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GOVERNMENT OF ORISSA

SPEECH OF

SHRI GANGADHAR MOHAPATRA

FINANCE MINISTER, ORISSA

PRESENTING THE BUDGET ESTIMATES

FOR THE YEAR 1985-86

TO THE ORISSA LEGISLATIVE ASSEMBLY

JULY 3, 1985

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Sir,

I deem it a great privilege to present the Budget Estimates of 1985-86 along with the Revised Estimates of 1984-85. This august House had passed the Vote-on-Account Budget in the month of March, 1985 as the State's Annual Plan Outlay had not been determined by the Planning Commission and the final intimation regarding our share in the Central Taxes, Central Plan assistance and levels of market borrowings had not been received from Government of India. Hon'ble Members will be happy to know that the outlay of the Seventh Five-Year Plan has been quite impressive with Rs. 2,700 crores. It registers an increase of 80 per cent over the original Sixth Plan Outlay of Rs. 1,500 crores. As against an Annual Plan of Rs. 400 crores in 1984-85 we have got an outlay of Rs. 450 crores in 1985-86 as approved by the Planning Commission. Keeping in view the urgent requirements of various sectors and the need for accelerated development in the State we have decided to enhance the Annual Plan Outlay to Rs. 486.23 crores. While doing this we would simultaneously ensure that the deficit in the State Government's account remains within the limits prescribed by Planning Commission and the Ministry of Finance, Government of India.

2. We all know Orissa's economic development has lagged behind for very many historical reasons even though we are so rich in natural resources. The State has been categorised as a revenue deficit State by the successive Finance Commissions including the Eight Finance Commission, qualifying for grant-in-aid to bridge the gap between the revenue receipts and expenditure. This means that the State even with the Finance Commission's award is not left with adequate resources for Plan financing. This calls for mobilisation of additional resources for having a plan of meaningful size. Hon'ble Members would be happy to know that Orissa has not lagged behind in mobilisation of resources, and commensurate with our efforts at resource mobilisation and in consideration of our special problems, the Planning Commission have given us Central Plan assistance. We have also an impressive programme in respect of externally aided projects which would enable the State Government to get substantial additionality to our resources in shape of Central Plan assistance.

3. In spite of the fact that the State has a narrow resource base and it is often affected by natural calamities, our achievements in the past have been impressive as would be disclosed in the course of my speech. Our growth rate during the Sixth Plan period is higher than all-India average. The gap between the national *per capita* income and the State's *per capita* income is being progressively narrowed down. As a rice growing State we have done well. We have diversified our cropping programme giving due importance to the production of pulses and oil-seeds. An ambitious programme for increasing the irrigation potential in the State had been taken up during the Sixth Five-Year Plan and we would continue to give the same emphasis to the implementation of irrigation projects in the State. A viable industrial infrastructure and a new climate of industrialisation and entrepreneurship has been generated in the State during the last five years and we intend to accelerate this process in the coming years. A dent has been made in rural poverty through our massive anti-poverty programmes. 14.30 lakh families were assisted under the various anti-poverty programmes including 3.66 lakh Scheduled Caste and 4.27 lakh Scheduled Tribe families. 6,531 villages were electrified taking the

total electrified villages in the State to over 50 per cent for the first time. Over 17,000 pump sets were energised during the Sixth Plan period alone in contrast to the less than 13,000 achieved till the end of the Fifth Plan. 22,357 villages out of the identified 27,077 having acute problem of drinking water, have been provided with tube-wells. In the background of the above achievements we have every reason to hope for sustaining the pace of development during the Seventh Plan.

4. The main objectives of the Seventh Plan will be application of resources for increase in output everywhere particularly food production and creation of employment opportunities for eradication of poverty. Adequate irrigation potential will have to be created for increasing food and other agricultural output. Infrastructural facilities will have to be provided in addition to power generation capacity made to facilitate expansion of the industrial base and ensuring a high rate of growth in the industrial sector.

5. While aiming for a higher overall rate of growth, however, our attack on poverty will be continued through different anti-poverty and rural development programmes and special programmes for the Scheduled Castes, Scheduled Tribes and other weaker sections of the society. Our aim would be to provide productive employment to the majority of job seekers. The standards of health care services would have to be improved. Educational facilities will have to be diversified so that education becomes more meaningful and relevant to our time. Our Prime Minister has laid great stress on far reaching qualitative changes in our educational pattern. This Budget is an exercise in that direction.

6. I now present before the Hon'ble Members some of our programmes in various spheres of developmental activities. Agriculture being the main occupation of the people of the State, our Government have proposed a specific strategy for ensuring higher agricultural production. During 1985-86 we have fixed a target to cover 71.21 lakhs hectares to achieve production of 72.73 lakh tonnes of foodgrains. Besides under cash crops like jute and sugar-cane also, there is a specific programme to cover 153,000 hectares under cropping. To achieve these targets in foodgrains and

cash crops in the sphere of agriculture, we have adopted a strategy to increase the productivity under irrigated and rain-fed conditions through improved farming practices. Since a vast chunk of agricultural land in our State comes under dry land farming, there is a specific programme to adopt improved dry land farming practices and diversion of marginal paddy lands to ragi and maize. While covering the marginal lands under millets and other non-paddy crops, we have simultaneously got a specific programme to expand the area under High Yielding Varieties of foodgrains. For maximising rice production in the State, a special Rice Production Programme was launched in 7 Blocks with Central assistance during 1984-85. The scope of the programme will be extended to additional 56 Blocks in 1985-86 for the State to play its due role in the National Rice Production Programme. Under this Programme, it is proposed to distribute Minikits, Fertilisers, Pesticides and improved agricultural implements at subsidised rates to the farmers. During the current year, it is programmed to distribute 1.60 lakh tonnes of fertilisers as against 1.14 lakh tonnes of fertilisers supplied to the farmers during 1984-85 with a view to increasing *per capita* consumption of fertilisers by the farmers. It is expected that this will go up further in course of time.

7. The Orissa University of Agriculture & Technology is engaged in conducting research in various fields of agricultural science, besides imparting teaching to the Technical Graduates. Various Extension Programmes and Demonstrations for imparting technical knowledge both to the farmers and the students are also undertaken by the Orissa University of Agriculture & Technology.

8. Crop (Loan) Insurance Scheme for the first time was introduced in our State from 1981 Khariff on pilot basis in 15 Blocks. Paddy was the only crop covered under this scheme. The scheme was voluntary. Gradually it was extended to other Blocks and during the year 1984-85 the scheme covered 160 Blocks.

9. This scheme was withdrawn with effect from 1985 Khariff as per guidelines of Government of India. Government of India

came forward with another new scheme known "Comprehensive Crop (Loan) Insurance Scheme". This new scheme is compulsory in the sense that whoever avails crop loan from Co-operatives, Commercial Banks and Regional Rural Banks automatically come under the scheme. It is envisaged that the new scheme will cover five crops, namely, paddy, wheat, millet, oil-seed and pulses and will be applicable throughout the State.

10. It is under active consideration of the Government that the scheme will be introduced in all 314 Blocks in respect of paddy only from the current Khariff season. Basing on experience other crops like wheat, millets, pulses and oil-seeds will be gradually covered.

11. During the Sixth Plan period under Soil Conservation activities, Water Harvesting Structures, Gully Control measures were given sufficient importance. During the current financial year, an estimated provision of Rs. 168.86 lakhs has been made under the State Plan for covering tree plantation in 8,411 hectares. Besides, 3 new River Valley Projects, namely—(i) Integrated Watershed Management in catchment of flood prone river Subarnarekha, (ii) Soil Conservation in Upper Kolab, and (iii) Soil Conservation in Indravati Catchment as well as a new Scheme, viz., Pilot Project under dry farming areas will be taken up at an estimated cost of Rs. 123.96 lakhs under Central Sector Scheme. Under 20-Point programme, 39.83 lakh trees will be planted and soil conservation measures will be taken up in 200 mini-watersheds.

12. Fisheries, Animal Husbandry and Dairy Development activities are allied to the agricultural sector. An annual plan outlay of Rs. 2.9 crores for 1985-86 has been provided for fisheries as against the last year's provision of Rs. 2.45 crores. In order to increase fish production, supply of quality fry and fingerlings is one of the important pre-requisites. 7.5 crores of fish seeds have been produced during 1984-85 and it is programmed to raise the fish seed production to 12.50 crores during 1985-86 for supply to the private pisciculturists and to the Community Grama Panchayat tanks in the rural areas. Under IDA-assisted Inland Fisheries Project,

modern hatcheries with a total area of 77 hectares are being set up for production of 81 million fingerlings. 11 Fish Farmers' Development Agencies under the World Bank assistance have been set up with the object of development of pond area and for giving training to private pisciculturists. It is intended to develop 2,700 hectares of water area and train about 3,000 fish farmers during the year 1985-86. In 55 reservoirs, Reservoir Fisheries Development programme has been taken up. For developing Brackish Water Fishery in our State, there are two Brackish Water Fishery Development Agencies covering the four coastal districts. After an intensive survey, an area of about 14,900 hectares is found suitable for brackish water fish farming. So far in about 300 hectares in the State, brackish water prawn culture has been developed. We want to give a further boost in this programme during the current year. To improve marine fishery activities, several Marine Fishermen Co-operative Societies have been organised and there is a programme to construct a number of small jetties in the seacoast during the Seventh Plan period. It is aimed to have a total fish production of 120,000 MT. during the year 1985-86 as against 112,000 MT. of the preceding year.

The programme for Animal Husbandry and Dairy Development aims at improvement of livestock, better feeding, scientific management practices and improved health cover measures. The Artificial Insemination Programme through frozen semen technology is expected to be commissioned at Bhawanipatna, Bolangir, Koraput and Phulbani. The frozen semen banks in these places are in the process of being established. Since the success of Cattle Development Programme depends on availability of fodder to a great extent, farmers are being encouraged to take up fodder cultivation in their own lands for which seeds and plant materials are being supplied. During the current year, it was proposed to extend backyard fodder cultivation on a massive scale. Coverage of 625 hectares of Government land under this programme is also envisaged.

13. Even though our State accounts for just 5 per cent of the geographical area of the country, it has about 8 per cent of the country's forest area. Out of the total area of the State only 16 per

cent is under the Reserve Forests and the rest forest area is under protected and unclassified forests. The State Government in line with the policy adopted by the Government of India while having a strategy for conservation of precious natural resources at the same time aims at harnessing the exploitable potential of the forests not only to meet the needs of the people but also to ensure flow of revenue to the State Exchequer. The main objective and strategy of the Forest Plan during the Sixth Plan was development without destruction. In keeping with this, a massive plantation programme was undertaken under the State Plan, Centrally Sponsored and Central Plan which all accounted for an achievement of 221,070 hectares during the Sixth Plan period. The target of plantation and rehabilitation for 1985-86 are 45,860 hectares and 45,962 hectares, respectively. As per the directives of the Government of India to increase the tempo of plantation, the State Government have constituted the Orissa Plantation Development Corporation recently. One externally aided Project known as Social Forestry Project funded by the Swedish International Development Agency has been commissioned during the year 1984-85 and for the current year an area of 10,150 hectares is likely to be brought under plantation and rehabilitation for which 75 lakh seedlings are to be distributed free of cost at a total financial outlay of Rs. 4.70 crores. This is a people's programme which will be implemented in rural areas and will generate additional employment. This project has a bias for weaker sections of the society. Steps are being taken to strengthen the protection organisation of the Forest Department in order to check illicit felling and smuggling of timber. 5 Units of Armed Police Force are to be provided during the current year in strategic places to check organised smuggling.

Kendu leaf is an important forest produce in our State. Exploitation of kendu leaves is purely a labour intensive proposition and provides gainful employment to a large number of Scheduled Caste and Scheduled Tribe persons. Nationalisation of kendu leaf trade has succeeded in having better production of leaves and generating more revenue for the State Exchequer while ensuring fair wages to the pluckers and processors of kendu leaves.

14. In our State only 26 per cent of agricultural land is irrigated and therefore, bringing more additional crop area under irrigation facilities is an important strategy in our development programme. The State Plan Outlay for the current year for Major and Medium Irrigation has been kept at Rs. 90.70 crores under the State Sector and with this investment it is programmed to create additional irrigation potential of 8,140 hectares in Kharif and 7,960 hectares in Rabi. Under the Central Sector Programme of Potaru Irrigation Project, an additional irrigation potential of 13,000 hectares in Kharif and 3,000 hectares in Rabi is programmed. During 1985-86 an outlay of Rs. 46.61 crores is provided for Major and Medium Irrigation Projects in the State and Central Sector under Tribal Sub-Plan to create additional Irrigation potential of 15,240 hectares in Kharif and 5,000 hectares in Rabi. The cumulative anticipated achievement by the end of 1985-86 would be 79,680 hectares in Kharif and 31,690 hectares in Rabi in the Sub-Plan area to benefit especially the tribal farmers.

15. The Lift Irrigation Corporation has programmed to install 500 Lift Irrigation points to create irrigation potential of 24,000 hectares both in Kharif and Rabi in 1985-86. There is also provision of Rs. 12.00 crores for completing a number of on-going Minor Irrigation Projects to provide additional potential of 4,000 hectares.

16. Orissa being prone to recurrent flood almost in every alternative year, the State Government have a specific responsibility to take measures for flood control and for this a provision of Rs. 3.00 crores has been made to strengthen various flood protection embankments.

In recognition of the great importance of building up of adequate capacity of power generation for the development of the State, special emphasis will be given to this sector. Priority has been given to complete the spill-over Hydroelectric Projects of the Sixth Plan, viz., Rengali, Upper Kolab and the 7th Unit of Hirakud Power Project which will provide additional installed capacity of 377.5 Megawatt. It has been programmed to commission the 1st Unit of Rengali Hydroelectric Project in July, 1985 and the 2nd Unit in December, 1985 and the 1st Unit of Upper Kolab in December, 1986 and the 7th Unit of Hirakud Project in July, 1987. It will be

our endeavour also to commission the 1st unit of Upper Indravati Hydroelectric Project before the end of the Seventh Plan. A new Corporation for Thermal Power Project has been constituted for execution of Thermal Power Project in the coal bearing Ib valley in Western Orissa. Considerable progress has been made in this direction and all possible steps are being taken to obtain clearance of the Planning Commission for execution of this Thermal Power Project.

17. Rural electrification is of vital importance for giving boost to the productive activity in the villages. Till the end of the Sixth Plan period 23,762 of our villages have been electrified out of a total of 46,992 which is slightly over 50 per cent. Our endeavour will be to electrify at least two thirds of the villages of the State by the end of the Seventh Plan period.

18. Energisation of pump sets will keep receiving the importance which has been attached to it during the Sixth Plan.

19. As already mentioned by me earlier, a new climate of industrial progress and a new spirit of entrepreneurship has been created in the State during the last 5 years. The tempo of industrialisation would be maintained through the provision of different incentives and joint sector participation. Before 1980-81, there were only two Spinning Mills in the co-operative sector in the State. During the Sixth Plan period 3 Spinning Mills have been commissioned and 3 more are under implementation.

20. We will continue to provide the requisite marketing support to the small-scale units through the Directorate of Export Promotion and Marketing. As a spin-off of the NALCO Project a large number of ancillary small-scale units are coming up. To facilitate marketing of their product, the Testing Laboratory under the Directorate of Export Promotion and Marketing located at Talcher would be upgraded with the necessary staff and equipments.

21. During the Sixth Plan period, 65,000 handlooms have been brought under the co-operative fold. Besides, over 53,000 looms were modernised. This is in keeping with our declared policy to improve the lot of the poor residing in the rural areas. This programme will continue.

22. During the Seventh Five-Year Plan, emphasis will be laid for Integrated Mineral Resources Survey in collaboration with the Geological Survey of India and other Agencies to establish the reserve of coal, graphite, strategic minerals, asbestos, gold and iron-ore. Among other important activities proposed to be pursued are Laboratory Scale Investigation to assess the beneficiation characteristic of low grade ores and minerals, recovery of mineral values from mine wastes, geo-technical investigations to assess the suitability of sites proposed for location of dams, projects and engineering structures and study of ground water conditions in problem areas.

23. One of the important objectives of our Government is to provide adequate medical facilities and services to the people. It is proposed to establish 7 additional PHCs. and 9 Subsidiary Health Centres. Expansion of Capital Hospital which has been taken up during Sixth Plan will be completed during the current Plan. Coronary Units will be provided in all the District Headquarters Hospitals. Units for special care for accident victims in important Hospitals will also be provided. 50 additional beds will be provided in the Paediatric Institute at Cuttack; and for treatment of Cancer, provision of 50 beds has been proposed in the Radio-Therapy Units at the Medical College Hospitals at Burla and Berhampur.

24. Greater emphasis needs to be laid on programme of population control. The State is committed to the effective implementation of this programme. The Area Development Programme with U. K. assistance has been implemented in five districts for development of infrastructure and provision of facilities in the field of health and family welfare and maternity and child welfare. A provision of Rs. 508.36 lakhs has been proposed for 1985-86 to continue the existing scheme. As against the achievement of 133,000 cases of sterilisation during 1984-85, we have fixed a target of covering 210,000 cases this year. Similarly against 68,000 cases on I.U.D. during 1984-85, we have kept a target of 100,000 cases to be covered during 1985-86.

25. Besides modern medical facilities, our Government have been according due recognition to the Indian systems of medicine and

Homoeopathy and taking necessary steps for their promotion in the State. During the current year, it is proposed to have 7 Ayurvedic, 6 Homoeopathic and 2 Unani dispensaries. It is also proposed to establish two more Herbal gardens and to modernise the Government Ayurvedic Pharmacy at Bolangir. A Research and Development wing in Ayurveda is going to be established at the State Headquarters.

26. Keeping in view the Prime Minister's strategy of linking education with technology and employment, we have given due priority to this sector in our programme of development of human capital. It is proposed to appoint a number of additional Primary School teachers with a view to increasing the enrolment of students at the primary stage with the objective of universalisation of elementary education. Provision for this has been made in the Plan and non-Plan Budget. In addition, a programme is being prepared for providing pucca buildings for primary schools which are at present functioning in kutcha buildings under the upgradation grant awarded by the 8th Finance Commission. Provision is also made in the Budget for special repairs to the buildings of the Universities and to take up the first phase of construction of Shri Jagannath Sanskrit Biswavidyalaya. Research in the field of social science is to receive additional encouragement with the establishment of an Institute of social sciences for which we have made a provision in the present Budget. Inservice Training Programme is to be introduced in teaching of Science and Mathematics for Secondary School Teachers with a view to improve their competence to cope up with the new curriculum. I am glad to inform this august House that Women's Education Programme is an important part of our Plan strategy. Government have decided that women's education would be free up to University level which means woman student will have free general education till she completes her Post-Graduate degree. It has also been decided to make secondary education free for all during the Seventh Plan period. Government have decided to pay pension and gratuity to the Primary School teachers at the rates applicable to their counterparts in Government service with effect from the 1st April 1985.

27. Adequate care is being taken by Government for planning and developing suitable man power to take advantage of the expanding industrial activity.

28. Provision has been made for providing adequate staff support for the Post-Diploma Course in Computer application in Berhampur School of Engineering. A Diploma course in Electronics is being introduced in the Women's Polytechnic at Bhubaneswar.

29. Since a large trained man power in Electronic would be required during next few years, expansion of the facilities for Degree and Diploma in Electronics as well as for training at the I. T. I. level has been programmed.

30. Provision has also been made for conducting initial work for opening of Women Polytechnic from next year at Dhenkanal.

31. A course in 'Dress-making' and 'Stenography' with particular emphasis on handling modern office equipments will also be introduced in Women's I. T. I., Bhubaneswar from this session.

32. Appreciating the socio-economic problems on account of increasing number of slum dwellers in our State, we have started a scheme during the last Five-Year Plan for improving the environment of slum dwellers by providing street lights, drinking water facilities, drains and community latrines. This scheme will be continued during the Seventh Five-Year Plan. Under Integrated Housing Scheme, we have made a provision of Rs. 1.00 crore during the current year to construct 6,667 houses in the rural area to provide houses to the houseless rural workers. Out of 27,077 villages having acute problem of drinking water 3,461 villages were covered with tube-wells up to the end of the Fifth Plan and out of the remaining 23,616 villages, 22,357 villages have been covered fully and partly by sinking of tube-wells during the Sixth Plan leaving a balance of 1,259 villages. An attempt shall be made to cover all these villages during the current year. There are also 19,915 unidentified villages in which only 13,400 tube-wells have been installed

during the Sixth Plan. For the saline coastal tract of our State a special scheme has been taken up under a bilateral aid programme with assistance from the Government of Denmark. It is proposed to install 550 new tube-wells and 100 exploratory tube-wells and 3 Piped Water-Supply Schemes in saline areas and 900 tube-wells in other areas of the State during 1985-86. As per the directives of the Government of India as well as of the State Government, a resurvey for fresh identification of problem villages has been undertaken recently and the final list will be prepared shortly.

33. With a view to implementing the State's avowed policy of ensuring supply of foodgrains and other essential commodities to the consumers in general and to the vulnerable sections of the society in particular through a chain of fair price shops in rural and urban areas, care has been taken to ensure that each Grama Panchayat gets at least one co-operative outlet. The number of fair price shops as on the 1st April 1985 is 19,676. For the current year a target of 50 additional co-operative outlets are proposed to be opened. The activities of Civil Supplies Corporation in the area of supply of essential commodities are gradually expanding and in order to support its activities we have proposed to provide further equity support during the Seventh Plan as well as during this year.

34. During the Sixth Plan period our endeavour has been to connect all the vital missing links in the road network of the State so that more and more of the area opens up for communication facilities. The Government will keep this up and cover as much of the missing links in the road system as possible. Special emphasis would be laid on development of the road system in the tribal areas.

35. Tourism facilities have increased manifold in the State during the Sixth Plan period. Till the recent past, the tourism image of the State has been primarily cultural. Our strategy will be to project other facets of the tourism profile of the State like beaches, wild life and forest and also provision of recreational facilities such as water sports, etc.

