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**Speech of the Hon'ble Pandit
Godavaris Misra, Finance Minister,
Orissa, in introducing the Budget
Estimates for the year 1942-43.**

1943-44 (wanting)

*Amended speech for
1943-44 working*

Speech of the Hon'ble Pandit Godavaris Misra, Finance Minister, Orissa, in introducing the Budget Estimates for the year 1942-43.

Sir,

I rise to present to the Assembly the annual Civil Budget Estimate of the Province of Orissa for the year 1942-43. Copies of this Budget with an Explanatory Memorandum and also of the detailed budgets of the Civil Works and Irrigation Departments have already been posted to the Hon'ble Members in advance. On an occasion like this it falls on the Finance Minister to give an account of the revenue and expenditure of the Province, a running summary of its programme for the coming year and a review of the work done during the preceding year. I am simply discharging that duty, even though I have so recently reviewed the position in introducing the Revised Budget of 1941-42.

2. The Finance Minister of this Province is annually called upon to prepare a budget and to deliver a budget speech on the floor of its Legislature. But we do not realise how ludicrous this annual ceremonial occasion in essence is. This ludicrousness of our affairs becomes obvious by a comparison with other countries. There are various better off countries on the face of this earth, the financial positions of whose Governments will surpass imagination from our point of view. We, however, can make and well deserve a comparison with one small country in Europe, namely, Belgium, with a population as great or as small as ours though with an area almost one-third of our Province. In Belgium the average annual receipts of Government in our money are 673 crores of rupees giving a revenue of Rs. 842 per head of the population, whereas, barring the share of the Centre, in our Province the total annual receipt, including the Rs. 40 lakhs of subvention from the Government of India, is scarcely Rs. 2 crores. Like Orissa Belgium has some agriculture and has a sea-board though the length of that sea-board is much less than that of ours. In one item of receipt, namely stamps, the magnitude of difference can be very well perceived. Our latest receipt from stamps, after the recent increment in North Orissa, against which there is, I know, a widespread feeling, is slightly less than Rs. 21 lakhs, whereas in Belgium this alone amounts to Rs. 205 crores. The difference is that Belgium has manufactures.

Contrast with a far-off country with greater advantages may be regarded as out of place. But within this country there are provinces which are much better off such as Bombay with its Rs 14 crores of revenue has Rs. 7 as annual receipt per head of population; Madras has nearly Rs. 3½ per head. Even some of the Indian States are much more prosperous than this woebegone Province. For instance, Hyderabad and Mysore each has Rs. 6 per head, while Jamu and Kashmir has slightly more than Rs. 7. With these Provinces and States we stand no comparison, our per capita annual revenue being in the neighbourhood of Rs. 2 only. Even our neighbouring State of Mayurbhanj has comparatively more than our annual revenue. There is another province in this country which was created under the same circumstances as Orissa. Even the Government of that Province, Sindh, with its liberal subvention, is financially much better off than ours.

There is no gainsaying the fact that in a table of Governments showing their relative places in point of opulence, Orissa will be at the bottom. The financial position of Government is a correct indication of the prosperity of the people. The more prosperous the people the more prepared and able they are to contribute to the public Exchequer. The Government of Orissa is poor because the people are poor. Really, they are so poor that as many as a twentieth part of its population have had to leave its boundaries and flock to the centres of industry outside in order to be able to earn a bare subsistence, under conditions by no means enviable. Recently even that little has been denied. The Province is purely an agricultural Province. Its agricultural operations are carried on in a most primitive fashion which, added to the infertility of the soil, gives very little to the cultivator. Although the budget shows some expenditure under a head called Industries, the industrial development so far made is not worth mentioning. No advantage is taken of the long sea-board. Expression of regret is sometimes heard that although Balasore was the first place in the East Coast where the British landed, the capital of India was not located there but was carried to Calcutta. I cannot say the location of the capital of the country at Balasore would have been an unmixed blessing. It is unfortunate that we have annually to sit in the floor of this Assembly on a particular day to introduce a budget, which would, in any country in Europe, from the financial point of view, be regarded as mere child's play and which even in some Provinces and States in this country would deserve being pitied. There is a vicious circle at work. Because the people are poor,

they cannot pay more revenue and because the revenue is small their paying capacity cannot be improved.

3. But facts have got to be taken as they are and formalities complied with. As mentioned in my speech on the Revised Budget of 1941-42 presented last month, the year 1941-42 opened with a balance of Rs. 15.58 lakhs including Rs. 6.49 lakhs in the Government account. The revenue receipts of 1941-42 are placed at Rs. 2,05.61 lakhs. The estimate of expenditure on Revenue Account stands at Rs. 1,96.83 lakhs. There is thus expected to be a revenue surplus of Rs. 8.75 lakhs. Outside the Revenue Account, there is the capital and debt deposit section, the net transactions under which are expected to result in a deficit of Rs. 12.06 lakhs. The current year's transactions under both revenue and capital section taken together have, therefore, the resultant effect of reducing the total balance by Rs. 3.30 lakhs. The year 1941-42 which opened with a total balance of Rs. 15.58 lakhs is, therefore, expected to close with a balance of Rs. 12.28 lakhs besides which there are, of course, investments valued at about one crore and four lakhs.

4. *Budget 1942-43—Receipts.*—Now turning to the Budget Estimates for the coming year (1942-43), the total revenue is put at Rs. 1,97.07 lakhs against Rs. 2,05.61 lakhs taken in the Revised Estimate of 1941-42, i.e. the receipts are placed at Rs. 8.54 lakhs lower than the Revised. A drop of about Rs. 4.87 lakhs is expected under 'Land Revenue' mainly on account of the fact that arrear payment to local bodies in South Orissa for land and other cesses collected on their behalf amounting to about Rs. 4 lakhs has to be made next year by deduction from revenue. Forest revenue is likely to fall by Rs. 0.91 lakh next year, the primary reason being that extra sales of timber, etc. for supply to the War Board may not be on such a large scale next year. Under "Civil Works" where the bulk of receipts accrues from transfer from the deposit account of the Road Fund and the Orissa Buildings Fund to the Revenue account, receipts are expected to be Rs. 2.48 lakhs less on account of transfer of less funds from those deposit heads. The subvention from the Government of India will also be Rs. 40 lakhs from next year instead of Rs. 43 lakhs, since the special subvention of Rs. 3 lakhs for Capital buildings will cease from 1942-43. The short receipts detailed above will be partly made good by an expected improvement of Rs. 2.56 lakhs under "Income-tax" so that the total receipts will, as already mentioned, be lower by Rs. 8.54 lakhs. After the inauguration of the new Income-tax scheme of the Central Government we can expect

an increased share under "Income-tax" which will compensate for losses due to closing of business on account of changed conditions brought about by the War progressing towards India.

5. *Expenditure.*—The Budget provides for expenditure on Revenue Account which is put at Rs. 1,96.95 lakhs. Of this Rs. 1,80.03 lakhs represents established expenditure, i.e. expenditure required for the normal working of the departments on the existing scale and with reference to the existing sanctions and the balance of Rs. 16.92 lakhs represents expenditure on new schemes. Hon'ble Members will recall that the Revised Estimates include Rs. 1,96.86 lakhs for expenditure on Revenue Account. There is, therefore, an increase of Rs. 9,000 only. Let me explain briefly how the estimates of expenditure next year under various heads compare with the Revised Estimates of the current year. Expenditure under 'Land Revenue' is likely to be Rs. 0.32 lakh more on account of the fact that the Settlement operations in the Koraput Agency will be taken up on a wider scale. Expenditure under "18—Other Revenue Expenditure financed from ordinary revenues" will be Rs. 0.76 lakh more mainly due to provision for new major works in connection with embankments to repair damage, on the advice of the Flood Committee. Expenditure in the Police Department is expected to be Rs. 0.58 lakh more on account of an increase of the Police force in Berhampur Town, revival of the post of the Circle Inspector at R. Udayagiri, and increase of the armed reserve police due to the War. Increased provision of Rs. 0.49 lakh under "Education", of Rs. 0.55 lakh under "Medical", of Rs. 0.58 lakh under "Agriculture" and of Rs. 0.54 lakh under "Industries" has been allowed in the Budget for various new schemes explained in subsequent paragraphs. A provision of Rs. 3.36 lakhs has been made under a new head "64-B—Civil Defence" opened from next year to record expenditure on account of Civil Defence. The increased provisions under the above heads will be counterbalanced by a decrease of about Rs. 5 lakhs under "50—Civil Works".

Revenue surplus.—The estimate of Revenue next year being Rs. 1,97.07 lakhs and that of expenditure charged to Revenue being Rs. 1,96.95 lakhs, the revenue surplus works out at Rs. 12,000. We are, therefore, in a happy position of having a surplus budget, the credit for which will go to our friends at Berhampur for not being able to find out a site, suitable to all, for the Girls' High School, for which, otherwise, an amount of Rs. 12,000 would have been provided in this Budget. Then there would be no surplus left.

6. After this brief explanation of the increase in expenditure under certain heads and its effect on the surplus it will not be out of place to invite Hon'ble Members to a short comparison between expenditures on the nation-building departments and some others. For this purpose, figures for four years may be taken commencing from the year 1939-40. It will be seen that under General Administration the expenditures are as follows:—

			(In thousands of rupees.)
1939-40	...	...	28,53 actuals.
1940-41	...	...	28,85 actuals.
1941-42	...	...	30,05 revised budget.
1942-43	...	...	30,18 budget.
Coming to Police these figures are :			
1939-40	...	...	22,26 actuals.
1940-41	...	...	22,79 actuals.
1941-42	...	...	22,94 revised budget.
1942-43	...	...	23,52 budget.
Jails :			
1939-40	...	...	2,79 actuals.
1940-41	...	...	3,20 actuals.
1941-42	...	...	3,60 revised budget.
1942-43	...	...	3,58 budget.

It will appear from all these three heads that the expenditure, whether made or proposed, is on the increase from year to year excepting in one case of slight importance. But a contrast with this of the nation-building departments will reveal a very different state of things so far as the actuals for the two years 1939-40 and 1940-41 are concerned. In Education the expenditure in 1939-40 was 26,67 and that in 1940-41 was 26,25, that is, 42 less. In Industry the 1939-40 figure for expenditure was 2,65 whereas in 1940-41 it became reduced to 2,63. The same can be said with regard to Medical. For, in 1939-40 the figure for expenditure was 9,86 but in 1940-41 it came down to 9,41. In Public Health the same state of things occurred. For, in 1939-40 the expenditure was 2,60 while in 1940-41 it was brought down to 2,34. Budget provisions for the years 1941-42 and 1942-43 with regard to all these five items are no doubt a little better. But from previous records no favourable estimate of actuals for these two years can now be

made. It will appear from the above comparative statements that the nation-building departments are being stinted which is not a happy state of things. I am sure that Hon'ble Members will help me in bringing about some change in the state of things so that the position may become reversed. If we spend more on education, agriculture and industry as well as on public health the corresponding effect on expenditure on General Administration, Police and Jails will be to diminish it. In fact, a happy golden kingdom can be conceived of in which jails will not exist, the police will have no place and general administration will not require considerable expenditure. But, for this, the necessary background is increase in expenditure on Education, Industry and Agriculture. "Give the people more food for their body and more education for their mind and then leave them alone" can be said as a wise saying.

7. Outside the Revenue Account, the Budget anticipates a receipt of Rs. 4,29'00 lakhs and expenditure of Rs. 3,91'81 lakhs, thus producing a surplus of Rs. 37'19 lakhs. This surplus is due to the fact that the Budget allows for less investment in Treasury Bills. The joint effect of the revenue surplus of Rs. 12,000 and the surplus of Rs. 37'19 lakhs in the Capital and Debt, Deposit Section of the Budget is that the opening cash balance of Rs. 12'28 lakhs at the beginning of the year will be raised to Rs. 49'59 lakhs at the end, that is to say, the year 1942-43 is expected to close with a balance of Rs. 49'59 lakhs.

The above figure is likely to give an appearance that the Province has a big balance. Let me in this connection, draw the attention of the House to the statement showing the analysis of balances given at page 7 of the Civil Budget Estimates. The closing balance of the Province including both cash and investments is expected to stand at Rs. 1,19'64 lakhs at the end of the year. The balance includes certain balances aggregating Rs. 37'48 lakhs which are earmarked for specific purposes, the main item being the balance in the fund for Capital buildings which will stand at Rs. 35'50 lakhs at the end of the next year. Excluding the earmarked balances, the unearmarked balance of the Province is expected to be Rs. 82'16 lakhs against which the net liability of the Province on account of debt, deposit and advance and remittance transactions will stand at Rs. 66'80 lakhs. The net balance, therefore, comes to Rs. 15'36 lakhs and this represents the balance in the Government Account made up of the accumulated revenue surplus from year to year. The position in regard to the balance in the

Government Account is that it was Rs. 6.46 lakhs at the beginning of the year 1941-42. With the revenue surplus of Rs. 8.75 lakhs it is expected to go up to Rs. 15.24 lakhs at the end of the current year and with a further revenue surplus of Rs. 0.12 lakh it is expected to go up to Rs. 15.36 lakhs at the end of 1942-43.

8. The Budget Estimates of 1942-43 under each head of receipts and expenditure as compared with the past actuals and the revised estimates for 1941-42 are detailed in the Explanatory Memorandum and it is unnecessary for me to dwell upon the figures at length. It is, however, desirable to explain in brief certain important items of new expenditure that have been set forth in the printed budget proposals presented to the House.

9. The budget proposals for expenditure include (1) expenditure to which Government is committed, usually described as "First Edition Expenditure" or "Established Expenditure" and (2) expenditure which it is decided to incur after the annual survey of the general financial position of the Province. The first class of expenditure can hardly be reduced. An examination was carried through by the Retrenchment Committee which functioned during the years 1938-39 and 1939-40 and the standard of expenditure, except perhaps in certain details, admits of no further reduction without impairing the efficiency of the administration. For the coming year the "First Edition Expenditure" has been put at Rs. 1,81.61 lakhs. The total first edition estimate of expenditure has steadily fallen from Rs. 1,85.77 lakhs in 1939-40 to Rs. 1,81.61 lakhs in 1942-43, though if it were not for a fall of about Rs. 8½ lakhs under Civil Works, there would have been an increase of about Rs. 4½ lakhs in the period, accounted for by the expansion in other departments. The first edition expenditure on Police has fallen by about a lakh, which is a welcome feature in a budget. Some expenditure apart from "First Edition Expenditure" is pressed for by the departments, some of which are essentially necessary and some others are most desirable. A list of such new expenditure that has found place in the coming year's Budget will be found in the Appendix B of the Financial Memorandum. It is difficult to forecast in what way the first edition expenditure will tend in future years, because the savings resulting from reduction in rates of pay are partly offset by the fact that a large portion of the staff have been recruited in the last five years and will, therefore, continue to earn increments for some years to come.

10. The cost of new expenditure next year amounts to Rs. 16.92 lakhs including Rs. 9.73 lakhs non-recurring and Rs. 7.19 lakhs recurring and out of this the amounts falling to the share of the beneficent, that is, nation-building, departments are as shown below :—

	Non-recurring.	Recurring.	Total.
	Rs.	Rs.	Rs.
Education ...	11,100	49,726	60,826
Medical ...	27,451	55,808	83,259
Public Health ...	12,675	24,211	36,886
Agriculture ...	68,536	70,927	1,39,463
Veterinary ...	4,100	13,608	17,708
Co-operation ...	27,554	50,261	77,815
Industries ...	3,325	1,04,297	1,07,622
	<hr/> 1,54,741	<hr/> 3,68,838	<hr/> 5,23,579

8. *Education.*—It is proposed to open a pre-medical course of study in Biology at the Ravenshaw College at a cost of Rs. 1,720 to give facility to the Intermediate passed students who have been admitted into the Orissa Medical School this year to make themselves eligible for M.B. B.S. course. Owing to the abnormal increase in the number of students in the Ravenshaw College and lack of accommodation in the hostels provision has been made for a rented hostel at a cost of Rs. 2,400. Honours teaching up to the B.Sc. standard in Physics and Chemistry was so far being done with a temporary staff. Provision has been made for making the staff permanent from next year. A provision of Rs. 9,000 has been made on account of the introduction of vocational or industrial education in the middle English and middle schools managed by local bodies, and the conversion of the Board Higher Elementary School at Koraput into a middle English school. A provision of Rs. 14,000 has been made for additional grants to the aided elementary schools situated in the Agency areas of Koraput and Ganjam (excluding the Khondmals). A provision of Rs. 9,553 has been made for grant to the district board, Sambalpur, for primary education in the ex-Central Provinces areas. The Commercial Class attached to the Cuttack Training School which was being continued from 1931 on a temporary

basis will be made permanent from next year and a provision of Rs. 2,096 has been allowed for this scheme. A provision of Rs. 5,000 has also been made for additional grants to Sanskrit Institutions in South Orissa. Special junior College scholarships are proposed to be created next year for the pupils of the Ganjam Agency. The Budget makes provision for grants to the Utkal Sahitya Samaj and the Utkal Sangit Samaj in North Orissa and to the public libraries in South Orissa. The literacy movement has gone on smoothly in the Angul subdivision this year. The number of centres has risen from 22 to 41 and the number of adults from 398 to 825. As the result is encouraging Government propose to continue it next year for which provision has been included in the Budget. In order to place the educational system in the Agency areas on a sound basis and to bring the schools under close supervision, and for the improvement of teaching in schools a certain inspecting staff was sanctioned in July 1939 on an experimental measure. The experiment has proved successful and it is proposed to sanction the scheme on a permanent basis from March 1942. The provision included in the Budget for this scheme is Rs. 6,459. No provision has, of course, been made for taking up the management of the Madrasa at Cuttack. But Government recognise its claims and steps will be taken in due course in that direction.

11. It will appear from the above that expenditure on Education has been increased. But the problem regarding the education of the Province still lies where it lay when the Province was created six years ago. Although in the poet's words we have given our Province a local habitation and a name we still stand divided as between two Provinces, called North Orissa and South Orissa. Beginning from the bottom to the very top there are two different systems. The syllabuses are different, the books are different, the methods are different, the examinations are different, the scales of pay of the teachers are different, the school years are different and the administration is different. When so many factors are different the result is bound to be different. The facts prove that it has been so. What is necessary is the unification of the two systems of education prevailing in the two halves of the Province. We must have the same system of primary education throughout. It is at the primary stage that the foundation for the future is laid.

Then there is the question of the Secondary Education. The great gulf existing between the schools managed by Government and schools maintained by private effort has for several years attracted the attention of the public. It is necessary that this gulf should disappear. A Committee was appointed for the purpose a few years ago. The object was to deprovincialise the present zila schools and with the savings made to improve the finances of aided schools. It was found on examination that the result would be much cry and little wool. Therefore the Committee recommended that the management of all high schools should be taken up by the Government, obviously in the same manner as the management of high schools is carried on by the district boards in South Orissa. The change proposed required an additional annual expenditure nearly of Rs. 2 lakhs and was therefore thought to be too much of a luxury to be given effect to. It is left to the Hon'ble Members to devise ways and means so that something can be done to improve the condition of the aided high schools and do away with the present inequitable distinction between these schools and the Government zila schools.

But little in the field of education can be done without solving the most important question of inaugurating a University of our own. We have now to owe our allegiance to two different Universities, one functioning on the banks of the river to which at one time the Kingdom of Orissa was extended in the North and the other pretty near the region of the river in the South which formed its southern boundary in the glorious days of our motherland. In fact, there is complete diarchy controlling our University education. Our youths are necessarily, but positively against our best interests, prepared under two distinct educational ideals which tend seriously to hamper the homogeneity of the Province in future. A University in Orissa will doubtless not be of the size or eminence of the Calcutta or Madras University with both of which one-half or the other of our Province used to be connected in the past, before their offsprings, the Universities at Patna and Waltair, sprang up. We have not more than three colleges in the general line and probably, not more than 50 high schools including those in the neighbouring States. Consequently, it may be said that we have not material enough for a federal University. But it is not in our colleges and schools alone that we are poor. A poor province cannot have a rich University. There is, therefore, a widespread feeling that a University should be started immediately. It is entirely in the hands of the Hon'ble Members to decide

how soon and how best we can have a University of our own. I am trying to expedite preliminaries and come before Hon'ble Members within a few months' time with a University Bill based on the report of the University Committee headed by Pandit Nilakantha Das, and a supplementary demand for the necessary money. This University will not be the property of our Province alone but also of the States with whom and whose people we have inseparable time honoured connections. In fact, they and we form one nation having one past history and one future. With them we shall sink or swim. In their well-being lies ours and with ours is their well-being so imperceptibly but irresistibly linked. Much that we boast of to-day in our Province is the product of the generosity of the rulers of the States. Though we have been severed from them for administrative exigencies, the common bond of unity is there. The Maharaja of Mayurbhanj has made donations to the Benares Hindu University. The late Maharaja of Sonapur has established a chair at the Calcutta University. I am proud of these instances of the munificence of our race in the cause of education as I am of the annual grant of rupees one lakh made by the Maharaja of Jeypore to the Andhra University. I have no doubt that the new University of the Oriyas will be spoonfed and nurtured by these and other patrons of learning in our noblemen both in the States and in the Province.

12. *Medical and Public Health.*—Considerable sums have been provided for new schemes under Medical and Public Health. The Budget includes a total provision of Rs. 17,000 on account of the provincialisation of the staff of the office of the Civil Surgeon, Koraput, and of the Sambalpur Sadr Hospital. Rs. 2,000 has been provided for a grant to the district board, Sambalpur, for opening a dispensary at Paramanpur. Provision has been made for training of nurses in midwifery, appointment of a nursing sister for the Berhampur headquarters hospital, and appointment of a *dai* at the Government dispensary at Sarangada. The temporary dispensaries at Ambodala, B. Singapur, Dabugam, Lakshmipur and Boipariguda in the district of Koraput will be continued for a further period of five years, during which it is expected that the scale on which assistance is given for work which in some parts of the Province is carried on by the local bodies, will be overhauled. This question has already been examined by a special officer. A provision of about Rs. 10,000 has been included in the Budget for these dispensaries. Provision is also made for continuing the fight against that distressing malady "Yaws" in the

Agency tracts. The campaign against leprosy will also be continued next year and a total provision of Rs. 4,000 has been made in the Budget, of which Rs. 2,900 is for grants to the district boards of Cuttack, Puri and Sambalpur and the leper institution at Parlakimedi. Provision of Rs. 10,000 has been made for a special grant to the local fund medical institutions for purchase of medical stores, as the medical institutions were unable to maintain their existing standard of medical relief without assistance from Government. The Budget provides for an extra grant of Rs. 4,500 to Baptist Mission Hospitals at Berhampur and G. Udayagiri that sustained a loss by reduction of grants received from the Missionary Societies outside India due to war. For the improvement of facilities for medical aid to women and children the Budget provides for the appointment of a Woman Medical Service Officer, as Superintendent of Medical Aid to Women and Children. The Countess of Dufferin Fund has offered the services of a Woman Medical Service Officer to Orissa and the expenditure devolving on Government in a year is Rs. 3,240. This Province had not up till now a Medical Examination Board of its own and was so long utilising the services of the Bihar Board on payment of an annual contribution of Rs. 1,500. Provision of Rs. 532 recurring and Rs. 2,000 non-recurring has been made for the establishment of a separate Medical Examination Board for Orissa, which is expected to bring about an improvement in the standard of teaching in the Orissa Medical School.

In the Public Health Department the important schemes are creation of a new Health Range at Pottangi in Koraput, and the appointment of a Health Officer in connection with the Public Health reorganization scheme for the district of Sambalpur, for which a total provision of about Rs. 4,000 has been made in the Budget. The scheme of compulsory vaccination in the districts of Cuttack, Puri and Balasore will be continued next year at a cost of Rs. 3,667. Provision has also been made for combating malaria, for which grants of Rs. 6,000 to the Cuttack municipality, of Rs. 600 to the Kendrapara municipality and of Rs. 1,003 to the Union Board, Jeypore, have been provided for. A Committee of experts and members of the public is going to be appointed for establishing a link between the Public Health Department on the one hand and the people in general on the other. This Committee will explore all possible avenues and suggest remedies. It will also be an agency through which some of the measures decided upon by the Department which, from their technical nature, may not be

immediately understood, can be explained in their proper perspective and be rendered welcome and serviceable amongst the suffering public.

13. *Agriculture*.—With a view to introduce scientific and up-to-date methods of agriculture it has been considered necessary to have three specialists, viz. Economic Botanist, Entomologist and Mycologist who will tour throughout the Province. A provision of Rs. 6,440 has been made for this in the Budget. A scheme has been evolved for multiplication of improved paddy varieties and for their distribution on a large scale in the country-side. For this purpose 6 seed farms, one for each district, will be established, for the bulk multiplication of seed at a cost of Rs. 37,688, including Rs. 20,000 for acquisition of land. Due to paucity of suitable trained Oriya officers in the Agricultural Subordinate Service, provision of Rs. 3,060 has been made for training of 4 Oriya students in Agricultural Colleges at Allahabad and Coimbatore. A thorough investigation is considered necessary to study the curing and marketing problems of turmeric, which is the main money crop of the Khonds and hill-tribes in the Agency tract of the Ganjam district. A provision of Rs. 10,982 has been made for this scheme. Orissa is mainly a rice-producing Province; but besides rice, 4 oz. of pulses per head per day is necessary, yet the total area under grams and pulses in the Province yields an average of only 2·3 oz. of pulse per head per day. To increase the production of pulses, it is proposed to carry on research on pulses at two centres for the present, viz. one at Jagsatsingpur and the other at Bargarh or Nawapara at a cost of Rs. 16,936. A provision of Rs. 11,000 has been made for the establishment of barns for flue-curing of tobacco in agricultural farms, experiments in storage of potato seeds at Pottangi and Sambalpur, for raising and selling cocoanut seedlings, and graft-making and distribution of seeds, implements and manures.

It must be said that the Agricultural Department is one which should be regarded as of primary importance in a Province like Orissa where as many as 95 per cent of the people are agriculturists. It will be seen that although at every decennial census operation the population increases by a certain percentage an equal extent of new land is not brought under cultivation nor is the old land made to produce more. We have now per head of population something like two-thirds acre of cultivated land. Considering the primitive nature of our cultivation and the infertility of the soil, the net yield is utterly insufficient to meet the annual demands of our people. Added

to this, a large portion of our agricultural produce has got to go out in order to bring in other articles of daily consumption. Consequently, people have to remain half starved. Everyone under such circumstances looks up to the Agricultural Department. But the response has rather been poor as the expenditure during six years ending with the year of the budget will show. The figures are :—

				(In thousands of rupees.)
1937-38	...	...	1,63	actuals.
1938-39	...	...	2,24	actuals.
1939-40	...	...	2,41	actuals.
1940-41	...	...	2,51	actuals.
1941-42	...	...	2,51	revised budget.
1942-43	...	...	3,08	budget.

There is generally a slight rise from year to year in the expenditure on agriculture, whether actually incurred or proposed. But I feel that the progress is not enough. The total agricultural gross income of the province remains almost stationary year after year in spite of persistent increase in population. The new mouths require new food. The Agricultural Department has been, I must say, struggling hard with limited resources, but we must give it the means to do more. Probably we want new methods and more men, and all this requires more money. I hope to see in coming years a considerable increase in the activities of this Department.

There is again a constant warfare between the authorities of the Forest Department on the one hand and the hungry people on the other. The latter require more land to be brought under cultivation while the former claim to have more forests for the supply of fuel. This warfare is more or less one between hunger and scientific afforestation. But a truce has to be brought about by the administrator. We are going soon to consider a new Forest Bill which Government have decided will not be hurried through the Legislature, but will be circulated for eliciting opinion thereon. The object is that the public concerned should have a reasonable opportunity to have their say, bearing in mind the needs of the people for food-grains to be eaten and for fuel with which those food-grains can be rendered edible. The Forest Department is also a revenue-earning department. That fact too has got to be considered.

14. *Veterinary*.—On Veterinary we propose to spend Rs. 1·81 lakhs. Of this 10 per cent is on schemes not included in the first edition of the Budget. The Utkal Go-Mangal Samiti which was started in 1936 raised funds from the public in the first flush of enthusiasm. But this source is gradually dying out and the Samiti is now largely dependent on Government. In addition to the recurring grant of Rs. 6,500 which the Samiti gets from Government the Budget provides for an extra grant of Rs. 4,000 next year. The scheme for Veterinary investigation which is partly financed by the Imperial Council of Agricultural Research and the training of candidates in the Bihar Veterinary College will be continued next year at a total cost of Rs. 10,000. For improvement of the live-stock of the Province, a post of Live-stock Inspector will be created in Orissa next year and a provision of Rs. 2,000 has been included for this in the Budget.

Scientific operations and expenditure of money to finance them notwithstanding, the improvement of cattle depends a good deal on the prosperity of the people. In fact, it is the cattle's food which is partly consumed by human beings who, as the owners of the cattle, have got the duty to feed them well. Stall-feeding is a thing mostly unknown and restrictions on grazing, imposed in the interests of forest husbandry, have been responsible to a great degree for the deterioration of the province in its cattle wealth. Any number of good bulls imported from bull-breeding centres can alone be of no use.

15. *Co-operation*.—The House is already aware that Government have taken over the control of the Central Co-operative Banks in North Orissa giving a substantial degree of financial assistance. This scheme of rehabilitation of the co-operative movement in North Orissa which was based on the recommendation in the Mudaliar Report will be continued for a further period of three years from 1942-43 under the direct management of the Registrar, Co-operative Societies. The Budget provides Rs. 25,000 for this scheme. The policy at present is to keep the Central Banks in being, until they have collected through the primary societies something like enough to pay off the large sums invested in those Central Banks by the general public. On the recommendation of the Partially Excluded Areas Enquiry Committee it is proposed to start a Turmeric Co-operative Crop Loan and Marketing Society in the Khondmals to secure better prices to the turmeric growers. The Budget provides Rs. 11,000 for this scheme.

16. *Industries*.—The Budget provides Rs. 69,000 for improving the marketing of the products of our handloom industry, which is financed by the Government of India. The above sum includes Rs. 50,000 payable from provincial revenues for providing a working capital to the Handloom Scheme. The greater part of this money is expected to come back during the year in shape of receipts from products marketed by our organisations. A provision of Rs. 10,000 has also been made for two schemes in connection with eri-culture and tussar-rearing in Orissa. It will be remembered that Government sanctioned grants in the past to the All-India Spinners' Association for the extension of eri-culture in Orissa. The results achieved by the Association during the past three years were not as rapid as at first seemed promising and the Association also gave up the work in the current year. Government, therefore, decided to continue the work under departmental management. For tussar-rearing Government propose to open five centres in Bargarh and Sadr subdivisions of the district of Sambalpur with 100 rearers for each centre. To train villagers to clip, card and spin wool, which is mostly wasted in Orissa, a scheme for wool-weaving demonstration was sanctioned in 1938-39. It was found that in the absence of marketing facilities, the villagers do not take to this industry very readily. A revision of the scheme was considered desirable and the budget accordingly provides for the reorganisation of the wool-weaving demonstration party at a cost of Rs. 7,000. The budget provides for the training of a student in leather technology at the Bengal Tanning Institute for a period of three years. It was found that as raw hides and skins are available in large quantities in Orissa and the adjoining States, there is much scope for the development of the tanning industry. With the abundance of raw materials and with the demand for improved pottery wares, Orissa is eminently suited for starting pottery factories which can manufacture high class porcelain, earthenware, sanitary-ware, etc. by using the raw materials available. Government propose to encourage and help this industry by taking the initiative and giving material help to the people interested. But before any concrete scheme can be formulated it is necessary that a full survey of the raw materials should be made. A provision of Rs. 2,220 has been made for this survey. Manufacture of hand-made paper has been taken up and we expect good progress without much delay.

There can be no quarrel with the nation-building departments of Government for the expenditure they are making. It will appear that some of my observations connected with

the presentation of the budget are in the nature of criticism which would rather befit a member of the Opposition. But I am not a believer in speaking half-truths. Defects can be properly and with more certainty of success handled only when the causes are known. What I want is a planned method of tackling the problems. I have, therefore, thought of a ten years' plan of reconstruction of the Province. I do not claim credit for inventing this. I am simply an imitator. What I want to be careful about is not carrying the imitation too far. Great countries like Russia have made magnificent progress by following plans of reconstruction. We are inclined to look up to Russia for political inspiration, but do not move in deriving benefit from its economic methods. This Province was created out of the disjointed parts of three older provinces. Its problems were, therefore, not only many but also new. It stood in need of reconstruction. Everyone thought that a popular ministry would take up this work. But it fell short of the expectations in spite of occasional goadings. The powers that be assumed autocratic power under the shelter of section 93 of the Government of India Act; but did nothing to introduce a comprehensive scheme of reconstruction. But it is never too late to do something for nation-building. I, therefore, now trust that Hon'ble Members will come forward with help necessary for the preparation of a ten years' plan. Once the plan has been laid down it can be easily carried without any serious break notwithstanding changes of hands. What I expect is fullest co-operation. We may allow party system to play in other matters. But so far as this is concerned wholehearted co-operation and co-ordination, irrespective of party allegiance, are necessary. India is a country where unity rather than party organisation ruled. The genius of our people consists in unity. It is for this reason that the Party Government of the West imported for political reasons has not been able to take root. Hence party politics usually takes the shape of partisan action. I should not assume the role of an adviser so far as other aspects are concerned. But with regard to this contemplated ten years' plan I should expect wholehearted co-operation from Hon'ble Members in the Opposition as well as from those sitting in the Treasury benches amongst whom I find chips of the old block in sturdy patriotism and personal sacrifice and service in the cause of the country.

17. Before I pass on I shall make a brief reference to another of our wants. This is the want of a High Court. Since the creation of the Province and even before that this

question has often been discussed. Alternative proposals have been considered. But no decision has yet been arrived at. It is understood that in the States there is an attempt to establish High Courts. This proves how undeniably necessary a High Court is for Orissa. For, it has a larger population and probably a much larger number of questions which can be referred to a High Court. I have no doubt that if we launch upon a scheme of a High Court our brothers in the States will not refuse co-operation with us. In fact, a High Court in order to rightly deserve the epithet denoted by the expression 'high' ought to be a court dealing with substantially big and important questions, which will not be possible if we have a High Court of our own for the Province and the States have one separately for themselves. I have already referred elsewhere to our affinity with the States and need not tread old grounds. If we are one between the Province of Orissa and the Orissa States, we are one not only so far as educational matters are concerned but also with regard to our social, economic and other laws. There is no doubt that we are keen to maintain our unity. Then a common High Court for the Province of Orissa and the States will be an ideal source of help.

18. The rest of the additional provision is spread over a number of heads, the more important among them being Irrigation 2·87 lakhs (mainly on urgent repairs and maintenance); Police 1·70 lakhs (on increases necessitated by the war); Civil Works 2·36 lakhs and Civil Defence 3·35 lakhs. Before dealing with the Civil Defence Schemes which account for the major part of the additional expenditure in the coming year, I would deal briefly with the heads mentioned above one by one.

19. *Irrigation*.—In my last speech I stated that repairs to certain canals and embankments were undertaken as protective measures on the recommendation of the Orissa Flood Advisory Committee. I am glad to say that a further sum of about Rs. 1½ lakhs has been provided in the Budget to complete the works already taken up this year. The extension of a distributary of the Rushikulya Canal will irrigate an area of 1,155 acres and will benefit a number of villages of the Ganjam district. The project is estimated to cost Rs. 13,850 and a provision of Rs. 3,800 has been made in the Budget to give a start to this work. According to the recommendation of

the Orissa Flood Advisory Committee the following works will be taken up next year in connection with embankments:—

Construction of a retired line for closing		
Rautra Ghai	... ..	(Cost Rs. 24,130).

Raising and strengthening the Bhargavi		
right embankment	... ..	(Cost Rs. 86,810).

Raising and strengthening the Kusha-		
bhadra right embankment	... ..	(Cost Rs. 32,430).

An extra provision of Rs. 50,000 has been made in the Budget for repairs to Government embankments in Orissa Canals.

20. *Police*.—The Police Expansion Scheme and the Scheme of Emergency Police, of which mention was made in my last budget speech, will be continued next year at a total cost of Rs. 1.30 lakhs. In view of the changed external conditions which might militate against the army sending aid to Orissa in case of internal disturbance Government considered it desirable to augment the armed reserves of certain districts. A provision of Rs. 35,000 has been included in the Budget for these reserves. The events in the Far East have unsettled the normal condition and made it desirable to guard the railway bridges on the East Coast. A provision of Rs. 25,000 recurring and Rs. 12,000 non-recurring has been made for the employment of a police force for the security of the bridges.

21. *Civil Works*.—The Budget provides Rs. 23,000 for the continuance of the temporary Flood and Drainage Division at Cuttack which, as explained in my last speech, was constituted in 1938 to collect data and investigate other works recommended by the Flood Advisory Committee. A provision of Rs. 11,000 has been made for renewal and replacement of spare parts of road machinery, navigation plants, mathematical instruments and other tools in the Public Works Department. In my last speech I said that the balance in the Fund for Orissa Buildings at the end of 1941-42 was expected to remain at Rs. 36.91 lakhs. In 1942-43 the receipt accruing from investment of the Fund's money in Government securities would be Rs. 0.94 lakh. Expenditure on capital construction projects in Nawapara and Koraput is estimated at Rs. 2.35 lakhs. The balance at the close of next year would, therefore, stand at Rs. 35½ lakhs.

22. *Civil Defence*.—The more important among the Civil Defence measures included in the Budget is the provision of Rs. 3,33,000 for Air Raid Precautions.

The bulk of the Air Raid Precaution personnel will be volunteers, and my best thanks, therefore, go to them. But provision has been made for part-time clerks in the Control Room of each town and for a whole-time fire brigade in the case of Cuttack. Remuneration will also be given to certain of the personnel when actually called out for Air Raid Precaution duties. The bulk of expenditure will be non-recurring and represents the cost of essential equipments including medicine and stores. Recurring contingencies include the cost of hiring motor cars and houses, propaganda, rent of telephones, contingencies for office management and cost of petrol which will eventually be required in the event of an air raid.

Civic Guards.—A provision of Rs. 3,633 has been made for Civic Guards in Cuttack, Puri, Berhampur and Balasore. It may be necessary to incur greater expenditure under this head.

In order to intensify propaganda in rural areas, where difficulties of communication are great, the Province has been divided into four zones, each having a complete propaganda unit of its own. Assistant Publicity Officers and publicity workers under them will be appointed, and each unit will consist of a van equipped with loud speaker, projector with films, magic lanterns with slides, gramophones, etc. under the Assistant Publicity Officer. The Budget provides Rs. 20,000 for the propaganda units. This provision may have to be increased during the year. As already mentioned in my last speech no part of the cost on account of Civil Defence measures will be recovered from the Government of India till the total cost exceeds the first slab of Rs. 5 lakhs.

23. *Loans and Advances*.—There is one item under Loans and Advances that calls for individual mention. The idea of establishing a Provincial Co-operative Bank having been given up Government decided to finance suitable banks and societies of North Orissa directly by giving loans. What the total amount of loans required would be is still under consideration and a provision of Rs. 1 lakh has been made in the budget for such loans. The issue of the advances will be regulated by rules now under consideration of the Government.

I think then that Hon'ble Members will agree with me that in this time of danger, when we have had to provide a substantial sum for Civil Defence measures (and we may have to provide more) we can congratulate ourselves on being able to provide for some small improvements in some of our services, and yet balance the budget. But the future—I mean the purely financial future—is not clear; the improvement in income is mainly due to the unexpected receipts from income-tax; many things remain to be done, and caution and husbanding of resources will be necessary for many years to come.

24. In the previous paragraph I have referred to our present times of danger. This requires no explanation. When our neighbouring country, Burma, is being threatened with foreign invasion the next place in the onward march of the enemy by sea is our Province as stated by no less an authority than the Commander-in-Chief. That we are ill-equipped is admitted on all hands. We are financially poor and not sufficiently developed; because in the past the parts of our Province formed the tail-ends of other and bigger provinces where their needs were not properly attended to. But our grievances against behaviour accorded to us in the past notwithstanding, we have now a full-fledged Province which must be able to carry on its civil defence as worthily as possible. I suppose that so far as military defence is concerned necessary preparations are being made. In the few months, nay, perhaps weeks to come our Province will be a scene of the preparations to meet with military emergencies; regular armies will be stationed, coastal watches will be maintained and other military organisations established. Blackout was introduced at the first instance in some of our towns. It has now extended to all the coastal districts. A. R. P. arrangements are fast in progress. Government are conscious of their responsibility at the present crisis. Therefore necessary funds are being provided even at the sacrifice of the nation-building departments; because nation-saving is more important than nation-building. I assure Hon'ble Members that everything possible within our means will be done to ward off danger. The Provincial War Committee has been creditably discharging its functions. I also appreciate the unstinted donations made by our well-to-do friends to the War Fund, though it is a fact that our contributions, however large, will not go a great way. Still we should not lag behind. At any rate we must prove that in spite of our want of equipment the defence of our Province is our first concern. We have long and probably too long relied on external protection. That now has unfortunately proved to be the

weakest spot in our national character, a fact which is realised by our rulers in Britain. It pains me to find that our young men are fighting shy of receiving training in the manufacture of war materials and are reluctant to enrol themselves in the army. What is necessary is to inculcate in the minds of our people, particularly the youthful section, more courage and more outlook. This can be achieved by propaganda, which the proposed publicity organisation already referred to will carry into the villages. The present is an hour of impending peril. It is not that the peril will come. India is too vast a country to be dealt with by people accustomed to operations confined to small areas, as has been proved in the German attacks on the United Soviet Social Republic. Such times of peril are, however, most fruitful occasions for preparation. When Swaraj is our great national goal, we must earn it by dint of our merit. It is then that we can keep and enjoy it. To attain this goal it is necessary to act unitedly in spite of differences in political aims and methods. I, therefore, appeal to Hon'ble Members of this Assembly and, through them and otherwise, the general public to sink all differences and stand under one banner of self-help and utilisation of the already existing organisation in the country. This leaves no room for panic, for which there is also not much reason. At a time of trial we should not behave as cowards who die many times before their death.

25. Lastly, before resuming my seat, I have to express my sense of thankfulness to the Finance Secretary and his staff for the help they have rendered in preparing the budget and even in the compilation of the material necessary for this speech. I must also make it clear that if in any of my observations anything has been said which is not as pleasing as it should be, it is due to my sense of responsibility to the tax-payer whose servant I am. I am pledged to his service and his interest is my immediate as well as remote concern. He is at the very bottom in our national pyramid and for his well-being those at the top must curtail their share of the national wealth, even though thereby their benefits and enjoyments become reduced. This is an ideal which was naturally lost sight of in our administration under British rule. If the *summum bonum* of the tax-payer, that is, his peace and happiness, is to be achieved, a due consideration of his point of view must be brought to bear upon the preparation of the annual Budget. It is only then that a budget can be called a national Budget.

