vegetables and fruits, reclamation, irrigation and use of chemical fertilisers. The results obtained appear to be encouraging. In the field of animal husbandry and

veterinary also, satisfactory results are noticeable in fodder cultivation, poultry farming, etc. In the sphere of Public Health, over 2000 tanks and wells have been cleaned by voluntary labour, besides construction of a good number of new wells. Experiment in pit and bore-hole latrines is being extensively carried on. Mass inoculation against epidemics and anti-natal and post-natal care of mothers and children are being organised in a systematic manner. In the sphere of education, besides night schools and social centres, 50 new school buildings have been made and 4 middle schools and 11 basic schools have been started. In the project areas, students and teachers of different colleges had started voluntary camps and did some valuable work by way of jungle clearing, building and repairing roads, etc. This example has greatly stimulated the local efforts of the people. The N. C. C. organisation of our State held their annual social camp in the Golaghat-Mikir Hills Block and in 20 days' time the young, enthusiastic cadets of the N. C. C. succeeded in constructing a road extending over 9 miles in length, to the great admiration of the people.

Outstanding work has been done in the field of communication in all the Project areas. Till December last about 420 miles of roads have been constructed with 30 bridges and over 150 culverts. Much has been done to popularise sericulture and improved method of weaving in the areas. The efforts include demonstrations, opening of dyeing centres, planting of mulberry cuttings, etc. Demonstration centres have been opened in all the Project areas where Pat and Muga reeling and spinning are demonstrated with the aid of improved implements. Quite a good number of families have taken sericulture as part-time occupation.

In the Garo Hills-Goalpara Block industrial co-operatives have been formed by women. With loan assistance from Government they have started production of handloom cloth of varieties which have a local market in the area. Two Co-operative Farming Societies have also been formed in that Block. They have reclaimed land and put it under paddy, potato and wheat. Two Credit Co-operatives have been formed in the Darrang Project and 4 production societies are under formation. In other projects also co-operative societies are being gradually formed.

One of the most noteworthy feature of work in the Project areas has been the keen interest evinced by women. They have taken to works of cottage industries, social education and rural organisation with great keenness. In the large number of Mahila Samities that have been formed, improved methods of spinning, weaving and sericulture are being demonstrated. Knitting, sewing and cooking are also being taken up. In some places women have come forward even to build roads.

It is too early to estimate the amount of work done in the new projects sanctioned in the current year. However, in all of them public enthusiasm has been really appreciable. In the field of agriculture and public health, work has started in most of the projects. A number of schools have been donated by the people on the Prime Minister's birthday and about 20 of them have already started working.

As in the last year the largest amount of activity is noticeable in the field of communication. In the current year the people of the Bhoi area have projected three roads totalling 40 miles in length, of which 26 miles have been completed. In the Mazuli Block work is going on in 30 new village roads. In all other projects a total length of about 58 miles of roads has been constructed. Judging by the popular co-operation and enthusiasm, it can safely be assumed that community development work, which is essentially a co-operative enterprise between the people and the Government, will take firm roots in the State.

Relief and Rehabilitation

I am glad to note that the popular co-operation, which I solicited in course of my last year's budget speech, has been largely forthcoming in the current year in the matter of relief and rehabilitation of the refugees. Since the Census of 1951 quite a large number of displaced persons have come into Assam. This was on the eve of the introduction of Passport system. At present the refugee population may approximately be estimated at about 3,40,000 persons. By December last about 1,55,000 persons have been rehabilitated through Government agency and about 1,00,000 persons have got themselves rehabilitated by their own efforts supplemented by help from Government and the people. It will thus appear that about 75 per cent. of the displaced persons have been rehabilitated in Assam. Till end of December last Rs.2,45,40,000 have been granted as loans to displaced persons.

All manner of relief, like gratuitous relief, assistance to students and patients, assistance for social purposes, maintenance of homes for destitute women and children, the training of refugee students in different crafts, etc., have been continued as in the past. About 1500 destitutes are being maintained now as a permanent liability. It is proposed to have three central homes for them, one in Nowgong and two in Cachar. The homes will provide necessary amenities, including educational facilities and teaching of arts and crafts. A

scheme for training of 120 students in the Technical Schools at Nowgong, Tezpur and Silchar and 40 students in the Civil Engineering School at Gauhati has been prepared and sent to India for sanction. Another scheme for having 150 Primary Schools to benefit about 10,000 students has been taken up with the Government of India.

The work and liability of Government have tremendously increased since taking over of the administration of relief and rehabilitation in the Cachar district. In this district a large number of families, particularly those who were to be settled under the I. T. A. Scheme, were found to be in great distress when the Government took charge of relief and rehabilitation. A sum of Rs.1,00,000 was immediately obtained from the Government of India for giving immediate relief to them. Steps have also been taken to requisition available tea-garden lands for rehabilitation of refugees there. Specific schemes for the permanent rehabilitation of about 6,000 families in the Cachar district have been taken and some have already been sanctioned. In the other districts also, a number of rehabilitation schemes for about 1000 families, have been sanctioned by the Government of India in the current year and work on them has already been started. In addition to this, Urban Housing Schemes for about 1,200 families are also under implementation. It is hoped that with continued and popular co-operation the problem of resettlement of the unfortunate displaced persons may be satisfactorily solved in no distant time.

Public Services

Hon. Members are well aware of the discontent prevailing amongst our low-paid officers on account of their meagre remuneration, which, they consider, is hardly sufficient to maintain them in these hard days. In the revision of pay scales adopted in 1948, the scales of low-paid Government employees were, in consequence, considerably liberalised. In addition, dearness allowance, free ration etc., are given to meet the high cost of living. Yet there has been persistent complaint that it is still very meagre and should be improved further. It is not generally recognised that in the existing circumstances, no increase in pay scales can catch up the rising prices. Increase of pay scales itself releases more money for consumption, which in turn is likely to bring about more increase in prices. It is really moving in a vicious circle. Inflation should be curbed not by raising pay scales but by increasing production and reducing prices. Hon. Members are aware that inflationary tendency has been checked in our country and the prices are now on a downward trend. It is hoped that in a few years' time stability will be

obtained and the present hardship of the low-paid employees will disappear. However, in accordance with the assurance given last year and to enable these poor officers to tide over their present hardship and difficulties, Government have recently decided to increase the pay scales of low-paid servants whose maximum pay scales do not exceed Rs.100 per month. A scheme for the purpose has already been adopted and it is proposed to give effect to it from the 1st April next. It is regretted that it has not been possible to touch the higher pay scales. Apart from the general arguments that I have already mentioned against increase of pay scales, social conditions demand that the tendency should be for increasing from downwards instead of increasing upwards also. Secondly, our finances do not permit any touching of pay scales in the higher group. It is hoped that our public servants will appreciate this and will be content with what Government could do despite the strained financial position.

Of the lowest grades of public services, our constables are liable to frequent transfers. The travelling allowance on transfer paid to them has been most inadequate. Government have therefore decided that in case of transfer of police constables and like personnel, the Government servant should get two fares for himself and one fare for each adult member of his family and half the fare for each minor member of his family travelling with him on transfer.

A number of constables have to maintain bicycles for the efficient discharge of their duties. They do not get any allowances either for the purchase of the bicycle or for its maintenance. Hence it has been decided to give them a bicycle allowance of Rs.5 per month when they actually maintain a bicycle.

The Armed Branch constables engaged on Border duties, in the disturbed areas of Naga Hills, and in other places where conditions are similar, get a daily allowance of annas 12 per day. The Armed Branch constables of the Assam Police Battalion, the Border Security Force and the District Armed Branch engaged in other places do not get a daily allowance but receive rations. The scale of ration has been found to be not sufficient to enable them to maintain the required standard of health and fitness. Their duties involve great physical strain and the quantity of rations should be sufficient to maintain them in full health and fitness. Hence it has been decided to increase the quantity of rations in their cases within the monetary limit of Rs.5 per month per person. The above concessions will be in addition to the benefits to be accrued under the proposed revision of pay scales just stated above.

Government hope that these concessions will be appreciated by the Force and will be reflected by their greater zeal and devotion to duties.

The Government of India adopted certain new pension rules some time back. The question of adopting those rules for Government servants under rule making control of the State Government was under the consideration of the Government for some time. Finally, it has been decided to adopt the same rules for the State Government servants also. The scheme provides for a death *cum* retirement gratuity to Government servants dying or retiring after 5 years' qualifying service and family pension to dependents of Government servants dying after 25 years of qualifying service or within 5 years from the date of retirement. Thus the scheme is in essence one of insurance against premature death of Government servants. Under the old rules, on the death of Government servants some families became stranded for absence of such a provision. It also so happens that a man may die within a few months after retirement after serving 30 years or more. The moment he dies the family ceases to get anything and is thereby put to great hardships. The new rules are designed to give some benefit to the stranded families in such cases.

Natural Calamities and Relief

Though in the current year there had not been any widespread distress due to natural calamities, there were some floods in Cachar, Lakhimpur and Sibsagar districts in June and July last. In September last also a severe flood visited Cachar, Lakhimpur and parts of Kamrup districts. At the onset of the rains this year Sadiya town was seriously flooded as before. Considerable erosion also added to the calamity. Government had ultimately to decide to give up Sadiya and to shift the town elsewhere. Forty-eight Government buildings, involving a book value of about Rs.10,00,000 were destroyed. Sixty private houses were either destroyed or damaged and a population of 5,000 had to be removed temporarily to Kundil. Temporary accommodation was provided for them. The question of permanent rehabilitation is under active consideration of Government. To meet the immediate distress gratuitous relief, agricultural loan, shelter camps, building materials, transport, etc., were arranged by Government at Government cost.

In August last a cyclone of severe intensity swept over Dibrugarh Subdivision. Ten mauzas and 202 villages were badly affected. Nine human lives and 23 heads of cattle were lost; 1,921 houses collapsed; 9,102 houses were damaged; 3,339 families were affected and 30 families rendered homeless. Necessary gratuitous relief and building materials were sanctioned to the affected people.

Houses and properties of 267 families in six villages of Gomeri in the Darrang district have been eroded by the river Brahmaputra. The same river also eroded the homestead of 23 families at Dhansirimukh in the Golaghat Subdivision. Government have given immediate relief to them and are taking steps to rehabilitate them permanently.

On the 23rd September last a devastating fire gutted the whole of the Tezpur Municipal market causing a loss of over Rs.22,00,000. Government sanctioned gratuitous relief and a rehabilitation loan of Rs.70,000 immediately. In connection with a similar fire disaster of Sonaibazar in the District of Cachar, a loan of Rs.40,000 has been given for rehabilitation.

In connection with floods, erosions, fire, cyclones, etc., the State Government have altogether sanctioned, till the 14th February last, Rs.3,48,000 as gratuitous relief, Rs.30,000 as Test Relief and Rs.7,66,000 as agricultural loan to relieve the distress of suffering humanity.

In addition to this a sum of Rs.10,000 has been given as gratuitous relief in Community Project areas, besides purchase of seeds through the Agricultural Department at a cost of Rs.46,000 for distribution to affected people. To meet acute distress, Government have also purchased rice and paddy and distributed them to the affected people at concessional rates. As before cheap grain shops were also opened where considered necessary. Under this process Government have distributed till the 14th February last 10,850 maunds of rice and 12,300 maunds of paddy in the districts of Lakhimpur, Nowgong, Sibsagar and Cachar.

In the current year, up till the first week of January last Rs.1,17,190 of land revenue and Rs.10,400 of local rate had to be remitted to meet cases of extreme suffering.

Navigation, Embankment and Drainage

The programme of major irrigation works under Grow-More-Food Campaign undertaken in 1949-50 is being continued in the current year also. Out of the total number of 50 schemes 20 have been completed by 1952-53, and 14 more are expected to be completed during the current year. Work on the remaining 16 will be continued in the next year.

Under the Five-Year Plan, 37 Navigation, Embankment and Drainage schemes to cost Rs.1 crore were drawn up. Work on three was taken up in 1951-52. Twenty-five more schemes are being taken up in the current year and the remaining ones will be taken up during the next year. All these schemes are expected to be completed by 1955-56.

As stated before another two lists of 79 irrigation projects for inclusion in the Five-Year Plan and estimated to cost 2,33,00,000 lakhs have been sent to Government of India. Sanction of the Government of India to this programme is still awaited.

On the recommendation of the Ienger Committee, the Survey of India have allotted one field party since the last field season for carrying out some contour surveys of the rivers in Assam. One area in the Kapili Valley and another area in the Pagladia basins are under survey. This work will be continued and intensified in the near future.

A River Investigation Division has been sanctioned and buildings for the division are under construction. The necessary staff for the Division is expected soon. The Executive Engineer for the Division will be provided by the Government of India.

The civil works portion of the Umtru Hydro-Electric Scheme is being done by the Public Works Department. The preliminary works like construction of access road, temporary building, etc., are expected to be completed very soon. Tenders for the main works of the project except the Power House have been accepted. Tenders for the Power House will be called for after the design is received from the Canadian Manufacturers, who are expected to supply the machineries. In the current year about Rs.7,00,000 will be spent for civil works portion, and next year's expenditure will be about Rs.18,00,000.

As is well-known to the Honourable Members a scheme for the protection of Dibrugarh town at a cost of Rs. 1 crore was drawn up and preliminary work was started. The design proposed for the work has however undergone changes since 1952. The latest advice of the Director, River Research Institute, Poona, is that the design of the work should be based on the result of model experiment, to be sure of the results. This advice has been accepted by the Central Water and Power Commission. Accordingly, collection of river data for the purpose of the model experiment has urgently been taken in hand. It is proposed to carry out the model experiment during the next rains. In the meantime with the materials already collected, protection works in the form of a revetment will be carried out for a length of about 1000 feet as an experimental measure. Till the permanent works are constructed, temporary protective measures are being continued.

Unemployment

The problem of unemployment has assumed considerable significance and proportion in recent years. As is well-known to all

the Honourable Members, serious and systematic efforts are being made throughout India to grapple with this problem. Though in Assam the problem of educated unemployed is not as acute as in some other States, yet the problem needs tackling immediately before it goes out of hand. With this end in view Government have decided to absorb temporary hands, released from temporary departments, in other posts as far as possible. Following this decision a good number of people retrenched from temporary departments are being given alternative appointments. A scheme for the employment of 500 teachers in new schools and existing Government and Aided schools has already been drawn up and forwarded to Government of India. The scheme is expected to cost Rs.19,300 in the first year, Rs.2,31,600 in the second year, Rs.2,32,400 in the third year and Rs.2,31,600 from the fourth year onwards. The Government of India are expected to pay Rs.14,475 in the first year, Rs.1,15,800 in the second year, Rs.58,200 in the third year, while from the fourth year onwards the whole expenditure will fall on State revenues.

A scheme for the settlement of educated youths in model agricultural colonies with suitable assistance from Government with a view to divert educated youths from white collar jobs to agriculture is also under active consideration of the Government.

Government are aware that unemployment can be solved best by diverting people from general education to technical education and crafts and by developing cottage and small scale industries. As regards action taken by Government to foster small scale and cottage industries, I will give an account while dealing with industries. So far as diversion of youths from general education to technical education and training in crafts are concerned, Government have been taking such action as is possible in a State like that of Assam with limitations of various kinds. The number of seats in the Assam Civil Engineering School has been increased from 40 to 80 with effect from the last session of the school. An artisan course in the trade of (1) Draftsman and Estimator, (2) Blacksmithy and Welder, (3) Carpentry and Joiner has also been introduced in the Civil Engineering School from the last session. Another artisan class for imparting such training is being started at Barpeta and it is proposed to introduce some more such courses in the near future. Side by side, Government are also taking action to improve the technical school at Jorhat and improvement of buildings has been taken in hand and a sum of Rs.1 lakh has been sanctioned for purchase of tools, equipments, instruments, etc. Further provision for this purpose is made in the next year's budget. Hon. Members will probably agree with me that the problem of growing unemployment of educated youths in the State is not capable of solution even partially by providing jobs in Government services alone. The various industries and big

commercial concerns of the State will have to play a leading role in co-operation with the Government to combat this growing evil. In other neighbouring States co-operation has been extended to the Government in various ways by the industries and commercial concerns to fight this menace and I would have been glad beyond measure, if I could have said the same thing about such concerns in Assam. This matter of finding a solution to the growing unemployment in our State, deserves their most serious consideration and, in my opinion, these industries and commercial concerns have an obligation in this respect. It is hoped they will fulfil this obligation in time.

Cottage Industries

Encouragement of cottage industries in an agricultural country like India is of utmost importance and with the growth of unemployment in the country, it is being recognised in an increasing measure in almost all the States. In order to encourage cottage industries the Government have also been taking actions in different ways compatible with their means. They include granting of loans to people to start cottage industries, training of people in different crafts to start cottage industries and starting cottage industries themselves. In the current year over Rs.95,000 have been given as loans for starting such industries. Eleven stipends have been given for training in different institutes both inside and outside Assam in the subjects of pottery, soap-making, cane and bamboo works, etc.

All the schemes of the Cottage Industries Department included in the Five-Year Plan have received sanction. They include starting of a Cottage Industries Training Institute and starting of a Ghani Industry. With the assistance of Government of India, who have agreed to bear certain percentage of the expenditure, Government have in the current year started Mat Weaving and Sital-Pati Weaving works, doll and toy making works and village pottery. The idea is to demonstrate and teach people to produce articles for sale. In the next year an Oil Crushing Industry is proposed to be taken up, while the question of the Nail Making Industry is under the consideration of Government.

Under the Article 275 of the Constitution also stipends have been given to students to learn soap-making, fruit preservation, pottery, etc. Training is also given in the Model Industrial Works at Amguri and in bee-keeping. A batch of stipendiaries has completed training in hand-making paper, book-binding, hand-printing, file board-making, etc. The second batch of four trainees is continuing with stipends. One stipendiary is being trained at Shriniketan in cane works.

A sum of Rs.29,200 has been distributed, as grants-in-aid, for encouragement of cottage industries, in the autonomous districts.

The Cottage Industries Survey Scheme has been started in the current year. Government are always on a look out to start more and more cottage industries and to impart training in them to our people. It is fully realised that the economic condition of the country and the people generally cannot be improved unless cottage industries are taken up on a much wider scale than what it is at present.

While on the subject of cottage industries I cannot help mentioning about the Bell-Metal Industry of Sarthebari in the Kamrup district. This industry had a glorious past and played an important role in the economy of the whole country. In recent years, however, it is finding it impossible to withstand the onslaught of cheap utensils made of glass, Chinese clay and aluminium. As a result the industry is fast dying out. Government feel that something should be done to revive this industry. One of the means is to modernize the industry and supply it with machines and modern implements. With that end in view, a scheme was drawn up to supply the industry with machineries and the services of an Instructor maintained at Government cost and to give the Co-operative Society there a loan for working capital. The scheme has recently been sanctioned. Government are going to purchase machinery and implements worth over Rs.28,000 and place their services at the disposal of the Co-operative Society under the guidance of an Instructor to be appointed by Government. Furthermore a loan of Rs.20,000 will be given to the Co-operative Society for working capital. It is hoped that with these measures the industry will not only be able to survive but to progress in the path of prosperity.

Somewhat similar is also the case with Assam's silk industry. This industry is also crippled due to competition from cheap artificial silk. Government are seriously considering ways and means to meet the situation.

Major Industries

While on the subject of cottage industries it is hardly necessary to say that the economy of the country cannot be improved to any considerable extent and growing unemployment problem cannot be completely tackled unless there are major industries also. Assam has a good deal of raw materials for starting major industries like sugar mill, paper mill, jute mill and cement factory. There are possibilities also for production of gas and other sorts of fuel from coal. The framers of the Five-Year Plan have wisely left these industries for the private sector. Yet, however, such industries are not developed in Assam. As a result not only are the raw materials lying unexploited but the people of Assam have to pay very high price for

finished products manufactured out of raw materials of other places. This not only tells upon the purchasing power of the people but also handicaps Government in a variety of ways. Due to prohibitive price of cement Government works cost more and for want of cement building works are dragged on for years. So also due to scarcity of paper, people and the administration are suffering much.

Had such industries developed in Assam, the problem of unemployment also would have almost disappeared. Private industrialists do not come into Assam mainly for the great transport difficulties to which this State is subjected since after partition. This State is connected with the rest of India only through a slender rail link. Not only is the position regarding the availability of wagons unsatisfactory but also the haulage is very long. As a result transport is a great bottleneck and high transportation cost substantially adds to the price of things in Assam. Transport difficulties for bringing machineries and ingredients required to start factories and produce finished jute products, sugar, paper, cement and like things in Assam are mainly dissuading capital from coming forward to start these industries in Assam. Secondly, there is also apprehension that due to transport difficulties again it will not be possible to market the products, that may be surplus to the internal consumption of Assam, in markets outside.

I take this opportunity of fervently appealing to the Government of India to consider this aspect of the matter and not only provide increased facilities for transportation but also reduce transport charges to Assam, more particularly for machineries that may be brought for starting mills and factories in Assam and for bringing other ingredients that may be required to make finished products out of the abundant raw materials lying in Assam. Similar facilities should also be provided for taking out to outside markets products of industries in Assam. Unless such facilities are provided by the Union Government, capital and enterprise will always remain shy, raw materials of Assam remain unutilized and the economy of this frontier State will never be on a sound footing. On our part we are prepared to give all reasonable facilities for the establishment of large scale industries in Assam for the exploitation of our raw materials. We are prepared to give land at concessional rate and are prepared to give other reasonable concessions. We would even be willing to subscribe substantially to the share capital of sound enterprises that may be started with these objectives. In fact besides taking step to establish the finance corporation, we have introduced a new provision and have allotted an amount in the next year's budget for giving loans to major and medium sized industries. This will prove, if any proof is necessary, how strongly we feel about development of industries in Assam and I hope that the offer and gesture of this Government will be taken advantage of by those for whom it is meant.

Land and Settlement

I regret to say that it has not been possible to make much headway in the matter of abolition of Zamindari. The position as stated in my last year's budget speech still stands. The Amending Bill passed by this House in September last is still awaiting assent of the President. So also the Assam Non-Agricultural Urban Areas Tenancy Bill, 1953, is awaiting assent of the President.

Till the current year 1,46,249 bighas of surplus tea garden lands have been acquired and allotted to landless people. Government also allotted 6,611 bighas of land in the current year to landless people by dereserving Forest Reserves, Village Grazing Reserves and Professional Grazing Reserves.

Four thousand, six hundred and sixty eight earthquake and flood-affected families have been permanently rehabilitated and 3,000 such families have been rehabilitated temporarily in the Professional Grazing Reserves, tea garden requisitioned lands and Forest Reserves. There are still more than fifteen hundred affected families, for whom no effective rehabilitation could be made. For their rehabilitation surplus lands from tea gardens are being requisitioned wherever possible.

The re-settlement operations in Cachar are nearing their end. The Gauhati re-settlement operation has already come to an end and work of resettlement operations in the immature areas, is proceeding apace. The time of taking up re-settlement operation of Kamrup and Sibsagar Districts has also arrived and it is proposed to take them up, if found feasible.

In the field of minerals, the Assam Oil Company has been permitted to carry out an aero-magnetic gravity seismic survey which will be continued till March this year. As a measure of providing employment to unemployed youths wherever possible, Government are also negotiating with these concerns for the appointment and training of unemployed youths in all branches of the organisation.

Communication

I am quite sure that the Honourable Members do fully remember that under the Five-Year Plan we had a programme for the construction and improvement of 736 miles of roads and construction of 8 major bridges at an estimated cost of Rs.2,65,00,000. In 1950, work on 20 roads was started, out of State revenues. In the current year Government have sanctioned the taking up of the remaining roads and the bridges. Works on practically all the roads have been started and preliminary actions are being taken for the bridges.

Last year a scheme of Co-operative Development of village roads was sanctioned by Government. It envisaged an expenditure of Rs.3,00,000. The Government of India were to find Rs.1,00,000, the State Government were to give another lakh and the Local Boards were to meet the remaining lakh. This programme is now proposed to be increased to Rs.9,00,000 on the same basis of one-third contribution by each party.

Honourable Members are aware of the great inconvenience caused to people at Gauhati due to the railway crossings. The matter was taken up with the Government of India several years back and a lot of correspondence passed. Finally the Railway Board has agreed to build an over-bridge over the level crossing on the Gauhati-Shillong road at the cost of the Railway, provided the Government agree to the construction of the approach roads. The approach roads are estimated to cost Rs.8,40,000. The Government of India will give half of it as a grant and this Government have agreed to bear the other half of expenditure.

Apart from the State roads, the improvement of the National Highways is also going on side by side. The construction of a wider and stronger bridge over Kolong river at Nowgong has been started. The metalling and surfacing of the National Highway between Khowang and Jorhat is nearing completion and the work of surfacing the portion between Numaligarh and Jorhat is being vigorously pushed up. It is hoped to complete the work before the setting in of the rains. Under the Central sector of the Five-Year Plan, further improvements of the National Highways are also contemplated. They include a bridge at Doom Dooma, a bridge over Tiloijan at Dibrugarh, the Dorika bridge near Sibsagar and a duplicate bridge over the Bhogdoi at Jorhat.

Improvement of various educational, medical, communication and other facilities of the State needs a lot of administrative arrangement, entailing considerable construction of buildings. The hands of the Public Works Department are more than full with a huge building programme. Despite great limitations of personnel and materials, the Department has been constructing a large number of buildings all over the State, besides taking up construction of buildings for the Posts and Telegraphs Department costing about Rs. 5 lakhs.

Criticism is often made of the slow progress of Public Works Department work. This criticism is generally misinformed. As against a programme of about Rs. 40 lakhs a year in the pre-war days, the Public Works Department has now a programme of well over Rs. 6 crores. On the other hand, there is acute shortage of

technical hands to take up the works. The Department is awfully short of Engineers, Overseers, Computers and Draftsmen. Efforts are being made to recruit people from outside Assam. But it has to be remembered that there is almost an All-India shortage of technical hands. As a result, the capacity of the Public Works Department is almost strained to a breaking point and this is mainly responsible for slow progress of works.

Education

Hon. Members have not probably failed to notice that there has been a great deterioration in the standard of English taught in the Secondary schools of the State. It was felt necessary to train English teachers properly so that they could, in their turn, teach their students well. With that end in view the Gauhati University was requested to start a special training class for English teachers. The arrangement has been finalised and the necessary grants are being given to the University for the purpose.

Hon. Members will be glad to learn that besides usual grants, a sum of Rs.75,000 was granted to the Aided schools, in the current year to restore damages caused by the storm of March last.

In pursuance of the policy of Government to introduce Rastrabhasa in all Secondary schools grants have been given to 130 Aided High Schools during 1953-54 and provision has been made to give similar grants to 130 more schools during the next year. In addition the number of Hindi trainees in the Government Training Centre at Missamari has been raised from 50 to 125 in order to get sufficient number of qualified teachers to staff these schools.

Hon. Members have seen in the appendix to the Budget Memorandum that Government have decided to transfer all Middle Vernacular Schools—whether Government or aided, or belonging to the Local Bodies—to the control of the School Board with effect from 1st April next. For this purpose a provision of over Rs.19 lakhs has been made in the next year's budget. The obligation is laid on the Local Bodies to contribute to the School Board fund their annual expenditure on Middle Vernacular Schools on the average of their expenditure during the last three years.

It is expected that this will relieve the Local Bodies from their obligations in respect of Middle Vernacular education. Though they are required to contribute to the funds of the School Board their average expenditure in the last few years, yet they will be saved from the liability of meeting increasing expenditure

under this score. Naturally, expenditure on Middle Vernacular education would go on increasing, but the expenditure of the Local Bodies will remain stationary. This would afford a much needed relief to the Local Bodies.

Government have accepted the principle of amalgamation of Primary and Basic education. The number of Basic schools is increasing according to number of trained teachers every year. We have 489 trained teachers in the current year against 243 last year. 214 more teachers are under training during the current year. For the next year provision has been made, through the list of New Schemes, of a sum of Rs.1,65,000 for entertainment of 300 additional teachers in the Primary schools besides provision of 500 teachers with assistance from India, to fight unemployment.

The National Cadet Corps Scheme is making headway and is attracting the attention of a large number of people. It is becoming increasingly popular and Government have extended the scheme to the United Khasi-Jaintia Hills, Naga Hills and Lushai Hills Districts in the current year. Whether any more expansion of the scheme can be made in the immediate future is also engaging the close attention of the Government at present.

The Five-Year Plan under Education, which could not be started during last year, has been commenced in the current year. It includes the improvement of the technical school at Jorhat and provision of buildings for the Gauhati University. A sum of Rs.10,75,000 has been given in the current year to the Gauhati University for the construction of buildings.

The Central sector of the Five-Year Plan contains the following schemes, which are financed jointly by the Government of India and the State Government and they have been implemented in the current year. They are (1) Basic Training Schools for primary school teachers, (2) Two junior basic schools, (3) Five community centres, (4) Integrated library service, (5) Improvement of primary schools.

Sixteen more schemes under the Central sector of the Plan are also under consideration between India and Assam. It is expected that before the financial year is out India's sanction for the implementation of the Plan will be received. Despite the gloomy financial picture, a pretty large number of new educational schemes have been included in the next year's budget, both for the hills and the plains. They are detailed in the Appendix to the Budget Memorandum and they are expected to cost Rs.28,60,700 in the next year and Rs.40,24,363 ultimately.

In my previous budget speech I had clearly made a mention of the enormous strides we have made in the field of education. Hon. Members will see that the budget under '37.—Education' alone has been steadily rising from Rs.44,00,000 in 1945-46 to Rs.2,82,81,000 in the next year. There are, however, other educational expenses which are not directly shown under the head of Education. They are medical education, agricultural education, Veterinary education, miscellaneous loans given for higher education, and so on. When all these educational expenditures are taken together, it will be seen that our total educational expenditure in 1950-51 was Rs.1,61,53,000, in 1951-52 Rs.1,84,89,000, in 1952-53 Rs.1,98,82,000. In the revised budget for the current year that expenditure comes to Rs.2,17,10,000 and for the next year it has gone up to Rs.2,98,97,000. This does not include the expenditure on educational buildings which will not be less than 25 lakhs.

I earnestly request the Hon. Members to pose and consider for a moment as to how far we can go. The Educational Budget has already reached the Rs.3 crore mark out of a total revenue of less than Rs.15 crores. It means diverting more than 20 per cent. of our total resources for education alone. While nobody denies the importance of education, one has to remember that other social services and betterment programmes also deserve consideration, and the best part of the revenue cannot be diverted to one purpose alone. Hence I am, unhappily though, constrained to think that a limit should now be put and that we should calmly consider and decide how far we should go in the matter of educational expenditure. I would very much welcome suggestions from Hon. Members in this respect. I am almost confident that while we may claim the glory of leading the rest of India in the matter of expenditure on education we cannot burn our boat merely for the sake of that honour.

Grow More Food

Mention has already been made earlier about the irrigation schemes of Grow More Food departments undertaken by the Public Works Department. In addition the Agriculture Department also undertakes minor irrigation projects. Altogether 886 projects were completed during the last year. They are estimated to benefit an area of over 1,80,000 acres.

The activities of the Department in all spheres are continuing unabated. Considerable progress has been made in the matter of compost manure both in towns and in the rural areas. Bonemeals and oil-cakes have also been distributed in considerable quantities, and there is an increasing demand for such artificial manures.

Power Pumps for irrigational purposes are being very popular and there is a great demand for such pumps now. In the current year 48 more pumps have been added to the existing 16 pumps.

The Japanese Method of Cultivation has been introduced in the State. It is really a seven point integrated programme of the Department in the cultivator's field on a total intensive basis. Results obtained have been encouraging.

Under the Tea Garden Land Utilisation Scheme over 7000 acres of land in the tea gardens were brought under cultivation of food crops. The Kaki Land Reclamation Scheme has also been progressing satisfactorily. Small reclamation schemes are also in operation in Kamrup, Darrang and Cachar. Encouraged by the results of the Kaki Scheme, another such scheme for reclamation of a vast area of land in the Subankhata area of Kamrup district has also been started.

Fishery

Fish is a very important dietary item to the people of Assam. Though conditions in Assam are very favourable to the rearing of fish, the supply of fish has been on the decline year by year. Government have been anxious to increase the supply of fish, which not only adds to the food of the people, but is an additional source of income. The Fishery Schemes of the Government are reported to be making some progress now. Fish farms have been opened at Gauhati, Roha, Sibsagar, Silchar, Salsapra and Dibrugarh. Fish seed collecting centres have been attached to each of the fish farms to enable these farms to be self-supporting and to meet the public demand. During the current year 96,000 fries and fingerlings were liberated in the fish farms and about 82,000 fries were collected from collecting centres. About 39,000 fries were sold to the public. It is proposed to intensify these efforts further in the next year. The silting up of some of the important inland fisheries of the state after the last great earthquake has considerably affected fish supply. Action is being taken to study this problem and to find a solution. The improvement of the fisheries has become a crying need. For this reason it has been decided to appoint an engineer under the Fishery Department to study the problem and take steps to resuscitate the dying fisheries in conjunction with the Revenue Department.

Medical

The activities of the Medical Department to provide medical facilities to the rural areas of Assam are continuing as before. But the Department has been greatly handicapped in these activities for want of qualified doctors. As in the current year a very generous provision has been made in the next year's Budget for providing medical facilities to the rural areas. Attention of the Hon. Members is drawn to the Appendix to the Budget Memorandum.

The building programme of the Medical College is making satisfactory progress. The work of the first phase, costing about Rs.37 lakhs, has almost been completed. Another building programme under the Five-Year Plan has been started in the current year and will be continued in the next two years. Hon. Members will be glad to learn that Al Haj Jonab Jalaluddin Ahmed, a benevolent tea planter of Dibrugarh, has promised a donation of about Rs.2½ lakhs for starting a Chest Hospital in the Medical College. Shri Dinesh Chandra Dowerah, another promising young businessman of Dibrugarh, has promised a donation of another sum of Rs.46,000 for the construction of a two bedded cottage for T. B. cases in the Medical College. Work on both these projects has been started. The bed strength of Reid Chest Hospital has been raised to 97 this year. The operation theatre under construction will be ready before the end of this financial year. In order to improve the hospital and provide for an additional bed strength of 100, a scheme, estimated to cost a sum of Rs. 5 lakhs, under the Five-Year Plan has been sanctioned and implementation is progressing. The construction of a T. B. Ward with 20 beds in Silchar Civil Hospital, to be financed out of a sum of Rs.50,000 provided by the Community Project Administration, has been sanctioned. The proposal to start T. B. Sanatorium in Gauhati town, to be named after Lokapriya Bardoloi, with funds raised from public contributions, is taking concrete shape. Government have already granted 75 bighas of land for this purpose.

Hon. Members will be pleased to see that the campaign against T. B. in Assam, both on the preventive and curative side, is making steady progress.

Public Health

All the preventive activities of the Public Health Department have been continued with as much vigour as before. In the current year five more mobile units have been added to the existing two to fight hookworm which is highly prevalent in the rural areas of the State. The results, so far obtained, are encouraging. The activities of the Departments against leprosy are being redoubled and an intensive survey is being organised to bring all the lepers in the State under treatment. The anti-leprosy scheme under the Five-Year Plan, estimated to cost a sum of Rs.1,07,000 in a period of 3 years, is proposed to be started soon. The proposed intensive campaign against malaria to bring this fell disease under control is expected to be started from the next year. There are at present 4 maternity and child welfare centres managed by Government. Six more centres have been sanctioned in the current year. These centres are getting help in the form of drugs, equipments, dried milk, etc., from organisations like W. H. O. and U. N. I. C. E. F.

and I should take this opportunity of expressing our thankfulness to these organisations for this useful assistance. Till the current year, we had only 3 mobile B. C. G. teams for B. C. G. work. In the current year 5 more mobile teams have been added to the number. A mass B. C. G. campaign is now under implementation. The results obtained have been highly encouraging. The UNICEF authorities have very kindly given 2 vehicles and essential materials for this campaign. Several public health schemes, covering both the hills and the plains, are proposed for the next year. They are detailed in the Appendix to the Budget Memorandum.

Sericulture and Weaving

The demonstrations by the parties of peripatetic Weaving Demonstrators are continuing. Nine weaving training classes are also continuing to impart weaving education to students. The Central Handloom Board schemes of Dye House, Research in Marketing and Designing and Weaving Training Class at Tura are continuing. The Central Handloom Board has sanctioned six more schemes in the current year.

They are :—

- (1) Reorganisation of Weavers' Co-operative Societies.
- (2) Subsidy on the cost of yarn.
- (3) Marketing.
- (4) Subsidy on the sale of handloom fabrics.
- (5) Supply of looms and accessories to Weavers.
- (6) Propaganda and publicity.

In the list of New Schemes in the last year a provision of Rs.86,000 was made for the establishment of two Khadi centres in the State. Subsequently it has been decided to entrust the work to a Khadi Board to be constituted for the purpose. The Board has since been constituted and the consent of the Legislature taken in the last September Session. The Board has since established a Khadi Bhandar at Gauhati and two Khadi and Endi production centres in Sibsagar and Kamrup districts.

The activities in the field of sericultural training and demonstration are also continuing as before. For organisation of sericultural activities on co-operative basis in the hill areas two Boa-Kota societies at Jowai and Tura have been established, and two others at Aijal and Maibong are proposed to be started

next year. Two Eri Seed Grainages in Goalpara and North Kamrup are being established with five Boa-Kota societies in five centres. Five Concentration centres have been established during the current year at Ghungur, Morigaon, Japisojia, Dhekiajuli and Bongaon.

The Central Silk Board has agreed to bear an expenditure of Rs.75,000 being the 50 per cent. cost of a fullfledged research station. Action is being taken to start the research station. The Central Silk Board has also agreed to finance three more schemes from the current year.

They are :—

- (1) Establishment of a Statistical Unit.
- (2) Establishment of a Reeling Unit.
- (3) Establishment of a Muga Farm at Khanapara (Gauhati).

The Five-Year Plan of improving the existing Sericultural Farms has been sanctioned in the current year.

The Departmental officer sent to Japan for higher training has returned. Out of a quantity of 20,000 mulberry sapplings of improved varieties brought from Japan by the Central Silk Board, 4,000 have been allotted to this State. They have been planted in various farms for supply of grafts to rearers.

Co-operative

The scheme for rehabilitation of credit movement in the light of the Planning Commission's report has been given effect to during the current year. Under this scheme a short term agricultural loan of Rs.20 lakhs has been obtained from the Reserve Bank of India by the Assam Co-operative Bank at an interest of Rs.1½ per cent. per annum. The State Government have guaranteed this loan. It has been decided that the sum will be made available by the Apex Bank as loan to selected Central Banks for financing Rural Co-operative Credit Societies. In cases where the financial conditions of the Central Banks are not satisfactory for this responsibility the loan to agricultural Credit Societies will be made through the branches of the Apex Bank. This scheme is under implementation.

The All-India Handloom Board has sanctioned sums out of a Cess levied on mill cloths as a grant to this State for developing the Hand Loom Industry. Under this scheme it

has been decided to organise two hundred new Co-operative Weaving Societies and to re-organise the existing 126 Weaving Co-operatives. Some new weaving Societies have been registered in the meantime and spade work for organising more such Societies has been undertaken. Procurement and distribution of Madura Mills yarn have been taken up under the scheme and it has been decided to procure one hundred bales of yarn monthly for the *bonafide* weavers. The yarns procured under this scheme will be supplied at a concessional rate. For marketing facilities of handloom products, it has been decided to arrange 16 new branch Emporia in different parts of the State. The All-India Handloom Board has agreed to bear the entire cost of the construction of these Emporia. In order to popularise the Handloom products and to enable them to compete with mill-made cloth, a rebate at 9 pies to 1½ annas per rupee has been offered to the buyers.

Trained personnel are essential for organising the co-operative movement and for ensuring its success. And with this end in view 4 officers for a short term course and 2 officers for a long term course have been deputed for training in the Co-operative Training College at Poona.

A provision has also been made in the next year's budget of a sum of Rs. 2 lakhs for giving loans to industrial co-operatives.

Rural Development

The number of existing Rural Panchayats has been increased to 93 and 5 more are going to be sanctioned in the current year. That brings the number to 98, the targets set in the Five-Year Plan of the State. The Five-Year Plan also envisaged an expenditure of Rs. 40,00,000 for the establishment of the Rural Panchayats. Taking into account the expenditure of the current year in giving grants to the Panchayats, it can definitely be said that the target of Rs. 40,00,000 will be reached. In the next year no new Panchayat will be taken, and stock taking of the work done will be attended to.

It is felt that the time has come to study the experience gained by the working of the Rural Panchayats. Accordingly, the Rural Panchayat Enquiry Committee was constituted in the current year. The Committee has made a comprehensive enquiry and has submitted its report. It is now under the consideration of Government.

Water Supply

Honourable Members will be glad to learn that Government are quite alive to the problem of scarcity of good drinking water in the urban and rural areas of the State and of the necessity of its

immediate solution. Water supply grants made to Local Bodies are being increased from year to year and loans have been given quite generously to Municipal bodies for water-supply. It is realised that there should be a more intensive drive and more concentrated effort in the direction. The matter is under the active consideration of Government. The question of the additional funds required also comes in. It is expected that out of this examination a concrete scheme, including method of its implementation, will be evolved at a no distant date.

Veterinary

In a country like Assam, where agriculture is the main economy, livestock plays a very important part. But any scheme of improvement of livestock immediately needs a band of trained workers. The Veterinary College has stepped in to remove this want to some extent. Two batches of qualified men numbering 48 have come out of the college already.

In the current year 15 Veterinary dispensaries have been started bringing the existing number of Veterinary hospitals and dispensaries to 62. Provision is being made for the starting of 12 more such dispensaries next year.

In order to improve the breed of cattle the scheme of artificial insemination has already also been started. A batch of five officers were trained for the purpose.

With a view to make improvement in the department and in the teaching of the college four officers of the Department have been sent for higher training. Two have been sent to United Kingdom and two to Mukteswar.

Under the Article 275 schemes, Veterinary dispensary *cum* Breeding Centres have been established at Haflong, Jowai and Phulbari in the Garo Hills. Five Key-Village centres have also been started in the plains tribal areas.

Labour

The fall in prices of tea in 1951 and 1952 led to the development of a serious situation. Apart from the geneneral repercussion on the economy and finances of the State, 83 tea gardens were closed leading to the unemployment of over 48,000 hands. To save the industry from a total collapse Government had to modify to some extent the minimum wages in respect of tea gardens in Cachar and uneconomic tea gardens in the Assam Valley. Due to these concessions 73 tea gardens reopened leading to the re-employment of about

38,000 thrown out previously. Government also absorbed quite a good number of unemployed hands in different fields of governmental activities.

With a view to bring about an adjustment between areas where there was surplus labour and areas where hands are wanting Government took action to stop the recruitment of labour from outside. Different District Labour Associations and Employment Exchanges fully co-operated in this attempt, and as a result about 3,500 souls were transferred from surplus to deficit areas.

Since 1953 the tea market is again looking up. Consequently Government are taking action to restore the sacrifices labour was called upon to make during the crisis period. Two meetings of the Standing Labour Committee on Plantation were convened.

The Advisory Committee set up under the Minimum Wages Act for revision of wages in Cachar made certain recommendations. Following those recommendations a portion of the cut in wages imposed in Cachar has been restored. Government are also constituting another Advisory Committee to review the position in respect of the uneconomic gardens in Assam Valley and the remaining portions of Cachar.

Development of Trade Unionism on sound lines is desired by almost all well-wishers of the country and progressive increase in the number of such Trade Unions has been hailed by a very large section of the people. Till 1952, there were 98 Trade Unions in Assam with less than 11,000 membership. There are now 110 such unions with a membership of two lakhs. Local works committees were also set up to settle local problems, and at present 172 such committees are functioning.

In the year under review 11 Welfare Centres for labour welfare have been opened in addition to the 2 Welfare Training Institutes. Four more centres are under construction at present. The question of setting up of an up-to-date Welfare Training Institute for female labour with the aid from the Central Tea Board is engaging the active consideration of Government.

During the current year the Minimum Wages Act was extended to agricultural labour in the district of Cachar. Government would like to be benefited by the experience gained before extension of the Act to other areas.

Road Transport

The Dibrugarh-Saikhowa route has been nationalised with effect from 1st October 1953, and the nationalisation of the Dhubri-Jogighopa route is expected during the current year. That

completes the Five-Year Plan of road nationalisation already drawn up. At present Government have no contemplation to go in for more nationalisation. Honourable Members are aware that in order not to aggravate the unemployment problem the Government of India have directed not to go in for more nationalisation unless it is inescapable. While on the subject of road transport it may be mentioned that there had been considerable leakage of revenue due to illicit plying of vehicles and avoidance of due taxation. To cope with the problem an Enforcement Branch is proposed to be started next year and necessary budget provision has been made through the list of new schemes. It is hoped that with the starting of work by the Enforcement Branch, leakage of revenue to the State may be stopped to a substantial extent.

Supply

As stated at the introductory stage of my speech there was no major factor to upset production in the current year. Hence the food position in the State has remained satisfactory. It has been possible to make a procurement of about 146,000 tons in terms of rice during the Khariff year 1952-53 as against 63,000 tons in the previous year. The extent to which the position has improved is reflected by the fact that the State had been able to give a loan of 10,000 tons to the Government of India for meeting the needs of West Bengal. Another 20,000 maunds of rice and paddy have also been supplied to Manipur. It has been possible to have a stock of about 32,000 tons in terms of rice at the close of the last Khariff year. Due to this satisfactory position in supply of food it can be stated without much hesitation that no difficulties are anticipated for the next year also.

In the year 1953 the position of wheat and wheat products has undergone a radical change. The Government of India announced certain liberalisation in April 1953. In July last, further liberalisation was announced and trade channels were allowed to bring to open markets under certain conditions whole-meal Atta. In the interest of traders and to popularise Atta it is further contemplated by the Government of India to open certain depots in various States where they may issue wheat to traders direct at the same pool price as has been offered at Calcutta. This is being considered to effect a further reduction in prices in the interest of the consumers. This Government welcome the opening of a Central Wheat Depot in this State and the matter is receiving the attention of the Centre.

The position of iron and steel materials has not been as satisfactory as could be expected. The allocations for the year 1953 were 33,350 tons for agricultural and 15,450 tons for non-agricultural use. The State Government had been moving India from time to

time for additional quotas. As a result 3,400 tons of additional quota were allotted. In addition, *ad hoc* allotments of 196 tons of C. I. Sheets to meet the demand of the District Councils, 400 bundles of C. I. Sheets for repairing the dwelling houses and public institutions damaged by the cyclone of August 1953 and 2,000 tons of C. I. Sheets for intensification of paddy procurement scheme have been obtained.

Twenty-two thousand tons of cement were allotted in 1953 and 9,000 tons have been allotted in the first quarter of 1954. Due to a variety of causes the supply position has not been very satisfactory and this has often caused a headache to Government. The matter is being taken up in high levels and it is expected that position will improve substantially.

Forest

The export difficulties to Pakistan, too well-known to merit mention, are still continuing. The position in respect of supply of wagons for export of logs to other parts of India is also continuing to be unsatisfactory. As a result of these factors forest is not making as much income as is expected of it. The Five-Year Plan of forest development has been sanctioned in the current year. They are cultivation of agar oil, cultivation of medicinal plants, starting of a quinine factory and wattle cultivation. The resin tapping factory at Shillong, which went into production in January 1953, is continuing to show good results. The Department has also undertaken an experiment of introducing pepper and cashew nuts in the hill districts of Assam. It is also examining whether Mohua and some other plants, whose leaves can be used on a commercial scale in preparation of *bidis*, can be grown in Assam. To encourage tourist traffic, the scheme of improvement of facilities for visitors of Kaziranga Wild Life Sanctuary is being taken up by the Department. It is also proposed to improve the facilities for visitors to the North Kamrup Wild Life Sanctuary. The development of tourist trade in Assam is expected to bring in an additional revenue to the State. Development of the facilities in the sanctuaries is only part of a larger plan of development and other schemes are being taken up in this connection by other departments. The improvement of accommodation in the Dak Bungalows with improvement of catering facilities therein is being taken up as part of the same plan, besides provision of money for improvement of historical and cultural places of the State with the same end in view.

Jails

With a view to give correctional treatment and adopt curative methods in the jails, some officers have been given training in model

system of jail administration at various institutes outside the State. During this year 2 Assistant Jailors have been deputed to Lucknow for training in the Jail Training School. One Jailor and one Assistant Jailor were sent to U. P. to attend seminar organised by the All-India Crime Prevention Society to get an insight in the technique of treatment in the open-air camps and organisation and management of wallless prisons.

A Tailoring section has been started in the Gauhati Jail in the current year. The smithy, bamboo and cane work training sections of the said jail have also been improved by engaging experts during this year. Provision is being made through the list of New Schemes in the next year's budget for the introduction of more trades and vocations in the Jorhat Jail. The new jail at Goalpara is nearing completion and provision is made to make another new jail at Barpeta besides taking up improvement works of buildings in several jails.

Judicial

As a first step towards bringing about a separation of the Judiciary from the Executive, the Government have created a cadre of superior Judicial Service. The rules for the formation of the cadre are now under examination and are likely to be finalised soon. Dissatisfaction has been expressed in some quarters for Government not bringing about the same separation in the level of the lower Judiciary. The matter does not appear to be as simple as is conceived by many people. In some Subdivisions of the State the civil judicial work does not justify the entertainment of a whole-time Munsiff. In some others again, while the work is more than what can be coped with by one Munsiff, the employment of a second whole-time Minsiff is not justified. Then again there are several executive functions of lesser importance for which it would neither be economical nor expedient to have whole-time executive officers. In such cases Judicial officers may do such work by spending a fraction of their time. These are some of the problems which confront any scheme for the complete separation of the Judiciary from the Executive in the lower level. Government are considering the situation and hope to do something which may be found possible and reasonable in the light of the circumstances prevailing.

So long our High Court was housed by some sort of makeshift arrangement. In the current year work has been taken in hand for the construction of separate buildings to house the High Court. The President of India has been kind enough to lay the foundation stone of the buildings.

Excise

The Department of Excise is pushing up the works of total prohibition of opium with steadfastness and smuggling of opium is reported to be on the decrease due to the constant vigilance of the department. Treatment centres have been found useful in the eradication of the evil, and detection work against illicit distillation is reported to be satisfactory. The Department has been strengthened by the creation of some additional posts of Deputy Superintendents and confirmation of a large number of temporary hands. It is hoped this will lead to better results in detection. In a State like Assam, consisting of two-thirds of hills areas almost without any improved means of communication and inhabited by a heterogeneous population, the like of which is not to be seen anywhere in India, a policy of caution in the matter of total prohibition of liquor is indicated.

Law and Order

Though commission of dacoity and like serious crimes are often reported in the Press, the law and order situation in the State during the year cannot be called unsatisfactory. The increase in the Border Security Force and measures taken for guarding and patrolling the Border resulted in substantial decrease in the number of raids and harassment to our Border people.

The Village Defence Organisation which has already proved its usefulness was re-organised and placed under the control of the Deputy Inspector General of Range. Superintendents of Police of each district were made the Supervising Officers in the districts concerned. A non-official Adviser for the whole State was also appointed. The organisation is doing useful work.

Sir, I have already taken enough time in reviewing the general trend of the activities of the Government during the current year in the different branches of administration. I apologise to you for the time taken. Now I return to the figure side of the budget. I begin with the accounts for the year 1952-53 as revealed by the Actuals.

Actuals, 1952-53

In the Revised Estimates for 1952-53 Revenue Receipts were estimated at Rs.12,72,26,000 and Revenue Expenditure was estimated at Rs.12,68,36,000, making for a surplus of Rs.3,90,000. Actuals, however, reveal a Revenue Receipt of Rs.14,27,62,000 and a Revenue Expenditure of Rs.12,58,01,000, leading to a surplus of Rs.1,69,61,000. It will thus be noticed that while the Revenue Expenditure was actually down by only Rs.10,35,000, the Revenue Receipt was up by Rs.1,55,36,000. Thus the surplus was

due not to any inflation shown on expenditure side. In fact our estimates of expenditure were fairly accurate. The surplus was due to increase in the Revenue Receipts. The sources leading to the increase, along with figures showing the comparison with the previous years are shown below:—

	1950-51	1951-52	1952-53 (Revised)	1952-53 (Actuals)	Increase over Revised
	Trs.	Trs.	Trs.	Trs.	Trs.
(a) Agricultural Income-Tax ..	79,44	91,70	71,59	1,08,20	+36,61
(b) Land Revenue	1,89,64	1,81,47	1,72,32	2,03,61	+31,29
(c) State Excise	92,89	1,20,89	1,02,55	1,20,49	+8,06
(d) Stamps	24,14	28,74	26,92	30,39	+3,47
(e) Forest	56,77	65,75	51,43	58,33	+6,90
(f) Other Taxes	87,87	1,16,03	1,16,69	1,22,87	+6,18
(g) Civil Works	23,44	40,23	64,02	1,47,53	+83,50

It will be noticed that under State Excise the rise in 1951-52 was considered abnormal and hence figures were taken on the basis of the previous year. In the case of Forest caution was exercised having regard to trade conditions. For Land Revenue full effects of the new settlements of lands could not be anticipated. Under other Taxes the increase was due to collection of more arrears by employing extra staff. The larger collection of Agricultural Income Tax was due to collection of arrears and favourable tea prices in 1949-51. For Civil Works our estimates were based on Actuals of the previous years but in the year there were heavy adjustments by India for Jowai-Silchar Road. Hence Receipts went up abnormally.

There was however a deficit of Rs.91,88,000 under Capital Account. The closing balance which was expected to be Rs.2,18,08,000 in the Revised went upto Rs.2,91,91,000 as a result of the addition caused by the Revenue surplus partly counter-balanced by the Capital Deficit.

Revised, 1953-54

In the original Budget for the current year Revenue Receipts were estimated at Rs.13,00,79,000 and Revenue Expenditure at Rs.14,97,28,000, leading to a Revenue Deficit of Rs.1,96,49,000. The Revised Estimates place Revenue Receipts at Rs.14,39,81,000 and Revenue Expenditure at Rs.14,93,10,000, making for a deficit of Rs.53,29,000. It will be noticed that on the expenditure side there is only a little difference from the figures in the original Budget. But

on the Receipt side we have revised the figures upwards by Rs.1,39,02,000. It will be noticed that the total estimated Receipt of Rs.14,39,81,000 exceeds the Receipts of Assam in any previous year and even exceeds last year's Receipts which included over Rs.80,00,000 as arrears payment. The increase both in the current year and estimates for the next year is due to better collection of revenue, better survey and assessment under Sales Tax and other taxes and better realisation of land revenue by roping in concealed cultivation. It is almost certain that deficit shown in the Revised will be a real one. The deficit is however due to Five-Year Plan Schemes only.

As stated earlier our expenditure for the Five-Year Plan Schemes, excluding Art. 275 Schemes, in the current year is estimated at Rs.2,63,24,000. Of it only Rs.78,49,000 will be accounted for under Capital Heads, while Rs.1,84,73,000 will be accounted for under Revenue Heads. While we will receive as Capital Receipt a loan assistance of Rs.1,75,25,000 from India (Rs.1,25,00,000 for general Five-Year Plans and Rs.50,25,000 for G.-M.-F. Schemes) and Rs.6,43,000 will be spent out of our own capital resources, on the Revenue Receipt side we will receive a grant of Rs.7,22,200 only for G.-M.-F. Schemes. Thus the net burden on our revenue will be Rs.1,71,07,800. But for this factor there would have been no deficit on the Revenue section of the Budget.

There will be excess receipts under Capital Heads and under Public Accounts outside the Consolidated Fund. The net result will be that the closing balance which was originally estimated at Rs.(—)40,47,000 is expected to be Rs.3,99,64,000.

Budget, 1954-55

I regret that I could not present a happier picture for the next year. The next year's budget estimates a Revenue Receipts of Rs.14,41,61,000, against an estimated Revenue Expenditure of Rs.16,70,12,000 leading to a deficit of Rs.2,28,51,000. I may add that the deficit may even increase by twenty lakhs or so due to pay relief proposed to be given to low-paid Government servants. It will be noticed that the Receipt as estimated beats all previous records. No betterment in the Revised next year or in the Actuals, which will be available only year after next, can be expected. On the other hand having regard to the tempo of activities, particularly under the Five-Year Plan Schemes, the estimated expenditure figure is likely to be reached. Hence the deficit now forecast is expected to be a real one. Of course the reason for the deficit is again the Five-Year Plan Schemes. Our budgetted expenditure next year for the Five-Year Plan Schemes, excluding Art.275 Schemes, is Rs.4,75,18,000. Of it Rs.2,76,58,000 will be accounted for as Capital expenditure and

Rs.1,98,60,000 as Revenue expenditure. We are likely to receive as loan assistance from India near about Rs.4 crores, but they will form our Capital Receipts. On the Revenue Receipt side we expect a Central grant of only Rs.14,75,000 for G.-M.-F. Schemes. Hence the net burden on our Revenue Expenditure Section will be Rs.1,83,85,000. But for this the deficit in the Revenue Section would have been only Rs.44,66,000.

The Honourable Members may well question what steps Government are going to take for meeting the deficit. My answer is manifold. Firstly as I have already stated, the deficit is due to the Five-Year Plan Schemes and once the Five-Year Plan Schemes are over the position may, at least to some extent, stabilise. Secondly, we have not been sitting idle in the matter. The Honourable House will be requested in the current session of the Assembly to consider certain measures of taxation designed to increase revenue. The enhancement of the rate of tax for agricultural income, the increase of the tax on trades, professions, callings and employments, the enhancement of the rate under the Sales Tax for such articles as cigarettes and cigar and adoption of a new taxation measure designed to levy a tax on jute and manufactured tea carried by roads and inland water-ways in bales and chests, are the measures intended to bring in an additional revenue to the State. I will deal with them at proper time in some detail to convince the House about the necessity and propriety of these measures and I feel I will get the unstinted support of the House for these measures of progressive taxation to enable me to cover the deficit, at least partially if not wholly. It is quite possible that these measures will not go the whole extent to cover the deficit, but I do not find the way out. In my last Budget Speech I made a request to the Hon'ble Members to give suggestions as to how the revenues of the State might be increased. This year also I repeat the request and hope I will get useful suggestions from the House in the matter.

In my last year's budget speech I stated that despite deficits we have to go in for certain essential schemes of social service for the betterment of the country. We have stuck to that principle even in the current year. Hon'ble Members have certainly noticed that the expenditure on social service is mounting up every year as this is inevitable in a welfare State. The list of New Schemes adopted for the next year, as detailed in the Appendix to the Budget Memorandum, will reveal that we have provided for new schemes involving an expenditure of Rs.95,91,000 in the next year and with an ultimate cost of Rs.1,29,19,000. Here, however, I have to add a few words by way of caution. For the execution of welfare activities trained and technical personnel are greatly in need throughout the whole country and the shortage is not in Assam alone. As a result of this All-India shortage our efforts at getting doctors and engineers

from outside have not been quite successful. There are considerable vacancies in the cadres of engineers, doctors, draftsmen, computers, overseers, etc. It is no use having hospital buildings unless there are doctors to man them. Hence even in the matter of welfare activities a go-slow policy is forced on us. Similarly also, many of the road schemes are not making as much progress as we desire due to absence of Engineers, Overseers, etc. Perhaps the slow progress is most noticeable in the case of buildings. Here, in addition to the absence of Engineers, considerable handicaps are caused by non-receipt of essential articles regularly. It is well-known that we have to depend on outside supply for C. I. Sheets, Iron materials, Cement, etc. Absence of regular supply of these articles also holds up building works. Hence I hope people outside the House and their representatives inside will kindly remember that Government can meet popular demands only in so far as available men and material permit and that in many fields despite Government's sincere desire to go fast, circumstances compel to take to a go-slow policy.

I have already taken a long time of the Hon'ble Members and I apologise to them. I also thank them for giving me a patient hearing.

I thank the officers and the staff of the Finance Department for the ungrudging assistance and co-operation they have been giving in preparing the budget estimates and ancillary matters. The task of preparing the budget estimates, due to our having to prepare not only a general budget but also six other separate budgets for the six Autonomous districts and due to complexities created by Five-Year Plan, Community Projects and other developments, has been enormous. I also thank the Superintendent of Press and his staff for the hard labour they have been called upon to make in printing the budget and connected matters in time. I also take this opportunity of offering my hearty thanks to the Accountant General and his staff for giving all necessary assistance and advice throughout the year and particularly for the preparation of the budget estimates. Sir, with these remarks, I beg to introduce the Budget for 1954-55 for the approval of the House.

JAI HIND