

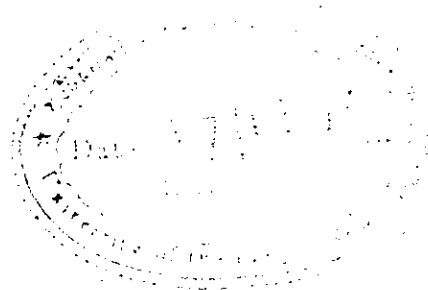
PAKISTAN ECONOMIC SURVEY

1974-75



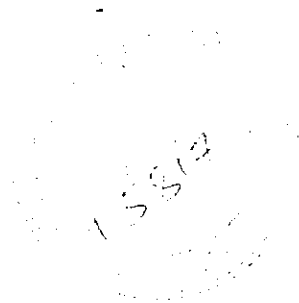
GOVERNMENT OF PAKISTAN, FINANCE DIVISION
ECONOMIC ADVISER'S WING ISLAMABAD

PAKISTAN ECONOMIC SURVEY



1974-75

Prepared by
ECONOMIC ADVISER'S WING, FINANCE DIVISION,
GOVERNMENT OF PAKISTAN, ISLAMABAD



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PREFACE

The *Pakistan Economic Survey 1974-75* depicts and analyses the major trends witnessed in the national economy during the first nine months of the year. Wherever available more recent data have been used.

Consistent with the growing emphasis on the development of human resources and the provision of social services two new chapters on Human Resource Development and Rural Development have been added. A separate chapter has been assigned to Mining also.

The scope and coverage of the Statistics section has been widened. An attempt has been made to develop time series for various sectors of the economy for reference.

FINANCE DIVISION
Islamabad, June 2, 1975.

ABDUR RAOUF
Secretary
to the Government of Pakistan

ECONOMIC TRENDS

The fiscal year ending June 1975 was difficult for the economy of Pakistan in many respects.

The decline in Pakistan's terms of trade touched its nadir during 1974-75. The decline of 20 per cent during the year brought the cumulative worsening of the terms of trade since 1970-71 to 25 per cent. In more concrete terms, it meant a current account balance of payments gap of \$ 1335 million, which in 1970-71 prices would have been only \$ 440 million. The resulting loss of resources amounted to roughly 8 per cent of GNP. The severe strain on the economy of the country may well be gauged from the fact that in the case of most developed countries the loss of resources due to increase in oil prices was less than 2 per cent. This sharp deterioration in the terms of trade had wide repercussions on budgetary and resource position as well as price situation in the country.

As international concern continued to grow about the impact of world economic crisis on the economic prospects of the developing countries, Pakistan was classified as one of the Most Seriously Affected (MSA) countries in a special list prepared by the United Nations. Pakistan was thus considered one of the countries needing extra foreign assistance for overcoming the difficulties arising from the impact of world-inflation accompanied by a recession.

While foreign assistance was available during the year on a substantially larger scale than in earlier years, it was still difficult to counter all the pressures arising from international and national developments, without major adjustments in domestic economic policies. A number of hard decisions were taken during the year to protect the economy and to improve its long-term prospects.

The economic difficulties created by the international situation worsened due to unexpected developments within the country. The wheat crop harvested in May 1974 turned out to be substantially lower than was originally forecast. The crop was damaged by early maturing which reduced the weight of the grain. In July—August, technical troubles developed at Tarbela dam which was nearing completion. Substantial repairs and construction of additional supporting works were rendered necessary and the water availability was delayed by a year. On top of Tarbela mishap, the country faced a serious water shortage in the existing irrigation system. During the crop year 1974-75 the three major rivers feeding the canal irrigation system recorded lowest flows in history. The river flows from April 1974 to February 1975 were 33 per cent below the mean during 1940—1973. Both the summer and winter crops were seriously hit by low availability of water in the canals. Connected with water availability was the power shortage in winter months which despite all efforts at conservation of energy affected operation of tubewells as well as industrial production. Finally, the rains were late in coming and delayed sowing of Rabi crop, though subsequent rainfall was good and offset part of the earlier damage.

The increase in GNP during 1974-75 is estimated at 2.6 per cent. This was less than half the long-term trend growth in the economy and below the rate of increase in population. Thus, the buoyant growth of the two earlier years was

reversed. This, coupled with adverse terms of trade, subjected the economy to a severe squeeze on total resources available for consumption and investment.

The most dramatic and painful manifestation of this squeeze on resources was the steep rise in the price level. The inflation which had commenced in 1971 in the wake of political and military developments of that period reached its peak in 1973-74, and continued during 1974-75 though at a somewhat reduced rate. The rate of inflation was roughly 2 per cent per month during July 1974—April 1975. The price situation showed signs of stabilization towards the end of the fiscal year. The open market price of wheat came down from the peak levels reached during the year and in some surplus districts market prices were ruling below the support price of Rs. 37 per maund. Procurement of wheat by the Government was running at a rate significantly above the corresponding period last year. Vegetable and poultry prices recorded sharp declines, so that producers started demanding price support or removal of ban on exports. The Index of 18 essential commodities recorded a decline of about 3.4 per cent during the period 12th April to 17th May 1975. These are, however, somewhat uncertain early signs of a change in situation and need to be read with caution. Indications are that continued anti-inflationary policies of Government may start showing results during the next fiscal year.

Major steps were taken during the year by the Government to fight inflationary pressures and to remove price distortions in the economy. The budgetary situation in the country was subjected to serious strains arising from world price and demand changes. Most of the export duties had to be abolished to counter the impact of slackening world demand. Even excise duty on yarn had to be drastically reduced. On the other hand, food subsidies went up due to phenomenal increase in international prices of wheat and edible oil. Special post-budget measures had to be taken to reduce budgetary deficit to a reasonable level and to avoid excessive deficit financing. Import duties were raised in February 1975 on certain less essential items to improve balance of payments situation and to make up the loss of revenue on export duties. Charges for gas and electricity were raised at the same time along with adjustment in the prices of kerosene and motor spirits, to eliminate subsidies arising from the rise in international energy prices. Finally in April 1975, a difficult decision was taken to

increase the price of wheat, sugar and vegetable ghee. This was necessary to arrest the growth of food subsidies. Without the adjustment of these prices, the subsidy bill was running approximately at an annual rate of Rs. 400 crore. At this rate, roughly one-third of tax revenue would have gone to meet only the subsidies, while one-half was already committed to defence requirements. The rise in prices of affected commodities, though immediately painful, was essential to avoid deficit financing which would have generated strong inflationary pressures over a longer period. The immediate impact of the price rise on fixed salary groups was softened by an increase of Rs. 25 per month in wages and salaries calculated to absorb the immediate price effects. This, combined with the increase ranging from Rs. 50 to Rs. 150 per month allowed in June 1974 provided a reasonable basis for protecting the real income of low paid employees and workers.

The level of deficit financing was brought down as a result of strong fiscal measures described above. The budgetary deficit of central and provincial governments combined was roughly Rs. 193 crore in 1972-73, reflecting immediate pressures in the process of reorganization of the fiscal system after the separation of East Pakistan. It was brought down to Rs. 86 crore in 1973-1974. During 1974-75 (upto end-April) the budgetary deficit was Rs. 79 crore. Its impact was less than 3 per cent on the volume of monetary assets at the beginning of the fiscal year, and was expected to be more than offset by the use of oil facility from International Monetary Fund.

The Bank Rate was raised from 8 per cent to 9 per cent in September 1974. Simultaneously an upward revision of the entire interest rate structure was introduced to discourage speculative use of credit and to encourage savings. This had a salutary effect on the deposit structure of the banking system, showing larger growth in saving and fixed deposits.

Total monetary assets increased by Rs. 444 crore during the first 10 months of 1974-75 compared to Rs. 186 crore in the same period last year. The main difference, however, was in the case of bank deposits which increased faster during the year as a result of incentives provided for stronger saving effort. On the basis of a narrower definition, money supply (currency in circulation and demand deposits) increased by Rs. 263 crore during the current year against Rs. 203 crore in the preceding

year. Currency in circulation, the most active component of money supply, increased by Rs. 112 crore in July 1974—April 1975 against Rs. 179 crore in the same period last year.

The balance of payments situation clearly reflected the current pressures in the economy. Exports amounted to \$ 849 million during July 1974—April 1975 and are likely to be of the level of \$ 1050 million for 1974-75 fiscal year. This would show a marginal improvement over the amount of \$ 1026 million in 1973-1974 which, in the wake of increases ranging from 25 to 40 per cent for the last three years, is a cause for serious concern. Main reason for the lack of growth in exports was the decline in world prices for our major exports, viz, cotton, cotton products, fish and leather. The recession in major industrial nations affected not only the prices but the level of demand for Pakistan's exports. Yarn and textile export quantities declined substantially. Cotton Export Corporation was successful in selling the entire surplus of cotton though prices received were low. In the case of rice, price remained high though quantities exported were less. It is, however, noteworthy that the miscellaneous exports of Pakistan (excluding cotton, cotton-based exports, rice, fish and leather) increased by 10 per cent during the first ten months of 1974-75. Considerable diversification of exports is taking place in commodity composition as well as in terms of markets. In 1974-75 no single country accounted for substantially more than 7 per cent of Pakistan's exports.

Imports amounted to roughly \$ 1700 million during the first 10 months of 1974-75 showing an increase of 67 per cent over the same period in 1973-74. The total imports for the year as a whole are estimated at \$ 2150 million on this basis. Major part of the imports was accounted for by wheat, fertilizer, edible oil and P.O.L. These 4 items constitute 38 per cent of total imports in 1974-75. As much as 78 per cent of the increase in imports between 1973-74 and 1974-75 is explained by higher prices and larger volume of these four items of import.

The trade gap was thus of the order of \$ 1100 million during 1974-75 against \$ 473 million in 1973-74. The sizeable trade gap arising mainly from high prices of imports had to be met immediately by increased assistance from abroad. The foreign assistance from traditional sources amounted to \$ 600

million. Islamic oil-producing countries provided concessional loans totalling \$ 410 million. In addition roughly \$ 200 million were provided under I.M.F. oil facility. It was thus possible to meet the pressures on balance of payments without any significant drawdown of foreign exchange reserves. The foreign exchange reserves held and controlled by the State Bank of Pakistan at the end of March 1975 stood at \$ 409 million compared to \$ 403 million in June 1974.

Over the longer run, the balance of payments situation has to be corrected by a massive effort at export promotion coupled with import substitution. Considerable progress was made by the economy towards this objective during the year. The Heavy Mechanical Complex at Taxila would be regularly producing sugar and cement plants, reducing country's dependence on imported machinery. Pakistan's first sugar mill produced within the country started trial production at Larkana. Backward linkage of machinery production would be achieved with the completion of Heavy Foundry and Forge Project at Taxila by the end of 1975 and Karachi Steel Mill by the end of the decade.

Wheat imports are likely to remain high for another year but may be expected to decline sharply from mid-1976 as a result of improved irrigation water availability from Tarbela, normal irrigation flows and associated increase in fertilizer consumption. The import substitution in wheat would be of crucial significance for an improvement in the balance of payments situation.

Other major improvement is expected in fertilizer availability. Pak-Arab Fertilizer Factory on which work began during the year is expected to go into production in 1977, followed closely by the factory in Mirpur Mathelo. These two units would add another 500,000 nutrient tons to the present production of roughly 300,000 nutrient tons. With the expected commencement of work on Fauji Foundation project during 1975-1976 and other smaller projects under way, Pakistan can hope to be in a situation of self-sufficiency or possibly surplus production from 1978.

Energy requirements are to be met in an increasing proportion from the expansion in the use of hydro-electricity and gas. The hydro-electric potential of Tarbela is 2100 MW, which would be added to the existing installed capacity of 2,520 MW during

the next 6 or 7 years. The expansion of gas distribution network under way would raise the capacity by 203 MMCFD to 627 MMCFD in 1978. In the meantime search for oil has resulted in additional discoveries of natural gas. The magnitude of new finds is yet to be determined.

The major positive achievement of the economy during 1974-75 was an increase in the level of investment. The public sector development outlay initially planned at Rs. 850 crore is likely to be substantially higher in the final evaluation. Additional allocations were made for priority projects where progress was ahead of schedule or price escalation required larger expenditure. Private sector investment is estimated at Rs. 580 crore against Rs. 458 crore in 1973-74. Substantial acceleration of investment was taking place in agriculture (tractors, tubewells, farm implements), housing construction, road transport and small-scale industry. The revival was less pronounced in large-scale industry in the private sector but was still noticeable in monetary terms. This was reflected in 169 per cent increase in loan disbursement from PICIC and IDBP. Stock Exchange reflecting the state of expectations in the private sector recorded an increase of 28 per cent in the index of share values upto April 1975.

The total investment (including changes in stocks) increased significantly both in monetary and real terms. As a ratio of GNP investment is likely to be of the order of 19 per cent in 1974-75 against 13 per cent in 1972-73. The investment ratio is now regaining the level necessary to attain sustained growth rates of 6 per cent and above—the level required to achieve reasonable improvement in standard of living with about 3 per cent annual increase in population.

The main problem in the coming years would be to maintain the tempo of present development effort by increasing savings both in the public and private sectors. Considerable effort would be needed in this direction.

The investment in the past was not only low but it was also concentrated heavily on a major project viz, Tarbela. The benefit of this large investment would also be available over the next few years. Present and future investment is more evenly balanced between long-term projects like steel and more quick-yielding investments in water-logging and salinity; as well as power and transport. Greater care is being taken to ensure regional and social balance.

To sum up, the country faced a difficult challenge during 1974-1975 arising from a combination of international economic situation and the set-back to domestic agriculture from low water availability. The recovery in production levels which began in 1972-1973 was temporarily arrested, resulting in considerable squeeze on domestic resources and the balance of payments. Inevitable hardship was felt as a result of price increase though the available indicators show that *per capita* consumption of essential items was maintained with substantial imports of foodgrains and edible oil and the adjustment of wages and salaries under an incomes policy. Price and duty adjustments had to be made repeatedly during the year in response to the rapidly changing economic situation. It was thereby possible to limit deficit financing within pre-determined ceilings and to avoid generating further inflationary pressures. The investment level was raised in a decisive manner to impart greater strength to the economy and to improve the production structure. Towards the end of the year, it appeared that the economy had substantially overcome a severe crisis and was turning the corner. Production gains may be expected to flow next year from investments during 1973-74 and 1974-75 and inflationary pressures may recede with a better balance between monetary demands and availabilities. Terms of trade which declined sharply in 1974-1975 are expected to recover some ground in 1975-76 with the decline in world prices of our major imports and recovery in demand for our exports. Over the longer run the import substitution strategy being implemented may be expected to bring about a gradual improvement in the balance of payments situation.

It would be unrealistic to expect a sudden improvement in the situation. The economic difficulties do not disappear overnight. But the present indications point towards a gradual improvement in the situation and relaxation of severe pressures which plagued the economy this year.

Chapter I

HUMAN RESOURCE DEVELOPMENT

The objective of all economic activity is to meet the basic needs of the people. Economic development needs to be directed in a purposeful manner to realize this objective. In Pakistan, economic development is constrained by the scarcity of capital and low level of technology. The way out of this difficulty is to develop the vast unexploited potential of surplus manpower. The people of Pakistan thus constitute both the means and the end of economic transformation. It is relevant, therefore, to start by analysing the magnitude, composition and basic characteristics of the population and acquiring an understanding of the occupational structure of the labour force.

The latest census was held in Pakistan in October, 1972. The full results of census and accompanying H.E.D.* Survey have not yet been compiled. The analysis in this chapter is based on the total population count in the census, estimated growth rates on the basis of population surveys and some of the surveys of household income and labour force conducted by the Statistics Division. Some of the information is out of date and would soon be replaced by census related surveys. The present analysis can only be taken as a starting point.

The population of Pakistan was counted at 6.5 crore in 1972 and is estimated to be 7 crore in 1975 growing at the rate of about 3 per cent per annum. If this growth rate prevails, the population would double in the next 24 years. With a total area of 307,343 square miles, the population density comes out to about 228 persons per square mile. More than seventy per cent of the population lives in the rural areas. The labour force which constitutes about one-third of the total population suffers from underemployment, particularly in the rural areas.

The absorption of this surplus requires an employment-centred strategy of development, emphasizing the harnessing of the creative energies of the people through the progressive emergence of an organized mass employment sector. What follows is a study of the magnitude of the problem and the policy questions it raises in its demographic and economic dimensions.

Population growth

Since the inception of Pakistan as an independent state in 1947, three decennial censuses have been undertaken in 1951, 1961 and 1972. Two population growth estimation surveys—Population Growth Estimation project (PGE 1962—1965) and periodic Population Growth Surveys (PGS 1968—1971) were also conducted besides labour force surveys of the Statistics Division. Data on population for pre-1947 period are available from the series of decennial population censuses conducted since 1881 for the sub-continent.

Table 1.1
POPULATION GROWTH IN PAKISTAN 1901—1972

Year	Census population (in 000's)	Average intercensal rate of growth per annum
1901	15,576	—
1911	19,382 ¹	0.7
1921	21,109	0.9
1931	23,542	1.1
1941	28,282	1.8
1951	33,740 ³	1.7
1961	46,110 ⁴	2.4
1972	64,976	2.9

1. Including population of Frontier Regions which was not counted in 1901.

2. Based on population excluding 16 thousand persons of Frontier Regions in 1911.

3. Excluding non-Pakistanis and including 13 thousand persons (estimated) of Gawadar and 24 thousand persons (estimated) in Frontier Regions who were not included in the 1951 Census published data.

4. The 1961 census population was reported to be 42,880. These figures were adjusted for 7.5 % under-reporting to arrive at 46,110 population.

5. The growth obtained after adjusting the 1961 population for under-enumeration.

* Housing, Economic & Demography

The population of the country has shown continuous growth at accelerated pace. In the early period this can be attributed to the development of a large-scale irrigation system resulting in an influx of migrants from other parts of the sub-continent and a substantial increase in life expectancy as a result of control of famines and endemic diseases.

Since 1947 the improved health conditions have contributed heavily to inter-censal growth rates. Another important though less understood factor is of improved coverage particularly in 1972. The 1951 census was conducted under unsettled conditions. The country was undergoing a phase of resettlement. In 1961, though the census was conducted in a more congenial atmosphere yet due to lack of experience in census work, the coverage was suspected to be inadequate. Experts have generally agreed that the population was under-enumerated in the 1961 census by nearly 7.5 per cent. It is believed that the 1972 population census has overcome most of the shortcomings of the first two censuses and that the enumerated population is relatively close to the actual. Only the availability of age-sex distribution of 1972 population census would indicate if any adjustment in the total number were needed.

The population of Pakistan has shown nearly four-fold increase during the last 70 years (1.66 crore in 1901 to 6.49 in 1972) and would double in 24 years if the current rate of growth prevails. The estimated 1975 population is about 7 crore. In the absence of other reliable sources of vital statistics, the current estimate of crude birth rate based on PGE and PGS is somewhere around 43 to 45 live births per 1,000 suggesting that a woman is likely to produce between 6 and 7 children during her reproductive span. The estimates of mortality rate are close to 15. More precise estimates of the level of fertility and mortality are not possible due to inadequacies of existing demographic data particularly the gross under-coverage of vital registration. Without a drastic change in fertility levels the growth rate is likely to continue to be very high as smaller gains in reducing the fertility rate will be absorbed by the reduction in mortality and increased proportion of population in child-bearing age.

Age Composition

The high level of fertility with declining mortality has resulted in an age structure which is heavily weighted towards young groups. Nearly 45 per cent of the total population is below 15 years of age and this proportion is likely to increase further as the infant and child mortality declines. This high and increasing proportion of young population has tremendous implications for the future development planning. The school and college age population (ages 5—19) according to 1961 population census was estimated to be 35.1 per cent of the total and is estimated to have gone up since then to 38 per cent. As a result, Pakistan has a very high dependency ratio and the proportion of young entrants in labour market is also increasing, intensifying pressures on resources.

Rural-Urban Distribution

The distribution of population by urban and rural place of residence has shown a gradual rise since 1901. In 1901 only 9.8 per cent of population was living in urban areas, increasing to an estimated 28.9 per cent in 1975. The percentage of urban population in 1951 and 1961 was 17.8 and 22.5 per cent respectively. The urban population is defined to include those living in townships of 5,000 persons or more or areas having urban characteristics. The mere distribution of population between rural and urban areas is not indicative of the real process of urbanisation. With improved transport and communication facilities and extension of education and health facilities, there is a much greater interaction of ideas and influences between the rural and urban areas.

Labour Force

The size of labour force in Pakistan in 1951 was recorded at 97 lakh, (78 lakh in the rural sector and 19 lakh in the urban areas), rising to 1.27 crore (99 lakh and 28 lakh in the rural and urban areas respectively) in 1961. The estimated labour force for the year 1975 stands at 2.05 crore (1.52 crore in the rural sector and 53 lakh in the urban sector). The latest empirical studies show that the civilian labour force is growing at an annual rate of 3 per cent. In other words 6,00,000 persons are joining the work force annually.

Participation Rates

The crude participation rates of civilian labour force (proportion of total population engaged in gainful economic activity) in Pakistan have shown an improvement from 32.4 per cent in 1961 to 34.0 per cent in 1971*. The female labour force's contribution to the total participation was 6.1 per cent in 1961 which even with some improvement in the subsequent years would remain extremely low. The fast growing population, non-availability of job opportunities and social and institutional framework of the country are responsible for the low labour force participating rate. The social taboos prohibit women from actively participating with men in the general economic life of the country which is an important factor for low female participation in the economic activity.

Employment by Economic Activity

Majority of the labour force in Pakistan (57.3 per cent) is employed in agriculture. In the rural areas, roughly 70 per cent of the population is engaged in agricultural production. Of the remaining 30 per cent of rural labour force, roughly one-third or 9 per cent of rural labour force is engaged in manufacturing which in this case means small handicrafts, shops and village artisans like black smith, potter and weaver etc. The ratio of urban labour force engaged in manufacturing is about 26 per cent. Here again while large scale industry absorbs roughly 10 per cent of urban labour force the balance is engaged in small-scale industries and what may be classified as cottage industries.

The percentage of rural population in the whole-sale and retail trade is roughly 5.5 per cent as against 9.89 per cent for the whole country.

Table 1.2
PERCENTAGE OF POPULATION IN MAJOR OCCUPATION GROUPS BY URBAN/RURAL AREAS, 1971-72

OCCUPATIONAL GROUP	PAKISTAN	RURAL AREAS	URBAN AREAS
Total	100.00	100.00	100.00
Agriculture	57.32	70.61	6.54
Mining	0.45	0.28	1.07
Manufacturing	12.47	8.98	25.79
Electricity, Gas & water	0.37	0.16	1.16
Construction	3.41	2.77	5.85
Wholesale and retail trade	9.89	5.53	26.56
Transport, storage etc.	4.84	3.44	10.20
Financing, Insurance etc.	0.86	0.32	2.92
Community & social services	7.27	4.19	19.05
Others	3.12	3.72	0.86

* The 1961 estimates are based on 1961 population census while the figure for 1971 is based on labour force survey.

In an agricultural country like Pakistan there can be two types of unemployment: open unemployment mostly in the urban areas and under-employment in the rural areas. The 1961 census indicated crude open unemployment rate of 1 per cent of the population. In relation to the actual labour force, this implied an open unemployment of about 4.6 per cent. For urban areas, it could mean an unemployment rate of 15 per cent. In the census, only those actively seeking employment in the pre-census week in the non-agricultural sector and all actively seeking employment in the agriculture sector were recorded as unemployed. In fact the unemployment rate was even higher. The growth in employment opportunities started lagging behind the additions to the labour force as the real investment ratio came down in the late sixties. By 1971, there was a large backlog of open unemployment in the economy. An Expert Group on Employment and Manpower appointed by the Government estimated that 15 per cent of the labour force suffered from unemployment in the country in 1971. The expansion in the economic activity after 1972 and a sharp rise in public sector investment have substantially improved the employment situation in the country. The improvement is particularly noticeable in the case of skilled manpower where unemployment has given way to shortages in specific categories.

Measurement of under-employment presents more difficult problems particularly because of seasonal variations. The Expert Group on Employment and Manpower estimated that under-employment was about 15 per cent of the labour force in 1971. This may represent an approximation to seasonal variations in the demand for labour in agriculture sector, though there is evidence to suggest that at the peak of harvesting and sowing activity, shortage of manpower is reported from the villages.

Further studies are under way to make a more precise quantitative assessment of the overall unemployment and under-employment in the country. The major problem in the meantime is the entrance of about 6 lakh persons into the labour force every year. It implies that jobs will have to be found for 32 lakh additional persons over the next 5 years upto 1980. Very large investment would be required to provide employment not only to the new entrants in the labour market but also to reduce the existing unemployment and under-employment.

Literacy and Education

The productivity of the labour force in important respects is related to the spread of literacy and education. In 1971-72, only 20 per cent of the labour force was educated. The literacy rate of the population aged 5 and over in 1975 is estimated to be about 21 per cent. According to the data obtained from the Labour Force Survey of the Statistics Division the percentage of population (over 5 years) with education upto matriculation level or above is only 3.15 per cent. This ratio is only 0.6 per cent for females. Those educated upto the graduate level constitute only 0.44 per cent of the population. The majority of graduates are in age group of 20 to 24 suggesting that more of them are fresh graduates.

Economic situation is basically the outcome of the relationship of available manpower, its active participation in work, and the level of education and skills in relation to the natural resources, capital investment and technology. The attempts to increase physical infra-structure and production facilities in the country as well as the programmes for better utilization of human resources are described in the subsequent chapters of this Survey.

Chapter 2

NATIONAL INCOME

Trends in aggregate national income and its composition provide a useful summary description of overall economic performance. A number of terms are used to signify changes in the product or income available to the nation for use in a year. These concepts which are quite close in content but involve various technical refinements are explained in the annexure to this chapter. The methodology used for computation and the limitations of data in Pakistan are also briefly explained in the annexure.

GNP is estimated in constant 1959-60 prices to compare economic performance and in current prices to explain the way it is being spent.

It is important, however, to realize that while an increase in national income is desirable because it provides the basis on which attempts to improve the standard of living of the people can meet with success, it cannot be regarded as synonymous with socially desirable change. The major policy objective is not the unbridled pursuit of GNP growth, but an equitable sharing of the development effort by sections of society, sectors of the economy and the regions of the country. Such a strategy may imply lower growth in the short run, but over a longer period would result in a healthier and more balanced development of the economy and the society.

The real growth in GNP during 1974-75 is estimated to have declined to 2.6* per cent compared to the revised estimates of 4.6* per cent for 1973-74 and final estimate of 7.6 per cent for 1972-73. Both in 1973-74 and 1974-75, the economy was subjected to considerable pressure arising from the international economic situation. Simultaneously, domestic factors emanating from a cycle of natural calamities including a serious flood in 1973-74 and an unprecedented decline in the availability of water during 1974-75, adversely affected agricultural production, the level of output in related industries and the overall tempo of economic activity which is still determined substantially by the state of agriculture. Apart from these disturbing domestic and international influences, the changes in national income up to 1974-75 have been significantly affected by a slow-down in the level of overall investment in the economy which began in 1969. The sizeable increase in investment particularly in the public sector, which only began during 1973-74 and gained momentum during 1974-75, may be expected to yield results in the subsequent years.

The increase in GNP of 2.6 per cent during 1974-75 was more than offset by the increase in population estimated at roughly 3 per cent. The per capita income, therefore, actually declined during the year. It has hardly shown any improvement over the period 1970-75. There was substantial decline in per capita income during the disturbed period of 1970-72. The increase in growth rate during 1972-1974 was large enough to offset the past decline in per capita incomes. Net improvement over the 1970 level is, however, still negligible. This is brought out in the following table.

Table 2.1

G.N.P. AND PER CAPITA INCOME AT CONSTANT FACTOR COST 1959-60

Year	G.N.P. (Rs. crore)	Per Capita Income (Rs.)	Growth Rate of Per Capita Income%
1969-70	3230.4	541	—
1970-71	3225.7	525	(—)2.9
1971-72	3269.8	516	(—)1.7
1972-73	3517.8	539	(+)4.5
1973-74 (Revised)	3670.5	546	(+)1.3
1974-75 (Provisional)	3766.6	544	(—)0.4

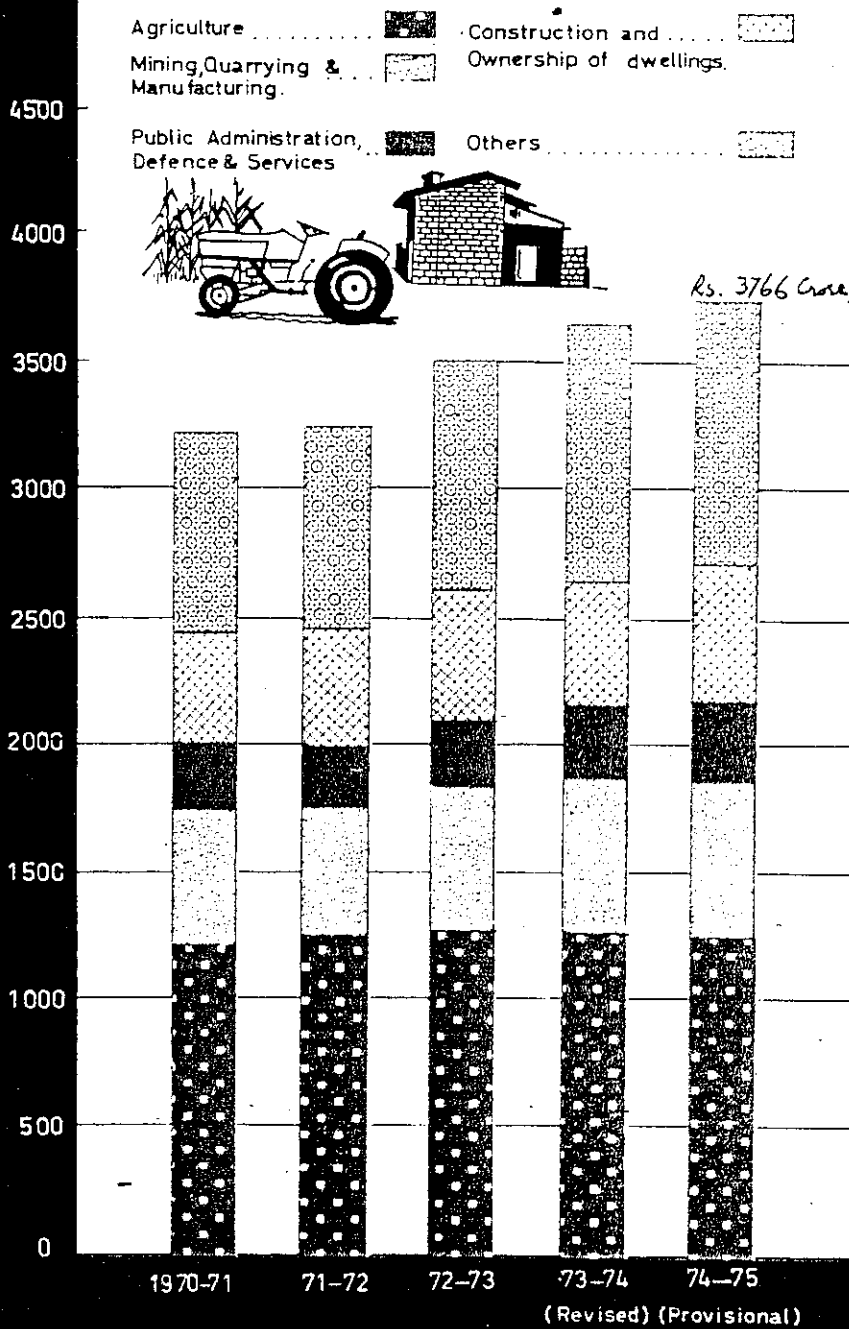
Note:—In the statistical appendix, the figure is for per capita GDP and is therefore, slightly different.

*The growth in GNP is substantially affected by the size of wheat crop. The 1973-74 crop was initially estimated at 85 lakh tons. Revised estimate is 75 lakh tons. For 1974-75, the GNP estimate is related to wheat crop of 70 lakh tons.

GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST

Base 1959-60

Rs. in Crore.



In 1974-75, the main reason for the slow growth rate in GNP was the setback to agriculture arising out of the reduction in the flow of water in the irrigation system even below the historically recorded minimum, particularly in the critical early months of the crop. Rains also came late, affecting sowing in the *barani* area. The overall income originating from agriculture registered a decline of 2 per cent in 1974-75.

The activity in the large scale manufacturing industry was partly restrained by the reduced availability of agricultural raw materials as in the case of sugar and partly by the level of international demand as in the case of cotton textile industry. This sector recorded a growth rate of 3 per cent during 1974-75, which was less than half of what it was in the previous year.

Whatever growth took place during 1974-75 was mainly in the services sector including construction activity. The commodity component of income declined by 0.3 per cent in the current year at constant factor cost, compared to an increase of 3 per cent in the previous year. Table 2.2 shows the growth profile of the economy.

Table 2.2

ESTIMATE OF GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST

(Base : 1959-60 = 100)

(Rs. in crore)

Sector	1973-74 (Revised)	1974-75 (Provisional)	Growth rate %
1. Agriculture	1299.2	1273.7	-2.0
(i) Major Crops	754.1	715.5	-5.1
(ii) Minor Crops	152.3	157.6	+3.5
(iii) Others	392.8	400.6	+2.0
2. Mining and Quarrying	18.0	19.9	+10.6
3. Manufacturing	582.9	600.3	+3.0
(i) Large-Scale	458.5	472.3	+3.0
(ii) Small-Scale	124.4	128.0	+3.0
4. Construction Services	149.0	171.4	+15.0
5. Other Services	1603.5	1681.8	+4.9
6. Gross Domestic Product	3652.1	3746.2	+2.6
7. Net Factor Income from/to rest of the world	+18.4	+20.4	+10.9
8. Gross National Product	3670.5	3766.6	+2.6

Source : Statistics Division

As a result of rapid growth in services sector during the past five years, the sectoral composition of the GNP has recorded some changes. The share of agricultural sector declined from 38.9 per cent in 1969-70 to 34.1 per cent in 1974-75. The decline is more pronounced in the major crops which now accounts for 19.1 per cent of GNP compared to 23.4 per cent in 1969-70. The share of construction and other services has increased from 44.65 per cent to 48.96 per cent. The contribution of manufacturing has remained unchanged at slightly less than 16 per cent.

Table 2.3 depicts the structural changes in GNP at constant factor cost.

Table 2.3

STATEMENT ON STRUCTURAL CHANGES IN G.N.P. AT CONSTANT FACTOR COST
OF 1959-60

Sectors	(Percentage)					
	1969-70	1970-71	1971-72	1972-73	1973-74 (Revised)	1974-75 (Provisional)
1. Agriculture ..	38.90	37.78	38.57	36.07	35.38	34.06
(i) Major Crops ..	23.36	21.83	22.44	21.02	20.55	19.10
(ii) Minor Crops ..	4.22	4.40	4.61	4.16	4.15	4.33
(iii) Others ..	11.32	11.55	11.52	10.89	10.68	10.63
2. Mining and Quarrying	0.49	0.48	0.49	0.45	0.49	0.50
3. Manufacturing ..	15.95	16.23	15.25	15.40	15.88	15.94
(i) Large-scale ..	12.50	12.68	11.66	12.00	12.41	12.52
(ii) Small-scale ..	3.45	3.55	3.59	3.40	3.39	3.42
4. Construction Services..	4.25	4.31	3.56	3.79	4.06	4.68
5. Other Services ..	40.40	41.42	41.91	43.78	43.69	44.28
6. Gross Domestic Product	99.99	100.22	99.78	99.49	99.50	99.46
7. Net Factor Income from/to rest of the world ..	0.01	0.22	0.22	0.51	0.50	0.54
8. Gross National Pro- duct ..	100.00	100.00	100.00	100.00	100.00	100.00

Source : Statistics Division

GNP at Current Factor Cost

The GNP growth rate at constant factor cost reflects the real improvement in the volume of goods produced and services made available. This has been discussed in the preceding section. However, it is in terms of current prices that the aggregate can be related to the surveys of various sectors in the subsequent chapters.

It is evident from a comparison of growth rates in constant and current prices that there has been a substantial increase in prices in 1974-75. As against the GNP growth of only 2.6 per cent estimated at constant factor cost, the rise at current factor cost is as high as 25.7 per cent. The difference is explained by the rise in prices which measured by the National Income Deflator comes to 22.5 per cent. Last year, the GNP growth rate at constant factor cost was 4.6 per cent compared to 31.0 per cent at current factor cost. The price rise according to the National Income Deflator was 25.2 per cent.

SOURCES AND USES

The total availability of goods and services in the country consists of G.D.P. (at market prices) plus the value of goods and services that are imported into the country. The total resources are utilized for (i) fixed investment (ii) changes in stocks (iii) Government consumption (iv) private consumption and (v) exports of goods and services.

Table 2.4 presents total resources of the country and their disposal for the year 1973-74 and 1974-75. Resources and expenditures increased by 32 per cent in 1974-75 but most of this may be attributed to higher prices. In real terms GDP increased by only 2.6 per cent and imports by about 5 per cent so that real resources and expenditures were approximately 3 per cent larger on the aggregate. However, real exports of goods and services declined in 1974-75 permitting a reasonable increase in domestic expenditure. While private and government consumption increased in real terms, the sharpest increase took place in investment especially owing to accelerated implementation of public sector development projects.

Table 2.4
SOURCES AND USES

Sources	1973-74	1974-75	Growth (%)	Uses	1973-74	1974-75	Growth (%)
G.D.P. at Current Factor Cost	7899.0	9912.0	25.5	Fixed Investment	954.0	1650.0	73.0
Indirect Taxes less Subsidies	495.0	730.0	47.3	Changes in Stock	100.0	200.0	100.0
G.D.P. at Market Prices	8394.0	10,642.0	26.8	Public consumption	856.0	1210.0	41.4
Import of Goods and Services	1652.0	2625.0	58.9	Private consumption	6931.0	8962.0	29.3
				Exports of goods and services	1205.0	1245.0	3.3
Total Resources	10,046.0	13267.0	32.1	Total uses	10046.0	13267.0	32.1

Sources : Statistics and Planning Divisions.

NATIONAL INCOME ESTIMATION IN PAKISTAN

The concept of national income, as defined by the United Nations and used in Pakistan, is synonymous with Net National Product (NNP) at factor cost. Net National Product is equal to Gross National Product (GNP) minus allowance for depreciation of capital assets used in the process of production. Gross National Product represents Gross Domestic Product (GDP) plus net factor income payments from/to abroad.

Gross Domestic Product

Gross domestic product (GDP) is the value of goods and services produced minus the value of inputs in the country within a year. GDP may be measured either at market prices or at factor cost. Gross domestic product at market prices minus indirect taxes and inclusive of subsidies is equal to gross domestic product at factor cost.

Method of Estimation

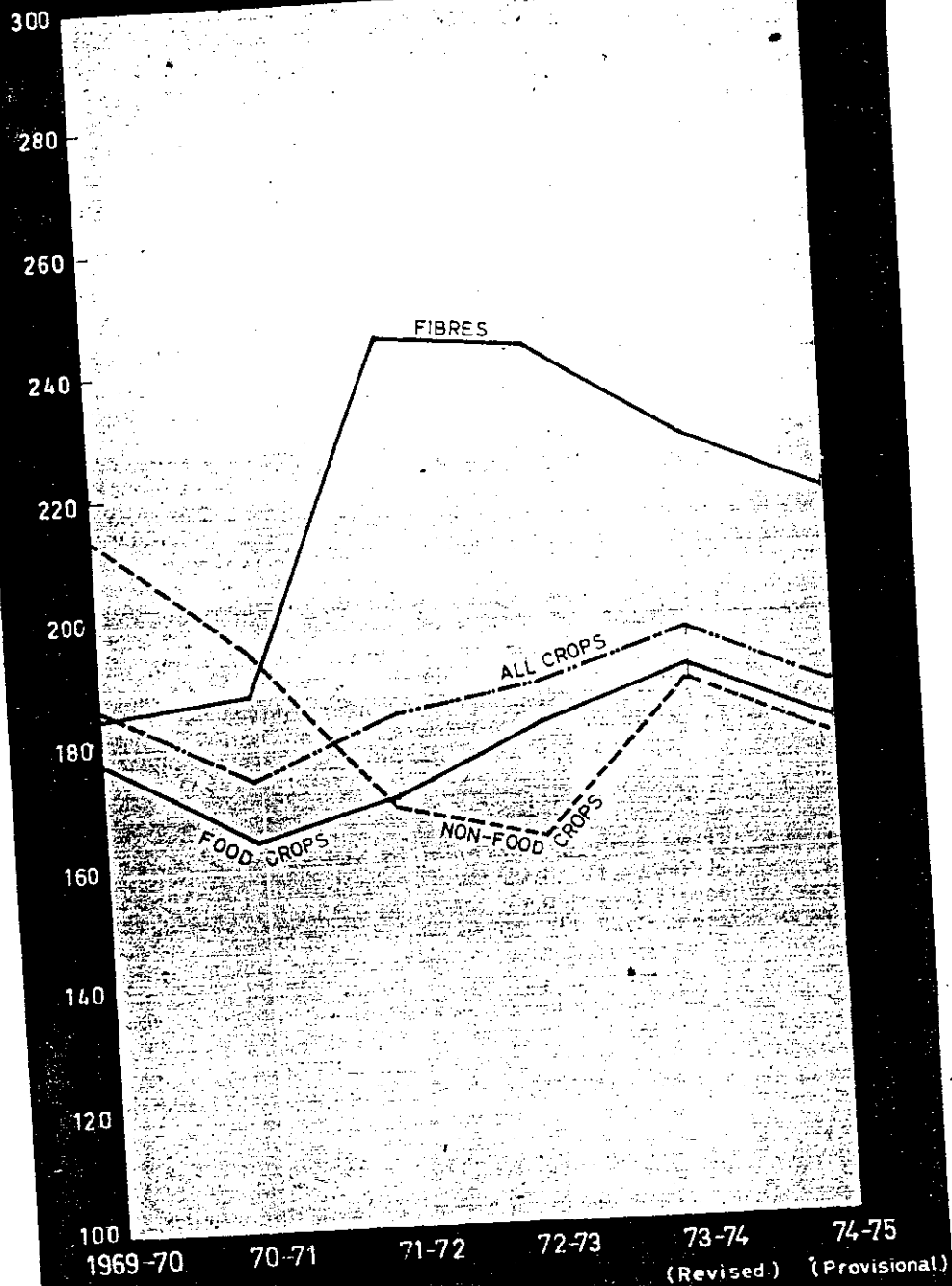
Product, income and expenditure, form a circular flow and as such it is necessary to measure national income at three different points and by three different approaches namely a sum of value added by the various producing factors in the country adjusted for factor income payments to and from abroad; a sum of distributive shares of the factors of production and a sum of final expenditure on consumption and investment adjusted for imports and exports. Finally, one must be careful with regard to corrections for depreciation of fixed capital so that the various elements in the aggregate are clearly identified as either gross or net. Since the measurements of national income through any one of these approaches should yield identical results they provide a check against one another. Provided double counting is avoided, there is no harm in deriving national income estimates by a combination of more than one method according to the availability of data.

Method of Estimation of GNP in Pakistan

Due to the paucity of basic data required for the estimation of GNP a single method of estimation is not used. The GNP has been estimated on the basis of the combination of product, income and expenditure methods, depending upon the availability of information. Product approach is applied in agriculture, mining and quarrying, manufacturing and construction. Income approach, using the wages, profits, rent and interest of the productive agents, is resorted to in case of banking and insurance, ownership of dwellings, public administration and defence and services. As expenditure accounts are available for electricity, gas and water sectors, the expenditure approach is employed to estimate respective contributions to national income.

INDEX OF AGRICULTURAL PRODUCTION

(1959-60=100)



Chapter 3

AGRICULTURE

Agricultural development occupies a crucial position in the economy of Pakistan. The welfare of about 70 per cent of the people living in rural areas and the overall development of the economy itself depend to a great extent on improvement in agriculture. Development in agriculture would bring about self-sufficiency in food, improve human diet, earn foreign exchange required for the import of machinery and equipment for agriculture and manufacturing sectors and improve income distribution by raising the standard of living of farmers.

The agricultural policy of the Government has been directed towards bringing about a number of socio-economic and bio-chemical changes to improve the state of agriculture. These aim at diversification of cropping patterns, evolving new and improved seeds, improvement in marketing system, and provision and intensive use of agricultural inputs like chemical fertilizers, plant protection materials, etc. This would improve crop yield and consequently enhance agricultural production. The institutional changes recently introduced include Integrated Rural Development Programme, Agrovilles, People's Works Programme and Land Reforms. Further the Government have also introduced reforms in the banking sector in order to make more loans available to the farmers. Support prices of some major crops have also been revised upwards to enhance the return to the

farmers. Some direct measures have also been taken to make available adequate quantities of agricultural inputs like chemical fertilizers, water and pesticides for plant protection. The domestic chemical fertilizer industry has been expanded and is meeting a growing proportion of the total demand. In order to supplement surface water availability the Government have given subsidy for the installation of tubewells by medium and small farmers. This is in addition to the huge subsidy for fertilizers and plant protection materials to reduce input cost to the farmers so that they use larger amounts of these essential agricultural inputs.

The Government appointed an Agricultural Enquiry Committee in March 1975 to look into the recent difficulties in raising agricultural production and to recommend measures to bring about all-round improvements in agricultural production with immediate aim of attaining self-sufficiency in food in the shortest possible time. The Committee is required to give its report within two months.

The agriculture sector registered an annual growth rate of 1.5 per cent during 1950's, 3.4 per cent during the Second Plan period and 4.1 per cent during the Third Plan period. However, there has been a serious set-back to agriculture since the early seventies. Earlier shortfall in investment in the economy is vitally affecting agriculture combined with a series of bad weather years which slowed down agricultural growth rate. The growth rate during 1970-75 is estimated to be less than one per cent. The current year was a specially bad year for agriculture as the value added in the agriculture sector fell by about two per cent. The agriculture sector had similar experience during 1960-61, 1963-64 and 1965-66 in which agricultural production either recorded a fall or remained stagnant breaking the pattern of steady growth. The decline in agricultural production in 1974-75 is explained mainly by shortage of irrigation water, poor rains, and pest attack on sugarcane and cotton crops. The canal water flow at the farm gate fell to as low as 60 per cent during some critical months for important crops. Similarly, there were not sufficient rains when critically required although during the later period there were some rains which had a favourable impact on the crops. The delay in the commissioning of the Tarbela Dam further aggravated the situation.

Although the acreage of some major crops has gone up, the fall in agricultural production is explained by decline in their yields. The following sections which contain the review of individual crops describe how the acreage and production of various major crops were affected.

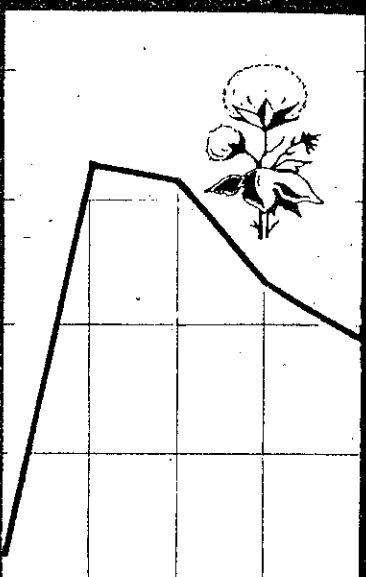
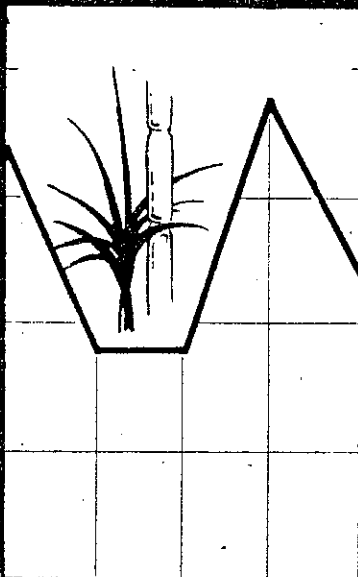
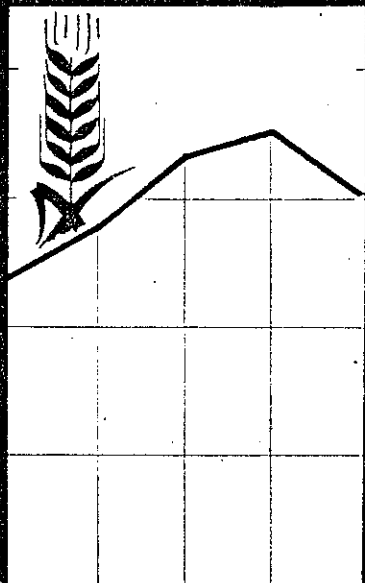
CROP POSITION

The acreage under some important crops increased during the year in response to the price incentives and the facilities provided by the Government. The yield per acre declined due to water shortage and late arrival of rains. The position of major crops which account for 80 per cent of the total cropped area is reviewed below.

Wheat

The 1974-75 wheat crop was sown over less area than in the preceding year. The low river water flow affected *Rabi* sowing in the irrigated areas while the *Barani* areas were affected by a virtual absence of rains in the critical sowing period. The performance of tubewells was at the same time affected by power shortages and higher prices of diesel. The production is estimated at this stage in the range of 67 to 70 lakh tons. The set-back in wheat production has

PRODUCTION OF PRINCIPAL CROPS



generated additional pressures on the already difficult food situation. The wheat crop of 1973-74 was expected to benefit from moisture retained after the floods. Every effort was made to obtain a larger crop through a combination of higher acreage and greater yields. The wheat acreage of 151 lakh in 1973-74 was in fact higher than the last four years' average of 147 lakh acres. The increase of 1.3 per cent in acreage was helpful. However, the yield was affected by early maturing and ripening of the crop and the grain shrivelled in the last stages of the crop. The crop at 75 lakh tons was, therefore, significantly less than expected on the basis of earlier reports, though it was still comparable to previous peak level production of 73 lakh tons in 1972-73.

On the average both production and yield per acre of wheat, corrected for weather influences, have a rising trend as given in the following table of area, production and yield of wheat for 1970-71 to 1974-75.

Table 3.1
AREA, PRODUCTION AND YIELD PER ACRE OF WHEAT

Year	Area (000 acres)	Production (000 tons)	Yield per acre (maund)	Percentage change in yield per acre
1970-71	14,771	6,374	11.7	—
1971-72	14,325	6,782	12.9	+10.3
1972-73	14,754	7,325	13.5	+4.7
1973-74	15,105	7,508	13.5	—
Average (1970-71 to 1973-74)	14,739	6,997	12.9	
1974-75*	14,397	7,000	13.2	-2.2

Source ; Planning Unit, Ministry of Food and Agriculture.

* Provisional.

However, it is necessary to accelerate the pace of improvement in yield per acre as a steady growth in wheat production substantially higher than the rate of increase in population is needed to reduce and eventually eliminate food deficit of the country. Government has taken special steps in addition to the measures for overall development of agriculture to boost the production of wheat. The sale price of fertilizers was reduced for six weeks with effect from December 18, 1974 to encourage more use of fertilizer for wheat. The support price has also been enhanced from Rs. 25.50 to Rs. 37.0 per maund. Coming into operation of Tarbela in the next *Rabi* season combined with the incentive provided by the present level of support and market prices is likely to bring about a major increase in wheat production during 1975-76.

Rice

The area under rice increased to 38.7 lakh acres in 1974-75 (36.8 lakh acres as the average of last four years) from 37.4 lakh acres of 1973-74. The production of rice however is likely to fall to 21.5 lakh tons in 1974-75 compared to the 1973-74 production of 24.2 lakh tons and the average production

of last four years of 22.8 lakh tons. The shortage of water is mainly reflected in the decline in acre-yields to 15.1 maunds in 1974-75 compared to 17.6 maunds in 1973-74 (16.8 maunds, being the average of last four years). The area, production and yield of rice for the period of 1970-71 to 1974-75 are given in the following table:

Table 3.2

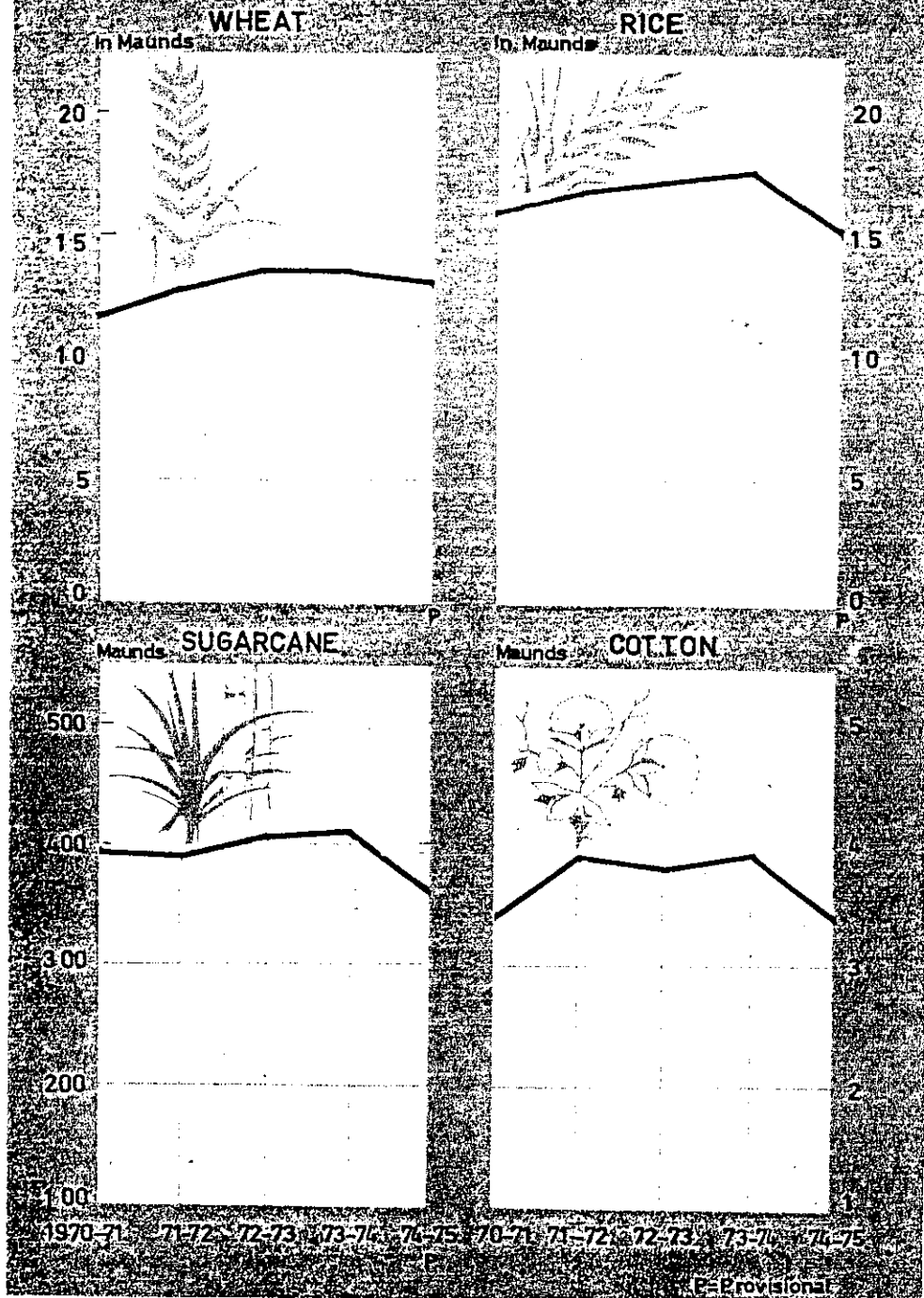
VARIETY-WISE ACREAGE, PRODUCTION AND YIELD PER ACRE OF RICE

Year	Acreage (000 acres)			
	Basmati	Irri	Others	Total
1970-71	1,075	1,360 ³	1,280	3,715
1971-72	820	1,800	979	3,599
1972-73	835	1,599	1,222	3,656 ⁵
1973-74	926	1,573	1,237	3,736
1974-75*	914	1,583	1,179	3,676
Average (1970-71 to 1973-74)	—	—	—	3,866
1974-75*	—	—	—	—
Year	Production (000 tons)			
	Basmati	Irri	Others	Total
1970-71	405	1,042	718	2,165
1971-72	378	1,386	462	2,226
1972-73	394	1,235	664	2,293
1973-74	478	1,217	721	2,416
1974-75*	414	1,220	641	2,275
Average (1970-71 to 1973-74)	—	—	—	2,150
1974-75*	—	—	—	—
Year	Yield per Acre (maunds)			
	Basmati	Irri	Others	Total
1970-71	10.3	20.9	15.3	15.9
1971-72	12.5	21.0	12.8	16.8
1972-73	12.8	21.0	14.8	17.1
1973-74	14.1	21.1	15.9	17.6
1974-75*	12.4	21.0	14.7	16.8
Average (1970-71 to 1973-74)	—	—	—	15.1
1974-75*	—	—	—	—

Source : Planning Unit, Ministry of Food and Agriculture.

*Provisional.

YIELD PER ACRE OF PRINCIPAL CROPS



Government has revised the procurement price of different varieties of rice ; the price of *Basmati* rice was increased from Rs. 62.0 to Rs. 90.0 per maund, that of *Begmi* Irri-6 from Rs. 27.0 to Rs. 40.0 per maund, that of *Kangni* and *Joshi* from Rs. 26 to Rs. 39 per maund and that of Irri-8 from Rs. 25 to Rs. 38 per maund during 1974-75. There was a further increase in the prices of Irri-6 from Rs. 40.0 to Rs. 48.00 per maund in late 1974 subject to tolerance limits of 15 per cent and rejection limit of over 20 per cent.

Cotton

The area of cotton crop showed a remarkable increase to 50.2 lakh acres in 1974-75 compared to 45.6 lakh acres in 1973-74 and 46.6 lakh acres as the average of preceding four years. However, the production fell from the last year's production level of 37.04 lakh bales to 35.67 lakh bales in 1974-75. The decrease in production is explained by the fall in yield per acre which was 3.4 maunds in 1974-75 compared to 3.9 maunds in 1973-74. The average acre yield during the last four years was 3.8 maunds. The yield was adversely affected due to late sowing, low canal water flow and power shortage affecting tubewells and pest attack on the standing crop. The area, production and yield of cotton for the years 1970-71 to 1974-75 are given in the following table.

Table 3.3
ACREAGE, PRODUCTION AND YIELD PER ACRE OF COTTON

Year	Areaage (000 acres)	Production (000 bales)	Yield per Acre (maunds)	Percentage change in Yield per Acre
1970-71	4,284	3,051	3.4	—
1971-72	4,837	3,979	3.9	+14.7
1972-73	4,967	3,947	3.8	— 2.6
1973-74	4,559	3,704	3.9	+2.6
Average (1970-71 to 1973-74)	4,662	3,670	3.8	
1974-75	5,019	3,567	3.4	—12.8

Source : Planning Unit, Ministry of Food and Agriculture.

The cotton crop is a commercial enterprise not only for the farmers who grow it mainly for the domestic market but also for the country which exports a substantial part of its production either in the raw or in processed form. Thus the prices in the international markets affect the domestic prices to which domestic production responds without a long time lag. The international recession adversely affected world cotton and textile market which was a major determining factor for trends in the cotton market in Pakistan. The wholesale price of cotton (NT-SG) after reaching its peak at Rs. 327.00 per maund in September 1973 started falling and touched its bottom low of Rs. 193.00 per maund in December 1974. At the end of March 1975 it was Rs. 218.0 per maund. However, to accord protection to the farmer from the sharp fluctuations in prices, the Government fixed the price of seed cotton and cotton lint at Rs. 80 and Rs. 200 per maund respectively in October 1974 for purchase through the Cotton

Export Corporation. However, seed cotton was selling at Rs. 85 per maund in the open market in March 1975. In addition to our traditional cotton buyers, Government is also trying to explore new markets.

Sugarcane

The acreage of sugar-cane increased from 15.64 lakh acres in 1973-74 to 16.55 lakh acres in 1974-75. The improvement in the acreage was in response to high prices of sugarcane, *gur* and *shukker*. The yield of sugarcane was very badly affected by poor germination, poor rains during monsoon, shortage of irrigation water and attack of sugarcane borer. The crop gave per acre yield of 345.5 maunds in 1974-75 compared to 409.5 maunds in 1973-74, showing a decline of 15.6 per cent. The area, production and yield of sugarcane for 1970-71 to 1974-75 are given in the following table:

Table 3.4

ACREAGE, PRODUCTION, AND YIELD PER ACRE OF SUGARCANE

Year	Acreage (000 acres)	Production (000 tons)	Yield per Acre (maunds)	Percentage change in yield per acre
1970-71	1,572	22,801	394.9	—
1971-72	1,365	19,648	391.9	— 0.8
1972-73	1,318	19,632	405.3	+ 3.43
1973-74	1,564	23,533	409.5	+ 1.0
Average (1970-71 to 1973-74)	1,455	21,404	400.4	
1974-75*	1,655	21,000	345.5	—15.6

Source : Planning Unit, Ministry of Food and Agriculture.

*Preliminary Estimates.

The Government increased the procurement price of sugarcane by Re. 1.0 per maund for the 1974-75 crop and fixed it at Rs. 5.25 per maund for the Punjab, Rs. 5.40 per maund for Sind and Rs. 5.00 per maund for the NWFP. A further increase of 50 paise was made for 1975-76.

Other Major Crops

The other major crops for which the first estimates of the 1974-75 acreage are available, are *bajra*, *jowar*, maize, gram, and rapeseed and mustard. These crops have shown decline in acreage during the year. For instance, acreage of *bajra*, *jowar*, maize, gram and rapeseed and mustard are estimated to decrease from the final estimate of 1973-74 by 25.2 per cent, 15.0 per cent, 1.2 per cent, 2.9 per cent and 6.9 per cent respectively. The production of these crops is expected to fall due to (a) decrease in their area and (b) the anticipated decline in per acre yields due to water shortage as already mentioned in the foregoing sections.

FOOD SITUATION

Satisfactory food position was maintained in the country from July 1974 to March 1975. Domestic production of foodgrains, mainly of wheat harvested in spring 1974, showed an increase, but of a substantially lower magnitude than projected. Government was able to procure 12.33 lakh tons of wheat from domestic production which was roughly half the level required for rationed areas. The deficit had to be met through larger imports of wheat. Wheat releases to flour mills and issuing wheat flour through ration depots at fixed prices helped to maintain fairly adequate supply|distribution system.

Imports

Import of 16.25 lakh metric tons of wheat was arranged to maintain a reasonable supply of wheat flour through ration depots and also to stabilize directly and indirectly their prices at a reasonable level. However, 10.13 lakh tons of wheat had been received upto March 1975. Our major sources of imported wheat are U.S.A., Australia and European countries. The following table gives the source-wise import of wheat arranged during the fiscal year 1974-75.

Table 3.5

IMPORT OF WHEAT FROM VARIOUS SOURCES DURING 1974-75

<i>Source</i>	<i>Metric tons.</i>
U.S.A. (PL-480)	3,91,924
U.S.A. (Cash)	4,15,843
Australia (Cash/Credit)	5,15,019
Australia (Food Aid Convention)	25,020
Sweden (Grant)	19,479
France (Food Aid Convention)	14,755
E.E.C. (Food Aid Convention)	27,922
West Germany (Food Aid Convention)	15,000
E.E.C. (Cash)	2,00,000
Total	16,24,962

Larger imports were arranged to meet not only the shortfall of 1974-75 but also for reserves to meet the partial deficit of 1975-76.

Stocks and Procurement

The Provincial governments had 5,98,000 tons of wheat as reserve on July 1, 1974 which had gone down to 1,13,000 tons at the end of March 1975. The fall in the stocks was due to normal monthly releases of wheat to flour mills for distribution of wheat flour. The stock position is likely to improve during April|May 1975 as a result of procurement from the 1975 *Rabi* crop and arrival of imported foodgrains.

Wheat was being supplied from the Government reserves to roller flour mills at Rs. 21.50 per maund and the whole-meal flour produced by the mills was being distributed to the consumers through ration depots at the retail rate of Rs. 24.00 per maund. These issue prices were related to the procurement support price of Rs. 25.50 per maund at which wheat was purchased last year. For the current year, wheat would be purchased at the new support price of Rs. 37 per maund. The enhancement of support price for wheat was necessary to encourage increased production of wheat and to obtain larger supplies under Government procurement scheme. The issue price of wheat was raised to Rs. 32 per maund and that of wheat flour to be issued through ration depots to Rs. 34.80 per maund with effect from April 7, 1975.

Rice, one of the most important foreign exchange earners, is being procured by the Government on monopoly procurement basis from the selected regions of the Punjab, Sind and Baluchistan. Procurement of rice from the 1974-75 crop started in November 1974 and the quantity of 4,65,729 tons had been procured upto March 1975, and 3.7 lakh tons had been exported by the end of March 1975. The Government have allowed free sale quota of 10 per cent of stock tendered by the dealers/millers in case of *Basmati* and 25 per cent in case of other varieties. To enable the farmers to absorb higher prices of key inputs and also to raise rice production mainly for exports, the procurement prices of different varieties of rice were enhanced for 1974-75 crop. These were fixed at Rs. 90 per maund for *Basmati*, Rs. 40 per maund for *Begmi* and *Irri-6*, Rs. 39 per maund for *Kangni* and *Joshi* and Rs. 38 per maund for *Irri-8*; there was another increase in *Irri-6* price, which was fixed at Rs. 48.00 per maund.

AGRICULTURAL INPUTS

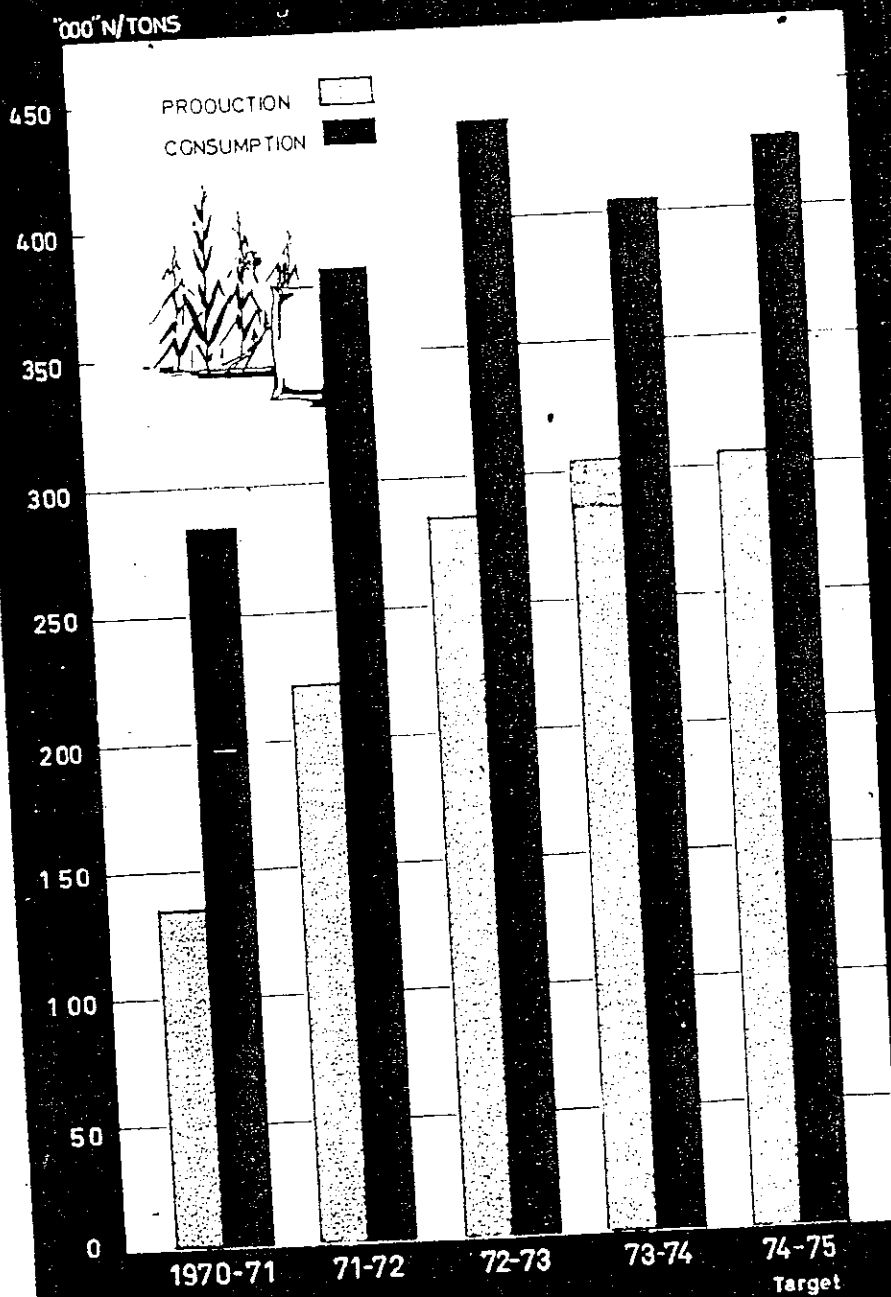
Agricultural inputs which affect production include irrigation water, improved and new seeds, chemical fertilizers and pesticides and insecticides. The per acre consumption of these inputs in Pakistan is far below that in other countries. Government has taken a number of measures to increase availability of such inputs and to make their use more economical for the farmers. These measures partly referred to in the discussion of production trends are analysed in relation to each input.

Irrigation Water

Agricultural development is primarily dependent upon irrigation development in Pakistan, as about 67 per cent of the total cultivated area is irrigated. The main source of irrigation is canals which cover about 70 per cent of irrigated area. Next come tubewells which account for about 16 per cent of irrigated area. The other minor means of irrigation are *Karez*es and lift irrigation. The economy of 33 per cent cultivated area is solely dependent on rains, though rains also help the economy of irrigated agriculture.

The canal water flows experienced considerable decline from the past trend during 1974-75. For instance, the availability of canal water in the Punjab decreased from 4.73 MAF in October 1973-74 to 3.12 MAF in October 1974-75, and from 2.15 MAF in February 1974 to 1.86 MAF in February 1975. Similarly, fall in the canal water flow was experienced in other months in the Punjab as well as in other provinces throughout the year. The water availability was lowest in recorded history. It was lower than the average flows.

PRODUCTION & CONSUMPTION OF FERTILIZER



Government realising the problems resulting from the shortage of canal water took necessary measures to use underground water through tubewells to compensate the loss. The installation of tubewells by the farmer was encouraged by the Punjab Government by a subsidy of Rs. 12,000 per tubewell in the *Barani* areas, and of Rs. 8,000 in perennial areas and Rs. 10,000 in non-perennial areas. The number of tubewells installed by various government agencies increased from 7,502 in 1973-74 to 7,963 in 1974-75. As a result the availability of water from the tubewells for irrigation purposes increased from 2.01 MAF to 2.45 MAF in 1974-75. Private tubewells increased from 1,15,000 in 1973-74 to 1,22,000 in 1974-75. These tubewells made available 22.08 MAF of irrigated water in 1974-75 compared to 20.81 MAF in 1973-74.

Improved and new seeds

Introduction of improved seed varieties has been a major element in the improvement of yields during the last 15 years particularly in the case of wheat and rice. However in recent years, the yields of new varieties of rice and wheat have not been showing any significant improvement. This is due to the inadequate proportion of required types of fertilizers, insufficient water availability and unfavourable weather conditions. The Government has been trying to induce the farmer to bring more area of major crops under improved seeds. The Government distributed 7.51 lakh maunds of improved seeds of wheat, rice, maize, cotton and some other crops in 1973-74 and would distribute about 11.89 lakh maunds of improved seeds in 1974-75.

Chemical Fertilizers

Among the commercial inputs chemical fertilizers claim a high rank in increasing crop production. Fertilizers have a direct favourable impact on crop yield provided it is used in recommended doses. The future of agriculture largely depends on the extent of fertilizer consumption. For example, wheat (dwarf) and wheat (*barani*), rice and maize have average fertilizer response ratio of 1:10, whereas sugarcane and cotton have 1:13 and 1:2 respectively. These favourable responses give an indication of the magnitude of potential of agricultural development in Pakistan.

Aside from its cost the consumption of fertilizer is also conditioned by the availability of water. During 1974-75, fertilizer consumption is expected to increase from 4.03 lakh nutrient tons in 1973-74 to 4.27 lakh nutrient tons. The slow growth in fertilizer use was directly related to the low availability of water. The world fertilizer prices rose sharply during the last two years from less than \$ 100 per ton in 1972-73 to over \$ 400 per ton in 1974-75. The country is still dependent upon imported fertilizer for a significant part of its annual requirements. The purchase price paid by farmers had to be increased though it was still heavily subsidized by the Government. To absorb the impact of the increased prices paid by the farmers, the Government has enhanced the procurement prices of wheat, rice, sugarcane and cotton.

Plant Protection

Insects, pests and other crop diseases normally cause a damage of 10 to 15 per cent annually to the crops. The Federal Ministry and the provincial subordinate departments have taken various measures to minimize such losses. These measures resulted in expansion in the plant protection coverage in 1974-75. The aerial spray covered an area of 30.83 lakh spray acres in 1973-74 which is estimated to increase to 40.80 lakh spray acres in 1974-75. Similarly the area covered under ground operation is estimated to increase from 33.14 lakh spray

acres in 1973-74 to 94.68 lakh spray acres in 1974-75. Plant protection spray operations were also undertaken in the private sector and about 17.82 lakh acres were covered during July-December 1974 compared with 5.08 lakh acres during the corresponding period last year.

The Federal Government is providing the aerial plant protection services free of cost in spite of considerable increase in pesticides prices in international market. About 1,350 tons of pesticides costing Rs. 10.21 crore were to be imported during the current year. The Provincial governments are also providing such services at subsidized rates.

Mechanization

To supplement draught power, Government is encouraging mechanization of agriculture. So far mechanization has been used in three stages of farming. These cover irrigation through tubewells, land levelling through bulldozers and ploughing through tractors. Both the public and private sectors are increasingly installing tubewells as already mentioned in the section on irrigation. Government had already imported a large number of tractors and bulldozers for levelling purposes and was still importing these machines. Last year an area of 1.65 lakh acres was developed/levelled and is expected to increase to 2.17 lakh acres in 1974-75. Government is also importing large number of tractors and is selling to the farmers on easy installments. Recently, Government has allowed the Pakistanis residing abroad to send tractors as gift to their relatives in Pakistan. It is estimated that 15,000 tractors are being imported during 1974-75 against 7,000 last year.

In the Punjab, lift irrigation is expected to be provided to bring 800 acres under flow irrigation in the *Barani* area along the riverain areas to provide relief to the *Barani* farmers.

It has been decided to undertake a policy study on Farm Mechanization in collaboration with FAO to provide a sound basis for planning and formulation of policies for promoting farm mechanization and farm machinery and tools manufacturing in Pakistan. The report is expected to be available by the end of June, 1975.

Agricultural Credit

Majority of the farmers do not have surplus funds to invest on their farms. Credit is required to meet their short, medium, and long-run requirements i.e. the purchase of seeds, fertilizers, implements, pesticides and cattle, installation of tubewells, reclamation and permanent improvement of land. Although special Government agencies like ADBP are giving loans to the farmers, Government has been encouraging commercial banks also to advance loans to agriculture at lower rates of interest. Although credit facilities have been expanding during the last two years, these are not sufficient to meet the entire demand of the farming class.

Agricultural credit worth Rs. 108.39 crore was estimated to have been disbursed by various agencies during 1973-74 as against only Rs. 32.90 crore in the preceding year. Credit amounting to Rs. 119.79 crore is estimated to be disbursed during the current year. The bulk of the credit is provided by the Agricultural Development Bank of Pakistan. The Bank advanced loans to the extent of Rs. 41.52 crore during 1973-74 compared with Rs. 16.88 crore in 1972-73. Out of the credit target of Rs. 60.00 crore fixed for 1974-75, the amount disbursed upto the

end of February 1975 stood at Rs. 24.02 crore. In addition to ADBP, commercial banks also provided loans worth Rs. 28.64 crore during 1973-74, compared with Rs. 8.52 crore in 1972-73 to the farmers. A target of Rs. 42.00 crore has been fixed for loan disbursement through commercial banks during 1974-75. The total number of branches of ADBP stood at 166 during 1973-74 and another 25 new branches are proposed to be opened during 1974-75.

OTHER FACILITIES*

Storage

Storage godowns facilities are required by the Government for maintaining reserve foodgrain stocks to meet domestic requirements. The total foodgrains storage capacity available with the Government was 16,41,005 tons on June 30, 1974 of which 9,26,005 tons was with the Provincial governments and 7,15,000 tons with the Federal Government. In view of the increased requirements of storage, the Provincial governments have taken up various programmes to construct additional storage capacity of 30,000 tons during 1974-75. In addition to this, the Federal Government also plans to add storage capacity of 6,20,000 tons in the Punjab and Sind. Out of this capacity about 2,15,000 tons will be constructed during 1974-75. After the completion of these programmes, the total foodgrain storage capacity available with the Government would be 18,86,005 tons by the end of 1974-75.

Agricultural Marketing

Properly organized and regulated markets are essential not only for ensuring a fair return to the farming class for their products but also to meet the demand of consumers in time at reasonable prices. In the absence of a sound marketing system, the common farmer is exploited to a great extent by the intermediaries. The farmer who is badly indebted to the middle-man is forced to sell his produce at the time of harvest at lower prices.

The Government has set up the Pakistan Storage and Services Corporation for the purchase of agricultural produce direct from the growers largely to eliminate the middleman. The Corporation purchased a small quantity of wheat during 1973-74 but during 1974-75 a larger quantity is expected to be procured by the Corporation.

The Federal Ministry of Agriculture has prepared grading and marketing rules for bones and fish. Grading of fish and preserved items of food involving micro-biological and market surveys for certain agricultural products continued during the current year. The Government of the Punjab is also establishing fruit grading plants for mango and citrus during 1974-75.

The price stabilization wing of Industries Division have got some studies done in the field of marketing. The Boards of Economic Enquiry of Peshawar and Lahore are also conducting studies to find out faults in the vegetable markets.

Agricultural Education, Extension and Research

Agricultural education, extension and research activities showed satisfactory progress during 1973-74 and 1974-75. Education facilities were expanded at the University of Agriculture, Lyallpur, while Faculties of Animal Husbandry and Agricultural Engineering were established at the Agricultural College, Tandojam. Facilities were also provided for the diploma course for the agricultural field assistants at the Agricultural Training Institute, Sakrand. In service training of agricultural field assistants at the Institute is being continued during the year. Mono-discipline institutes like Maize and Millet institutes at Dadu, Horticultural institute at Mirpurkhas were established.

Extension services in all the provinces were strengthened by employing additional staff and imparting in-service training during 1973-74 and 1974-75. Extensive research was carried out on improvement of crops such as wheat, rice, maize, millets, oilseeds, gram, pulses, potatoes and fruits during 1973-74 and 1974-75. A Cotton Research Institute at Sakrand, Nawabshah district was established during the current year.

The Agricultural Research Council, as reorganized, contemplates to develop national cooperative research programmes for major commodities like wheat, rice, sugarcane, etc. The Council will improve research capabilities and impart training to the staff. Coordination Committees between university, research institutes and Atomic Energy Commission were set up to further improve the research capability.

Fisheries

Fish can make up the protein deficiency among the poor masses. Besides fish is also an important foreign exchange earner. In view of the high prices of meat and poultry, efforts are being made to increase fish production from the inland and marine waters. Fish production increased from 2.14 lakh metric tons in 1973 to 2.24 lakh metric tons in 1974 and is estimated at 2.30 lakh metric tons in 1975. Fisheries sub-sector is expected to register a growth rate of 2.6 per cent during 1974-75.

The development programme in the fisheries sub-sector aims at increasing fish production and providing marketing facilities. The repairs and restoration of the fisheries installations damaged by the floods have been taken up in the Punjab and Sind.

The development of inland fisheries has been intensified during the current year and the fisheries research and production programmes in village ponds, dams, reservoirs, lakes and road side depressions in the Punjab have been initiated during the year. The development of riverain fisheries for promoting sport fishing has also been taken up, while fish culture is being developed in lakes and in some water-logged areas of the Punjab.

Animal Husbandry

Livestock development is vital for the country as it provides draught power, milk, meat, wool, etc. As the production of animals could not keep pace with the increase in human population and *per capita* income, the prices of meat, milk and eggs rose substantially during the last two years. With a view to arresting these price increases, special attention has been given to improvement in the supply of meat, milk, eggs etc. In this connection, both long and short-term measures have been taken by the Government to raise livestock and poultry production and ultimately to stabilise the prices of meat, eggs and dairy products.

Long-term measures include improvement of breeds for milk, meat and wool production on the existing state farms and also on new farms being set up both in the public and private sectors. Besides this, quality bulls and rams and greater facilities for artificial insemination are being provided to the private sector. Proper attention is also being given to such measures as improvement and expansion of facilities for prevention and control of diseases, opening of new veterinary hospitals, dispensaries and setting up of diagnostic laboratories at focal points for increasing production in the short term.

In the Punjab, a programme was initiated for large-scale production of milk, meat, poultry, butter and by-products and forage during 1973-74. Under this

programme, improvement of breeds for milk, meat and wool production was continued on the existing state farms and five new farms were opened during 1973-74 in the public sector and another six farms are being established during the current year. Artificial insemination coverage is to be provided to about 1,00,000 cows, buffaloes during 1974-75 as against 25,000 in 1973-74.

The cows and buffaloes are brought in Karachi for milk production from upper Sind and the Punjab. When the cows and buffaloes get dry, these are sold to the butchers by the milkmen. Under a scheme for conservation of superior dry cows, buffaloes, advancing of loans has been arranged to the private breeders of the up-country for purchase of buffaloes from the Landhi Cattle Colony.

In Baluchistan, the existing sheep breeding and research station of Loralai district is being expanded further during the current year to increase meat and wool production. In the NWFP, the breeding facilities have been further improved during 1974-75 to increase production potential of milk, meat and wool. A programme of purchasing 50 breeding bulls and another 220 to be maintained on subsidy during 1974-75 has been chalked out in the Province as against 50 bull's purchased and 165 maintained during 1973-74.

In order to export eggs and poultry meat during the summer months, a feasibility report is being considered with a view to creating incentives for larger production by the poultry producers. Another scheme of distributing hatching eggs and cockerels at subsidized rates in rural areas is also under consideration of the Government.

Forestry

The total area of the country is 19.7 crore acres, of which forest area constitutes only about 72 lakh acres or about 3.6 per cent. Moreover, only 47 lakh acres or 2.4 per cent of the total land area has been classified as commercial or productive forests. The forest coverage is too limited when compared with the desired forest-land ratio of 20 to 25 per cent.

It is estimated that with an increase of 50,000 acres per year in future afforestation programme it will require about 100 years to raise the present meagre forest area by another 2.5 per cent and even then it will remain much below the desired level. Realizing the importance of forests for the economy, afforestation programme has been given due priority in national plans. However various physical and financial constraints did not allow rapid acceleration in the pace of afforestation and consequently a substantial gap between demand and supply of forest products is existing.

Efforts are, therefore, being made to plant trees along the roads and canals, on Government waste lands and in and around public buildings. Campaigns for large scale growing of trees have also been launched in all the provinces. Under afforestation programme of compact plantation, about 11,000 acres were raised during 1973-74 and another 17,410 acres are to be raised during the current year. Similarly, linear plantation was raised on 2,354 avenue miles during 1973-74 which is likely to reach 3,358 avenue miles by the end of 1974-75. During 1973-74, 2.33 crore new trees were planted in the country. It included 1.55 crore in the Punjab, 53 lakh in Sind, 24 lakh in the NWFP and 7,000 in Baluchistan. Another 2.22 crore new trees are to be raised during 1974-75. Of this, 1.35 crore are to be planted in the Punjab, 60 lakh in Sind, 26 lakh in the NWFP and 10,000 in Baluchistan.

Chapter 4

RURAL DEVELOPMENT

Despite the development of a number of big islands of urbanization since the emergence of Pakistan, the country continues to be preponderantly rural. Any development strategy, which does not include rural development as an integral and crucial element of overall policy objective, is unlikely to achieve any measure of success in satisfying the urges and aspirations of the mass of the people. The rural landscape is characterised by all the features of under-development. It is over-populated, supporting over 70 per cent of the country's population. Education and health facilities which are inadequate in the country as a whole are even less satisfactory in rural areas—both in terms of quantity and quality. From a distributive standpoint, the majority of the rural population lives below the poverty line. The consumption level of rural population in case of many food items is also lower compared with that of the urban population according to available indicators. The following table gives the average *per capita* consumption of some selected food items in 1971-72.

Table No. 4.1

MONTHLY PER CAPITA CONSUMPTION OF FOOD ITEMS IN RURAL AND URBAN AREAS
IN 1971-72

Food Items	Unit	Rural	Urban
1. Wheat & Wheat flour.	Seer	12.45	10.70
1. Rice & Rice flour.	Seer	1.44	1.20
3. Vegetable Oil	lbs.	0.27	0.89
4. Mustard Oil	Seer	0.01	0.06
5. Mutton, beef and fish	"	0.39	0.69
6. Eggs	Nos.	0.94	3.44

Source : Statistics Division.

Similarly *per capita* rural consumption of other items is relatively low as given below :

Table No. 4.2

MONTHLY PER CAPITA CONSUMPTION OF NON-FOOD ITEMS IN RURAL AND URBAN
AREAS 1971-72

	Rural	Urban
	Rs.	Rs.
1. Apparel, foot-wear and personal effects	26.82	35.09
2. Fuel and lighting	12.80	18.32
3. House rent	13.45	41.87
4. Furniture and utensils	2.03	3.34
5. Medicare	4.88	6.35
6. Education	1.82	7.92

Source : Statistics Division, Household Income and Expenditure Survey 1971-72.

The average monthly income of a household in rural areas was Rs. 234.43 compared to Rs. 360.54 in urban areas in 1971-72. Statistics regarding income distribution further highlight the poverty in rural areas, as is clear from the following table :

Table No. 4.3

INCOME DISTRIBUTION IN RURAL AND URBAN AREAS DURING 1971-72

Percent of all Households

Monthly Income per Household	Rural	Urban
Less than Rs. 200	52.4	28.4
Rs. 200 to Rs. 399	38.6	46.8
Rs. 400 to Rs. 499	4.3	8.9
Rs. 500 to Rs. 749	3.1	8.9
Over Rs. 750	1.6	7.0

Source : Statistics Division, Household Income and Expenditure Survey 1971-72.

With this background in mind, the present regime adopted a new path aiming at development oriented to social justice which would meet the demands of the masses. A number of institutional changes were introduced to exploit the impulses of growth in the rural areas, with particular emphasis on activating the farmer's participation in the economic activity. These changes aim at improving the relative position of agriculture in price relationship with the rest of the economy alongwith an expansion of production frontiers, and mobilization and utilization of local resources. The measures taken by the Government to develop rural areas can thus be divided into three categories: (a) improving the price relationship of rural community (b) mobilizing and utilizing the rural resources through institutional changes; and (c) improving rural infrastructure through various nation-building departments.

(A) Measures for improving the price relationship of the rural economy

Agriculture is the main source of income in rural areas. The Government has been providing a number of output price supports and input price subsidy incentives. These incentives, by increasing farmer's revenues and reducing his costs, have resulted in higher net income. The procurement price of wheat was raised from Rs. 17.00 per maund in 1972-73 to Rs. 20.00 in September 1972, Rs. 22.50 in April 1973, Rs. 25.50 in April 1974 and to Rs. 37.00 in September 1974 for the 1974-75 crop, implying a rise of 117.6 per cent since 1972-73. For all the seven qualities of rice also, the price was raised during the same period. Table given below shows the rise in the procurement price of various qualities of rice from 1971-72 to 1974-75.

Table 4.4

PROCUREMENT PRICE OF RICE

(Rupees per maund)

Year	Irri-8	Irri-6	Basmati	Permal	Begmi	Kangni	Joshi
1971-72	19-½	21	38	20	20	19	19-½
1972-73	19	21	46	21	21	20-½	20-½
1973-74 (from 14th May, 1973)	24	26	60	—	26	25	25
August 1973	25	27	62	27	27	26	26
1974-75	38	48*	90	40	40	39	39

Source : Year Book of Agricultural Statistics.

* Subject to tolerance limits of 15% and rejection limit of over 20%, otherwise Rs. 40.

The price of sugarcane at factory gate has been fixed at Rs. 5.75, Rs. 5.90 and Rs. 5.50 per maund in Punjab, Sind and NWFP respectively for 1975-76 as compared to Rs. 2.75, Rs. 2.90 and Rs. 2.25 per maund in 1970-71.

The Government is also subsidizing important agricultural inputs like chemical fertilizers, plant protection materials and installation of tubewells.

The Government imported 6.70 lakh tons of fertilizers during 1973-74 at a cost of Rs. 108.75 crore and resold it to the farmers far below the purchase import prices. In the field of plant protection, the Government bears the responsibility of aerial spray on the agricultural fields free of any charge and the Provincial governments are entrusted with the task of ground spray at rates 50 to 75 per cent below the actual cost of spray. The rest of the cost is borne by the Provincial governments themselves. The installation of tubewell is being heavily subsidized for medium and small farmers.

(B) Measures for mobilizing and utilizing rural resources

The Federal Government introduced land reforms in 1972 and started new programmes which aim at mobilizing and utilizing untapped resources to create new development parameters for the rural economy.

Land Reforms

The 1972 Land Reforms applied a drastic cut on individual ceiling from 36,000 produce index units (500 acres of irrigated land or 1,000 acres of un-irrigated land) to 12,000 units (or 150 acres of irrigated land or 300 acres of un-irrigated land). Additional 2,000 produce index units are allowed to existing owners who own a tractor or have installed a tubewell on or before 21st December, 1971. No exemptions are permitted except to recognised educational institutions and universities.

The resumed land is being distributed among landless peasants or those who own land below subsistence level. The State land will not be sold in auction. It will be distributed among peasants with the price to be realized in easy instalments. According to the Government decisions, the ceiling on allotment would be 12.5 acres in the N.W.F.P., 12.5 acres in the Punjab, 16 acres in Sind and 32 acres in Baluchistan.

As regards landlord-tenant relationship, the responsibility of seed provision entirely rests with the landlord. The payment of taxes is also the responsibility of the landlord but in most of the irrigated areas, water charges are to be shared by the landlord and the tenant. The right of pre-emption has been guaranteed to the tenant in the event of sale of land. The re-established landlord tenant relations will serve as an incentive for more production. Implementation of Land Reforms is covered in the Chapter on Socio-Economic Reforms.

Integrated Rural Development Programme

The IRD programme was launched in July 1972 with the avowed purpose of improving the quality of life and socio-economic status of the people living in the rural areas. The term "Integrated Rural Development" has been defined as a joint action by the farmers, nation-building departments and the private sector to improve the economic position of the rural population so that they can participate with dignity in the social, political and economic life of the nation.

The concept of the programme has been defined thus: "To select a production area comprising 50 to 60 villages, mostly with small and medium size farmers with a view to improving their socio-economic status by intensive rural

development programme with an initial thrust to increase productivity by providing technical guidance, supervised credit, supply of inputs, machinery on hire, storage and marketing facilities etc., based on sound physical, organizational and institutional infra-structure by intensification, diversification and commercialization of agriculture through a social co-operative system under a total approach".

The programme is designed to cover a wide range of functions relating to rural life. In the rural environment where agriculture provides the economic base, the activities aiming at growth in agriculture will naturally be implemented on priority basis followed by projects in social service sectors such as general education, health, housing, transport, etc.

Implementation

In the Punjab 38 marakiz were at varying stages of establishment at the end of March 1975 and Rs. 80.13 lakh had been utilized out of a plan allocation of Rs. 401.88 lakh. In Sind, Rs. 23.53 lakh have been utilized out of an allocation of Rs. 27.50 lakh and 30 marakiz had been opened by the end of March, 1975. The NWFP Government have opened 6 new marakiz with an expenditure of Rs. 15.71 lakh whereas the Baluchistan Government is presently working on the establishment of 21 marakiz and have, so far, utilized Rs. 9.80 lakh out of an allocation of Rs. 19.60 lakh. The total number of the marakiz established in Azad Kashmir was 10 at the end of March 1975 and Rs. 2.68 lakh out of an allocation of Rs. 13.00 lakh had been spent.

It may also be noted that many facilities have been provided to almost 80,000 to 100,000 residents of each Markaz by coordinating activities of various nation building departments. These activities include construction of road links, water supply, poultry farming, vegetable farming, bee farming, training and publicity, small and cottage industry, transport and farm development.

PEOPLE'S WORKS PROGRAMME

The concept of the programme lies in involving the people at grass-roots in the planning and execution of development projects. It has been conceived as a joint enterprise of the Government and the people. As such its success will depend upon motivation of the masses on a national scale. The crux of the programme is the creation of a desire among the people to improve their living conditions by generating self-awareness and confidence in their own capabilities.

The People's Works Programme (PWP) has not been planned as a purely economic or commercial venture. It aims at giving people a sense of participation as equal partners in fashioning their own destiny. Its object is to make all members of the society aware of their potentialities as men and women.

Capital deficiency is rectified through sizeable financial allocations and the technical and administrative resources are utilized for implementation of the Programme. The mobilisation of the unemployed and underemployed manpower in different sectors of the economy will also help overcome the shortage of capital. Besides, the programme itself will generate the bulk of the required resources for payment in kind. This will minimize inflationary implications of large scale investment.

Under the PWP, priority is given to such productive projects of short duration as would build up the economy through the provision of basic capacities and amenities in as many sectors as possible. The main field in which schemes

are being implemented under this programme are housing, roads, play-grounds, adult education, tree plantation, drinking water and industrial homes for women.

On its part, the Government will provide administrative, technical, legislative and some financial support.

Implementation

In the Annual Development Plan of 1974-75, an allocation of Rs. 10.13 crore was made to cover the entire country. It was later revised upwards to Rs. 19.25 crore. Of this revised amount, Rs. 10.10 crore or about 52 per cent had been utilized upto March 1975. The pace of financial utilization shows that the total allocation for the current year would be utilized during the stipulated period.

The following table shows the province-wise allocation for the People's Works Programme during 1974-75

Table 4.5

PROVINCE-WISE ADP ALLOCATION AND UTILIZATION DURING 1974-75

(Rs. in crore)

	Original Allocation	Revised Allocation	Utilization up to 31-3-75
Punjab	6.00	14.40	7.50
Sind	1.22	1.97	1.04
Baluchistan	0.50	0.50	0.50
N.W.F.P. :			
(Settled Districts)	1.16	1.06	0.50
Federally Administered Tribal Areas (FATA) ..	0.60	0.66	0.37
Federal Capital Area	0.05	0.06	0.04
Northern Areas	0.75	0.75	0.55
Azad Kashmir	0.60	0.60	0.15

Source : Planning Division

Physical Achievements

Punjab

The programme has made significant progress in the Punjab during the current year. An amount of Rs. 7.50 crore had been utilized upto March 31, 1975, against the revised allocation of Rs. 14.40 crore. Metalled road for 160 miles, 12 small dams, 335 new schools in addition to other works have been built under the Programme. The detailed physical achievements in various

fields under the programme during the period, July 1974 to March 1975 are given in the following table.

Table 4.6

PHYSICAL ACHIEVEMENT UNDER THE PEOPLE'S WORKS PROGRAMME FROM
JULY 1974-MARCH 1975

Sector-/sub-sector							Work Completed
A. Communications							
1. Metalled Roads	..	..	..	..	..	..	160 miles
2. Treated Roads	..	..	..	..	..	..	143 "
3. Katcha Roads	..	..	..	..	..	..	298 "
4. Culverts	..	..	..	..	..	..	801 Nos.
5. Small Bridges	..	..	..	..	..	..	23 "
B. Health & Sanitation							
6. Handpumps	..	..	..	..	..	..	16 Nos
7. Water Tank/Diggies	..	..	..	..	..	..	61 "
8. Civil Dispensaries	..	..	..	..	..	..	41 "
9. Water supply	..	..	..	..	..	..	29 "
10. Drain/street pavement							74,734 yards
C. Irrigation							
11. Small Dams	..	..	..	..	..	..	12 Nos.
12. Water culverts	..	..	..	..	..	..	21 "
D. Education							
13. New schools	..	..	..	..	..	..	355 "
14. Room addition	..	..	..	..	..	..	387 "
15. No of schools repaired	..	..	..	..	..	..	185 "
E. Social Welfare & Housing							
16. Community Centres	..	..	..	..	..	..	45 "
17. Play grounds	..	..	..	..	..	..	3 "
18. Housing plots developed	..	..	..	..	..	..	7 Arcas
F. Agriculture							
19. Veterinary centres	..	..	..	..	..	..	55 Nos
20. Tree plantation	..	..	..	..	..	..	10.96 lakh
G. Other projects							
	..	..	..	..	..	..	13 Nos.

Source : Planning Division.

Sind

An allocation of Rs. 1.97 crore was made for Sind in the revised ADP for 1974-75. Out of this an amount of Rs. 1.04 crore had been utilized upto March 31, 1975. The trend of utilization exhibits that the entire revised allocation would be utilized by the end of June 1975. Metalled road milage of 20 has been constructed under the programme. The achievements in other fields under the programme during 1974-75 (July—March) are given below :

Table 4.7
PHYSICAL ACHIEVEMENTS UNDER THE PEOPLE'S WORKS PROGRAMME
JULY 1974 TO MARCH 1975

Sector/sub-sector	Works Completed
A. Communications	
(1) Metalled Roads ..	20 miles completed.
(2) Culverts ..	192 completed, work on 64 in progress.
B. Model Village	Work on 9 model villages progressing.
C. Rural Water Supply Schemes	5 schemes completed, 8 nearing completion and 5 in progress.
D. Miscellaneous Schemes	Small schemes such as school, dispensaries and bus stands under execution.

Source : Planning Division.

N.W.F.P.

In the Settled Districts, an amount of Rs. 49.69 lakh had been spent on various schemes upto March 31, 1975 under the People's Works Programme. Many schemes in the fields of communications, education, health, irrigation, housing etc., were started and most of them have either been completed or are nearing completion. The following table gives the details of these schemes.

Table 4.8
SECTOR-WISE ACHIEVEMENTS IN NWFP FROM JULY 1974 TO MARCH 1975

Sector	Settled Districts	
	No. of Schemes	Expenditure incurred (Rs. lakh)
	75	13.96
Communication ..	8	3.35
Village improvement and flood protection ..	43	7.93
Education ..	7	0.86
Health & sanitation ..	34	1.87
Irrigation ..	11	1.55
Low cost housing ..	75	8.86
Drinking water supply ..	4	1.63
Community Buildings ..	17	0.98
Miscellaneous Maintenance & repair ..	—	8.62
Contingent staff ..	1	0.08
Agriculture-Animal Husbandry ..		
Total	275	49.69

Source : Planning Division.

Baluchistan

The Government of Baluchistan have utilized the full allocation, i.e. Rs. 50.0 lakh made in the ADP for 1974-75 and have completed many schemes in the fields of communications, irrigation, village improvements, agriculture, health, education upto March 31, 1975. The following table gives the details of sector-wise achievements and the expenditure incurred during July 1974 to March 1975.

Table 4.9
SECTOR-WISE ACHIEVEMENTS UNDER PEOPLE'S WORKS PROGRAMME IN
BALUCHISTAN FROM JULY 1974 TO MARCH 1975

Sector	No. of schemes	Percentage completed	Expenditure (Rs. lakh)
Communications	17	45	3.02
Irrigation	146	60	13.94
Village improvement	3	89	0.49
Drinking water supply/well/handpumps	39	78	2.79
Agriculture	12	75	1.38
Education	16	57	4.01
Animal Husbandry	6	44	1.95
Health	7	50	1.87
Cottage Industries	2	—	0.23
Community Building	19	23	6.42
Miscellaneous	4	46	0.46
Staff & Contingency	—	—	13.45

Source : Planning Division.

Federal Capital Areas and Azad Kashmir

In the Federal Capital Area, 19 drinking water wells were completed, 18 schools were constructed/repared and 18 miles of *katcha* roads were constructed. The Azad Kashmir Government were allocated Rs. 80 lakh in the ADP of 1974-75 and have completed about 60 per cent of the work on more than 1900 schemes in fields like transport, irrigation, education, soil conservation etc. upto March 1975. The achievements under the programme are given in the following table :

Table 4.10
PHYSICAL ACHIEVEMENT UNDER THE PEOPLE'S WORKS PROGRAMME IN
AZAD KASHMIR FROM JULY 1974—MARCH 1975

Sector	No. of Schemes	Physical Achievement %
Transport and Communication	153	60
Irrigation	240	55
Education	448	57
Rural water supply	1,003	65
Soil conservation	103	65
Physical planning and housing	10	45
Aid to the Municipal committee	1	50
Maintenance	—	75
Health and sanitation	36	40
Horticulture	1	100
Pay of staff and equipment	1	75
Purchase of Jeep	1	75

Source : Planning Division

Northern Areas

For the Northern Areas, out of an allocation of Rs. 75 lakh, Rs. 55 lakh had been spent upto March 1975, mainly on schemes of education (160), sports (46), irrigation (38), water tanks (23), community buildings (10), poultry farms (18) etc.

AGROVILLES

Concept

Broadly defined, Agrovilles refer to small towns located in rural areas, conceived to be self-contained urban settlements planned to offer its inhabitants a balanced range of essential public services and social and cultural facilities. The programme has been necessitated to arrest the rapid migration of population from villages to the large cities through the provision of education, health, water supply, waste disposal, energy, transport and other facilities.

Due to the huge migration of rural population to urban areas, the major cities have now become the refuge of growing masses of poor people resulting in haphazard growth, slums, over-crowding, inadequate municipal financing and other social problems. It is, therefore, important at this stage that plans are prepared for channelling migratory flow towards newly developed towns, and for protecting the existing larger cities from over-growth.

Physical Infrastructure

The Agrovilles will be properly planned in accordance with the town planning standards. Each Agrovillage will be provided with physical infra-structure such as, water supply, sewerage, drainage, roads. In addition, all the urban amenities such as a marketing place, health and educational facilities, banks, town halls, agro-based industries, cottage industries, housing and storage facilities will be provided.

Financial Allocation

Review of 1973-74

A provision of Rs. 70.0 lakh was made in the A.D.P. of 1973-74 out of which a sum of Rs. 25.0 lakh was released to the Sind Government for Badin Agrovillage. An amount of Rs. 42.36 lakh was diverted to the flood relief work, and the balance was utilized for the Agrovilles Technical Cell.

Review of 1974-75

A token allocation of Rs. 10.0 lakh has been made in the current ADP. The Agrovilles projects will now be considered on an individual scheme basis and funds will be released after approval of schemes by the competent authority. It is proposed to spend current year's allocation for the preparation of Master Plans and schemes for the Agrovilles.

Physical Targets and Implementation

Since the inception of this programme in 1972, the following sites have been proposed by the Provincial governments for the construction of agrovilles:

(a) Punjab

- (i) Satrah, District Sialkot.
- (ii) Bhagtanwala, District Sargodha.
- (iii) Daultala, District Rawalpindi.
- (iv) Dharanwala, District Bahawalnagar.

(b) *Sind*

- (i) Badin in District Hyderabad.
- (ii) Miro Khan in District Larkana.
- (iii) Chari Khario in District Jacobabad.

(c) *N. W. F. P.*

- (i) Pabbi, District Peshawar.
- (ii) Topin, District Mardan.
- (iii) Tall, District Kohat.
- (iv) Tajozai, District Bannu.
- (v) Darraband, District D. I. Khan.
- (vi) Baffa, District Hazara.

(d) *Baluchistan*

- (i) Temple Dera, District Kachhi.
- (ii) Kohlu valley, Marri|Bugti Agency.
- (iii) Dera Bugti, Marri|Bugti Agency.
- (iv) Kahan valley, Marri|Bugti Agency.
- (v) Maiwand, Marri|Bugti Agency.
- (vi) Duki valley, Marri|Bugti Agency.
- (vii) Gidder|Sorab valley, Marri|Bugti Agency.

(e) *Azad Kashmir*

- (i) Athmuqam, District Mazaffarabad.
- (ii) Rawalakot, District Poonch.
- (iii) Kotli and Chamb, District Mirpur.

Work on the feasibility study of about 8 schemes has been finalized and forwarded to the Provincial governments. According to recent information, a substantial amount has already been spent on Badin project in Sind. The Town Planning and Agrovilles Division is already in the process of finalizing an agreement with the Pakistan Environmental Planning and Architectural Consultants (PEPAC) to carry out detailed studies of the proposed sites and prepare master Agrovilles Plans. The current year's budget allocation of Rs. 10 lakh is intended to be utilized for this purpose.

IMPROVEMENT IN RURAL INFRASTRUCTURE THROUGH TRADITIONAL DEPARTMENTS

Health

In the past, the rural population was ignored in the development of social sectors. Especially in the health sector they had an insignificant share of trained

doctors, hospitals, dispensaries and other medical facilities. The following table gives the position of medical facilities in the rural and urban areas. As is evident, the medical facilities in the rural areas are inadequate.

Table 4.11

AVAILABILITY OF MEDICAL FACILITIES IN RURAL AND URBAN AREAS

Facility	Pakistan	Urban		Rural	
	No.	No.	%	No.	%
Hospital beds	37,000	29,850	80.7	7,150	19.3
Dispensaries	2,400	1,640	68.3	760	31.7
Maternity child health centres	715	399	55.8	316	44.2
Rural health centres	130	Nil	Nil	130	100
Sub-centres of Rural Health Centres	400	—	Nil	400	100
Tuberculosis clinics	92	87	94.6	5	5.4
Potable water supply (coverage)	12.2% of Popu- lation			38% of Popu- lation	5% of Popu- lation
Sewerage system (coverage)	4.3% of Popu- lation			15% of Popu- lation	Nil.

Source : Planning Division

The Government is giving due priority in expanding the coverage of medical facilities in the rural area. A sum of Rs. 9.66 crore was provided in the Annual Development Programme 1974-75 for the provision of health facilities in the country. Special emphasis is laid on improving the health facilities in less developed areas, namely Federally Administered Tribal Areas, Azad Kashmir and Northern Areas. Effort is being made to develop more rural health centres, basic health units and rural dispensaries on the pattern as laid down in the proposed People's Health Scheme. It is expected that 1,000 health guards will be trained for the Northern Areas in 1974-75. Government is giving special incentives to attract doctors to the villages. Short duration medical courses have been introduced to meet the growing demand of medical facilities in the rural areas.

Transport and Communications

In addition to the roads built under the P.W.P., the rural areas will also benefit from the roads being constructed/repaired under other programmes/schemes. About 90% of the population and 60% of the area of the country is being covered by radio and efforts are underway to spread T. V. programmes throughout the country. New direct telecasting and booster stations have been started to cover almost the whole of the country and thus many villages having electric connections will benefit from these stations.

Both radio and T. V. media are extensively used to educate the people. Special programmes on farming, handicraft enterprises are relayed/telecast regularly. The farmers are informed ahead of time of the weather conditions.

Other Departments

Other nation-building departments are accelerating their activities in the rural area. During 1974-75 a programme for electrification of 1000 villages is under implementation.

Government is making every effort to popularise Co-operative Farming in the country. A national scheme for Co-operative Farming was approved in December, 1974. The scheme aims at pooling the farm resources and thus replacing the small scale cultivation by large scale mechanised and scientific methods of farming to increase the farm output. To begin with 11 pilot projects are being taken up in the four Provinces. The minimum area of each project will be of 5 hundred acres, relaxable in the case of NWFP due to its special socio-economic conditions. The minimum number of members who can voluntarily register as a society will be fifty. In addition to the financial aid by the Federal Government, the Provincial governments will provide Rs. 5 lakh as aid to each of the projects.

Besides the aforementioned achievements, the provision of credit through provincial government departments, specialised financial institutions, commercial banks and co-operative societies is one of the main steps taken by the Government to improve the living conditions of the people. The Government have introduced bank reforms which have made more credit facilities available to the agriculture sector and agro-industries. Provision of adequate agricultural credit would strengthen the financial position of the farmers and would promote the use of commercial inputs in agriculture (The details of rapid increase in agricultural credit have been given in the chapter on Agriculture). All these measures would bring about structural changes in the rural economy. These changes are affecting the resource allocation in the country in such a way that the economy is heading toward the mobilization of untapped resources and utilizing all national means in a productive manner. The new processes initiated by disturbing the old equilibrium aim at achieving maximum welfare level which would be self-sustaining and ever-growing.

Chapter 5

INDUSTRY

The large-scale manufacturing sector recorded a slow-down during 1974-75. This was in part the natural outcome of rapid increases in the utilization of already installed capacity during the preceding two years with a relatively low level of investment in further additions to capacity. However, the more immediate cause of the slow-down which brought about a sharp change in the situation was the impact of international recession on Pakistan's export industries, notably cotton textiles. Other contributing factors were the shortage of domestic agricultural raw materials for agro-based industries (sugar) and, to a certain extent, the shortage of power in winter months.

After recording an increase of 11.9 per cent during 1972-73 and 7.5 per cent in 1973-74, the growth in large-scale manufacturing sector came down to approximately 3 per cent during 1974-75. The latest estimates, though tentative, clearly reflect the impact of international recession. Major decline in production occurred in textiles group which has a high weightage in total industrial production and has thus largely determined the overall trend. Notable increases in production were, however, recorded by fertilizer, cement and vegetable ghee industries.

The cement industry—entirely in the public sector—was able to adjust quickly to the decline in export prices without affecting production. Vegetable ghee industry, continued to expand production in response to increasing domestic demand as raw material availability was assured.

Due to the liberal import policy, the supply of raw materials to the industrial sector was fairly satisfactory. In money terms, their imports increased by 66.6 per cent during the period July—December 1974, as compared to the corresponding period of 1973, but due to the rise in import prices, the increase in quantitative terms was much less.

Despite the difficulties of export-based industries in 1974-75, the manufacturing sector continued to make progress of longer-term significance. Substantial additions to capacity are in different stages of planning and implementation in the traditional industries, viz. cotton textiles, sugar refining and cement. Some of the projects for additional capacity generation are likely to be completed late in 1974-75 or early 1975-76.

However, much more significant is the progress being made in the development of a nucleus of heavy and basic industries. Considerable progress was made in the initial stage of work regarding setting up of the first steel mill in the country. Karachi Steel Mill is now expected to commence partial production in 1978. The Heavy Mechanical Complex at Taxila overcame its initial difficulties and started production of sugar machinery. The first sugar mill manufactured in the country started operating in Larkana, taking Pakistan towards self-reliance in meeting basic industrial requirements. Karachi Shipyard and Engineering Works is now in a position to manufacture 5 ships per annum each of 15,000 DWT, while the Machine Tool Factory at Landhi continued to produce machine tools, gearboxes and axles for trucks, jeeps, tractors and other items.

The Heavy Foundry and Forge Project being set up at Taxila with Chinese assistance is expected to be completed shortly. It would provide the necessary link between the steel mill and heavy machinery production, completing the chain from raw material to finished machinery.

The public sector made further progress in organizing its control over basic industries on sound lines. The nationalized industries, in the 10 basic categories along with the industrial ventures set up by the public sector were organized into 10 functional corporations looking after related industrial units and planning further expansion of particular sub-groups of industries. Public sector investment in industry is estimated at Rs. 109.6 crore in 1974-75 against an investment of Rs. 25.0 crore in 1972-73. The Production Division announced in March, 1975 that the Government planned to invest Rs. 2,800 crore in various industries during 1975—80.

The public sector industries reported considerable improvement in production, sales and profits during 1973-74 and in the first half of 1974-75.

OUTPUT TRENDS

During the period July 1974—March 1975, out of 14 selected items as many as 8 recorded decline over the comparable period of last year.

The following table shows the trend of production of 14 selected items during the period under review :

TABLE 5.1
TRENDS IN INDUSTRIAL PRODUCTION

Item	Weightage in total industrial production (1969-70=100)*	Unit	1974-75 Target	1972-73	1973-74	1973-74 (July- March)	1974-75 (July- March) (P)	Percentage Increase/ decrease in 1974-75 (July- March) over 1973-74 (July- March)
Cotton Yarn	13.9	(crore lbs)	95	82.9	83.7	63.4	59.1 (1)	-6.8
Cotton Cloth	13.0	(crore yds)	75	70.4	70.8	53.7	41.1 (1)	-23.5
Art Silk and rayon cloth	1.7	(lakh yds)	—	58.3	95.0	69.8	67.4	-3.4
Urea	2.3	(000 tons)	600	524.7	566.4	453.5	573.7 (1)	+26.5
Super phosphate	0.4	"	45	45.0	22.3	22.3	23.3 (1)	+4.5
Ammonium Sulphate	0.4	"	—	57.3	89.0	64.1	94.8 (1)	+47.9
Soda Ash	2.6	"	80	73.1	79.9	59.1	56.4	-4.6
Cement	2.7	"	3,100	2,830	3,095	2,163.9	2,513.8	+16.2
Vegetable Ghee	7.4	"	275	184.3	220.9	164.2	208.1 (1)	+26.7
Sugar	0.4	"	650	426.1	589.0 (1)	471.5	450.9 (1)	-4.4
Electric Fans	2.7	(000 Nos)	—	223.0	191.0	122.4	99.5	-18.7
M.S. products	4.5	(000 Tons)	235	181.0	214.7	162.1	151.4	-6.6
Cigarettes	0.1	(crore Nos)	3,200	2,762.3	2,747.7	2,017.4	2,010.6	-0.3
Safety Matches	0.1	(000 Gross Boxes)	—	2351	2559	1787	2144	+20.0

(p) Provisional

(*) The index is based on production data of 76 major industrial items covering 76.9 % of total value added.

Source : Statistics Division
Ministry of Industries (1)

Cotton Yarn and Cloth

The decline of 6.8 per cent in the production of yarn and of 23.5 per cent in the case of cloth was due to the continued slump in the world textile market resulting in reduced exports. During the period July 1974—March 1975, exports of cotton yarn amounted to only 10.2 crore lbs (valued at \$ 56.2 million) as compared with 16.6 crore lbs (valued at \$ 140.9 million) during the comparable period last year. The quantity of cloth exported also declined to 29.7 crore yards (valued at \$ 92.4 million) as against 31.1 crore yards (valued at \$ 107.4 million) in the corresponding period of 1973-74.

The impact of the international slump was so severe that even the abolition of export duty on textile manufactures with effect from August 1, 1974 and on cotton yarn from August 18, 1974 could not revive the exports. The excise duty on yarn was also reduced by Rs. 6 per bundle of 10 lbs with effect from October 30, 1974. In addition, sales missions were sent to a number of Far Eastern countries and barter agreements were signed with several countries. The Trading Corporation of Pakistan had also started buying yarn for export.

Fertilizers

During the period July 1974—March 1975, all the fertilizers recorded an increase in production over the comparable period of 1973-74. The factories worked above their rated capacities to meet the growing demand from the agriculture sector. The 12.5 per cent reduction in the prices of fertilizers announced by the Government towards the end of 1974 for a period of six weeks had increased the off-take of fertilizers and pushed up its production. There was, however, a small increase of 4.5 per cent in the case of super phosphate. The sharp increase of 47.9 per cent in the case of ammonium sulphate was due to the conversion of Pak-American Fertilizer Plant at Daud Khel from coal to gas and improvement of the plant in early 1974.

Vegetable Ghee

The sharp increase of 26.7 per cent in the production of vegetable ghee was due to better utilization of installed capacity following nationalization of this industry in September 1973 and improved availability of raw material. The production target of vegetable ghee for 1974-75 has been set at 2.75 lakh tons against the actual production of 2.21 lakh tons during 1973-74.

Sugar

There was a decline of 4.4 per cent in the production of sugar between July 1974 and March 1975 as compared to the corresponding period of 1973-74. The decrease stemmed from very low water level in the rivers and pest attack on sugarcane crop. With a view to increasing the supply of sugarcane to the mills, the ex-factory price of sugarcane was raised by 50 paisas per maund during the 1974-75 crushing season.

Cement

The increase of 16.2 per cent in the production of cement was mainly due to operation of plants at above their rated capacities and the addition of more kilns in the Wah and Rohri plants towards the end of 1973. During the period July—December 1974, export earnings from cement amounted to \$ 12.3 million as compared to only \$ 5.1 million in the corresponding period of 1973.

Cigarettes

The small decrease of 0.3 per cent in the production of cigarettes during the period July 1974—March 1975, was due to the fact that one factory in the Punjab remained closed since September 1974. Shortage of certain brands of cigarettes was reported in the domestic market and there was rise in their prices. This was partly due to greater demand from the rural sector where money incomes have been rising. Besides, the export of cigarettes was substantial. During the period July—December 1974, exports of cigarettes amounted to Rs. 37.6 lakh compared to only Rs. 7.5 lakh in the corresponding period of 1973.

Safety Matches

The production of safety matches increased by 20.0 per cent during July 1974—March 1975 compared to the corresponding period of 1973-74. The increase is due to the efforts made by Pakistan to attain self-sufficiency in this item after suspension of imports from Bangladesh towards the end of 1971. The number of match factories has risen from only 2 in 1970-71 to 67, while production increased by 41.5 per cent in 1971-72, by 40.7 per cent in 1972-73 and by 9.0 per cent in 1973-74 over the preceding years. Pakistan is now self-sufficient in this item.

Electric Fans & M. S. Products

The decline of 18.7 per cent in the production of electric fans and of 6.6 per cent in M.S. products is possibly due to high prices of imported raw materials.

PUBLIC SECTOR

In January 1972, the Government took-over the management of 10 basic industries. In November 1973, the taken-over units were nationalised with the Government taking over 100 per cent of the equity in the private limited companies, and gaining controlling interest in public limited companies.

Since nationalization, the companies and units previously managed by the Board of Industrial Management (BIM) and the Pakistan Industrial Development Corporation (PIDC) have been transferred to ten holding corporations, with the responsibility of co-ordinating the management and development of the operating companies. These corporations are (i) Federal Chemical and Ceramics Corporation Ltd., (ii) Federal Light Engineering Corporation Ltd., (iii) National Design and Industrial Services Corporation Ltd., (iv) National Fertilizer Corporation of Pakistan Ltd., (v) Pakistan Automobile Corporation Ltd., (vi) Pakistan Industrial Development Corporation Ltd., (vii) Pakistan Steel Mills Corporation Ltd., (viii) State Cement Corporation of Pakistan Ltd., (ix) State Heavy Engineering and Machine Tool Corporation Ltd., (x) State Petroleum Refining and Petro-chemical Corporation Ltd.

Investment in Public Sector

The public sector Corporations under the Government are partly financed by the Government and partly by National Development Finance Corporation and other financial institutions under government guarantee.

Public sector industrial investment has expanded considerably during the last few years which is indicative of the change in socio-economic policies initiated by the present regime. The investment increased from Rs. 17.9 crore in 1969-70 to Rs. 25.0 crore in 1972-73 and, according to the revised estimates, reached Rs. 47.0 crore during 1973-74. For 1974-75, total public sector investment has been estimated at Rs. 109.6 crore.

The ADP allocation, including supplementary grant, to the various Federal corporations amounted to Rs. 36.8 crore in 1973-74 of which Rs. 33.8 crore or 91.8 per cent was utilized. For 1974-75, the ADP allocation to the corporations has been increased to Rs. 58.2 crore, of which Rs. 27.7 crore or 47.6 per cent had been utilized up to December 1974. Of the 1974-75 allocation, 69.5 per cent is for Karachi Steel Mills, 7.2 per cent for heavy engineering and machine tools, 6.0 per cent for petroleum refineries and petro-chemicals, 4.4 per cent for fertilizers etc.

During the next five or six years, the Government plans to launch a massive investment programme of nearly Rs. 2,800 crore in various industries. This investment will take place in iron and steel industry, cement, fertilizers, sugar, vegetable ghee, oil refineries, etc. A large number of industrial units in these fields have either been sanctioned or are under implementation. As a result, investment in the public sector will increase substantially in the years ahead.

Performance of Nationalised Industries

The performance of nationalised industries has been satisfactory, as their management and operations have been planned on the basis of sound professional principles.

Production

A prominent feature of the nationalized industrial units' performance during the last three years has been the increased utilization of available industrial capacity. According to weighted index, the physical production of all the state enterprises taken together increased by 31.4 per cent in 1973-74 in comparison with 1972-73 and by 18.4 per cent in July—December 1974 over the comparable period of 1973, as shown below:

Table 5.2

TRENDS OF PRODUCTION OF NATIONALISED INDUSTRIES

Name of Corporation	Percentage increase/decrease in 1973-74 over 1972-73	Percentage increase/decrease in July-December 1974 over July-December, 1973
Federal Chemical and Ceramics Corporation	+ 11.7	- 12.3
Federal Light Engineering Corporation	+ 24.0	+ 13.1
National Fertilizer Corporation	+ 26.7	+ 41.7
Pakistan Automobile Corporation	+ 83.9	+ 28.3
Pakistan Industrial Development Corporation	+ 8.5	+ 3.6
State Cement Corporation	+ 9.5	+ 25.7
State Heavy Engineering and Machine Tool Corporation	+ 74.0	+ 65.5
State Petroleum Refining and Petro-chemical Corporation	- 5.3	+ 5.2
Total Production	+ 31.4	+ 18.4

Exports

During 1973-74, exports of the products of nationalized industries increased to Rs. 25.2 crore from Rs. 11.1 crore in 1972-73, showing an increase of 127.2 per cent. There was a substantial rise in the export of the products of the Federal Chemical and Ceramics Corporation, State Cement Corporation, State Petroleum Refining and Petro-Chemical Corporation.

Imports

Imports in 1973-74 aggregated to Rs. 143.0 crore as against Rs. 93.4 crore in 1972-73, showing an increase of 53 per cent. The increase in quantitative terms was much less due to rise in import prices.

Sales and Profits

Sales of the State enterprises in 1973-74 aggregated to Rs. 295.6 crore as against Rs. 180.6 crore in 1972-73, recording an increase of 63.7 per cent.

During the first half of 1974-75, the sale of all the State enterprises increased by 75 per cent over the comparable period of 1973-74.

On the basis of unaudited profit/loss figures, the total profits of the State enterprises aggregated to Rs. 17.9 crore in 1973-74 as against Rs. 1.8 crore in 1972-73. The following table gives the profit and loss before tax for the period 1973-74 and July--December 1974:

Table 5.3

PROFIT AND LOSS OF CORPORATIONS

Name of Corporation	Profit (or loss) in crore rupees	
	1973-74	Jul-Dec., 1974
Federal Chemical and Ceramics Corporation	3.8	0.8
Federal Light Engineering Corporation	3.5	3.3
National Fertilizer Corporation	2.9	0.4
Pakistan Automobile Corporation	4.6	4.6
Pakistan Industrial Development Corporation	2.5	0.8
State Cement Corporation	4.4	6.0
State Heavy Engineering and Machine Tool Corporation	(4.8)	(2.0)
State Petroleum Refining and Petro-chemical Corporation	0.9	(5.2)
Total	17.9	8.7

Employment

The total number of personnel employed in State enterprises increased from 40,817 in 1972-73 to 45,118 in 1973-74, providing 4,301 additional jobs. By the end of December 1974, total employment rose to 48,295.

Compensation

Towards the end of 1973, Government had, through an amendment of the Economic Reforms Order 1972, obtained powers to acquire shares or proprietary interests of taken-over companies and necessary acquisition orders were issued on November 29, 1973. The principles and the manner of payment of compensation for the shares/interests were as follows:

- (i) Where the whole or a portion of the shares of an establishment was acquired, the value of the compensation for the shares was assessed—
 - (a) in the case of shares not quoted on any of the stock exchanges, at the break-up value;
 - (b) in the case of shares quoted on any of the stock exchanges, at the market value;
- (ii) Where the whole or a portion of the proprietary interest in such an establishment was acquired—
 - (a) in case the establishment had been in commercial production for less than 5 years at the net worth value of the proprietary interest;
 - (b) where the establishment had been in commercial production for more than 5 years at the net worth value or the times value of the proprietary interest, whichever was less.

The compensation payable in accordance with the above principles was to be paid by the Federal Government in cash or in the form of government bonds redeemable at any time at the option of the Federal Government within a period of 15 years, and carrying from the date of acquisition a rate of interest one per cent above the Bank Rate. The bonds were negotiable and eligible as security for advances.

In formulating the redemption programme, the Federal Government could make provisions for preferential redemption of the bonds of such class of persons who were of meagre means and the amount of compensation payable to whom did not exceed such maximum amount as the Federal Government deemed fit.

Upto March 31, 1975 the value of entitlement certificates lodged with the BIM amounted to Rs. 11.60 crore, against which compensation amounting to Rs. 8.9 crore was paid.

Development Programme of the Provincial Governments 1974-75

The development programme of the four provincial governments in the manufacturing sector during 1974-75 amounts to Rs. 18.0 crore which constitutes 14 per cent of the total public sector expenditure on industries amounting to Rs. 127.6 crore. The provincial schemes include industrial infra-structure projects meant to create social over-head capital in the large and small-scale industries sector. The NWFP, Baluchistan and Punjab have agencies viz., Sarhad Development Authority, Baluchistan Development Authority and Punjab

Industrial Development Board to directly implement industrial projects. The 1974-75 Annual Development Programme contains provision for a number of agro-based industrial units which reflect the concern of the Federal and the Provincial governments to ensure easy availability of essential consumer items and to keep their prices stable.

Punjab

The Punjab Government's programme for the development of industries during 1974-75 is estimated at Rs. 7.9 crore. Out of this allocation, about Rs. 2 crore are proposed to be spent on various promotional, training and research schemes sponsored by the Directorate of Industries, the Punjab Small Industries Corporation, etc. A significant feature of the ADP is a block provision of Rs. 6 crore for setting up 3 cotton textile mills, 4 sugar mills and 5 modern rice mills.

Sind

The industrial development programme of the Government of Sind for 1974-75 amounts to Rs. 1.32 crore. This allocation will be spent on the implementation of various projects of the Sind Small Industries and Handicrafts Development Corporation and for two sugar mills at Piyaro Goth and Thatta.

N.W.F.P.

The industrial development programme of the Government of N.W.F.P. for 1974-75 is estimated at Rs. 6.75 crore. Part of this allocation will be spent on the implementation of different promotional services and training and other schemes sponsored by the Small Industries Development Board, Directorate of Industries etc. The main feature of the ADP is a block provision of Rs. 5.55 crore for the Sarhad Development Authority for implementing the on-going and new projects. The SDA schemes include (i) Khazana Sugar Mills, (ii) Industrial Estate, Jamrud, (iii) Leather Tannery, (iv) Corn Complex, (v) 4 Cold Storages, (vi) 2 Vanaspati Ghee Factories, (vii) Sarhad Sheet Glass Factory, and (viii) Sarhad Cement Works.

Baluchistan

The provision made in the ADP 1974-75 for the development of the industrial sector in Baluchistan is Rs. 1.95 crore. Here too, the major portion of the allocation is proposed to be invested on the development of promotional, research and training schemes sponsored by the Provincial Small Industries Board. The actual industrial projects included in the ADP 1974-75 are (i) Vegetable Ghee Factory at Quetta, (ii) Rice Mill unit at Usta Mohammad, (iii) Ferro-Chrome Project, and (iv) Industrial Estate in Balan at Uthal.

PRIVATE SECTOR

Private sector investment is financed from various sources such as loans from commercial banks and specialised credit institutions like PICIC and IDBP, equity participation, foreign private investment and, the funds of entrepreneurs themselves.

Investment Trend

The current financial year (July 1974—March 1975) has shown substantial increase in industrial investment by the private sector, as compared to the corresponding period last year. Disbursements made by PICIC/IDBP during this

period have amounted to Rs. 21.8 crore, which exceeds the amount of disbursement made in the whole of the preceding year (Rs. 10.7 crore) by more than 103 per cent. Sanctions issued by various agencies during first nine months of the current year (Rs. 141.9 crore) are higher than those in the whole of 1973-74 (Rs. 135.4 crore). This indicates that the private sector investment is picking up and is likely to gain further momentum.

Sanctions

The agency-wise break-up of the sanctions issued during the last few years is as follows:—

Table 5.4

PRIVATE SECTOR SANCTIONS

	1972-73	1973-74	(Rs. in crore) (July 1974- March 1975)
(i) PICIC	16.71	48.96	48.53
(ii) IDBP	9.81	36.87	25.33
(iii) Repatriable foreign investment ..	0.44	3.27	68.02
(iv) Non-repatriable foreign investment ..	7.12	5.77	
(v) Foreign private loan (others) ..	—	22.50	
(vi) PAYE investment	0.59	18.02	
Total ..	34.67	135.39	141.88

PICIC & IDBP

Combined sanctions issued by these agencies during the current year are higher than in 1973-74. One disquieting feature, however, of private sector industrial investment is the overwhelming concentration in cotton textile and some other sections. Thus, 46 per cent of PICIC and IDBP sanctions were for cotton textiles, 25 per cent for sugar industry, 11 per cent for hotels and motels and 18 per cent for the remaining industries.

Concentration of private sector investment in cotton and woollen textiles and sugar industry is, however, offset by public sector industrial investment in modern agricultural inputs (23%), agro-processing industry (16%) and iron and steel industry (37%). During 1974-75, 50 per cent of the Federal public sector investment will be in the iron and steel industry sector, 55 per cent in agro-related industries, mainly fertilizers, and only 6 per cent in other industries.

PAYE Scheme

In March 1973, this scheme was liberalised and has, since then, attracted sizable investment, particularly in cotton textile projects. Since the revision of the scheme, as many as 7.6 lakh spindles have been approved which will be installed in different provinces. Other units sanctioned under this scheme include expansion of 150 crore additional cigarette capacity for M/s Premier Tobacco Industries, a unit to manufacture 9,000 tons of writing and printing paper, 9 hotels, two new units to manufacture 11,000 T.V. sets per annum.

Repatriable and Non-repatriable foreign investment

Between July—December 1974, repatriable and non-repatriable foreign investment and private foreign loans amounting to Rs. 33.2 crore were sanctioned as against Rs. 31.5 crore sanctioned in the whole of 1973-74. Non-repatriable foreign investment is being made by Pakistanis working in foreign countries, particularly U.K. Since the inception of the scheme, 217 cases have been approved involving foreign investment of Rs. 10.7 crore in foreign exchange upto March 1975.

SMALL-SCALE INDUSTRY

The development of small-scale industry has a special role in the socio-economic policies of the Government. Small-scale industry needs smaller amounts of capital and creates more job opportunities than large-scale industry. It does not lead to the evils of concentration or control over productive assets and sources of finance in a few hands as large-scale industries do. It tends to broaden and strengthen the base of industrial enterprises by creating a large number of enterprises. It largely concentrates on processing locally available raw material using locally manufactured equipment. Finally, it can be used to effect the dispersal of industry from the major cities to the smaller towns and to create an organic link between the two which would keep the growth of the former within manageable limits. These advantages of small-scale industry are in line with the policies of the present Government to create employment in the smaller towns to curb urban concentration.

Because of the impact of Government's socio-economic policies on private sector industry, small-scale industry is currently experiencing a rapid rate of growth. It is estimated that private investment in small-scale industry increased from Rs. 30 crore in 1972-73 to Rs. 40 crore in 1973-74, and would be Rs. 50 crore in 1974-75. The wide capital dispersion of small-scale industry and the large number of individual units which comprise it make it very difficult indeed to estimate its production and the investment being made in it. However, the available data suggests that both investment and production in this sector are rising fast. It is estimated that nearly 30 per cent of the value added in small-scale industry is by the textile sub-sector, 15—20 per cent by the engineering industry and about 15—20 per cent by food industries. The growth in small-scale textiles during 1973-74 has been phenomenal. Similarly, the production of engineering goods related to the agriculture sector appears to be experiencing an upward trend.

The small industries corporation|boards set up by the provincial governments are the main agencies for promoting the development of small-scale industries.

GOVERNMENT INSTITUTIONS FOR PROMOTING INDUSTRIES

There are a large number of institutions, Government and semi-government, which are playing a key role in the development of industries. A brief description of some of these institutions is given below:

Pakistan Industrial and Technical Advisory Centre

PITAC is mainly responsible for up-grading the skills of industrial workers, producing newly designed tools and prototypes, rendering technical advice on various problems faced by plants, both in public and private sectors. During the period July 1974—March 1975, the Centre completed 594 job orders valued at Rs. 3.3 lakh.

Central Testing Laboratories

The Laboratories were set up in 1951 for rendering technical assistance and guidance to Government Departments, Agencies and the private industry and commerce in the assessment of the quality of raw materials and finished products. The CTL at Karachi and Lahore tested 7,280 samples and earned Rs. 33,321 as nominal service charges during the period July 1974-March 1975. The Laboratories also assisted in the formulation of 25 Pakistan standards for indigenous products. With the procurement of additional machinery, bacteriological testing facilities have been added.

Patents Office

During the period July 1974-March 1975, the Patent and Designs Office received 390 applications, 23 from Pakistan and the rest from abroad, for the grant of patents for new inventions. During the above period 401 applications for grant of patents for new inventions were filed.

As on March 31, 1975, 10,940 patents were in force in Pakistan, while 259 patents ceased during the period under report. Design registration applications numbering 109 were filed of which 94 originated from Pakistan. Of these, 70 were registered and 17 refused during the period. Total income during the period amounted to Rs. 4.2 lakh, mostly in foreign exchange.

Investment Advisory Centre of Pakistan

The Investment Advisory Centre, Karachi, a non-profit research organisation, provides information and guidance both to private and public sectors on how best to take investment decisions. The IACP renders services in a number of fields such as identification of new investment opportunities, making pre-investment studies, preparation of feasibility reports and providing management consultancy services.

During the period July-March 1975, IACP undertook 26 new projects and finalised 28, including those of last year. The completed projects included those for the Federal Government, Autonomous bodies, NWFP, Baluchistan, Azad Kashmir and for Saudi Arabia/Gulf States. Total proposed fees for 48 proposals sent to clients (7 private sector, 41 public sector) amounted to Rs. 18 lakh. Total income during July 1974-March 1975, amounted to Rs. 3.9 lakh, while grant-in-aid received from the Government during the period under review amounted to Rs. 7.3 lakh.

Pakistan Standards Institution

Established in 1951, PSI is primarily responsible for the preparation of National Standards for various items of trade and industry and enforcement of these standards through Certification Marks Ordinance, 1961. During July 1974-March 1975, it established 30 new standards bringing the total to 1,345. Of these, 583 have been published including 58 standards published during the period under report. It has so far brought 42 standards under Compulsory Certification Marks Scheme, of which 16 were brought under the export scheme during the above period.

PROGRESS OF SELECTED LARGE-SCALE INDUSTRIES

Cotton Textiles

The importance of the textile industry lies not only in its being a major contributor to the gross domestic product, but also because it is the processor of the main agricultural cash crop and is the employer of nearly 50 per cent of the total industrial labour force.

At present, there are 155 cotton textile mills having an installed capacity of 29,800 looms and 34.2 lakh spindles. In 1973-74 the production of yarn was 83.7 crore lbs and of cloth 70.8 crore yards.

Since early 1974, this industry is faced with recession due to global slump which has hit this industry hard. The impact of the crisis has been felt more in Pakistan because our textile industry is heavily export-oriented. The severity of the impact of the slump can be seen from the fact that the export of yarn declined from 40.2 crore lbs in 1972-73 to 16.6 crore lbs in 1973-74. During the period July 1974—March 1975, yarn exports amounted to 10.2 crore lbs only because of the deepening of the slump. Our major buyers of cotton textiles (Hongkong, Japan etc.) are resorting to cut-back in production. Because of the demand constraint, the production of cotton yarn declined to 59.1 crore lbs during July 1974—March 1975, as compared to 63.4 crore lbs in the comparable period of 1973-74. Likewise, during the above period, the production of cloth fell to 41.1 crore yards from 53.7 crore yards in the corresponding period of 1973-74.

To overcome the crisis, the Federal Government reduced the export duty on cotton yarn in March 1974, then in June 1974 and finally abolished it in October 1974. Similarly, in the case of cloth, the duty, first reduced in June 1974 was completely removed in August 1974. Along with it, export duty on hosiery and made-up textiles was also abolished. The above measures did not produce the desired effect because the international recession grew worse and the slump in textile exports continued.

Other measures taken subsequently to further ease the situation included instructions to the financial institutions to reduce the margin for advancing credit against raw cotton, cotton yarn and cotton cloth; buying of yarn by the Trading Corporation of Pakistan for export; sending abroad of textile sales missions and entering into barter deals with a number of countries to reduce the accumulated stocks.

The Industrial Investment Schedule for the Fourth Plan period (July 1970—June 1975) envisaged the addition of 7.25 lakh spindles and 9,000 looms. By the end of March 1975, 57 units with a total of 7.5 lakh spindles had been sanctioned under the 'PAYE' Scheme, involving an investment of Rs. 34.4 crore (Rs. 25.7 crore external and Rs. 8.7 crore internal). Besides, a 200-loom unit was sanctioned by PICIC.

In addition, 2,25,000 spindles have been sanctioned—one unit of 25,000 spindles for Fauji Foundation and two units comprising 1 lakh spindles each as joint venture with Iran to be located in Baluchistan (Uthal and Baleli).

Province-wise break-up of the total capacity sanctioned upto March 1975 was as follows:—

Table 5.5

CAPACITY SANCTIONED IN COTTON TEXTILE INDUSTRY

	No. of units sanctioned	Spindles	Looms
Sind	121	24,82,764	20,780
Punjab	111	20,48,968	18,181
N.W.F.P.	19	3,16,712	2,285
Baluchistan	2	49,960	—
Total	253	48,98,404	41,246

Besides, one unit of 12,432 spindles was sanctioned for Azad Kashmir.

Province-wise, total installed capacity as on March 31, 1975 was as under:—

Table 5.6

INSTALLED CAPACITY IN COTTON TEXTILE INDUSTRY

Province							Spindles	Looms
Sind							17,86,000	13,960
Punjab							14,03,000	14,000
N.W.F.P.							1,96,000	1,540
Baluchistan							25,000	252
Total ..							34,10,000	29,752

In addition, the 12,432-spindle unit sanctioned for Azad Kashmir was installed.

Vegetable Ghee

The vegetable ghee industry was nationalised on September 2, 1973 as there were widespread complaints of shortage of this essential item. Since nationalization, both production and availabilities have substantially improved. From 1.84 lakh tons in 1972-73, production rose to 2.21 lakh tons or by 19.7 per cent in 1973-74 and is estimated to have increased by 26.7 per cent in July 1974—March 1975 over the comparable period of 1973-74. The present trend of production is in line with the production target of 2.75 lakh tons set for 1974-75.

The demand for vegetable ghee has been fast rising due to rapid increase in population, increased urbanisation, rise in incomes and lack of appreciable growth in animal fats. In June 1974, the price of Vanaspati ghee was increased by 25 per cent to Rs. 7.50 per cent per seer due to the sharp rise in the prices of imported soyabean oil and tin plates as well as of local cottonseed oil and to Rs. 9.00 per seer from April 7, 1975.

As the demand for vegetable ghee is fast increasing, the Federal Government is setting up 7 units with a total capacity of 54,000 tons—2 units in Baluchistan (15,000 tons), 2 units in NWFP (18,000 tons), 1 unit in Azad Kashmir (6,000 tons), one unit in Northern Areas (6,000 tons) and one unit in Tribal Areas (9,000 tons). Plans are also being drawn up for expansion through a rationalization programme.

Sugar

At present there are 25 sugar mills, with a cane crushing capacity of 44,000 tons per day which is equivalent to 5.89 lakh tons of refined sugar per annum. Production of sugar in 1973-74 was of the order of 5.89 lakh tons.

It is estimated that during 1974-75 the production of sugar would be less than in 1973-74. The fall in sugar production is due to an estimated 11.5 per cent decrease in sugarcane production caused by low water level in the rivers and the pest attack on the crop.

In view of the anticipated shortfall in sugar production during 1974-75 it was decided to reduce the sugar quota at ration depots from April 1975. The sugar price was also revised upwards from Rs. 3.50 per seer to Rs. 4.00 per seer.

High priority is being given to domestic production of sugar to meet local demand. Eight sugar mills having daily cane/beet crushing capacity of over 18,000 tons are being installed—4 in the Punjab, 3 in Sind and 1 in N.W.F.P. In addition, 5 sugar mills are under consideration/planning in the Punjab and 3 in Sind.

Chemical Fertilizers

There are 6 fertilizer factories in Pakistan, 4 producing nitrogenous and 2 producing phosphatic fertilizers. During 1973-74, the production of nitrogenous fertilizers was 7.3 lakh metric tons (3.0 lakh N[ton) and of phosphatic fertilizers 23,300 metric tons (4,200 N[tons). Factory-wise production is given below.

Name of factory	Product	1973-74 (Nutrient tons)
1. Esso Fertiliser..	Urea	90,600
2. Dawood Hercules	Urea	1,58,400
3. NFC*, Daudkhel	Ammonium Sulphate	19,900
4. NFC*, Mullan	i. Ammonium Nitrate	16,200
	ii. Urea	14,900
Total .. Nitrogenous fertilizer		3,00,000 (7,31,060 metric tons)
5 & 6. NFC* factories Lyallpur/Jaranwala	Phosphatic fertilizer	4,200 (23,333 metric tons)

* National Fertilizer Corporation.

Six more fertiliser plants are under installation, while two are in planning stage.

PLANTS UNDER INSTALLATION

Factories under Installation	Production	Capacity (Nutrient tons)	Expected Year of completion
1. Expansion of NFC factory, Multan	i. Nitro-phosphate ii. Calcium ammonium nitrate iii. Urea	70,000 2,18,000	Mid-1977
2. Expansion of fertilizer factory, Lyallpur/Jaranwala	Single super phosphate	10,280	Mid-1975
3. Fauji Foundation's Urea fertilizer projects, Sadiqabad.	Urea	2,50,000	October, 1978
4. Urea Fertilizer projects, Kandhkot.	Urea	2,76,000	December, 1978
5. Hazara Fertilizer Ltd ..	Triple super-phosphate.	N.A.	N.A.
6. Pakistan Fertilizer, Karachi	M.A.P. (Blending unit)	N.A.	1977

PROJECTS IN PLANNING STAGE

Name of factory	Capacity (Nutrient tons)
	32,200
1. Urea Fertilizer project, N.W.F.P.	2,40,000
2. Urea Fertilizer project, Mirpur Mathelo (Sind)	2,72,200
Total ..	

HEAVY ENGINEERING

Heavy Mechanical Complex, Taxila

This factory has been established with Chinese assistance. It has heavy machining and large fabrication facilities, including supplementary foreign capacity, for the manufacture of industrial plants, machinery and equipment.

The trial production at the factory started in July 1970. The items in the production programme include sugar mills equipment, cement factories equipment, low pressure package type boilers, overhead travelling cranes, road rollers, truck chassis etc.

The factory has already delivered equipment to Larkana Sugar Mills which is functioning since March 1975.

Heavy Foundry and Forge Project, Taxila

This unit is also a Chinese-aided project which was approved by the Federal Government in April 1972 at a total cost of Rs. 21.86 crore and a foreign exchange component of Rs. 5.53 crore. Due to devaluation and increase in scope of production, the project is now estimated to cost Rs. 47.8 crore with a foreign exchange component of Rs. 20.2 crore. At present, the factory is under construction and all the buildings are expected to be completed by July 1975. The factory is expected to start trial production by the end of 1975.

The production programme of the factory includes steel castings, steel ingots, iron castings, press forgings, forged balls, (grinding media for cement industry) etc.

The turnover at full capacity is expected to be worth Rs. 39.57 crore.

Pakistan Machine Tool Factory, Landhi

This factory is a highly sophisticated engineering facility created to meet the growing requirements of precision machine tools for the engineering industry and of transmission components and automotive parts to support the progressive manufacturing programme of tractors, jeeps, trucks and cars in the country. The factory was established in collaboration with M/s. Oerlikon of Switzerland who acted as consultants and trained a large number of Pakistani engineers and technicians in Switzerland.

Major items in the production programme include machine tools, gearbox and axles for trucks, jeeps and tractors, pressure die castings, rough forgings etc.

Value of products at full capacity would be Rs. 15.33 crore per annum.

IRON AND STEEL

Steel industry is of basic importance to a country and its real value lies in building up its economic strength by providing basic raw materials for various engineering, metallurgical and strategic industries. Recognising the importance of the steel industry in the economic development of the country, the Government decided to establish a steel mill at Karachi.

Because of the lack of adequate iron and steel manufacturing capacity, Pakistan has been spending huge amounts in foreign exchange on the imports of iron and steel products as given below:

Table 5.7

IMPORTS OF IRON AND STEEL PRODUCTS

Year	Quantity (lakh tons)	Value (Crore Rs).
1965-66	3.68	24.2
1971-72	4.23	41.6
1972-73	4.23	86.3
1973-74	5.10	109.5

The above figures show how steeply the prices of imported iron and steel products have risen during the last three years. The imports shown above do not represent the full requirements of iron and steel products which, according to conservative estimates, are placed at about 1 million tons for 1975 and 1.7 million tons for 1980.

Domestic production from a large number of small plants was 1.8 lakh tons in 1969-70 which rose to 2.15 lakh tons in 1973-74.

A small steel mill of 20,000 tons capacity (People's Steel Mills, Karachi) was completed towards the end of 1974. The factory was taken over by the Heavy Engineering Corporation while still under construction. It will produce special and alloy steel sheets, plates, bars, castings, forgings etc. By March 1975, an expenditure of Rs. 42.7 crore had been incurred. Its turnover at full capacity would be worth Rs. 22.1 crore.

In addition, the Government is examining the feasibility of setting up a mini-steel mill, with the assistance of the Chinese Government, based on iron ore found in Chilgazi district in Baluchistan. A survey of the area is in progress to establish a minimum reserve of 50 lakh tons of ore.

Karachi Steel Mills

The foundation stone of the 1.1 million tons capacity Karachi Steel Mills was laid on December 30, 1973, at Pipri, 28 miles from Karachi. The mill is now estimated to cost Rs. 1,400 crore (foreign exchange Rs. 737 crore). It is a Soviet-aided project and major portion of foreign exchange cost will be met out of the U.S.S.R. credit, of which the latter has so far agreed to provide 340 million roubles (Rs. 451.1 crore). The work on the steel mill is in full swing. Infrastructural facilities such as roads, sewerage and sanitary disposal system,

unloading facilities at berths, power stations, etc. are being set up. At present, nearly 800 technical and non-technical personnel are working on the project. A large number of Pakistani technicians are getting training in steel technology in USSR. During 1973-74, Rs. 5.57 crore were spent on the project and for 1974-75 an ADP provision of Rs. 41.0 crore (Rs. 29.2 crore in foreign exchange) has been approved by the Federal Government. During the period July-December 1974, Rs. 14.5 crore (foreign exchange Rs. 10.56 crore) had been utilized. Machinery and equipment has already started arriving from the USSR.

The Karachi Steel Mill is expected to start partial production in the year 1978-79, but the full cycle of product-mix during phase I will be achieved in early eighties which will be as under:

Items					Tons
Billets	..	..	..	..	260,000 ..
Hot Rolled Sheets	..	..	..	..	445,000 ..
Cold Rolled Sheets	..	..	..	..	90,000 ..
Galvanised Sheets	..	..	..	..	100,000 ..
Formed Sections	..	..	..	..	120,000 ..
TOTAL	..	—	..	..	1,015,000 ..
Pig Iron	..	..	..	..	135,000 ..
Coke	..	..	..	..	215,000 ..

Chapter 6

MINING

The need to explore and develop the mineral wealth of the country has been felt ever since Independence. There has been some progress in this field as is evident from the number of minerals that are being mined now as compared to earlier years. But the pace of development in this sector has lagged far behind others, contributing only about 1 per cent of the GNP.

The slow progress has resulted partly from inadequate financial allocations to this sector, and partly from the need for a sharper demarcation of responsibility between the various agencies involved in the geological surveying, exploitation and development. Other factors which retarded the progress of this sector are shortage of technical manpower, inadequate mining and laboratory equipment, inaccessibility of some potentially rich areas, shortage of railway wagons, fragmentation of mining leases etc. Efforts to remove these bottlenecks are underway.

To co-ordinate the activities of these organisations, the Federal Government has constituted a Board of Mineral Co-ordination, creating thus the hitherto lacking institutional framework for a systematic investigation and development of the mineral resources of the country.

Yet another measure taken by the Federal Government to accelerate the pace of mineral development was to set up the Mineral Development Corporation in 1974, entrusted with the task of mineral exploration and development. The mines hitherto worked by the PIDC were made the responsibility of this organisation. Besides, another organisation, Resource Development Corporation, was constituted by the Federal Government in April 1974 to launch a crash programme of exploration and development of the Saindak copper deposits in Chagai district of Baluchistan and any other project that might be entrusted to the Corporation by the Government. In addition, separate Mineral Development Corporations are also working in each province.

A new strategy has lately been adopted to develop this sector more expeditiously. This includes fixing of priorities and concentrating efforts of the GSP on the most promising mineral-bearing areas so that the available funds and technology are used more effectively rather than spreading them thinly over a large number of projects. The areas selected for priority action are: Chagai, Lasbela-Khuzdar, Zhob, Tharparkar, Salt Range-Potwar, Hazara, Swat-Dir, Mohmand and Chitral-Gilgit mineral districts.

To intensify the exploration of minerals, an aeromagnetic survey of Baluchistan areas would be undertaken in October 1975 with Canadian assistance. The survey would take six months to complete.

Besides the minerals which are being mined in substantial quantities, there are a number of other minerals which have been proven in sufficiently large quantities and have bright prospects, but are presently being worked on a limited scale. These are barytes, bentonite, celestite, china clay, dolomite, magnesite, rock phosphate, soapstone and sulphur. Efforts are being directed to exploit these minerals on large scale.

Financial Allocations and Utilization

An allocation of Rs. 2.53 crore was made for public sector mineral schemes during 1973-74. The expenditure on the basis of revised allocations is estimated at about Rs. 6.26 crore. The higher expenditure is mainly due to the greater expenditure and progress on Saindak Copper Project.

The 1974-75 allocation for public sector schemes is Rs. 2.74 crore. In 1973-74 the Resource Development Corporation was allocated Rs. 3.0 crore to purchase plant and machinery etc. for the Saindak Copper Project. As the bulk of the equipment had been purchased, an allocation of only Rs. 1 crore has been made this year.

Trend of Mineral Production

The following table gives the production of selected minerals :

Table 6.1

PRODUCTION OF MINERALS

Minerals	1972-73	1973-74	July—Mar 1973-74	July—Mar 1974-75	% Increase/ decrease in 1974-75 over 73-74
Chromite .. (000 tons)	13	13	11	7	-36.4
Coal	1,174	1,039	755	798	+5.7
Gypsum	129	214	148	118	-20.3
Lime Stone	2,792	2,941	1,922	1,918	-0.2
Rock Salt	348	369	281	297	+5.7
Silica Sand	27	43	35	32	-8.6
Crude Oil .. (Lakh barrels)	28	23	18	15	-16.6
Natural Gas .. (000 mil. cu.ft)	146	169	124	136	+9.7

*Estimated.

Source.—Statistics Division

Out of 8 minerals, 5 have recorded a decline, while 3 have shown a rise. As a result, the index of mineral production which had declined from 120.7 (Base: 1964-65) in 1972-73 to 119.6 in 1973-74 is estimated to have risen to 121.4 only in 1974-75 or an increase of 1.6 per cent.

The decrease in the production of chromite is largely due to stiff international competition from large producers. As the entire ore is currently being exported the dampening of export prospects have resulted in decline in production.

Higher coal production has been achieved due to the attractive coal prices received by the producers in the domestic market. The high prices of oil had also increased the demand and production of coal.

The increase in the production of gas is due to fast growing demand for domestic as well as industrial uses.

The indigenous oil production continued to fall due to depletion of the old reserves.

OIL AND GAS DEVELOPMENT CORPORATION

OGDC was established in the public sector in 1961. To expedite the pace of oil and gas exploration, an agreement with the Government of USSR was signed in 1961 under which U.S.S.R. Government extended a credit of Rs. 14.29 crore for the import of equipment and machinery and to cover the expenses of the Soviet experts. After the expiry of the agreement in 1968, a new

credit agreement for Rs. 10 crore was signed in 1969 which expired at the end of 1973. Since then, USSR assistance is covered under the Pak-USSR protocol of March 10, 1973 and under the barter agreements.

OGDC has carried out extensive aeromagnetic, geological and seismic surveys in the country and established potential structures for the exploration and development of oil and gas. It has so far drilled 15 exploratory wells and 8 development wells resulting in the discovery of one oilfield at Tut and 3 gasfields at Sari, Hundi and Rodho. Of these, gas reserves at Sari and Hundi (District Dadu) are estimated at 0.029 and 0.05 million million cubic ft. respectively, while the reserves at Rodho are being estimated.

Sari gas field is located near Karachi. Gas from these fields will be supplied to Karachi which would reduce the burden on Sui field, at present the main source of energy in the country.

Activities during 1974-75

During the period July 1974 to January 1975, OGDC drilled about 18,850 feet, carried out 2,900 gravity surveys, 676 KM of geological survey and 431 KM of seismic survey.

In March 1975, testing for the production of oil and gas was being undertaken at Tut-5 (Distt. Cambellpur) and Rodho-2 (Distt. D.G. Khan). At Rodho-2, gas has been discovered. This discovery is significant as deposits of hydrocarbons have been proved in commercial quantities in cretaceous formation for the first time in Pakistan. Drilling at Sari-4 and Hundi-4 has been completed and preparations are in hand to start production testing. Drilling at Tut-6 is in progress.

Financial Allocations

During 1973-74, an ADP allocation of Rs. 10.8 crore was made for OGDC of which Rs. 9.4 crore (87%) was utilized. Besides, it was allocated Rs. 1.8 crore out of Soviet credit of which Rs. 1.1 crore (61%) was utilized. In view of the need to intensify search for oil, the ADP allocation for 1974-75 was raised to Rs. 16.8 crore of which Rs. 7.2 crore had been utilized by January 1975.

GEOLOGICAL SURVEY OF PAKISTAN

GSP is primarily responsible for collecting and providing geological information through systematic geological mapping. It also carries out exploration and appraisal for solid minerals, including geophysical and geochemical surveys and test drilling.

During 1974-75, the Federal Government provided Rs. 1.54 crore for various technical activities and strengthening of the Department. This included Rs. 88.5 lakh for meeting the expenses under the three special projects of the GSP viz. the Chagai Mineral Exploration Project, the Lasbela-Khuzdar Mineral Exploration Project and the Aeromagnetic Survey and follow-up Ground Investigation Project.

During 1974-75, the GSP mapped about 5,500 sq. miles in the country. The mapping programme was carried out in selected parts of all the provinces, including Azad Kashmir, Gilgit and Baltistan Agencies. The mapping programme also included regional and reconnaissance coverage of about 1,100 sq.

miles in Marri-Bugti territory of Baluchistan. Besides these activities, the Department also carried out post-earthquake studies in Swat District in NWFP.

Regional and detailed geophysical surveys have been carried out in different parts of the country to support and supplement various geological investigations. The major projects included regional gravity and magnetic surveys in Chagai and Lasbela Districts of Baluchistan, covering about 5,000 sq. miles; regional gravity survey over an area of about 2,500 sq. miles in Cholistan desert in Bahawalpur Division, Punjab and gravity-cum-magnetic survey over an area of about 500 sq. miles in Zhob District, Baluchistan.

Important mineral exploration projects implemented during 1974-75 related to the investigation of copper mineralization in Chagai and Lasbela districts in Baluchistan; manganese in Lasbela District in Baluchistan; high alumina clays in Kala Chitta and Salt Range areas in the Punjab; rock phosphate in Hazara District, NWFP; fluxing material for steel industry in Sind, and study of sulphide mineralization and pegmatite minerals in parts of Azad Kashmir and Gilgit and Baltistan Agencies. These investigations are still continuing.

A brief description of some of the principal minerals exploited in Pakistan is given below:

Natural Gas

This is the most valuable natural resource found in large quantities in Pakistan. Upto December 1974, nine gas fields, with estimated reserves of 16.74 trillion cubic feet, have been discovered. The largest reserves are at Sui (8.62 trillion cu. ft), followed by gasfield at Mari (3.94 trillion cu. ft). The reserves of the remaining gasfields are 4.18 trillion cubic feet. Two gasfields, one at Kothar and the other at Rodho, have also been located and their reserves are being estimated. At present, Sui, Mari and Dhulian are producing gas for commercial use. Dhulian field is producing gas and oil both.

Upto December 1974, about 11 per cent of the known reserves had been utilized. The share of gas in the overall energy consumption is approximately 35 per cent. The power sector is the largest consumer (33%), followed by general industries (25%), fertilizers (19%), cement (15%) and commercial domestic consumers (4% each).

Oil

In view of the sharp increase in the import bill due to the rise in the crude oil prices, high priority is being given to oil exploration. At present, five oil fields, namely Dhulian, Joyamair, Balkassar, Tut and Meyal located in the Potwar region of the Punjab are producing oil. The reserves at Khaur and Karsal have exhausted. It has not been possible to determine the extent of reserves due to the complicated nature of the structures.

To increase oil production, more wells are being drilled at Tut and Meyal. There are high hopes of Tut-5 yielding oil which will not only cover the deficit caused due to the depletion of Tut-4 but also increase the production further. Efforts to increase oil resources of the country are being stepped up both in the public (OGDC) and private sectors.

Oil Exploration Activities in the Private Sector

During the period July-December 1974 the Government of Pakistan concluded two petroleum concession agreements one with Trend Pakistan Corporation and the other with Pakistan Texasgulf Inc. of USA. In the agreements

signed since 1973, the concessionnaires are required to start drilling within 3½ years of the date of execution of the agreement. Previously, this period was much longer.

At present, seven oil companies in the private sector are engaged in oil exploration in the country. These are Amoco Pakistan, Wintershall AG, Marathon Petroleum Pakistan Limited (Marathon), Pakistan Oilfields Limited (POL), Trend Pakistan Corporation (Trend), Pakistan Texasgulf (Texasgulf) and Pakistan Petroleum Limited.

AMOCO hold concessions under two agreements, one concluded in 1969 and the other in 1973. Under the 1969 agreement they completed drilling of two exploratory wells near Multan. These wells were, however, abandoned as no significant oil and gas shows were discovered. The data gained by this drilling is being analysed. In the area held under 1973 concessions, the company drilled an exploration well at Jhatpat in Sibi District, Baluchistan, without any success. They spudded in their second exploration well at Jandran in Loralai District, Baluchistan. The drilling is in progress. In addition, they are carrying out geological and geophysical work in Triman, Barkhan and Maiwand area in Baluchistan. The roads built by the army in the Marri-Bugti area have greatly facilitated the search for oil and minerals in the region.

Wintershall continued to evaluate the data obtained from the previous investigations. The company had spudded in their third offshore well near Karachi and the work is in progress. POL commenced drilling of their fourth well at Meyal. The drilling operations are in progress there. Trend had started geological studies as well as seismic investigation in their licence area. Texasgulf have commenced investigation in Kashmore area.

Chromite

Chromite, the only commercial mineral for obtaining chromium metal, is also the only metallic mineral that Pakistan produces and exports. Nearly the entire production is sent abroad. The main deposits of chromite are located near Muslimbagh in Baluchistan. These deposits contain ore with a chromium iron ratio of 3:1 to 3.6:1. Small deposits of chromite have also been found in the Ras Koh region of Chagai and Kharan districts of Baluchistan and in Malakand, Mohmand and North Waziristan Agencies in NWFP. Small and scattered occurrences of chromite have also been reported from Lasbela District, Baluchistan.

It has been decided to set up a ferro-chrome plant at Muslimbagh. The project will cost Rs. 6 crore and produce 14,400 tons of ferro-chrome worth Rs. 4.6 crore annually. At present, all the chrome ore is being exported which earns relatively less foreign exchange.

Copper

Encouraging indications of the presence of copper have been found at Saindak in Chagai District of Baluchistan.

Preliminary tests carried out so far indicate the potential presence of 25 crore tons of copper having an average metal content of 0.5 per cent. The task of developing these deposits has been assigned to the Resource Development Corporation which was specifically set up for this purpose in April 1974. Services of foreign experts have also been made available by UNDP to tender

necessary advice. Major part of essential plant and machinery has been imported and deployed at the site. It is estimated that a minimum of 50,000 feet of drilling will have to be carried out for proving the grade and reserves. By the end of March 1975, nearly 21,370 feet of drilling had been done and 9,000 samples of ore had been tested to determine copper content at the laboratories at Saindak and Karachi.

Phosphate

Potential phosphate deposits have been discovered near Abbottabad, Hazara and it is estimated that more than 25 lakh tons of rock phosphate containing up to 35 per cent P_2O_5 is available in the area so far investigated.

Phosphate rock is used in the manufacture of fertilizers. The present consumption of phosphate in the country is about 35,000 tons annually which is estimated to rise to 2,60,000 tons by 1979-80.

The area has been termed by the CENTO Phosphate Working Group experts as promising to become potential commercial source of phosphate rock. The experts have strongly recommended that further exploration should be carried out in the area of mineralisation.

Coal

The coal deposits of Pakistan are associated with tertiary rocks and show a high range of variation even within the same bed. On the basis of analytical results these coals may be classified as lignite to sub-bituminous showing non-coking or weak coking properties. They have low contents of fixed carbon, high sulphur and ash and low to moderate calorific values which range between 7,400 to 12,400 British Thermal Units per pound. The total recoverable reserves of coal, as estimated by the Geological Survey of Pakistan, stand at about 47 crore tons.

Coal is being mined and developed in the public sector by the Pakistan Mineral Development Corporation and by the private sector. The annual production of the PMDC's mines is: Makerwal 1,80,000 tons, Degari 80,000 tons, Sor-Range 50,000 tons and Sharigh 40,000 tons. Pir-Jehanian and Lakhra coal fields are new. The Lakhra fields in Sind are the largest with estimated reserves of nearly 24 crore tons and proven reserves of 2.19 crore tons.

At present, about 80 per cent of the coal production is consumed by brick-kilns. Other major consumers of coal are railways, small-scale industries, Defence Services and domestic users. A small power plant of WAPDA near Quetta is also based on indigenous coal.

Fuller's Earth

This is a clay material which is primarily used in oil refining. Fairly large deposits of this mineral have been found in different parts of Khairpur District, Sind; Dera Ghazi Khan District, Punjab, and Dera Ismail Khan District, NWFP.

Gypsum and Anhydrite

Very large deposits of gypsum have been found in different regions in the Punjab, NWFP and Baluchistan. Gypsum is being used in the production of cement, synthetic fertilizers, plaster of paris etc. Large reserves of anhydrite are associated with gypsum at Daudkhel and Khewra in the Punjab.

Barite

Sufficiently large deposits of barite have been found in Khuzdar District, Baluchistan and in Hazara District, NWFP. The most significant deposit is the Shekran barite deposit in Khuzdar District. In this area, deposits of high grade barite with reserves of over 13 lakh tons are available. A barite grinding plant near Khuzdar is under construction. The plant capacity will be about 20,000 tons per year. It is hoped that significant amount of foreign exchange will be earned through the export of ground barite to Iran and other Middle Eastern countries.

Iron Ore

Total reserves of iron ore in the country are estimated at over 40 crore tons of which about 37.5 crore tons are sedimentary type, about 90 lakh tons of metamorphic/hydrothermal type and about 1.6 crore tons of lateritic type. The largest reserves of over 30 crore tons have been located in the Kalabagh-Makerwal region, Mianwali District, Punjab. In this region the ore contains complex carbonate, silicate and oxide minerals with an average of 32 per cent iron. The Langrial deposit in Hazara District, NWFP, contains about 3 crore tons of complex ore with iron content varying from 34 to 47 per cent. About 1 crore tons of carbonate ore reserves with an average of 40 per cent iron are estimated to be available in Khuzdar District, Baluchistan. The remotely placed Chitral deposits of 37 lakh tons are of magnetite type with a high iron content of 45 to 65 per cent. Laterite reserves of over 1.5 crore tons are located near Ziarat in Sibi District, Baluchistan, with an average iron content of 29 per cent. A deposit containing 24 lakh tons of high grade ore with iron content of 43 to 56 per cent occurs at Chilghazi near Dalbandin in Chagai District, Baluchistan. A mini steel mill, based on this ore, is proposed to be set up with the Chinese assistance. A few more magnetite occurrences have been recently found near Nok Kundi, also in Chagai District, and are being evaluated by PIDC.

Celestite

Celestite, which is mainly used in pyro-electrics and to some extent in ceramic and paint industry, is found in commercial quantity only near Thano Bula Khan in Dadu District, Sind. The GSP had completed the investigation of this deposit in 1970 when it established the presence of about 300,000 tons of high grade celestite in the area.

China Clay

Commercially significant deposits of china clay have been found at Shah Dheri, Swat District, NWFP. Reserves of over 160,000 tons of clay are expected to be available in this area. A ceramic complex will shortly start utilizing this clay for the manufacture of sanitary wares, tiles etc. Other occurrences of china clay have been found at Nagar Parker, Tharparkar District, Sind and in some parts of Hazara District and Malakand Division, NWFP.

Fire Clay

Extensive deposits of fire clay occur in the Salt Range and Kala Chitta Range areas of Sargodha and Rawalpindi Divisions, Punjab. These deposits are being exploited for preparing fire bricks.

Gemstones

Emerald, ruby and some other gemstones are reported from the northern mountainous regions of the country. The well-known emerald mines of Swat

District, NWFP, which were worked for over 10 years by private lease holders, have now been taken over by the Provincial Government. The ruby mines of Hunza in the Northern Areas are being operated by the Pakistan Mineral Development Corporation on behalf of the Federal Government. These are now being developed on scientific lines.

Silica Sand

This is a basic raw material for glass industry. It is also used in iron and steel industry as a fluxing material. Fairly large deposits of low to medium grade glass sand occur in different parts of Pakistan. However, high purity glass which could be used in the manufacture of optical glasses has not so far been found in the country.

Gold and Heavy Minerals

The Geological Survey of Pakistan has completed the first phase of investigation of the gold and other heavy minerals in the sands of the Indus and its tributaries in the Northern Areas of Pakistan. A report on this work has been prepared. Based on its results, a detailed programme of exploration-cum-exploitation has been launched by the Pakistan Mineral Development Corporation in association with a foreign mining firm.

High Alumina Clay

High alumina clays and laterites which occasionally contain small pockets of bauxitic composition have been found in different parts of the Salt Range and Kala Chitta Range areas of Sargodha and Rawalpindi Divisions, Punjab. The Geological Survey of Pakistan has initiated a programme of systematic geological studies of these important resources in association with Pakistan Council of Scientific and Industrial Research. At present regional and detailed geological work is being carried out near Surg in Campbellpur District and in the central parts of the Salt Range in Sargodha District. Geological data so far collected has shown that there are extensive reserves as far as their use in ceramic industry is concerned, but it will need considerable additional field and laboratory investigations before their suitability for alumina extraction is determined.

Limestone and Dolomite

Huge deposits of limestone occur in all the provinces of Pakistan and are being exploited for use in cement industry and as building and construction material. It is also used in some other industries on a minor scale.

Dolomite, which is principally used in iron and steel industry as a fluxing and ceramic material, is found in large quantities in the Punjab and NWFP. Good deposits of dolomite suitable for use in the proposed Karachi Steel Mills have been found by the GSP in Jhimpir area, Thatta District, Sind.

Magnesite

Magnesite deposits with reserves of about 30,000 tons occur near Nasai in Zhob District, Baluchistan. Low quality magnesite has also been reported from Sherwan area, Hazara District. At present only the Zhob District magnesite is being exploited.

Manganese Ore

Scattered occurrences of manganese ores have been reported from the southern and central parts of Lasbela District, Baluchistan. In this region the GSP has started a programme of surface geological studies and regional geophysical surveys to determine the regional control of manganese mineralization. Test drilling is also being carried out in selected localities.

Marble

Large deposits of marble in different varieties and colours are located in Chagai District in Baluchistan and at different localities in the Tribal Areas of NWFP. The Chagai marble is commercially known as onyx marble. It has also found some export market.

Rock Salt

Huge deposits of excellent rock salt occur in the Salt Range area in Jhelum and Mianwali Districts, Punjab and near Bahadur Khel in Kohat District, NWFP. Favourable conditions exist on the sea coast for the extraction of salt by solar evaporation. Rock salt mining is a Government monopoly (through PMDC).

There are six major salt mines and quarries in Pakistan, including the famous Khewra mine in Jhelum District, Punjab. The Pakistan Mineral Development Corporation is introducing some major improvements in the existing mines including electrification, mechanical haulage, construction of roads and workshops and housing for miners.

Soapstone

Commercial deposits of soapstone are presently found only in NWFP where it occurs in parts of Hazara District and in Khyber and Kurram Agencies. Total reserves are estimated at 600,000 tons.

Sulphur

Geological Survey of Pakistan has completed exploration of sulphur occurrences of Koh-i-Sultan and Sanni in Baluchistan. At Sanni, Kachhi District, reserves of sulphur are estimated at 50,000 tons in the abandoned mines and in the adjoining areas. These reserves are quite small for profitable mining. At Koh-i-Sultan in Chagai District, total reserves of low to medium grade raw sulphur are estimated at around 750,000 tons. The maximum recoverable sulphur in the crude material is estimated at 50 per cent.

Chapter 7

ENERGY RESOURCES

The *per capita* use of commercial energy in the country has been estimated at 200 kilograms. (k.g.) of coal equivalent which is much lower than the world average of 1889 kg. The main reason for lower level of energy consumption in Pakistan is the dependence of major sectors of the economy on non-commercial sources of energy such as draught power in agriculture and the rural transport sectors and on fuel wood, cow dung etc., for cooking purposes. Moreover, the country has comparatively smaller industrial base, inadequate transport system and has just introduced mechanisation in the agriculture sector.

- During the last 27 years, the consumption of energy has increased rapidly with the growth of the economy. According to the estimates of the Planning Division, the consumption of energy has been growing at a rate of 12 per cent per annum.

The country has four major sources of energy, i.e., coal, oil, natural gas and hydel power. Nuclear power has recently been added to the energy mix. The pattern of energy supply during the years 1973-74 and 1974-75 is indicated below:

Table 7.1
PATTERN OF ENERGY SUPPLY

Units		Quantity		Energy constant (trillion BTU's)		Percentage share	
		1973-74	1974-75	1973-74	1974-75	1973-74	1974-75
1. Natural Gas (excluding use as feed stock)	MMCF	117,065	123,835	111.0	117.5	32.5	30.6
2. Coal	000 Tons	1,400	1,600	26.6	30.5	7.8	8.0
3. Oil	000 Tons	3,330	3,988	149.2	160.8	43.7	41.9
4. Hydroelectric	GWH	4,150	5,500	49.8	66.0	14.6	17.2
5. Nuclear	GWH	400	660	4.8	7.9	1.4	2.1
6. L.P.G.	Tons	5,700	18,700	Neg.	0.9	—	0.2
				341.4	383.6	100.0	100.0

Amongst these sources, the country has enough reserves of natural gas. The generation of hydel-power has increased manifold since Independence and the exploitable potential for hydel power generation has been estimated at 10,000 MW. The reserves of coal have been estimated at 469 million tons, but due to its inferior quality, the use and exploitation of coal reserves have remained limited. Oil, which has the largest share in the sources of energy, is largely imported. The country's own production is half a million ton per annum which is hardly 10—15 per cent of the total oil requirements. The balance is imported.

Reliable statistics on the consumption of energy by sectors of economy are being worked out. The tentative estimates show the following pattern of consumption:

Table 7.2
CONSUMPTION OF ENERGY

(a) By sources

	Agriculture	Industry	Transport	Domestic and Commercial	Total
Coal	—	99	—	1	100
Petroleum	19	8	47	26	100
Natural Gas	—	79	—	21	100
Electricity	44	32	Neg.	24	100

(b) By sectors

	Coal	Petroleum	Natural Gas	Electricity	Total
Agriculture	—	40	—	60	100
Industry	neg.	16	41	43	100
Transport	neg.	100	—	neg.	100
Domestic and commercial	1	55	11	33	100

Industrial sector is the largest consumer of energy with a total share of 52 per cent followed by transport sector (24 per cent), domestic and commercial sectors (13 per cent), and agriculture sector (11 per cent). Transport sector is almost entirely dependent on oil. Agriculture on the other hand, in spite of being the largest sector of the economy, consumes the smallest share of the commercial energy as non-commercial sources of energy such as animal power is used largely for cultivation and carrying load.

The development of energy resources has received full attention of the Government. However, due to limited financial resources and technical know-how in the country, the resources could not be developed in line with the increasing requirements of energy. Although the capacity of hydel power generation has been expanded substantially and enough gas reserves have been discovered, the transmission bottlenecks kept the use of these sources of energy limited.

DEVELOPMENT OF ENERGY RESOURCES

Oil

Oil, with a share of 42 per cent in the total energy supply, is the largest source of energy. It is consumed in almost all major sectors of the economy. The existing pattern of oil consumption shows that the transport sector is the largest consumer of oil and accounts for 58.7 per cent of the total consumption followed by 10.1 per cent in industry, 12.2 per cent in domestic and 15.6 per cent in agriculture and other sectors.

Table 7.3
CONSUMPTION PATTERN OF PETROLEUM PRODUCTS

	(Percentage Use)
Transport :	58.7
(a) Rail	14.3
(b) Road	30.1
(c) Bunkers	3.3
(d) Aviation	9.0
(e) Others	2.0
Power	3.4
Industry	10.1
Domestic (kerosene oil)	12.2
Miscellaneous (Agriculture and others)	15.6
Total	100.0

The consumption of POL is estimated at about 4 million tons in 1974-75. The demand for petroleum and its products is increasing by 10 to 15 per cent every year.

The domestic production of crude oil is half a million tons and accounts for 10-15 per cent of the total crude oil availability in the country. The deficit is met through imports. At present, about 3 million tons of crude oil and another one million tons of petroleum products are imported. The bill for the import of POL products was Rs. 64.91 crore in 1972-73. However, with the increase in the import prices of crude oil the bill is likely to increase to

about Rs. 350 crore during 1974-75. The quantity and value of the POL imports for the last four years is given below:

Table 7.4

QUANTITY AND VALUE OF POL IMPORTS

			POL import (million tons)	Percent Increase	Value (crore rupees)	Per cent Increase
1971-72	..	..	3.150	—	25.65	—
1972-73	..	..	3.098	-1.6	64.91	+153.0
1973-74	..	..	3.640	+11.7	150.01	+131.1
1974-75*	..	..	3.852	+11.7	346.00	+130.6

* Provisional.

Due to increase in the value of POL imports, the sale price of the POL products has also been increasing in the domestic market as shown in the table below:

Table 7.5

PRICE OF PETROLEUM AND PETROLEUM PRODUCTS IN PAKISTAN

POL Products	Pre-Nov. 1973	Nov. 20, 1973	Jan. 1, 1974	June 8, 1974	Feb. 1, 1975
Automotive Gasoline (100 octane) " (per gallon)	7.20	10.00	11.50	12.00	13.00
Motor gasoline	6.25	7.50	9.00	9.50	10.50
High Speed Diesel Oil	3.00	3.96	5.00	5.50	5.50
Kerosene	2.00	2.50	2.50	3.00	4.00
Light Diesel Oil	1.75	2.30	3.75	4.00	4.00
Furnace Oil (Per ton)	240	340	500	500	500

Oil reserves

Pakistan has a large sedimentary area covering about two lakh sq. miles, out of its total area of about 3.10 lakh sq. miles. There are two major sedimentary basins viz: the Indus Basin and the Baluchistan Basin. Out of the area of two lakh sq. miles, an area of 71,521 sq. miles has been granted under petroleum concessions to the oil companies including the Oil and Gas Development Corporation. In addition, an area of 7,757 sq. miles has been granted under petroleum concession on the Continental Shelf region of Pakistan to the oil companies.

The search for oil in the region comprising Pakistan dates back to 19th century. The first exploratory well was drilled at Kundal in 1866. Several wells were drilled between 1885 and 1892 near Sui but only a small amount of

oil could be produced. The first major oil field was discovered at Khaur in 1918. By 1947, three more oil fields had been discovered at Dhullian, Joyamair and Balkassar. After Independence, the petroleum exploration activities were intensified and since then 81 exploratory wells have been drilled which resulted in the discovery of oil in Jurassic at Dhullian and also at Karsal, Tut and Mayal. Gas reserves were located at 11 places.

In the public sector, Oil and Gas Development Corporation was established in 1961. The Government of USSR extended a credit of 27 million roubles for the import of equipment and machinery from USSR and to provide rouble portion of Soviet expert's expenses. This loan expired in 1968 when a new credit of 19 million roubles was signed for the same purpose.

OGDC carried out extensive regional surveys, namely, aeromagnetic, geomorphological and seismic, all over Pakistan and established potential structures for the exploration and development of oil and gas. It has so far drilled 15 exploratory wells and 8 development wells over 12 structures resulting in the discovery of one oil field and four gas fields. During the period under review the significant event was the discovery of natural gas at Rodho in district D. G. Khan. The primary recoverable reserves of oil field discovered at Tut in district Campbellpur are being assessed.

Activities during 1974-75

The exploratory activity has been given new spurt since the increase in price of imported oil. The Government is making increasing allocations for the OGDC to equip the Corporation adequately for carrying out exploratory effort at an accelerated pace. However, the exploratory work involves huge investment in foreign exchange which is not possible with limited resources of the country. It is, therefore, imperative that the foreign investors are induced to participate in this effort. The Government has, therefore, prepared a model concession agreement which embodies incentives for the foreign investors.

Agreement and Grant of Petroleum Concessions

During the period July-December 1974, the Government of Pakistan concluded two petroleum concession agreements, one with Trend Pakistan Corporation, a subsidiary of Trend Corporation Ltd. of USA and the other with Pakistan Texas Gulf Inc (USA). The former agreement extends exploration rights over 15,000 sq. miles in Kharan and Mekran districts of Baluchistan. The later agreement covers an area of 11,120 sq. miles, situated in the Punjab and Sind and a portion in Baluchistan. The period covered by these agreements is eight years. In addition, the form-in agreement proposed by Pakistan Petroleum Limited and Amoco Pakistan Exploration Company/Total Pakistan of France has been approved by the Government. Under this agreement, the exploration work will be carried out over 6,822 sq. miles of an area in Rahimyar Khan, East Potwar (Punjab), Kirthar and Mullah River (Baluchistan) and Kandhkot (Sind). The Government granted two exploration licences over an area of 390 sq. miles in the districts of D. G. Khan and Sibi to Oil and Gas Development Corporation. Besides three prospecting licences were granted over an area of 561 sq. miles located in the districts of Campbellpur, Nawabshah, Sanghar and D. G. Khan to Oil and Gas Development Corporation.

EXPLORATION ACTIVITIES IN THE PRIVATE SECTOR

The exploration work undertaken by various petroleum exploration companies during July-December 1974 is described as under:

(i) AMOCO Pakistan Exploration Company

The company carried out extensive geological investigation particularly in Dera Bugti and Kahan area in Baluchistan. They completed drilling of a test well at Jhat Pat (Baluchistan) at a depth of 15,302 ft. The drilling however did not reveal any oil or gas shows. The well was, therefore, abandoned. They drilled another well at Kamiab in Muzaffargarh district to a depth of 7543 ft. without achieving any success. Another well was drilled at Budhawana in Multan District which was completed at the depth of 4,990 ft. Since no oil or gas shows were encountered, the well was abandoned as a dry hole. They had tested drilling at Jandran in Loralai district also.

(ii) Marathon Petroleum Pakistan Limited

The company carried out a marine seismic survey and evaluated field geological data to select a drilling site. The geological investigations in Pasni and Ormara areas of Baluchistan are now in progress. After the arrival of the drilling equipment at Gawadar, the drilling at Gar-Koh has started.

(iii) Winter Shell AG

The firm has chartered a drilling ship to commence drilling in their off-shore area near Karachi. Further processing of offshore and seismic data collected during investigations is continuing.

(iv) Pakistan Oil Fields Limited

The Company commenced drilling their fourth well at the Meyal oil field. The well had been drilled to a depth of 2,673 ft. at the close of the year.

(v) Trend Pakistan Corporation

The company has hired services of Western Geophysical Company to operate seismic operations in the area granted to them in Mekran and Kharan districts which is in progress.

(vi) Pakistan Texas Gulf Inc.

The Company finalised the agreement with M/s. Prakla Seismos of Hanover, West Germany, for gravity magnetic survey work.

Besides accelerating exploration work, an effort is also being made to boost production from the known reserves. A plan for the development of existing indigenous production from Tut and Meyal oilfields was prepared. The programme envisages drilling of 5 wells each at Tut and Meyal. The entire efforts are expected to add about 13,000 barrels to the country's production capacity. The main constraint, however, was the provision of casing and tubing requirement to undertake development drilling. A Government delegation visited a number of countries for this purpose. As a result, useful contacts were established with friendly countries like Abu Dhabi, Iran and Saudi Arabia. Supply arrangements from Abu Dhabi, Indonesia were expected to be finalised in near future.

Pakistan Petroleum Ltd.

Government have approved a joint venture between PPL and AMOCO Pakistan Exploration Co., for an area 6,822 sq. miles. PPL has started seismic survey in this area.

EXPLORATION ACTIVITIES IN THE PUBLIC SECTOR

During the period under review, Oil and Gas Development Corporation carried out geological surveys in the districts of Dera Ghazi Khan, Bannu, Dadu and Thatta. Seismic surveys were conducted in the districts of Dadu, Nawabshah, Thatta, Dera Ghazi Khan, and Campbellpur. Gravity surveys were carried out in District Dera Ghazi Khan.

At the commencement of the current year, testing for production of oil and gas was in hand at Tut-5 (District Campbellpur). Tut-6, Hundi-3 and Sari-4 were on-going wells, while Rodho-2 has been estimated as a gas producer. Drilling was completed at Hundi-3 and the well was abandoned as it did not show any signs of gas. Testing for production of oil at Tut-5 was still continuing at the end of December 1974.

A fourth well was spudded in at Hundi (District Dadu) on 8th December 1974. At the end of December 1974, Tut well-6 was drilling below 1968 meters, while Sari-4 and Hundi-4 had attained the respective depths of 1370 and 234 meters. The total meterage drilled during July—December, 1974 was 2520 meters.

Refinery Capacity

At present, the country has three refineries, two at Karachi and one at Rawalpindi. The total capacity of these refineries is 3.65 million tons per annum. However, to cater to the increasing demand for the POL products, the refinery capacity is being increased. A new refinery is being set up at Multan with a capacity of 2 million tons, with a provision to expand it to 4 million tons. It is expected to be completed by 1977-78. The capacity of the National Refinery at Karachi is also being expanded from the current level of 0.55 million tons to 2 million tons.

Natural Gas

The share of natural gas in overall energy consumption is 31 per cent (35 per cent including use as feed stock in fertilizer). It is the second largest source of energy in the country. Gas is being used mainly as fuel for the industrial sector. The present pattern of gas utilization is as under:—

	Percentage Share
Power	33.0
Fertilizer .. .	19.0
Cement manufacture .. .	15.0
General Industry .. .	25.0
Commercial and Domestic .. .	8.0
Total ..	100.0

Gas Reserves

The total recoverable reserves are estimated at 16.74 million million cft., or 13.3 million million cft. Sui gas-quality. Natural gas has been discovered at 11 different locations, the details of which are given below:

Table 7.6

NATURAL GAS RESERVES IN PAKISTAN

Location								Estimated Reserves (in million million cft.)
1.	Sui	..	..	..	..	..	..	8.62
2.	Zin	..	..	..	..	..	..	0.10
3.	Uch	..	..	..	..	..	..	2.50
4.	Khairpur	..	..	..	..	..	..	1.00
5.	Mari	..	..	..	..	..	..	3.94
6.	Mazarani	..	..	..	..	..	..	0.09
7.	Kandhkot	..	..	..	..	..	..	0.41
8.	Sari Sing	..	..	..	..	..	..	0.03
9.	Hundi	..	..	..	..	..	..	0.05
10.	Kothar	..	..	..	..	..	..	Being evaluated
11.	Rodho	..	..	..	..	..	..	Do.

At present, gas fields at Sui and Mari are being exploited. The gas from Mari gas field is being utilized by ESSO Fertilizer factory at Ghotki and from Sui gas field, it is being utilised throughout the country. The use of gas has increased at a rate of 14 per cent per annum since 1970-71. During 1974-75, the consumption is estimated to touch a level of 148,105 million cft. Two more gas fields at Sari Sing and Hundi are to be exploited as soon as they could be linked with the Indus Right Bank pipeline which is being laid for providing another connection from Sui to Karachi. It is estimated that 13.5 per cent of Sui reserves have been exploited so far. This amounts to consumption of 1.16 million cft. of Sui gas out of the original recoverable reserves of 8.62 million million cft. at Sui gas field.

TRANSMISSION AND DISTRIBUTION

Sui Gas Transmission Co.

The Sui Gas Transmission Company (SGTC) is charged with the responsibility of bulk transmission of gas from Sui fields towards the southern parts of Pakistan. At present, it is supplying 147 MMCFD* to Sind and Karachi out of which 81 MMCFD of gas is supplied to Karachi Gas Co. (KGC) and 66 MMCFD of gas to Indus Gas Co. (IGC). KGC and IGC further distribute the gas to various consumers in their jurisdiction. Demand for gas in the market served by existing 16" Sui-Karachi Gas Transmission Line (on the left bank of River Indus), outstripped the pipeline capacity in 1969. Since then, the situation is becoming tighter and load-shedding is progressively increasing. To meet the situation, laying of 305 miles of 18" gas pipeline on the right bank of river Indus, is in hand. The new pipeline will meet the projected demand for the Karachi Steel Mill and the growing gas demand in Karachi. It will also feed towns *en route* such as Larkana, Dadu and Sehwan.

Sui Northern Gas Pipelines Ltd.

The capacity of the Sui Northern Gas Pipeline which performs both the functions of transmission as well as distribution in the province of Punjab and NWFP is 277 MMCFD. However, in view of the increasing demand of gas by

*Million cubic feet per day.

WAPDA and industrial growth, the supply of gas is proving insufficient. New projects are now in hand which will increase the capacity to 415 MMCFD. The additional supply is also meant for catering to the needs of two new projects viz.; the 200 MW Lyallpur Gas Turbine Station and the Multan Pak Arab Fertilizer Factory.

Coal

The coal reserves in the country have been estimated at about 469 million tons which can theoretically yield 8,911 trillion BTU's of energy, i.e., 10 per cent more than the energy yield from the entire gas reserves at Sui. The coal found in Pakistan belongs to the lignitic family. It is highly volatile and deteriorates on exposure to atmosphere. Much of this coal consequently deteriorates after storage and is liable to spontaneous combustion.

Coal is being used to the extent of 90 per cent for brick kilns industry, 5 per cent for power generation, 4 per cent for fertilizer industry and 1 per cent for domestic purposes. The use of coal has remained limited due to transport difficulties and also its inferior quality.

The production of coal increased from 2.41 lakh tons in 1948-49 to over 12 lakh tons in 1963-64. The production of coal remained almost at the same level upto 1971-72. During the years 1972-73 and 1973-74, production declined to 11.74 and 10.39 lakh tons respectively due to various reasons. The requirement of good quality coal has been met by import. During the last few years, the import of coal has been as follows:

Table 7.7
IMPORT OF COAL

						Tons	
						Coal	Total
1970-71	..	..	..	..	..	38,177	38,177
1971-72	..	..	..	..	..	23,485	102,669
1972-73	..	..	..	..	..	23,536	63,016
1973-74	..	..	..	..	..	23,882	69,713

Coal Reserves

The Geological Survey of Pakistan place the total recoverable resources at 469 million tons. The geographical location of the prospective coal fields in the country along with estimated reserves are given below:

Table 7.8
COAL RESOURCES OF PAKISTAN

Name of the Coal Field		Location		Reserves (in million Tons)
Sor Range-Degari	..	Baluchistan	..	52.0
Khost-Sharigh-Harnai	..	Baluchistan	..	40.0
Mach	..	Baluchistan	..	15.0
Makerwal-Gullakhel	..	Punjab (Trans-Indus Area)	..	19.0
Salt Range	..	Punjab (Salt-Range Area)	..	75.0
Metting-Jhimpir	..	Sind	..	28.0
Lakhra	..	Sind	..	240.0
Total				469.0

The largest coal reserves are located at Lakhra coal field which account for almost 50 per cent of the total reserves in the country. However, the mining of coal from this field has remained restricted to a small area as its storage poses a serious problem of spontaneous combustion. It is, therefore, programmed that the coal may be utilized for a 240 MW Power Station so that coal does not have to be stored for long periods.

Public Sector Activities in Coal Mining

Coal mining was given special emphasis after Independence for its use as feed stock for industries, power plants, locomotives and brick kilns. The exploration, development and mechanisation of the coal mines was undertaken in 1955-56 through various agencies like Geological Survey of Pakistan, Bureau of Mineral Resources, Pakistan Industrial Development Corporation (PIDC), and now through Pakistan Mineral Development Corporation (PMDC). The PIDC was asked to take over four coal mines, one in the Punjab and three in Baluchistan and develop them as an example of scientific mining with maximum exploitation of reserves in depth and provide nucleus of trained man-power for the industry. These mines were developed at a total cost of Rs. 10.98 crore as a result of which the production increased from 1,86,000 tons in 1959-60, to 4,73,000 tons in 1969-70. The production has, however, been declining in the subsequent years and during 1973-74 it was 3,21,000 tons. The estimates for July—December 1974-75 have been placed at 1,38,000 tons.

The PMDC is at present mining at Makerwal and Gullakhel collieries, Sor-Range collieries, Degari collieries and Sharigh collieries. During the year 1974-75 (July—December), the production at PMDC collieries is estimated at 1.38 lakh tons which is 22.0 per cent less compared to the target of 1.77 lakh tons for the period. The shortfall occurred due to (i) shortage of skilled miners (ii) frequent power shut-down and inadequate power supply by WAPDA (iii) exhaustion of the developed coal reserves in some of the mines of Makerwal and Sor-Range, (iv) strata control problems at Sor Range (v) limited coal reserves in Degari mines (vi) shortage of railway wagons at Sharigh to dispose of the coal stocks.

The Government of Pakistan, with the intention of re-vitalising this important and potential sector of national economy, has set up the Pakistan Mineral Development Corporation (PMDC) which is given priority over the private sector in granting fresh lease-holds. The PMDC has prepared a plan for exploitation of the known reserves and exploring the new areas. It has been estimated that with further capital investment and integration of mining leases, the production capacity can be enhanced by about 50 per cent. The PMDC has, therefore, prepared a plan for increasing the coal production from 3,40,000 tons at present to 6,25,000 tons by the end of 1980-81. Besides, the Corporation has also acquired new areas in the Punjab which will be developed for production of 1,50,000 tons per annum within a period of 5 years which may further increase to 3,00,000 tons per annum with the proving of additional coal reserves.

The PMDC is also preparing a scheme for the exploitation of Lakhra coal fields for the proposed mine mouth power station. The coal found in Sharigh possesses medium coking characteristics. It is converted into beehive coke for use in industry. The PMDC is setting up a coal washing and beehive coke plant at Sharigh to produce 30,000 tons of beehive coke annually for the sugar industries. The project, when completed, will save foreign exchange to the tune of Rs. 4.00 crore annually.

Electricity, as a source of energy, is of special significance due to easy production, transmission and multifarious uses. It is being used in all sectors of the economy. Out of the total generation, 44 per cent is consumed by the agriculture sector, 32 per cent by industry and 24 per cent by the domestic and commercial sectors. It is also being utilised in the transport sector (in railways), though the comparative consumption in this sector is very small. The consumption of electricity as a source of energy compared to other sources indicates that agriculture sector depends on power to the extent of 60 per cent, industry 43 per cent and domestic and commercial sectors 33 per cent.

As is the case with various sectors of the economy, the generation of electricity at the time of Independence was negligible. There were only three hydel and thermal power houses at Renala, Malakand and Shahdara with a total capacity of 19.7 MW. About 10 MW of power was imported from India. This was discontinued when the hydel power station at Rasul with the capacity of 22 MW was commissioned in 1952. In 1954, Dargai power station with 4 sets of 5MW. each was commissioned and the Malakand power house was extended by another 2 sets of 5 MW. Steam stations at Lyallpur and Sahiwal were established in 1958-59 with the capacities of 11 and 6 MW respectively. By 1959-60, the total generation capacity had been developed to 360 MW (240 MW Hydel and 120 MW thermal).

At present, electricity in the country is generated from three different sources i.e. hydel, thermal and nuclear. For hydel power, the Indus system of rivers comprising the main Indus and its western tributaries, Kabul and Kurram, and the eastern tributary, Jhelum provide the main potential in their upper reaches. Thermal power is being generated by using gas, coal and oil. Third source of power generation is nuclear. A nuclear power plant was installed at Karachi with the capacity of 137 MW.

The potential of the hydel power has been estimated by the WAPDA to be of the order of 25000 MW. However, the bulk of the hydro potential is confined to the inaccessible hilly regions of the north and north-west of the country. The utilisable potential was thus estimated by the Planning Division to be of the order of 10,000 MW out of which 867 MW has so far been exploited. The existing hydel capacity power station-wise is given as under :

Capacity (MW)

	Capacity (MW)
(1) Mangla	600.0
(2) Warsak	160.0
(3) Dargai	20.0
(4) Malakand	19.6
(5) Rasul	22.0
(6) Chichō ki Malian	13.2
(7) Kurram Garhi	4.0
(8) Renala	1.1
(9) Shadiwal	13.5
(10) Nandi pur	13.8
Total	867.2

The future expansion programme envisages additional capacity of 1680 MW. Out of this, 1400 MW is to come from Tarbela, 200 MW from two more generating units at Mangla and 80 MW from two more units at Warsak. The hydel capacity is thus expected to rise to about 2,500 MW by 1980.

Thermal Power

Thermal power is generally not dealt with separately while discussing energy resources, since its generation involves consumption of other sources of energy. However, the discussion of this source has been considered necessary as the entire transmission system and use of electric power is based on the total generation of electricity.

At present, the total thermal power capacity is about 873 MW. The power is generated by using gas, coal and oil.

The consumption of fuel for thermal generation is indicated below:—

	1973-74
Gas (Million Cft)	47,472
Coal (Tons)	31,707
Fuel oil (Tons)	1,53,290
L D O (Tons)	71,457
H S D (000 Gallons)	14,508

The capacity of thermal power generation power station-wise is indicated below:

Table 7.10

THERMAL CAPACITY

	Capacity (MW)
1. Multan (Steam)	265
2. Lyallpur (Steam)	132
3. Lyallpur (Old diesel and Steam)	15
4. Shahdara (Gas Turbine)	85
5. Sukkur (Steam)	50
6. Hyderabad (Steam)	43
7. Kotri (Gas Turbine)	30
8. Quetta (Steam and Gas Turbine)	30
9. Warsak (Diesel)	3
10. Guddu (Steam)	220
Total	873

Nuclear Power

Pakistan's first nuclear power station at Karachi went into commercial operation in November 1972. The power station has a capacity of 137 MW and out of this 12 MW is for the use of the station itself and the remaining 125 MW are made available to the Karachi area.

Nuclear power is destined to play an important role in the future energy development programme of Pakistan in view of the limited natural resources, high cost of imported fuel, rapidly growing demand and the high targets for

economic development. The plan for use of nuclear power in power generation envisages setting up 500/600 MW nuclear plant in the North Grid Zone by 1980-81. The plant is to be located near Chashma Barrage in Mianwali District. Preliminary studies have been completed for a dual-purpose nuclear power plant at Karachi with a capacity of 300 MW of power and 150 million gallons per day of water.

Bio-gas

Energy needs of rural areas of Pakistan are being met largely by non-commercial energy sources such as animal dung, wood, charcoal and farm waste. The use of animal dung as fertilizer would considerably improve farm productivity. It is estimated that from 10—25% of animal dung is burnt for cooking purposes in the irrigated areas while in the rain-fed areas the rate of consumption of dung for fuel is about 50 per cent. In areas where firewood is burnt for fuel, rate of soil erosion is high as this eventually removes the top soil and dampens efforts to grow crops.

The need for increasing energy supply in the rural areas has been fully recognised by the Government. While exploring ideas on meeting rural energy requirements, it became evident that through the use of bio-gas plants, methane gas could be recovered from animal dung without affecting its quality as fertilizer. A prototype bio-gas plant was set up at the dairy farm at Islamabad which is producing about 400 cubic feet of methane gas per day with an input of 500 pounds of cowdung slurry. Subsequently, the number of such plants which are operating in the Punjab, Sind, NWFP and Baluchistan increased to 8.

The bio-gas plants have many economic and other advantages such as:

- (i) Availability of dependable and cheap source of energy in the rural areas.
- (ii) The affluent fertilizer sludge obtained from the plant will be odourless and sterile and carry public health advantages.
- (iii) Gas will be available for cooking, lighting and poultry hatching.

The Government have a programme to commission 40 bio-gas demonstration plants during the year in various parts of the country to serve as demonstration and education centres for the rural population. Another 60 plants are programmed for the next year. The efforts made by the Government have received encouraging response from all parts of the country.

Liquid Petroleum Gas

The production of LPG is being increased to provide an alternative fuel for kerosene oil which is becoming costlier and scarce. At present, LPG is being produced at Pakistan Refinery Karachi, and Dhullian.

Production.—The present production and allocation for local marketing and export of LPG are as follows:

- (a) 8000 tons of LPG from Pakistan Refinery, Karachi, have been allocated as under:
 - (i) 5000 tons per annum to Burshane (Pakistan) Ltd.
 - (ii) 3000 tons per annum to Indus Gas Company for their air-mix LPG Project at Quetta and Larkana.

- (b) 16,800 tons of LPG ex-Dhullian which is allocated as under:
- (i) 12,560 tons per annum for local marketing to Foundation Gas, a subsidiary of Fauji Foundation.
 - (ii) 4240 tons to Bursane (Pakistan) Ltd., for home market as well as for export purposes.

Prospects and Plans

In the near future, the additional production of LPG will be as follows:

- (a) Pakistan Refinery Ltd. (PRL) have been asked to increase their LPG production from existing capacity of 8000 tons to 22,000 tons per annum
- (b) National Refinery Ltd. (NRL) after expansion in 1976 will make available about 28,000 tons of LPG.
- (c) Pak Arab Refinery (PAR). After the projected Refinery in Multan goes into production in 1977 another 20,000 tons of LPG would become available.

The availability of LPG on a large scale would help in reducing the consumption of kerosene and thus save foreign exchange spent on importing kerosene. In the areas/towns where the supply of natural gas is not economically feasible, the liquefied petroleum gas will be supplied either in cylinders or through distribution pipelines network.

The Government has also decided to supply liquefied gas to northern hilly areas including Azad Kashmir, Gilgit, Kaghan, Chitral etc. This has been decided to provide cheaper fuel to these areas and also to save the forest wealth.

Energy Resources Cell

An Energy Resources Cell was set up in 1973-74 in the Ministry of Fuel, Power and Natural Resources. The Cell has been entrusted with the work of carrying out relevant energy studies and providing advisory and coordination services to the Federal and Provincial Governments and other organisations.

During the year, the Cell launched, in cooperation with the United Nations Development Programme, a comprehensive National Energy Resources Survey. The survey is being conducted to ascertain the pattern of consumption of various non-commercial fuels such as animal dung, cotton sticks, bagasse, bio-gas, fire wood, charcoal, maize and millet roots etc.

Petroleum Storage Development Corporation

Sufficient petroleum storage capacity is essential for ensuring regular supply of POL within the country. For this purpose, Petroleum Storage Development Corporation was formally set up in July 1974.

During the year, the Corporation carried out detailed studies on the demand pattern and the areas of consumption of the various petroleum products in the country. Phase-I of the Storage Development Programme envisaged the creation of storage cover of the order of 30 days at the Karachi port and 30 days at up-country locations.

The Corporation completed its surveys and studies and a storage development programme and its financial analysis for the first phase were submitted to the Government at the end of July 1974.

Chapter 8

MONEY AND BANKING

There is a well-organized banking and financial system in Pakistan comprising the State Bank of Pakistan, commercial banks, cooperative banks and specialized institutions. The State Bank, as the central bank of the country, exercises control on and regulates the activities of scheduled banks in pursuance of the responsibility assigned under its Charter "to regulate the monetary and credit system of Pakistan and to foster its growth in the best national interest with a view to securing monetary stability and fuller utilisation of the country's productive resources". Effective from 1st January 1974, Pakistani scheduled banks, which are the major constituents of the banking sector were nationalized under the Banks (Nationalization) Act, 1974 and regrouped into five banks as follows:

1. The National Bank of Pakistan.
2. The Habib Bank Limited.
3. The United Bank Limited.
4. The Muslim Commercial Bank Limited.
5. The Allied Bank of Pakistan.

Their organizational and operational matters including evaluation of their performance and progress is looked after by the Pakistan Banking Council.

The banking structure remains predominantly Pakistani. Out of a total of 4485 bank branches at the end of March 1975 the number of branches of Pakistani banks was 4,449 or 99.2% of the total. Pakistani banks also accounted for 91.8% of total bank deposits and 92.5% of the total bank credit in the country.

Monetary Developments in 1973-74

Monetary assets increased by Rs. 354.12 crore during 1973-74 or by roughly 10.8 per cent as compared with the increase of 23.3 per cent during 1972-73. The slowdown in the rate of monetary expansion was due both to a reduction in Government recourse to deficit financing and the contractionary impact of the foreign sector in contrast to its unusually large expansionary impact in 1972-73. The decline in deficit financing resulted from a sizeable additional tax effort mainly by way of upward revision of export duties.

The various credit control measures taken by the State Bank during the year also helped restrain credit expansion in the private sector. The Bank Rate was raised from 6 per cent to 8 per cent and the liquidity ratio to be maintained by the scheduled banks from 30 per cent to 35 per cent in August 1973. Moreover, rates of interest on various types of deposits were raised with a view to encouraging savings. A number of selective credit controls were also introduced to discourage the use of bank funds for less essential and speculative purposes.

An analysis of the composition of monetary assets showed that expansion in monetary assets during 1973-74 occurred mainly in currency in circulation which accounted for Rs. 202.7 crore or 57 per cent of total increase in monetary assets followed by demand liabilities amounting to Rs. 132.4 crore or 37 per cent. Time liabilities increased by Rs. 26.5 crore or roughly 8 per cent. This was partly offset by decline in non-scheduled bank deposits. During the preceding year, the increase in currency in circulation, demand liabilities and time liabilities accounted for 35 per cent, 32 per cent and 29 per cent respectively of total increase in monetary assets.

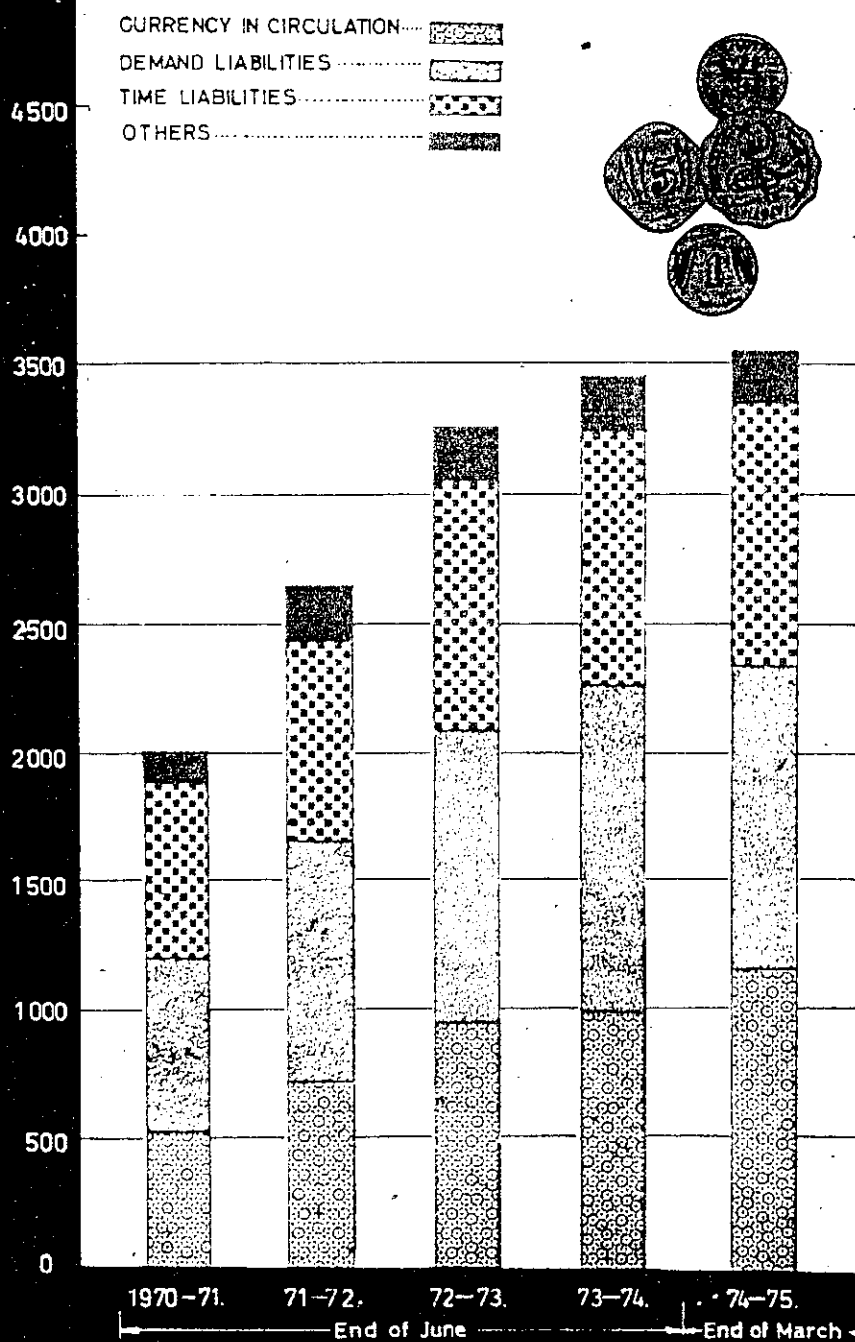
Analysis of the causative factors affecting changes in monetary assets showed that both private and Government sectors exerted expansionary impact on monetary assets, while the foreign sector and miscellaneous factors exerted contractionary influences. The domestic private sector was expansionary by Rs. 271.3 crore during the year as compared to Rs. 160.6 crore during 1972-73. This was due largely to a rise in the credit requirements of the private sector as a result of steep rise in the prices of internationally traded goods.

The Government sector exercised an expansionary influence of Rs. 161.4 crore compared to Rs. 246.2 crore during the preceding year. The Federal Budget for 1973-74 had envisaged borrowings from the banking system amounting to Rs. 65 crore for budgetary support. As against this, actual borrowings by the Government to meet the resources gap in the Budget amounted to Rs. 75.7 crore. An amount of Rs. 85.6 crore was also borrowed by the Government from commercial banks for financing commodity operations. It may be pointed out that there was a surplus of Rs. 26 crore in the budgetary operations of the Government during the period July 1973 to March 1974. However, during the last quarter, which usually witnesses heavy payments, the Government secured budgetary support amounting to Rs. 102 crore.

The foreign sector showed a contraction of Rs. 22.8 crore during 1973-74 compared to a substantial expansion of Rs. 233.6 crore during the previous year.

MONETARY ASSETS

Rs. in Crore



The changes in the composition of monetary assets and their causative factors are shown in the table below :

Table 8.1

CHANGES IN MONETARY ASSETS

Components						(Rs. in crore)	
						July, 1973 — June, 1974	July, 1972 — June, 1973
Currency in circulation	..	..	..	..	..	202.69	215.77
Demand liabilities	..	..	..	..	..	132.39	197.07
Time liabilities	..	..	..	..	..	26.54	180.66
Other deposits with SBP	..	..	..	..	..	0.10	— 11.23
Deposits of non-scheduled and cooperative banks	..	..	..	..	..	— 18.09	8.14
Post Office Savings Bank deposits	..	..	..	..	..	10.49	28.96
Change in total monetary assets	..	..	..	..	..	354.12	619.37
<i>Causative Factors showing changes in monetary assets</i>							
Private sector	..	..	..	..	..	271.25	160.60
Government sector	..	..	..	..	..	161.36	246.16
(i) Budgetary support	..	..	..	..	..	75.74	193.02
(ii) Commodity operations	..	..	..	..	..	85.62	53.14
Foreign sector	..	..	..	..	..	— 22.82	233.64
Other factors	..	..	..	..	..	— 55.67	— 21.03

Monetary Developments during 1974-75

The monetary and fiscal measures taken during 1973-74 were further strengthened during 1974-75 (July-April) with a view to combating inflationary pressures in the country. At the time of the Budget, certain measures were announced in the fiscal field to induce more investment; and export/import duties were adjusted to secure larger revenues for expenditure on development. These measures were reinforced in February 1975 by upward revision of import and excise duties on some items. Finally, the issue prices of wheat, sugar and vegetable ghee were raised with effect from 7th April 1975 to reduce subsidy on wheat and edible oils so that undue recourse to deficit financing may be avoided and inflationary pressures are contained.

In the monetary field, the Bank Rate was raised from 8% to 9% on 3rd September 1974. The rates of interest on bank advances were also increased to make them costlier to discourage their use for speculative and unproductive purposes. On the other hand, attractive rates of interest were offered by the banks on term deposits. Further, to strengthen these anti-inflationary measures, selective credit controls introduced in the preceding year were continued with necessary modifications. Moreover, the ban on bank advances against some of the essential items was also continued to discourage their hoarding.

Despite the various measures briefly described above, the demand for bank credit increased substantially during the year both on account of price rise in general and slow movement of our major exports. Credit expansion in the private sector amounted to Rs. 315.6 crore during the period 5th July 1974 to 25th April 1975 as against the expansion of Rs. 260.1 crore in the same period last year.

Monetary Assets

Total monetary assets registered an increase of Rs. 443.9 crore from 5th July 1974 upto the end of April 1975 as compared to a rise of Rs. 186.2 crore during the corresponding period last year. While the expansion in currency in circulation during the period under review was Rs. 112.0 crore, deposit money increased by Rs. 331.9 crore. Thus, out of the total expansion in monetary assets, about 25 per cent was accounted for by increase in currency in circulation and the balance of 75 per cent by expansion in deposit money. The trend during the corresponding period of 1973-74 was different; during the period 6th July 1973 to end April 1974 currency in circulation had expanded by Rs. 178.8 crore and deposit money by Rs. 7.4 crore. The large increase in deposit money during the period is indicative of a positive response of the public to the measures taken to promote savings. Trends in the components of monetary assets during July-April period of the current fiscal year and the corresponding period last year are shown in the following table:

Table 8.2
CHANGES IN COMPONENTS OF MONETARY ASSETS (Rs. in crore)

	25-4-1975 over 5-7-1974	26-4-1974 over 6-7-1973
Currency in circulation	112.01	178.79
Demand liabilities (excluding inter-bank items)	150.51	24.07
Time liabilities (excluding inter-bank items)	175.97	— 26.68
"Other deposits" with SBP (excluding Counter Part Funds etc.)	10.32	— 3.02
Deposits of non-scheduled and cooperative banks with SBP	— 0.06	2.46
Post Office savings bank deposits	— 4.83	— 10.61
Change in total monetary assets	443.92	186.23

It will be seen that monetary assets recorded an increase of 13.9 per cent during the first 10 months of the current fiscal year which was substantially higher compared to an increase of 6.9 per cent during the corresponding period last year.

Analysis of the factors affecting monetary assets reveals that during the period under review the expansionary impact of the private sector on monetary assets amounted to Rs. 315.6 crore during the period 5th July 1974 to end-April 1975 compared with an expansion of Rs. 260.1 crore during the corresponding period of last year. Quarterly data indicate that during the first quar-

Note.—Assets and liabilities of the State Bank of Pakistan and the scheduled banks pertaining to their branches in former East Pakistan were excluded from their balance sheets with effect from 5th July, 1974. Changes indicated for the corresponding period of 1973-74 pertain to the period from 6th July, 1973 to end-April, 1974.

ter (July—September) credit expansion in the private sector amounted to Rs. 73.55 crore. Credit expansion in the private sector picked up substantially from October onwards mainly on account of busy season influences, the rise in prices of imports and slow movement of our major exports on account of slump in the world markets. Credit expansion in the private sector during the first 10 months of the current financial year amounted to 72.6 per cent of the projection for the year as a whole.

Credit expansion in the Government sector amounted to Rs. 174.9 crore as compared with a contraction of Rs. 4.7 crore during the corresponding period of 1973-74. Government borrowings for commodity operations increased by Rs. 96.0 crore as compared with Rs. 44.5 crore in the same period last year. This was mainly on account of larger stocks built by the Government of wheat and fertilizer. The amount also reflected higher prices of wheat and rice. Government borrowings for budgetary support amounted to Rs. 78.9 crore during the period under review as against a contraction of Rs. 49.1 crore during the corresponding period last year. The enlarged recourse to deficit financing was necessitated by heavier subsidies on imported foodgrains and fertilizers at higher world prices. The Government sought to offset the loss of revenue on export duties arising from world recession by raising import duties on a number of items with effect from February 1975. The prices of kerosene and gas charges were also raised to meet revenue gap. In order to remove the resource gap as also to correct price distortions, the Government reduced its subsidy bill by raising the issue prices of sugar, vegetable ghee and wheat with effect from 7th April 1975. The budgetary position shows signs of improvement as a result of these measures. It appears that for the year as a whole the Government deficit may be contained at a level where its expansionary effect would be fully offset by the contractionary impact of the foreign sector.

The expansionary influences of the private and Government sectors were partly offset by the contractionary impact of the foreign sector and miscellaneous factors during the period under review. Causative factors affecting changes in monetary assets are shown in the following table:

Table 8.3
CAUSATIVE FACTORS AFFECTING MONETARY ASSETS

(Rs. in crore)

						25-4-1975 over 5-7-1974	26-4-1974 over 6-7-1973
Expansion	(+)						
Contraction	(—)						
Private sector	..	..	..	..	..	+ 315.60	+ 260.10
Government sector	..	..	..	..	..	+ 174.90	— 4.69
Commodity Operations	..	..	..	..	..	+ 96.03	+ 44.45
Budgetary support	..	..	..	..	..	+ 78.87	— 49.14
Foreign sector	..	..	..	..	..	— 18.13	— 43.60
Other factors	..	..	..	..	..	— 28.45	— 25.58
Total effect on Monetary Assets	..	..	..	..	..	+443.92	+186.23

BANKING TRENDS*

Bank Deposits

During the period 5th July 1974 to 25th April 1975 scheduled banks' total deposits increased by Rs. 326.48 crore as against a decline of Rs. 2.61 crore during the corresponding period last year. The abnormal trend during the corresponding period of last year was due to substantial withdrawal of deposits after nationalization of banks. During the period under review, demand deposits increased by Rs. 150.51 crore and time deposits by Rs. 175.97 crore. During 1973-74 (July—April), demand deposits had increased by Rs. 24.07 crore and time deposits had declined by Rs. 26.68 crore. Quarterly trends indicate that bank deposits rose substantially during second quarter ending December 1974; the increase during the quarter amounted to Rs. 179.24 crore compared to only Rs. 16.06 crore during July—September 1974. Whereas the time deposits increased by Rs. 51.58 crore and demand deposits decreased by Rs. 35.52 crore during the first quarter, there was a substantial increase of Rs. 129.82 crore and Rs. 49.42 crore in demand and time deposits respectively during the second quarter. Deposits rose further during the period January—April 1975 by Rs. 131.18 crore; demand deposits increased by Rs. 56.21 crore and time deposits by Rs. 74.97 crore.

The increase in bank deposits during the period under review was due to both branch expansion and increase in the rates of interest on deposits. The rates were revised upwards with effect from 3rd September 1974 as indicated in the following table:

Table 8.4

RATES OF INTEREST ON SAVINGS DEPOSITS

Types of Deposits	Old Rates of Interest with effect from (16-8-73)	New Rates of Interest with effect from (3-9-74)
I. (a) Special Notice Account or deposits withdrawable at notice of 7 to 29 days ..	4%	4%
(b) Special Notice Account or deposits withdrawable at notice of 30 days or over ..	4½%	4½%
II. (a) Savings Bank Account with chequing facilities ..	6%	6%
(b) Savings Bank Account without chequing facilities ..	6½%	7½%
III. (Fixed or term) Deposits		
(a) For 3 months and over but less than 6 months ..	6½%	7½%
(b) For 6 months and over but less than 1 year ..	7½%	8%
(c) For 1 year and over but less than 2 years ..	8%	9%
(d) For 2 years and over but less than 3 years ..	8½%	9½%
(e) For 3 years and over but less than 4 years ..	9%	10%
(f) For 4 years and over but less than 5 years ..	9%	10½%
(g) For 5 years and over ..	9%	11%

*The Assets/liabilities of the State Bank of Pakistan and the scheduled banks pertaining to their branches in former East Pakistan were excluded from their balance sheets as from 5th July 1974. Changes for the corresponding period of 1973-74 refer to the period 6th July 1973 to end April 1974.

Bank Credit

Total bank credit increased by Rs. 489.57* crore during the period 5th July 1974 to end-April 1975. Commercial bank credit to the private sector and the Government sector increased by Rs. 393.54 crore and Rs. 96.03 crore respectively. During the corresponding period last year total bank credit had increased by Rs. 301.29 crore, of which Rs. 256.84 crore was accounted for by the private sector and Rs. 44.45 crore by the Government Sector.

The quarterly trends indicated that bank credit expanded by Rs. 107.41 crore during the first quarter ending September 1974 compared with a rise of Rs. 46.34 crore in the corresponding quarter of last year. During the second quarter ending December 1974 total bank credit increased by Rs. 232.33 crore as compared with an increase of Rs. 201.17 crore in the corresponding quarter last year. During the period January—April 1975 bank credit rose further by Rs. 149.83 crore as against an increase of Rs. 53.78 crore in the corresponding period last year.

The increase in bank credit exceeded that in bank deposits during the period under review. As a result, the credit-deposit ratio of banks increased from 80.6 per cent on 5th July 1974 to 88.9 per cent at the end of second quarter and further to 90 per cent at the end of April 1975. The credit-deposit ratio on the corresponding dates in the last fiscal year were comparatively lower at 72.1 per cent, 79.9 per cent and 85.3 per cent respectively.

Scheduled Banks' Investments

Scheduled banks' investments increased by Rs. 50.49 crore during the period 5th July 1974 to April 1975 compared to a substantial decline of Rs. 96.23 crore during the corresponding period of 1973-74. The increase in banks investments was shared by both the Government securities and private securities. Scheduled Banks' investment in Government securities increased by Rs. 44.77 crore compared with a heavy decline of Rs. 117.40 crore in the corresponding period last year. Their investment in private securities rose by Rs. 5.72 crore compared to a rise of Rs. 21.17 crore in the corresponding period of 1973-74. The investment/deposit ratio stood at 29.5 per cent at the end of April 1975 compared to 29.1 per cent during July 1973—April 1974.

Scheduled Banks' Borrowings

Scheduled banks' borrowings from the State Bank increased by Rs. 204.54 crore over the period 5th July, 1974 to end-April 1975. Their excess reserves showed a decline of Rs. 1.92 crore while their cash assets (including their balances with the State Bank and their cash in tills) increased by Rs. 27.76 crore. Over the same period last year, scheduled banks' borrowings from the State Bank had recorded an increase of Rs. 230.80 crore, cash assets had fallen by Rs. 7.03 crore and excess reserves had declined by Rs. 6.65 crore.

Credit Control Measures

The anti-inflationary policy of the Government set in motion during the preceding year was further strengthened during the current fiscal year as price pressures continued unabated. The State Bank introduced a package of quantitative and qualitative credit controls in September 1974 with a view to containing credit expansion within reasonable limits, ensuring use of credit for productive purposes and discouraging hoarding and speculation. Effective from 3rd September 1974 Bank Rate was raised further from 8 per cent to 9 per cent. It may be recalled that the Bank Rate was 5 per cent until May 1972. Since

*Including bank advances plus inland and foreign bills purchased and discounted by the scheduled banks but excluding foreign currency loans by ADBP and IDBP as well as inter-bank advances.

then it has gone up to 9 per cent in different stages. All concessional rates of interest linked with the Bank Rate were revised upward by one percentage point in September 1974. The ceiling on interest rate on advances which was 11 per cent in the case of larger banks and 12 per cent in that of small banks, was fixed at a uniform maximum rate of 13 per cent and for the first time minimum rates of interest were prescribed at 12 per cent and 10 per cent respectively for advances against finished goods (excluding capital goods) and other advances.

In the field of selective credit controls a new set of measures was announced simultaneously with the rise in Bank Rate and upward movement of overall interest rate pattern. The distinctive feature of these measures is the differential treatment accorded to manufacturing units and traders and to finished goods and raw materials. Higher margin requirements were prescribed on advances to traders for both raw materials and finished goods as compared to those to manufacturing units. In the case of manufacturing units, advances against finished goods were generally subjected to higher margin requirements than those against raw materials. Advances against raw cotton to ginneries and textile mills and against cotton yarn to textile mills were exempted from minimum margin requirements.

Regarding selective credit controls, the State Bank issued the following instructions to govern the credit operations of the banks with effect from 3rd September 1974.

I. Advances against food items

1. Banks will continue to observe the existing ban on advances against :
 - wheat and wheat flour to entities other than flour mills ;
 - rice and paddy (both coarse and superior varieties) to entities other than rice mills and authorised dealers holding valid licences and Rice Export Corporation ;
 - gram, other grains and pulses to entities other than manufacturers of corn oil, corn products and chicken feed ;
 - edible oils (refined, unrefined and hydrogenated) and cotton seeds to entities other than Vanaspati Mills ;
 - Karyana and spices, onions and potatoes.
2. Advances to flour mills against wheat and wheat flour will continue to be subject to a minimum margin requirement of 30 per cent and maximum period of advance of six months.
3. Advances against rice and paddy (both coarse and superior varieties) to rice mills and authorised dealers will continue to be subject to a margin requirement of 50 per cent and maximum period of advance for three months. Advances to authorised dealers shall be given as at present only against such stocks of paddy/rice which have been declared to the Food Department for which they hold receipts from that Department.
4. Advances against rice to the Rice Export Corporation on the basis of approved and valid EPC forms shall not be subject to any minimum margin requirement.
5. Advances against maize to the manufacturers of corn oil and corn products and advances against "other grains and pulses" to manufacturers of chicken feed will continue to be subject to margin requirement of 25 per cent.

6. Advances against edible oils (refined, unrefined and hydrogenated) and cotton seeds to Vanaspati mills will continue to be subject to a minimum margin requirement of 25 per cent.
7. Advances against oil seeds (other than cotton seeds) will continue to be subject to a minimum margin requirement of 75 per cent, except that in the case of advances to oil extracting units the margin will stand reduced to 50 per cent.
8. Advances against tea will continue to be subject to a minimum margin requirement of 50 per cent.
9. Advances against sugar to sugar mills, shall not be subject to any minimum margin requirement while those to others will continue to be subject to a minimum margin requirement of 75 per cent.

II. Advances against raw materials to manufacturing units

1. Advances against raw cotton to ginneries and cotton textile mills shall not be subject to any minimum margin requirement. In the case of textile mills, however, the maximum advance shall not exceed the market value of stocks equivalent to four months' production requirement at any time.

2. Advances against cotton yarn to cotton textile mills shall not be subject to any minimum margin requirement for the time being.

3. Advances against other raw-materials to manufacturing units shall be subject to a minimum margin requirement of 35 per cent.

III. Advances against raw materials to traders

Advances to traders against raw-materials will be subject to a uniform minimum margin requirement of 50 per cent.

IV. Advances against finished goods to manufacturing units.

These will be subject to a minimum margin requirement of 35 per cent except that in the case of advances against indigenous cotton textiles, woollen textiles, artificial silk or mixed fabrics, matches, autospare, and tea, the existing minimum margin of 50 per cent will continue to apply.

V. Advances against finished goods to traders

These will be subject to a minimum margin requirement of 50 per cent except in the case of imported manufactured consumer goods (including all types of imported textiles) where the minimum margin requirement shall be 75 per cent.

VI. Other advances

1. As at present advances against shares quoted on recognised stock exchanges shall not be subject to any minimum margin requirement but those against shares not quoted, the minimum margin requirement shall be 60 per cent.

2. Advances against bank deposits shall be subject to a minimum margin requirement of 40 per cent.

3. Clean Advances or Advances secured by Guarantee shall be permissible upto a maximum amount of Rs. 25,000 to any one party for a maximum period of two years provided that the borrower declares as under:—

- (i) That the advances would not be utilised for frustrating the purpose of the credit restrictions in force; and
- (ii) That the same party is not availing of such loan facilities from other banks so as to exceed the prescribed limit in the aggregate.

The above restrictions, however, shall not apply to:—

- (a) Advances granted to finance exports under confirmed irrevocable letters of credit or firm orders upto the amount for which credit is opened or firm order made;
- (b) packing credit for exports; and
- (c) pre-shipment credits granted for financing exports of goods covered by firm contracts made, or confirmed irrevocable letters of credit opened, by foreign importers in favour of exporters in Pakistan provided that advances do not exceed the amount specified in the contract or the credit, as the case may be.

4. No advances shall be made to finance operations under hire-purchase or instalment plans except in the following cases:—

- (a) Machinery and equipment whether imported or indigenous which are used for industrial or agricultural production.
- (b) Commercial vehicles in the private sector.

VII. Advances against banned imports

No fresh advances shall be made nor any increase in the existing advances allowed against imported goods whose import is banned under the import policy in force.

VIII. Margin on Letters of Credit

The existing margin requirement of 25 per cent on the opening of letters of credit applicable to all importers except (i) import of industrial machinery and agricultural machinery (ii) import of edible oils (iii) import of industrial raw-materials and spares, (iv) import of crude oil and petroleum products and (v) import of items under "Tied List" shall continue to apply.

IX. All the existing advances to manufacturing units shall be adjusted, as above, within a period of three months and those to traders, within one month.

Effective from 21st September 1974, the minimum margin required to be retained by banks on advances for paddy/rice, both coarse and superior varieties were reduced from 50 per cent to 30 per cent. The concession of reduced margin would be admissible only to dealers/rice mills holding valid licences from the Food Department of the province concerned for the purposes of rice procurement and only against such stocks of rice which have been declared to the Food Department in the prescribed form. The banks were further advised that no advance against any lot of rice should remain outstanding beyond a period of three months.

On 24th September 1974, the banks were asked to grant advances against cotton seed to oil millers designated by the Boards of Management for vegetable ghee in the Punjab and Sind and holding contracts from these Boards for the supply of cotton seed oil. The margin for such advances would in no case be less than 30 per cent.

Restrictions on margin requirements against raw cotton announced on 3rd September 1974 were relaxed with effect from 26th November 1974 and it was decided to reduce the minimum margin required to be retained by the banks on advances to Cotton Commission Agents against raw cotton from 50% to 25% with maximum period of stock held upto 3 months.

On 10th March 1975 the State Bank, with a view to ensuring due caution on the part of banks in dispensation of credit against imports, directed the scheduled banks to observe the following guidelines before establishing letters of credit:—

1. Financial condition of the customer should be properly examined to make sure that he would be reasonably liquid for retiring the documents. The credit for this purpose should be earmarked so that bank does not violate credit ceilings.
2. The bank should ensure that its customer imports with the help of bank credit only to the extent of his genuine requirements and the bank itself should not get involved in any speculative inventory build-up.
3. To ensure security of its own funds as well as for proper utilisation of the national resources it is desirable that the banks should maintain a regular watch over the international prices of the commodities which are imported through them and provide a suitable advisory service to their customers in this respect. In the case of commodities with fluctuating price trends, the banks should obtain adequate margins before establishing letters of credit.
4. Before granting an overdraft or cash credit facility to enable the importer to retire document received under his letter of credit the bank must make a proper judgement that by giving such a facility the financing of priority sectors would not be affected.

The minimum margin requirement against bank deposits which was fixed at 40 per cent with effect from 3rd September 1974 was relaxed on 22nd April 1975 and it was decided that 40 per cent compulsory minimum margin will not apply in the case of advances against banks' own Cumulative Deposits Certificates. Advances against other types of bank deposits will continue to be subject to the existing margin restrictions.

Compensation Bonds for Nationalized Banks

Another development in the banking sector was the announcement of rules made by the Government regarding surrender of share certificates of the nationalized banks and the issue of compensation bonds. According to these rules known as Banks (Nationalisation) (Payment of Compensation) Rules, 1974, the registered shareholders as on 31st December 1973 were required to surrender to the bank concerned the share certificates held by them for the purpose of payment of compensation. On receipt of these share certificates, the bank shall work out the amount

of compensation payable to each of the shareholders and send requisition to the Public Debt Office, State Bank of Pakistan, Karachi or Lahore for issue of bonds in the denomination of Rs. 100, Rs. 1,000, Rs. 5,000, Rs. 10,000 and Rs. 20,000.

Such portion of the claim as is not an integral multiple of 100 will be paid in cash.

The bond shall be redeemable in accordance with the redemption programme formulated by the Federal Government. The programme also included preferential redemption for such class of persons who are of meagre means such as orphans, widows and pensioners.

The payment of interest and principal shall be made at Lahore and Karachi offices of the banks concerned. While paying interest the bank will pay net amount of interest after deduction of the amount of income-tax, if payable.

The bonds shall be negotiable and eligible for security for advances. The bonds can, after the formulation of redemption programme, be tendered for payment of Government dues.

In accordance with the provisions of Section 7 of the Bank (Nationalisation) Act 1974, the following break-up values of the shares of the nationalised banks, excluding State Bank of Pakistan have been determined by the special auditors appointed for the purpose:

Table 8.5

BREAK-UP VALUE OF SHARES OF NATIONALISED BANKS

Name of Bank	Paid-up value Rupees (per share)	Break-up value Rupee (per share)
Australasia Bank Ltd.	10	22.99
Bank of Bahawalpur Ltd. ...	100	Nil
Commerce Bank Ltd.	10	5.03
Habib Bank Ltd. ...	5	10.58
Habib Bank (Overseas) Ltd. ..	5	11.83
Lahore Commercial Bank Ltd. ..	10	Nil
Muslim Commercial Bank Ltd. ..	10	19.04
National Bank of Pakistan ..	10	36.31
Pak Bank Ltd.	100	85.79
Punjab Provincial Co-operative Bank Ltd. ..	100	151.72
Premier Bank Ltd.	10	Nil
Sarhad Bank Ltd.	10	7.44
Standard Bank Ltd.	100	Nil
United Bank Ltd.	10	19.53
Industrial Development Bank of Pakistan ..	100	236.13

As regards State Bank of Pakistan, the amount of compensation has been worked out to be Rs. 82.00 per share.

The ex-share holders of the nationalised banks have been required to surrender the share certificates held by them to the banks concerned for purposes of payment of Compensation Bonds. Total amount of compensation bonds issued till the end of March 1975 stands at Rs. 37.68 crore.

THE CREDIT PLAN FOR 1974-75

Annual credit budgeting has become a feature of economic planning over the last three years. The National Credit Consultative Council is responsible for formulating the Credit Plan for each year in the light of priorities and targets of the Annual Plan keeping in view the objective of containing expansion of bank credit to the private sector within reasonable limits while at the same time ensuring adequate flow of credit to preferred sectors. The Credit Plan for 1974-75 envisaged an increase of Rs. 445 crore in the bank credit for the private sector during 1974-75, which as compared to 1973-74 represented a rise of 62 per cent. Credit expansion by commercial banks was estimated at Rs. 363.50 crore as against actual expansion of Rs. 232.24 crore during 1973-74. The table below shows the break up of credit expansion in the private sector as envisaged in the Credit Plan and the actual position during 1973-74.

Table 8.6
CREDIT ALLOCATION FOR 1974-75

Sources	(Rs. in crore)	
	1974-75 (Estimated)	1973-74 (Actual)
1. Credit by Commercial banks	363.50	232.24
2. Local currency loans by ADBP and IDBP @	29.00	34.93
(a) ADBP	25.50	27.47
(b) IDBP	3.50	7.46
3. State Bank loans to cooperatives and non-banking financial institutions	52.50	4.09
(i) Cooperatives	15.00*	0.05
(ii) I.C.P.	5.00	—
(iii) PICIC	17.50	8.57
(iv) HBFC	15.00	10.00
(v) NDFC	—	2.77
(vi) NIT	—	1.00
(vii) Others	—	0.84

@Including investment in private securities.

*Including Rs. 10 crore for Punjab Provincial Cooperative Bank.

Economic group-wise distribution of estimated credit expansion by commercial banks in the private sector during 1974-75 is as under:

Table 8.7

CREDIT ALLOCATION BY ECONOMIC GROUPS

(Rs. in crore)

Sectors	Large	Small	Total
1. Agriculture	15.00	30.00	45.00
2. Manufacturing	121.00	48.00	169.00
3. (i) Fixed investment	(44.00)	(22.00)	(66.00)
(ii) Working capital	(77.00)	(26.00)@	(103.00)
3. Construction	5.00	8.00	13.00
4. CoAAerce	46.00	12.00	58.00
5. Transport & CoAAunication	45.00*	5.00	50.00
6. Mining and quarrying	8.00	—	8.00
7. Electricity, gas etc.	11.00	—	11.00
8. Others	7.50	2.00	9.50
Total	258.50	105.00	363.50

*Includes Rs. 40 crore for Provincial Road Transport Boards.

@ Calculated on the basis of 10 percent growth rate in Small Scale Industry.

The Council also set the following targets for commercial banks in respect of the preferred sectors.

	(Rs. in crore)
I. Small Loans	105.00
(a) Agriculture	30.00
(b) Housing	3.00
(c) Business and Industry	67.00
II. Loans for tractors, tube-wells, land improvement and fisheries	12.00
Total	117.00

The above targets for the preferred sectors represented about 32 per cent of the estimated credit expansion in the private sector by commercial banks during 1974-75, and about 26 per cent of the total credit expansion in the private sector during the year. The targets for small loans for 1974-75 depicted an acceleration of 40 per cent as compared to the targets given to banks for 1973-74 and of 263 per cent as compared to the actual achievement by them

during the year. Performance *vis-a-vis* mandatory targets for commercial banks during the three years is shown in the table below :

Table 8.8
CREDIT UTILIZATION BY PREFERRED SECTORS

		(Rs. in crore)					
		1972-73		1973-74		1974-75	
		Target	Actual	Target	Actual	Target	Actual (upto 28th March, 1975)
Agriculture	.. ..	8.00	5.68	25.00	9.95	30.00	9.20
Housing	.. ..	9.00	7.39	5.00	11.27	8.00	12.99
Business and Industry	.. ..	26.60	41.87	45.00	7.35	67.00	27.47
Total Small Loans	.. ..	43.60	54.94	75.00	28.57	105.00	49.66
Loans for purchase of tractors etc.	.. ..	2.00	1.25	5.00	2.02	12.00	1.80
GRAND TOTAL	.. ..	45.60	56.19	80.00	30.59	117.00	51.46

In accordance with the recommendations of the National Credit Consultative Council, the State Bank prescribed the credit ceiling of Rs. 123 crore for financing the requirements of public sector enterprises by the commercial banks during 1974-75. These enterprises are treated at par with the private sector in credit policy but have a distinct ceiling. The remaining private sector had a credit ceiling of Rs. 235.50 crore which was subsequently raised to Rs. 237.70 crore.

During July-December 1974 credit expansion by commercial banks amounted to Rs. 196.35 crore in the private sector excluding public sector undertakings and Rs. 69.32 crore in the public sector enterprises. In the quarter January-March 1975 commercial bank credit expansion in the private sector proper was Rs. 16.02 crore while in the public sector enterprises the expansion amounted to Rs. 20.55 crore. The overall credit expansion since 5th July 1974 to 25th April 1975 amounted to Rs. 314.02 crore in the private sector—Rs. 87.65 crore in the public sector enterprises and Rs. 226.37 crore for the general private sector.

Special Financing Schemes

(a) *Small Loans Scheme for Businessmen and Industrialists.*—The State Bank of Pakistan introduced Small Loans Scheme for businessmen and industrialists in December 1972. Initially, the limit of small loans for business was prescribed at Rs. 50,000 per borrower (including those to dependent members of his family). In the case of industry, small loans were defined as loans upto any amount given to industrial units with fixed assets (excluding land and buildings) valued upto Rs. 10 lakh. Subsequently, effective from 1st January 1975 the small loan limit for business was raised to Rs. 75,000 per borrower. In view of the large price increases, the above limit has been raised further to Rs. 1 lakh per businessman with effect from 1st April 1975 while the definition of small industries has been raised to include such industrial units which have fixed assets (excluding land and buildings) not exceeding Rs. 20 lakh. The Credit Plan for 1974-75 has fixed a credit target of Rs. 67 crore for small business and industry. Actual increase in the outstanding level of small loans

by commercial banks for business and industry from 5th July 1974 upto 28th March 1975 amounted to Rs. 27.47 crore or 41 per cent of the target for the year.

(b) *Scheme for Agricultural Loans by Commercial Banks.*—The scheme for agricultural loans by commercial banks provides for loans by banks to farmers for meeting their short and medium term credit requirements for agricultural production. Small loans for this purpose are defined as loans upto Rs. 5,000 to farmers in general and upto Rs. 10,000 to sugarcane growers. In addition to advances for financing agricultural inputs and payment to hired labour, loans are also provided for purchase of cattle, tractors and other agricultural implements, tubewells and land improvements as also for dairy farming, poultry and orchards.

Commercial banks' loans to agriculture sector for meeting the seasonal and investment requirements increased by Rs. 11.00 crore during the period 5th July 1974 to 28th March 1975 as against their target of Rs. 42.00 crore for the year.

(c) *Scheme for financing local sales and exports of locally manufactured machinery.*—The scheme for financing local sales and exports of locally manufactured machinery provides for concessionary financing by the Pakistan Industrial Credit and Investment Corporation (PICIC) and Industrial Development Bank of Pakistan (IDBP) in respect of local sale and by commercial banks in respect of exports of Pakistan manufactured machinery. The PICIC and IDBP are required to charge interest on such loans at 1 per cent below the lowest rate charged by them on their foreign currency loans. They are entitled to obtain refinance from the State Bank at 2 per cent below their lending rate. Commercial Banks are allowed to charge a rate of interest not exceeding the Bank Rate i.e. 9 per cent as far as exports of machinery is concerned and they can obtain refinance from the State Bank, at 2 per cent below their lending rate.

To promote local sales of the locally manufactured machinery, two special credit limits of Rs. 5 crore each have been sanctioned by the State Bank to the IDBP and PICIC while a limit of Rs. 2 crore was sanctioned to National Development Finance Corporation. Against these limits, the I.D.B.P. and P.I.C.I.C have sanctioned Rs. 4.72 crore and Rs. 4.47 crore respectively while the refinance availed by them from State Bank amounted to Rs. 0.28 crore and Rs. 0.29 crore respectively upto 31st March 1975. Commercial banks were granted refinance facility by the State Bank to the extent of Rs. 3.19 crore upto 31st March 1975.

(d) *Refinance Scheme for non-traditional and newly emerging exports.*—The scheme for financing non-traditional and newly emerging exports provides for concessionary refinance by the State Bank to scheduled banks against their loans for financing non-traditional and newly emerging exports. Non-traditional and newly emerging exports have been defined to include items other than cotton, cotton textiles, cotton yarn, cotton waste, wool, rice, hides and skins, leather, cement, sports goods and surgical instruments. Under the scheme, the rate of interest chargeable by scheduled banks on such loans should not be more than 1 per cent above Bank Rate and the State Bank provides refinance to banks at 2 per cent below the Bank Rate. The loans are ordinarily repayable within a period of 180 days. In specific cases where refinance is needed for more than 180 days to cover either pre-shipment or post-shipment commitments, or where export is intended to be made on consignment basis in the case of newly emerging exports or items conventionally exported on collection basis,

such facilities are also extended by banks and the State Bank provides refinance to commercial banks against such loans.

Under the Scheme the State Bank initially sanctioned refinance limits to banks of a total of Rs. 27.80 crore for 1974-75. Subsequently, the limits were increased to a total of Rs. 42.55 crore. Gross borrowings by banks from the State Bank against this refinance facility amounted to Rs. 83.70 crore upto 31st March 1975. Net of repayments by the banks during the period of their outstanding indebtedness in this respect was Rs. 13.18 crore as at 31st March 1975. During 1973-74, the banks were allocated total refinance limits of Rs. 21.18 crore. Gross borrowings by banks during the year amounted to Rs. 35.37 crore and net of repayments, their indebtedness stood at Rs. 7.75 crore as on 30th June 1974.

Credit for Housing

A target of Rs. 8.00 crore has been set for net increase in commercial banks loans for low cost housing during 1974-75. Credit given by the commercial banks for the purpose increased by Rs. 12.99 crore during the period 5th July 1974 to 28th March 1975, exceeding the target for the year by Rs. 4.99 crore. The net increase in loans given by commercial banks for 'Housing' had amounted to Rs. 11.27 crore during 1973-74 compared with the target of Rs. 5.00 crore for the year. In addition to commercial banks, the House Building Finance Corporation has a lending programme of Rs. 30 crore for the year 1974-75. During the first six-month period of 1974-75, the House Building Finance Corporation sanctioned loans amounting to Rs. 10.41 crore.

In view of the increase in the cost of construction, the loan limit for small loans for Housing has been raised from Rs. 50,000 to Rs. 75,000 in the case of individuals. Construction companies engaged in low-cost housing can borrow any amount provided that the cost of individual dwellings constructed by them does not exceed Rs. 75,000. This compares with the previous limit of Rs. 50,000.

Agricultural Credit

Commercial banks have been actively inducted in financing the agricultural sector. For 1974-75, an overall target of Rs. 42 crore—Rs. 30 crore for small loans agricultural production and Rs. 12 crore for tractors, tubewells etc.—has been set for commercial banks' loans to the agricultural sector as against the target of Rs. 30 crore—Rs. 25 crore for agricultural production and Rs. 5 crore for tractors, tubewells etc.—set for 1973-74. The outstanding level of bank credit to agricultural sector (including loans for purchase of tractors etc.) increased by Rs. 11.00 crore during the period 5th July 1974—28th March 1975 as against a net increase of Rs. 11.97 crore during 1973-74 as a whole.

Fresh loan limits sanctioned by the State Bank of Pakistan to the Co-operatives and the Agricultural Development Bank of Pakistan during the first six months of 1974-75 amounted to Rs. 25.36 crore as compared to Rs. 27.74 crore during the corresponding period last year. Of the total fresh loan limits sanctioned during July—December 1974, limits sanctioned to Co-operatives accounted for Rs. 5.36 crore and those to Agricultural Development Bank of Pakistan Rs. 20 crore.

The loan limits sanctioned by State Bank of Pakistan to Co-operatives were entirely for seasonal financing. Limits sanctioned to Agricultural Development Bank of Pakistan for short-term financing amounted to Rs. 15 crore and for

medium-term to Rs. 5 crore. As usual, the State Bank loans both to the A.D.B.P. and Co-operative were given at a concessional rate of interest of 2% below the Bank Rate.

Bank Branch Expansion

To bring about speedy increase in commercial bank advances to the agriculture sector as also to promote the flow of deposits to banks from rural areas, commercial banks have been encouraged by the State Bank to expand their branch network in the interior of the country. Substantial achievements have been made in this regard and there is hardly any rural centre with a population of 5,000 or more where a commercial bank branch has not been set up. Commercial banks have also been associated with the Integrated Rural Development programme and out of the 69 Marakiz established under the programme, 68 have already been covered by bank branches.

Agricultural Credit Advisory Committee

The Agricultural Credit Advisory Committee in its meeting held on 21st August 1974, reviewed the performance of agricultural credit agencies during 1973-74 and approved the estimates of agricultural credit requirements for 1974-75. The Committee also approved the Report of its sub-Committee on 'preparation of estimates of agricultural credit requirements'. The Report was published and supplied to the State Bank and concerned Government Departments for their guidance. A Sub-Committee of Experts was also set up during the year in pursuance of the recommendation of the Agricultural Credit Advisory Committee to prepare a detailed scheme for reorganisation of co-operative banks. The Sub-Committee held two meetings during the year.

Rural Credit Fund

The Rural Credit Fund maintained by the State Bank of Pakistan for provision of medium and long-term loans for agricultural development was further augmented by an additional contribution of Rs. 7 crore raising its balance to Rs. 30 crore at the end of June 1974.

Credit Guarantee Scheme

To encourage the commercial banks in extending credit in the specified areas of small loans which carry more than ordinary risks, a credit guarantee scheme was introduced under which the State Bank will share with the commercial banks on 50:50 basis any bonafide loss incurred by them in case of small loans and agricultural loans. For this purpose, the State Bank created a Loans Guarantee Fund in 1972-73 with an initial contribution of Rs. 2 crore out of its surplus profit. The Fund was augmented by additional contributions of Rs. 2 crore each during 1972-73 and 1973-74 raising its balance to Rs. 6 crore at the end of June 1974.

Chapter 9

PRICE SITUATION

The price situation in the country reflected a continuation of the inflationary pressures carried over from the preceding two years. The estimated annual rate of price inflation *i.e.* 22 to 25 per cent in 1974-75 (actual 18.4 per cent upto March 1975) was somewhat lower than in the preceding year when it touched the 30 per cent mark. Policy framework was strengthened further during the year to counter inflationary pressures in the economy. However, these attempts to restore a balance between monetary demand and availabilities are likely to have their impact over a longer period than in the short span of one year. The immediate problem was related to a gradual correction of price distortions which had acquired serious proportions. Correction of certain basic prices which had been held down in the last two years to avoid extremely sudden and sharp jumps implied that price indices would reflect substantial increases during the year under Survey.

The Government maintained its policy of seeking an adjustment to a realistic price pattern within a framework of incomes policy. Regulated price changes were accompanied with increases in the wages and salaries of those employed in the organized sector of the economy. The extent of the income increases was primarily determined in the light of likely impact of price changes. Thus, the minimum pay hike of Rs. 50 in June 1974 and the subsequent across-the-board raise of Rs. 25 in April 1975 sufficiently protected low-paid employees against the erosion of real incomes. The two changes combined over the year provided a reasonable base for maintaining real incomes of low-paid workers in a year of serious overall pressures on the economy.

Price Trends

Price situation was characterised by sharp increase during July 1974—March 1975. The average wholesale price index increased by 24.6 per cent taking the average for the period July 1974—March 1975 compared with the corresponding period last year. The index showed an increase of 18.4 per cent in March 1975 when compared with the level of June 1974 thus showing a rate of inflation of about 2 per cent per month. The consumer price index showed an increase of equal magnitude during the period July 1974 to March 1975. The sensitive price indicator for 18 essential items increased only by 11.5 per cent during the same period. Rise in sensitive indicator was moderated by availability of wheat flour, sugar and vegetable ghee at fixed prices. The movement of price indices on a monthly basis is given below:—

Table 9.1
PRICE INDICES

Month	**Sensitive Price Indicator	Consumer Price Index	Wholesale Price Index
June 1974	178.09	174.94	250.69
July 1974	180.22	179.46	257.38
August 1974	184.08	186.94	265.42
September 1974	186.47	190.92	274.32
October 1974	189.28	193.77	278.25
November 1974	191.76	193.54	280.54
December 1974	193.81	198.16	289.42
January 1975	194.64	200.76	291.59
February 1975	198.52	203.89	293.79
March 1975	198.72	207.08	296.87*

Source : Statistics Division

*Provisional

**Combined for government, industrial and commercial employees—salary up to Rs.300 p.m.

Wholesale Price Index

The general wholesale price index showed an increase of 24.6 per cent for the period July 1974—March 1975 over July 1973—March 1974. The average price during 1974-75 included part of the impact of price rise in

the previous year. The price rise during the year was reflected in the rise of index between June 1974 and March 1975 which was 18.4 per cent. A significant feature of the price behaviour during 1974-75 was that the prices of manufactured items rose sharply while those of raw materials increased at a slower rate. The decline in open market prices of wheat in the final quarter was expected to at least slow down the increase in wholesale price index.

Prices of manufactured items increased by 42.4 per cent as against 19.2 per cent during the corresponding period last year. The prices of raw materials rose by 12.1 per cent as against 35.4 per cent. The slower upward movement in prices of raw materials is attributed to world-wide recession and the reduced demand for raw materials. The higher increase in prices of manufactured items reflects the impact of raw material costs as well as increases in costs of production viz. machinery, labour and power.

Food items showed an increase of 21.5 per cent as against 31.5 per cent last year due to sufficient imports of foodgrains and continued ban on the export of essential food items. The prices of Fuel, Lighting and Lubricants went up by 33.1 per cent as against 26.0 per cent last year.

The table below shows the comparative position of various sub-groups in the wholesale price indices:

Table 9.2
INDICES OF WHOLESALE PRICES
(1959-60=100)

Group	*Average July 1974 March 1975	Average July 1973 March 1974	Average July, 1972 March 1973	Percent- age change in July 1974- March, 1975 Over July 1973- March 1974	Percent- age change in July 1973- March 1974 Over July 1972- March 1973
General	280.85	225.42	174.38	+24.6	+29.3
Food	293.17	241.28	183.51	+21.5	+31.5
Raw Materials	227.43	202.87	149.88	+12.1	+35.4
Fuel, Lighting and Lubricants	297.28	223.43	177.36	+33.1	+26.0
Manufactures	284.23	199.66	167.57	+42.4	+19.2

* Provisional for March, 1975

Source : Statistics Division

Consumer Price Index

The consumer price index showed an increase of 18.4 per cent in March 1974 compared to June 1974. The rise was 26.5 per cent in the corresponding period last year. The sensitive price indicator for 18 essential items showed comparatively lower cumulative increase of 11.5 per cent as against 18.4 per cent in general

consumer price index in nine months since July 1974. The price indicator based on 18 essential commodities increased sharply in mid-April after the adjustment of wheat, sugar and edible oil prices but declined again in later part of April and early May. The cumulative increase upto 3rd May was 22 per cent.

CONSUMER PRICES

(a) Selected Food Items

The retail prices of essential food items showed an upward trend during July 1974—March 1975 as compared to the corresponding period last year. Of the eighteen essential items, prices of sugar, wheat/wheat flour in the open market, vegetable ghee, tea, meat, salt, kerosene and washing soap increased considerably while those of rice, dal-gram, matches and long-cloth showed minor increases. Prices of *gur* and onion declined during the period under report. Price of potatoes which increased during July—December 1974 declined afterwards. Comparative changes in the retail prices of essential food items at major centres are discussed below:

Wheat

The retail price of wheat in the open market which ranged between Rs. 0.92 to Rs. 1.31 per seer at the selected centres of Karachi, Lahore, Peshawar, Quetta, and Rawalpindi, showed an increase of 15.0 per cent to 62.5 per cent in July—March 1974-75 over July—March 1973-74. The highest increase of 62.5 per cent was witnessed at Peshawar while the lowest of 15.0 per cent was at Quetta.

The issue price of wheat was raised from Rs. 21.50 to Rs. 32 per maund with effect from April 7, 1975, to reduce subsidy. The Government is continuing to supply wheat and wheat flour significantly below its procurement and distribution cost and keeping ration prices below open market prices.

Wheat Flour

The retail price of wheat flour in the open market which ranged between Rs. 1.09 to Rs. 1.36 per seer at the selected centres showed an increase of 29.8 per cent to 61.6 per cent, the highest being at Peshawar and the lowest at Quetta.

Price of wheat flour at ration depots was raised slightly to meet the higher milling cost. The increase was 3.4 per cent at Lahore, 5.3 per cent at Peshawar and Rawalpindi and 10.7 per cent at Karachi. Quetta, where the price was the lowest at Rs. 0.49 per seer during the last year, was brought at par (Rs. 0.60 per seer), with other regions of the country. Most of the essential needs of wheat flour were met from ration depots in the urban areas.

Ration price of wheat flour was raised from Rs. 24.00 per maund to Rs. 34.80 per maund with effect from April 7, 1975 in order to meet higher procurement cost of imported as well as indigenous wheat.

Basmati Rice (Broken)

Price of *Basmati* rice (broken) which ranged between Rs. 1.55 and Rs. 2.05 per seer at the selected centres showed an increase of 9 per cent or less at various centres. At Quetta, price actually declined by 8.6 per cent.

Dal-Gram

Price of *dal-gram* which ranged between Rs. 1.63 to Rs. 1.73 per seer, showed an increase of 4.8 per cent to 15.6 per cent at selected centres, the highest being at Lahore and the lowest at Quetta.

Onion

Price of onions which ranged between Rs. 0.75 to Rs. 0.95 per seer during July—March 1974-75 showed a decline of 45.7 per cent to 54.3 per cent at the different selected centres. The decline in prices is due to the larger production and continued ban on its export.

Potatoes

Potatoes' price was higher during the first six months of the year i.e. July—December 1974 compared to the corresponding period last year. There was a sharp decline in the third quarter (January—March 1975) which has continued during April and May. The price in the first week of May 1975 was 50.3 per cent lower than in the corresponding period last year.

Vegetable Ghee

Price of vegetable ghee was raised in June 1974 from Rs. 6 per seer to Rs. 7.50 per seer. The price increase proved insufficient to absorb the steep rise in the import price of edible oil. The edible oil price in the world markets increased sharply during the year. In April 1975 Government had to raise the price again to Rs. 9 per seer to remove the subsidy element.

Tea

As a result of increase in import prices, the retail prices of different blends of tea increased. The price of Brooke Bond which ranged between Rs. 4.87 to Rs. 5.26 per $\frac{1}{2}$ lb. during July—March 1974-75 was higher by 10.7 per cent to 19.5 per cent at different selected centres compared to July—March 1973-74.

Mutton and Beef

Price of mutton which ranged between Rs. 9.67 to Rs. 12.13 per seer showed abnormal jumps at times and was higher by 31.8 per cent to 51.6 per cent at different selected centres. The highest increase of 51.6 per cent was at Lahore while the lowest of 31.8 per cent at Quetta. Price of beef ranged between Rs. 4.89 to Rs. 6.84 per seer and recorded an increase of 42.2 per cent to 63.6 per cent. The highest increase of 63.6 per cent was witnessed at Karachi and the lowest of 42.2 per cent at Rawalpindi. Short-term inflationary pressure was combined in the case of meat with the secular rise resulting from growing demand for meat against relatively static supply. Increase in livestock production and spread of poultry farming would help stabilize prices over a period.

Sugar

The control price of sugar which was Rs. 3.50 per seer during July 1974 to March 1975 was raised to Rs. 4.00 per seer in April 1975.

Gur

Gur prices showed a declining trend and ranged between Rs. 1.97 to Rs. 2.37 per seer at the selected centres. The highest decline of 18.7 per cent was at Quetta and the lowest of 3.3 per cent at Karachi. The price of gur started declining in the crushing season but it increased in February 1975 due to purchases by some sugar mills.

Salt

Price of salt ranged between Rs. 0.57 to Rs. 0.85 per seer and was higher by 14 per cent to 32.8 per cent during July 1974 to March 1975. The highest increase of 32.8 per cent was at Peshawar and the lowest of 14 per cent at Quetta.

The increase in price of salt was partly due to higher cost of transportation.

(b) Selected Non-Food Items

Kerosene Oil

Price of kerosene ranged between Rs. 0.49 to Rs. 0.72 per bottle and was higher by 30.6 per cent to 56.5 per cent. The increase was mainly related to the enhancement in the price by one rupee per gallon by the Government in February 1975. The price restabilised in March 1975. The price increase was necessary to overcome the practice of adulteration with high priced diesel oil. The supply situation and availability improved considerably after price adjustment.

Washing Soap

Price of washing soap which ranged between Rs. 1.04 to Rs. 1.14 per cake of 5.5 ozs., was higher by 25.0 per cent to 44.3 per cent during the period under review, the highest being at Peshawar and the lowest at Rawalpindi. The price started rising sharply since December 1974, following the rise in prices of certain chemicals used in its manufacture.

Matches

Price of matches increased by 12.5 per cent to 20.0 per cent in July 1974 to March 1975 over the corresponding period last year at certain selected centres. The price remained unchanged at 15 paisa and 20 paisa per box at Karachi and Quetta respectively.

Long Cloth

The average price of long cloth 15000, showed an increase of 0.6 per cent to 14.9 per cent, the highest being at Rawalpindi and the lowest at Quetta. The range of price during the period was Rs. 4.82 to Rs. 5.00 per yard.

The retail prices of 18 essential items are shown in the tables appended at the end of the chapter.

MEASURES FOR PRICE STABILITY

General

Inflation in Pakistan during recent years has been a part of the world-wide phenomenon. Most of the market-economy industrial nations of the world have been experiencing double-digit inflation. In some cases, the rate of inflation exceeded 20 per cent. Developing countries exposed to international forces have experienced high rates of imported inflation. Pakistan's economy since the separation of East Pakistan has been oriented towards international trade to a much greater extent. Foreign trade (exports and imports combined) constitute almost 40 per cent of G.N.P. A very large part of the price situation in Pakistan is affected by world price level.

Domestic policy was a factor in giving rise to inflationary pressures during 1972 in the aftermath of the traumatic experience of 1971. The unavoidable defence expenditure combined with the pressing need for substantial expenditure on reconstruction and revival of the economy particularly with the objective of improving the employment situation gave rise to a substantial deficit financing during 1971-72 and 1972-73. Fiscal measures were introduced to

reduce deficit financing in 1973-74. During 1974-75 a number of measures were taken including the imposition of regulatory import duties, increases in the power and gas charges and reduction in subsidies. Deficit has been brought down to Rs. 78.87 crore upto April 1975. For the year as a whole it is expected that it will not go beyond Rs. 100 crore *i.e.* less than 3 per cent of the monetary assets.

The monetary policy has been used equally forcefully to fight inflation. The Bank Rate was raised from 5 per cent to 6 per cent in May 1972. It was raised again to 8 per cent in August 1973 and finally to 9 per cent in September 1974. Simultaneously the minimum rates of interest on various categories of saving and fixed deposits were revised upwards to increase savings and discourage consumption. Lending rates from banks were raised to a range of 10 to 13 per cent to discourage undue use of bank credit. These measures were combined with direct measures for ensuring utilization of bank credit for productive purposes through selective credit controls and changes in margin requirements.

Trade policy was used to augment the anti-inflationary measures in the fiscal and monetary realm. Ban on the export of food items *viz.* vegetables, poultry, meat etc. was strictly observed to avoid the transmission of the full impact of high international prices. Export duties were used in other cases to moderate the impact consistent with the need to encourage increased production. Imports of essential items like wheat and edible oil were arranged at a high cost in foreign exchange to avoid scarcity, though this implied subsidy and a gradual upward adjustment of prices.

The pressures on the price situation were so acute that despite the measures outlined above, there was a high rate of inflation in the economy for three years from 1972 to 1975. Government took steps to mitigate the impact of inflation on low-income groups through a process of orderly wage adjustments. While the self-employed were able to adjust their income generally to the rise in prices, the employees and wage-earners were given dearness allowance on three different occasions. The lowest paid employees in the government earning Rs. 100 per month, and wage-earners at the minimum wage level of Rs. 115 to 140 per month got a dearness allowance of Rs. 35 per month in August 1973, Rs. 50 per month in June 1974 and Rs. 25 per month in April 1975, *i.e.* a total increase of Rs. 110 per month. The increase was roughly 100 per cent in the case of low paid employees, though much less as a proportion of total income in the case of employees getting higher pay.

The intensification of domestic policy measures combined with some relaxation of international price pressures provides reason for expecting a more stable price situation in the near future. This may be helped by expected increases in agricultural and industrial production arising from investments undertaken in the last two years.

Specific

Wheat and Wheat flour

In order to meet the shortage of food, arrangements were made for the import of 16.25 lakh tons of wheat. Out of the total, 10.13 lakh tons had been received upto March 1975. The Government took certain urgent measures for the transportation of imported wheat from Karachi to other areas of the country.

Besides, special tribunals were created to deal with the black marketing and hoarding of wheat/wheat flour. In order to provide better quality of wheat flour to the consumers, the Punjab Government instructed the mills to discontinue extracting fine from wheat.

The Provincial Governments froze the prices of essential consumer items at the price level of April 7, 1975. These included wheat flour, pulses, rice, tea, cigarettes, meat, milk, bakery items and washing soap etc.

Kerosene

To check the artificial scarcity of kerosene, the Government took certain measures such as declaration of daily stocks, strict vigilance on the movement of kerosene and regular and adequate supply to the dealers especially in deficit areas. The wide difference between the price of kerosene and diesel was also removed by raising the price of kerosene by one rupee per gallon. This step aimed at discouraging the practice of mixing kerosene with diesel and improving its availability to the domestic users.

Vegetable Ghee

In order to ensure sufficient supply of vegetable ghee at fixed prices, the Federal Government has arranged sufficient imports of edible oil for the industry. The imports of edible oil rose by about 22 per cent in 1974-75 over 1973-74. Domestic production during July and March 1974-75 was 26.7 per cent higher than in July—March 1973-74.

Every effort is being made to increase production of edible oil at home to minimise the import liability. Following action has been taken in this regard:

- (a) A feasibility study on marketing of cotton seed and maximum extraction of oil by utilization of modern extraction techniques is being undertaken in collaboration with US AID. The study is expected to be completed during 1975-76.
- (b) The provincial departments of agriculture in conjunction with Provincial Boards of Management are encouraging cultivation of oil bearing seeds like soyabean, sunflower, etc. Sunflower is considered to be the most suitable crop for this purpose. The programme includes provision of seeds to the registered growers at subsidised rate of Rs. 25 per maund guaranteeing purchase of the seed from the growers at a price of Rs. 70 per maund, supply of pesticides and fertilizers on loan and offering free advisory services.
- (c) Action has been taken to encourage full utilization of existing oil extraction capacity by guaranteeing a minimum price of cotton seed oil.
- (d) Provincial Boards of Management have been directed to set up two solvent extraction units.

Vegetables

The ban on the export of vegetables continued during 1974-75. "Grow More Vegetables" campaign was launched throughout the country. Efforts are being made to establish green belts around large towns to boost the production of vegetables. Good quality seeds and fertilizers are being provided to the growers as well as adequate plant protection services. Kitchen gardening is being popularised through publicity and provision of seeds at concessional rates.

Washing Soap

With a view to improving the supply and arresting rising prices of caustic soda used in the manufacture of soap, the Government has reduced the import duty from 62½ per cent to 25½ per cent and abolished sales tax on caustic soda on March 12, 1975.

Institutional Measures

The Government took measures to improve the marketing and production of certain special items.

A Fruit and Vegetables Board has been created for the development and improvement of production, quality, storage and marketing of fruits and vegetables.

Dairy Development Board has been created in each Province to increase the supply of milk and other dairy products. A massive programme of artificial insemination is also under way to increase the supply of meat and milk.

The Federal Government created a Livestock Division in the Ministry of Food and Agriculture to give due attention to the problems related to the development of livestock sector.

Table 9.3

AVERAGE RETAIL PRICES OF SELECTED CONSUMER GOODS

Group				Percentage change in	
	Average July-March 1974-75	Average July-March 1973-74	Average July-March 1972-73	July-March 1974-75 over July-March 1973-74	July-March 1973-74 over July-March 1972-73
1	2	3	4	5	6
1. Wheat					
Karachi	Seer	1.31	0.87	0.66	+50.6
Lahore	"	1.08	0.68	0.66	+58.8
Peshawar	"	1.17	0.72	—	+62.5
Quetta	"	0.92	0.80	0.58	+15.0
Rawalpindi	"	1.08	0.68	0.64	+58.8
2. Wheat flour (Open Market)					
Karachi	"	1.36	0.91	0.75	+49.5
Lahore	"	1.18	0.80	0.62	+47.5
Peshawar	"	1.18	0.73	0.61	+61.6
Quetta	"	1.09	0.84	0.62	+29.8
Rawalpindi	"	1.15	0.81	0.66	+42.0
3. Wheat flour (Ration Depot)					
Karachi	"	0.62	0.56	0.46	+10.7
Lahore	"	0.60	0.58	0.46	+3.4
Peshawar	"	0.60	0.57	0.47	+5.3
Quetta	"	0.61	0.49	0.48	+24.5
Rawalpindi	"	0.60	0.57	0.48	+5.3

	1	2	3	4	5	6	7
4. Basmati Rice (Broken)							
Karachi	..	..	2.05	1.88	1.32	+ 9.0	+42.4
Lahore	..	..	1.55	1.50	1.16	+ 3.3	+29.3
Peshawar	..	..	1.97	1.83	1.35	+ 7.6	+35.6
Quetta	..	..	1.71	1.87	1.25	+ 8.6	+49.6
Rawalpindi	..	..	1.73	1.67	1.22	+ 3.6	+36.9
5. Pulses-Gram							
Karachi	..	..	1.69	1.57	1.25	+ 7.6	+25.6
Lahore	..	..	1.63	1.41	1.19	+15.6	+18.5
Peshawar	..	..	1.71	1.51	1.20	+13.2	+25.8
Quetta	..	..	1.73	1.65	1.30	+ 4.8	+26.9
Rawalpindi	..	..	1.66	1.47	1.24	+12.9	+18.5
6. Vegetable Ghee-Dalda							
Karachi	..	5 lbs	19.65	15.63	12.63	+25.7	+23.8
Lahore	..	..	19.65	15.63	12.62	+25.7	+23.9
Peshawar	..	..	19.65	15.63	12.62	+25.7	+23.9
Quetta	..	..	19.65	15.63	12.62	+25.7	+23.9
Rawalpindi	..	..	19.65	15.63	12.57	+25.7	+24.3
7. Tea-Brooke Bond (Green Label)							
Karachi	..	1/2 lb	4.98	4.40	4.40	+13.2	—
Lahore	..	..	5.26	4.40	4.40	+19.5	—
Peshawar	..	..	5.07	4.40	4.40	+15.2	—
Quetta	..	..	4.98	4.40	4.40	+13.2	—
Rawalpindi	..	..	4.87	4.40	4.40	+10.7	—
8. Mutton							
Karachi	..	Seer	12.13	8.75	6.51	+38.6	+34.4
Lahore	..	..	10.78	7.11	5.67	+51.6	+25.4
Peshawar	..	..	9.67	6.52	4.95	+48.3	+31.7
Quetta	..	..	11.39	8.64	5.89	+31.8	+46.7
Rawalpindi	..	..	10.06	6.94	5.61	+45.0	+23.7
9. Beef							
Karachi	..	Seer	6.84	4.18	2.25	+63.6	+28.6
Lahore	..	..	5.17	3.27	2.50	+58.1	+30.8
Peshawar	..	..	4.92	3.38	2.14	+45.6	+57.9
Quetta	..	..	5.33	3.44	2.28	+55.8	+50.0
Rawalpindi	..	..	4.89	3.42	2.44	+42.2	+41.0
10. Sugar							
Karachi	..	..	3.50	2.89	2.00	+21.1	+44.5
Lahore	..	..	3.50	2.89	2.00	+21.1	+44.5
Peshawar	..	..	3.50	2.89	2.00	+21.1	+44.5
Quetta	..	..	3.50	2.89	2.00	+21.1	+44.5
Rawalpindi	..	..	3.50	2.89	2.00	+21.1	+44.5
11. Gur							
Karachi	..	..	2.33	2.41	2.21	— 3.3	+ 9.0
Lahore	..	..	1.97	2.23	2.02	—11.7	+10.4
Peshawar	..	..	2.37	2.60	2.11	— 8.8	+23.2
Quetta	..	..	2.08	2.56	2.14	—18.7	+19.6
Rawalpindi	..	..	2.35	2.54	1.75	— 7.5	+45.1

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	1	2	3	4	5	6	7
12. Potatoes							
Karachi	—	—	1.72	1.70	0.87	+ 1.2	+95.4
Lahore	—	—	1.94	1.67	0.92	+16.2	+81.5
Peshawar	—	—	1.32	1.38	0.50	— 4.3	+176.0
Quetta	—	—	1.87	1.54	0.92	+21.4	+67.4
Rawalpindi	—	—	1.52	1.38	0.77	+10.1	+79.2
13. Onion							
Karachi	—	—	0.75	1.64	0.33	—54.3	+397.0
Lahore	—	—	0.90	1.97	0.40	—54.3	+392.5
Peshawar	—	—	0.95	1.75	0.35	—45.7	+400.0
Quetta	—	—	0.77	1.57	0.38	—51.0	+313.2
Rawalpindi	—	—	0.89	1.88	0.43	—52.7	+337.2
14. Salt Rock-crushed							
Karachi	—	—	0.61	0.48	0.40	+27.1	+20.0
Lahore	—	—	0.70	0.54	0.32	+29.6	+68.8
Peshawar	—	—	0.85	0.64	0.39	+32.8	+64.1
Quetta	—	—	0.57	0.50	0.40	+14.0	+25.0
Rawalpindi	—	—	0.67	0.54	0.37	+26.4	+43.2
15. Kerosene Oil							
Karachi	—	— per bottle	0.49	0.34	0.32	+44.1	+ 6.3
Lahore	—	—	0.64	0.49	0.39	+30.6	+25.6
Peshawar	—	—	0.66	0.49	0.37	+34.7	+32.4
Quetta	—	—	0.72	0.46	0.34	+56.5	+35.3
Rawalpindi	—	—	0.64	0.46	0.39	+39.1	+17.9
16. Washing Soap—707-(5.5 ozs)							
Karachi	—	— per cake	1.05	0.78	0.62	+34.6	+25.8
Lahore	—	—	1.04	0.82	0.60	+26.8	+36.7
Peshawar	—	—	1.14	0.79	0.62	+44.3	+27.4
Quetta	—	—	1.11	0.80	0.62	+38.8	+29.0
Rawalpindi	—	—	1.05	0.84	0.60	+25.0	+40.0
17. Matches							
Karachi	—	— per box	0.15	0.15	0.15	—	—
Lahore	—	—	0.18	0.16	0.16	+12.5	—
Peshawar	—	—	0.20	0.17	0.16	+17.6	+ 6.3
Quetta	—	—	0.20	0.20	0.20	—	—
Rawalpindi	—	—	0.18	0.15	0.15	+ 20.0	—
18. Long Cloth (15000)							
Karachi	—	— per yard	5.00	4.65	3.01	+ 7.5	+54.5
Lahore	—	—	4.82	4.43	2.96	+ 8.8	+49.7
Peshawar	—	—	4.94	4.59	3.18	+ 7.6	+44.3
Quetta	—	—	5.00	4.97	3.00	+ 0.6	+65.7
Rawalpindi	—	—	4.85	4.22	3.05	+14.9	+38.4

Source : Statistics Division

RETAIL PRICES OF SELECTED CONSUMER ITEMS 1974-75[illegible]

[illegible]

1	2	3	4	5	6	7	8	9	10	11
14. Salt (Rock)										
Karachi ..	Seer	0.62	0.62	0.62	0.62	0.60	0.60	0.60	0.60	0.60
Lahore ..	"	0.69	0.70	0.67	0.70	0.69	0.75	0.75	0.75	0.62
Peshawar ..	"	0.85	0.84	0.87	0.85	0.85	0.90	0.83	0.83	0.83
Quetta ..	"	0.62	0.62	0.50	0.50	0.40	0.62	0.62	0.62	0.62
Rawalpindi ..	"	0.69	0.69	0.62	0.69	0.69	0.69	0.62	0.72	0.62
15. Kerosene Oil										
Karachi ..	(per bottle)	0.56	0.56	0.44	0.44	0.65	0.44	0.44	0.44	0.44
Lahore ..	"	0.75	0.87	0.62	0.69	0.72	0.53	0.53	0.53	0.53
Peshawar ..	"	0.75	0.75	0.66	0.65	0.62	0.62	0.62	0.62	0.62
Quetta ..	"	0.75	0.81	0.62	0.75	0.75	0.75	0.62	0.69	0.75
Rawalpindi ..	"	0.75	0.75	0.62	0.62	0.62	0.60	0.60	0.60	0.60
16. Washing Soap-707										
Karachi ..	(5.5 Ozs per cake)	1.12	1.12	1.12	1.12	1.00	1.00	1.00	1.00	1.00
Lahore ..	"	1.10	1.10	1.10	1.07	1.00	1.00	1.00	1.00	1.00
Peshawar ..	"	1.12	1.12	1.14	1.12	1.15	1.19	1.18	1.10	1.12
Quetta ..	"	1.12	1.12	1.12	1.12	1.05	1.12	1.12	1.12	1.12
Rawalpindi ..	"	1.11	1.10	1.10	1.10	1.00	1.00	1.05	1.02	1.00
17. Matches										
Karachi ..	(per box)	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Lahore ..	"	0.20	0.20	0.20	0.20	0.20	0.20	0.15	0.15	0.15
Peshawar ..	"	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Quetta ..	"	0.23	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Rawalpindi ..	"	0.20	0.20	0.20	0.20	0.20	0.20	0.15	0.15	0.15
18. Long Cloth-15000										
Karachi ..	(per yard)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Lahore ..	"	4.06	4.69	4.94	4.87	4.84	5.00	5.00	5.00	5.00
Peshawar ..	"	4.55	4.75	5.00	5.00	4.92	4.87	5.18	5.10	5.06
Quetta ..	"	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Rawalpindi ..	"	4.69	4.75	4.87	4.90	4.88	5.00	5.00	5.00	4.50

Source : Statistics Division

Chapter 10

TRADE AND PAYMENTS

In 1973-74, the turn-over of Pakistan's foreign trade *i.e.* imports plus exports of goods and services accounted for 33 per cent of its GNP. The ratio is estimated to be 37 per cent in 1974-75. Pakistan's exports of goods alone account for almost 25 per cent of the value added by agriculture, industry and mining sectors. In view of Pakistan's trade dependence, the developments in international economy have a profound impact not only on balance of payments, but also on the price level and the level of economic activity in the country.

The international recession has deeply affected both the volume of exports and unit price particularly in the case of textiles. Exports of cotton yarn fell by roughly \$ 100 million. Exports of cloth are also not likely to reach the level of last year. On the other hand, the oil bill for 1974-75 has increased almost six-fold as compared to 1972-73. Prices of wheat, edible oil, fertilizers, chemicals, metals and machinery increased substantially affecting the whole spectrum of imports. Total imports increased by 67% in 1974-75, mainly reflecting the import of prices. The trade deficit in 1974-75 is likely to be approximately \$ 1.1 billion and the current account deficit is estimated at \$ 1.3 billion. Studies show that current account deficit would have been \$ 440 million if the 1970-71 prices had continued to prevail. This record deficit has been financed by increased flow of foreign assistance, but may still involve a draw-down of our reserves.

OVERALL BALANCE OF PAYMENTS POSITION

The balance of payments position of Pakistan has deteriorated during the last two years mainly due to adverse movement of the terms of trade. Both foreign exchange receipts and payments have been increasing but the increase in receipts has been much smaller than payments and the gap between the two has been widening. As a result, the country was forced to borrow heavily from international agencies and friendly countries.

In 1972-73, Pakistan had an overall balance of payments surplus of \$ 152.5 million. This was followed by a deficit of \$ 142.4 million in 1973-74. During 1974-75 the situation has deteriorated further. Overall deficit during the first half of the year stood at \$ 94.2 million against \$ 25.2 million during the corresponding period of 1973-74. As a result of sizeable deficit in the balance of payments in 1973-74, gold and foreign exchange reserves held and controlled by the State Bank of Pakistan had declined by \$ 62 million, and stood at \$ 402 million in June 1974. By the end of December 1974, the reserves had increased by \$ 69.1 million mainly due to receipt of foreign loans during July-December 1974 for utilisation in the next six months.

Heavy deficit in the overall balance of payments position in 1973-74 was attributed to 145 per cent increase in the deficit on goods and services account, when compared to 1972-73. This was partly offset by 25 per cent increase in the net inflow of funds under the head unrequited transfers (remittances by Pakistanis residing abroad) and about 34 per cent increase in the net inflow of funds on capital account (foreign assistance).

During the first half of 1974-75, further deterioration in the overall balance of payments was attributed to more than 235 per cent increase in the deficit on goods and services account, partly offset by increases in unrequited transfers and inflow of funds on capital account. Table 10.1 shows the trend.

Table 10.1
OVERALL BALANCE OF PAYMENTS (\$ Million)

Items	1972-73	1973-74	July-December	
			1973	1974
Goods and Services	-275.3	-698.8	-211.3	-708.5
Unrequited Transfers	+175.0	+217.6	+106.9	+132.2
Allocation of SDRs	—	—	—	—
Capital Transactions	+252.8	+338.8	+79.2	+482.1
Overall Surplus (+)/Deficit (-)	+152.5	-142.4	-25.2	-94.2
Monetary Movements of which	-159.9	+147.7	+26.6	+62.9
(i) Gold and Foreign Exchange Reserves	-151.1	+62.0	-25.9	-69.1
(ii) Others	-8.8	+85.7	+52.3	+134.0
Balancing Entry	+7.4	-5.3	-1.2	+29.3

Merchandise Account

Most of the pressure on balance of payments is being caused by the mounting deficit on merchandise account. In 1973-74, according to State Bank's estimates,

exports increased by 33 per cent but imports increased by 67.5 per cent. During the first half of 1974-75, exports remained roughly unchanged compared to the first half of 1973-74 but imports increased by more than 81 per cent.

Invisibles

Deficit on invisible account increased by about 50 per cent from \$150.7 million in 1972-73 to \$225.4 million in 1973-74. While receipts increased by 42 per cent from \$153.1 million to \$218.4 million payments increased by 46 per cent from \$303.8 million to \$443.8 million. Receipts increased under a number of heads especially transportation and travel. Payments increased under almost all heads, particularly on account of freight and insurance.

During the first half of 1974-75 there was some increase in deficit on this account, if compared to the corresponding period of 1973-74. It increased from \$102.6 million during July—December 1973 to \$132.4 million during July—December 1974. Both receipts and payments increased but the increase in payments was larger. Receipts increased from \$92.4 million to \$153.8 million while payments from \$195 million to \$286.2 million. Main increase in payments was on account of freight charge.

Transfer Payments

The improvement in the receipts under the head unrequited transfers continued during 1973-74 and the first half of 1974-75. Most of these receipts have been on private account and come from funds remitted by Pakistanis abroad to their families in Pakistan. Receipts under this head increased from \$181.1 million in 1972-73 to \$222.7 million in 1973-74. Payments declined from \$6.1 million to \$5.1 million. Thus net receipts improved from \$175 million to \$217.6 million during the same period.

During the first half of 1974-75 total gross receipts stood at \$135.3 million against \$110 million during the corresponding period of 1973-74. Payments being constant at \$3.1 million, net receipts increased from \$106.9 million to \$132.2 million. The entire increase came from private account. Gross receipts on private account increased from \$74.3 million to \$101.7 million and with decline in payments from \$0.5 million to \$0.3 million net receipts increased from \$73.8 million to \$101.4 million. On Government account gross receipts declined from \$35.7 million during July—December 1973 to \$33.6 million during July—December 1974 and payments having increased from \$2.5 million to \$2.8 million, net receipts declined from \$33.2 million to \$30.8 million.

Capital Account

The inflow of foreign loans and credits increased. According to State Bank of Pakistan, total disbursements increased from \$213.9 million in 1972-73 to \$444 million in 1973-74. During 1974-75, the inflow is likely to be much higher than the preceding two years. A total disbursement of \$533.5 million was recorded during the first half of the year, against only \$142.6 million during the same period of 1973-74.

Repayments are being kept low by securing debt rescheduling and the writing off of the visible Bangladesh debt. Table 10.2 shows the trend.

Table 10.2
RECEIPT AND PAYMENT OF LOANS

(\$ Million)

Items	1972-73	1973-74	July—December	
			1973	1974
A. Utilization of Loans Credits :				
Private	58.7	100.9	54.2	37.6
Local Government	33.0	106.0	18.3	63.8
Central Government	221.2	237.1	70.1	432.1
Total	312.9	444.0	142.6	533.5
B. Repayments of Loans/Credits :				
Private	45.6	37.1	17.8	18.3
Local Governments	41.8	37.0	18.6	14.0
Central Government	15.1	26.0	11.9	17.3
Total	102.5	100.1	48.3	49.6

FOREIGN TRADE

Pakistan's trade deficit widened during 1974-75. The deterioration was mainly attributable to the worsening of the terms of trade. However, the physical volume of exports was also affected by international recession which reduced the demand for Pakistan's major exports in the world markets. Raw cotton was a major exception where Pakistan succeeded in increasing the volume of exports though at substantially lower prices. According to figures compiled by Statistics Division, the volume of exports during July 1974—March 1975 showed an increase of 21.4 % over the corresponding period of the last year. Imports on the other hand increased by roughly two-third. It has been analysed on the basis of detailed figures for July—December 1974 that 90% of the increase in imports was on account of increase in prices. The larger physical volume of imports accounted for only 10% of the change in the value of imports.

The trade deficit during first 9 months of the fiscal year 1974-75 amounted to Rs. 701 crore. This compared with a deficit of Rs. 241 crore for the same period last year. Table 10.3 shows changes in the balance of trade :

Table 10.3
BALANCE OF TRADE

(Rs. in crore)

July-June	Imports	Exports	Balance	Exports % of Imports
1971-72	349.54	337.14 (—)	12.40	96.5
1972-73	839.83	855.12 (+)	15.29 ✓	101.8
1973-74	1,356.96	1,016.75 (—)	340.84	74.9
1973-74 (July—March)	866.06	624.73 (—)	241.33	72.1
1974-75 (July—March)	1,459.86	758.40 (—)	701.46	52.0

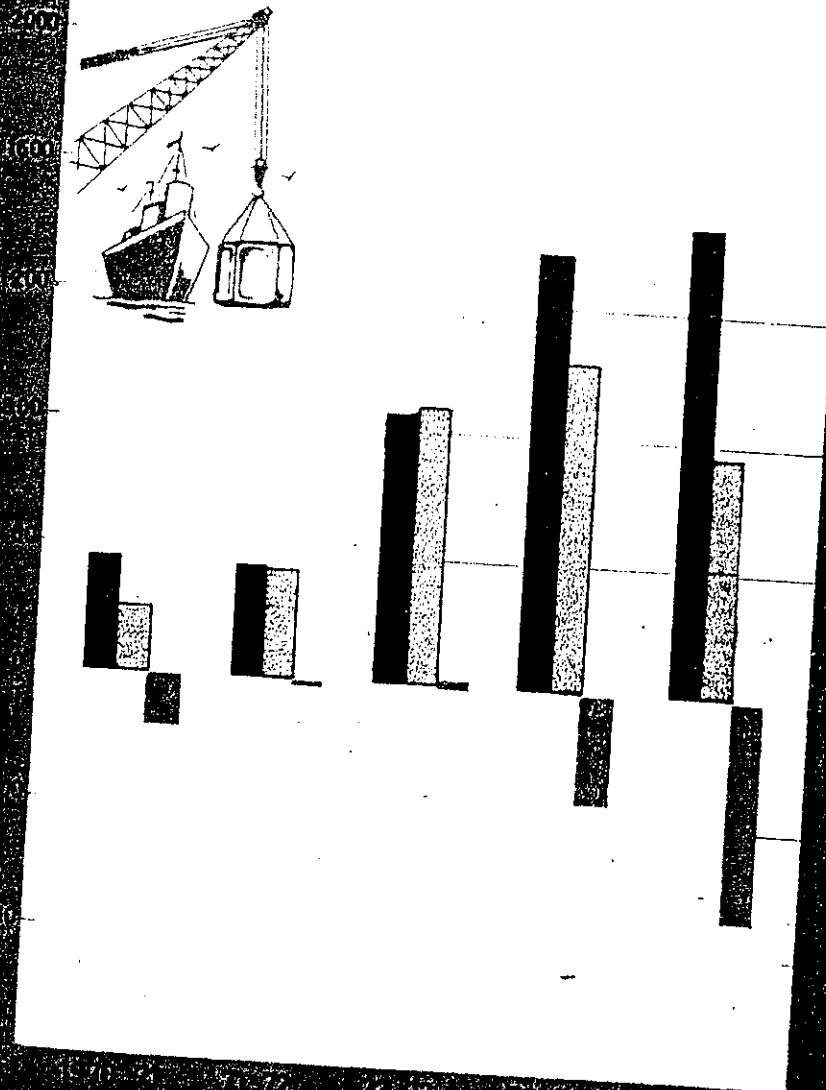
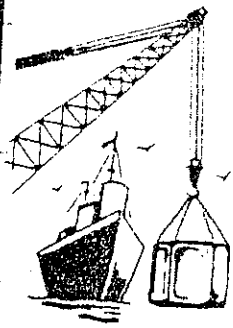
Source : Statistics Division.

It is estimated that the total exports for the fiscal year 1974-75 would be in the range of Rs. 1000 to 1100 crore. Imports may amount to Rs. 2100 to 2200 crore. The trade gap thus is likely to be of the order of Rs. 1100 crore.

FOREIGN TRADE

(UNITED STATES)

IMPORTS EXPORTS BALANCE



1940-41 1941-42 1942-43 1943-44 1944-45

The trends in imports and exports and trade policies are explained in the following sections.

COMMERCIAL POLICIES

Major objectives of commercial policy are to ensure adequate availability of essential consumer goods and raw materials as also to obtain necessary capital goods for economic development. The imports of capital goods, industrial raw materials and agricultural inputs have been liberalised to increase domestic production, substitute imports of consumer and capital goods as far as possible and encourage exports.

Import Policy

The import policy introduced for the first time on annual basis in 1972-73, was maintained in 1974-75 and was liberalised further. Main objectives of the 1974-75 policy were to allow liberal imports of agricultural inputs and industrial raw materials to make full use of existing capacity, to discourage the import of consumer goods except selected ones to offer some competition to local production for maintaining and improving the quality of domestic production.

In the import policy for 1974-75 there were two lists of importable items—(i) Free List; and (ii) Tied List. Further liberalization of import policy was reflected in the enlargement of the Free List from 356 items in 1973-74 to 382 items in 1974-75. Free List has three parts. Part A covers items importable by all registered importers; under part B the requirements of industrial consumers are met and the public sector agencies import under Part C.

The Free List was broadened in 1974-75 by transferring to it importable items of the Trading Corporation of Pakistan and the Board of Industrial Management from the Tied List. In addition, 14 items, mainly raw materials and capital goods were shifted from Tied List to Free List. As a result, the number of items on Tied List was reduced from 50 to 30.

A number of adjustments were made in the Import Policy to contain inflation and to improve raw material availability for industrial consumers. Price Equalization Surcharge on imports of ferrous and non-ferrous metals by the Trading Corporation of Pakistan was abolished. The Corporation now fixes prices of these metals on the basis of the weighted average of the landed cost of various consignments. In order to bring Pakistani hotels to international standard and to promote tourism in Pakistan, special provision has been made in the import policy for hotel industry on the recommendation of a Special Committee appointed for this purpose. To increase industrial production and exports of manufactured goods, special attention has been paid to the requirements of export oriented industries. Liberal import of industrial raw materials has been allowed. In order to improve the quality of export industries, import of quality control equipment has been permitted.

Minor adjustments were made in the Import Policy for 1974-75 to facilitate smooth inflow of imports and fuller utilization of import licences. For instance, for import of empty gas cylinders and gas in cylinders, the condition of the prior approval of the Department of Explosives was removed. Cash licences were allowed to be revalidated within 15 days of the date of expiry of letters of credit instead of seven days. Similarly, the establishment of letters of credit, in case of imports under loans and credits can be effected within 30 days after the date of approval instead of 15 days as allowed in 1973-74. Certain modifications in the letters of credit can be approved by the banks instead of the licensing authorities.

During the course of the year, minor changes were made in the import policy to meet specific requirements of the economy. The import of inedible tallow was liberalised and allowed to all importers instead of industrial consumers only as in 1973-74. Import of 18 sizes of tyres and tubes not manufactured within the country were shifted from Tied List to Free List.

Import duties

In order to protect the domestic rayon fibre industry regulatory duty of Rs. 2.75 per pound was imposed on cuprammonium rayon, viscose rayon and acetate rayon while other yarns of man-made fibre were subjected to a regulatory duty of Rs. 3.50 per pound. Machinery imported for installation in under-developed areas was exempted 100 per cent or 50 per cent from import duty. Regulatory duty of 25 per cent was imposed on 22 relatively less essential items in February 1975. Import duty on caustic soda was reduced from 62.5 per cent to 25 per cent in March 1975. Regulatory duties varying from 30 per cent to 42.5 per cent were imposed on P.V.C. and P.V.C. products in March 1975.

Actual Imports

Pakistan had record imports of Rs. 1357 crore (dollar 1371 million) in 1973-74, which showed an increase of 61.6 per cent over the preceding year, (71.9 per cent in terms of dollars because of devaluation of dollar in February 1973). During the first nine months of 1974-75 imports are provisionally placed at Rs. 1460 crore, 66.5 per cent higher than during the corresponding period of 1973-74. Table 10.4 shows the trend of imports during the last five year.

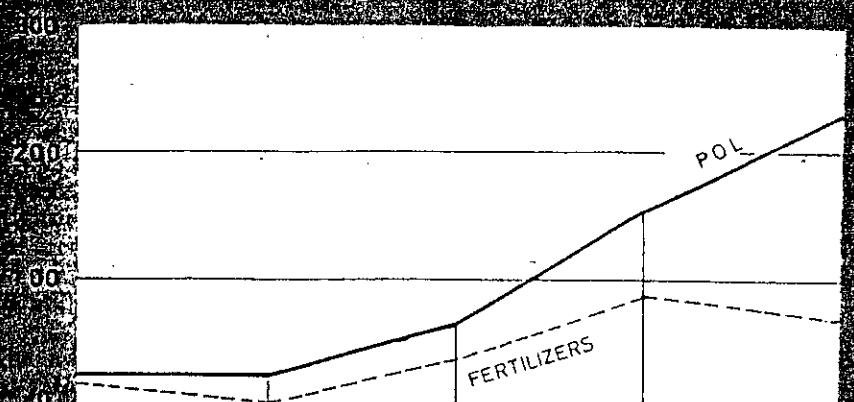
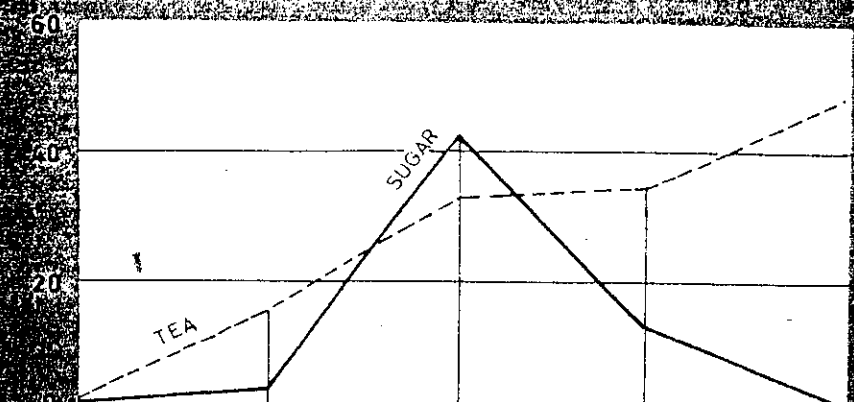
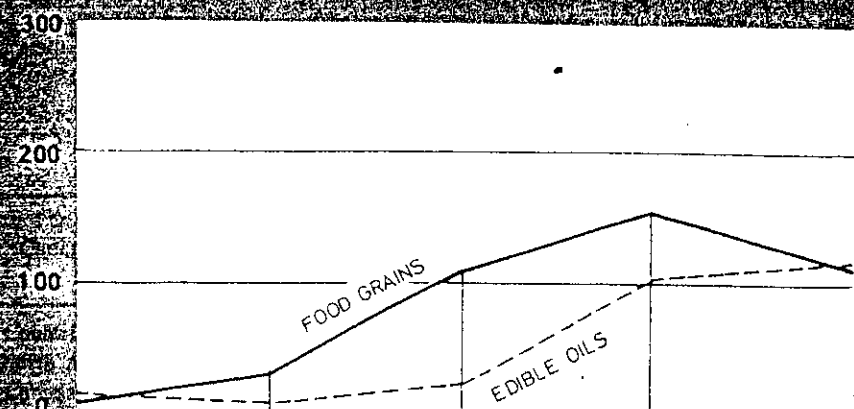
Table 10.4
GROWTH OF IMPORTS

Years	Value in		Per cent Change in terms	
	Rs. Crore	Dollar Million	Of Rs.	Of dollar
July-June				
1968-69	304.66	640.1		
1969-70	328.51	690.1	(+) 7.8	(+) 7.8
1970-71	360.24	756.7	(+) 9.6	(+) 8.7
1971-72	349.54	638.6	(-) 3.0	(-) 15.6
1972-73	839.83	797.2	(+) 140.3	(+) 24.8
1973-74	1,356.96	1,370.6	(+) 61.6	(+) 71.9
1973-74 (July—March)	866.06	874.8		
1974-75 (July—March)	1,459.86	1,474.6	(+) 68.6	(+) 68.6

DIRECTION OF IMPORT TRADE

Imports from the Western countries increased sharply due to rise in prices but their share in total imports of Pakistan declined from more than 64 per cent during the first nine months of 1973-74 to 56 per cent during the corresponding period of 1974-75. The share of Eastern Europe declined from 6.6 per cent to 5.1 per cent and that of China from 4.9 per cent to 2.7 per cent.

IMPORTS OF SELECTED ITEMS (IN CRORE RUPEES)



1970-71 71-72 72-73 73-74 74-75

Due to rise in the prices of crude petroleum and increased economic cooperation with the Middle East, the share of this region increased from less than 12 per cent to 17 per cent. After the U.S.A., Japan, and West Germany, Saudi Arabia and Kuwait were the most important suppliers to Pakistan. The shares of other Asian countries especially Sri Lanka, Indonesia, and Malaysia increased. There was spectacular increase in the share of Australia. Table 10.5 shows the trend.

Table 10.5
DIRECTION OF TRADE—IMPORTS

Countries	July—March 1974-75		July—March 1973-74	
	Value (\$ Million)	% Share	Value (\$ Million)	% Share
All Countries	1,474.6	100	874.8	100
1. North America	275.2	18.7	246.9	28.2
(a) Canada	51.6	3.5	22.3	2.5
(b) U. S. A.	223.6	15.2	224.5	25.7
2. Central America	1.2	0.1	0.2	0.02
3. South America	1.2	0.1	8.2	0.9
4. Western Europe	374.1	25.4	239.9	27.4
(a) E. E. C.	327.8	22.2	215.7	24.7
(b) E. F. T. A.	41.9	2.8	23.2	2.7
(c) Other Western Europe	4.5	0.3	1.1	0.1
5. Eastern Europe	75.2	5.1	57.8	6.6
6. Middle East	250.9	17.0	104.3	11.9
(a) R. C. D.	10.4	0.7	12.0	1.4
(i) Iran	8.6	0.6	10.5	1.2
(ii) Turkey	1.8	0.1	1.5	0.2
(b) Asian Middle East Countries (excl. RCD)	240.3	16.3	88.3	10.1
(c) African Countries	0.3	0.02	4.0	0.5
7. Other Africa	13.4	0.8	8.7	1.0
8. Other Asia	413.1	28.0	203.1	22.3
9. Australia	69.7	4.7	4.8	0.5

Exports

The current year has been a difficult year for Pakistan's exports. Our exports which increased by a quarter during 1973-74 and about 40% during each of the preceding two years will show a marginal increase during the current year. The original export target of \$ 1300 million was reduced to \$ 1150 million on the basis of trends during the first six months. It now seems that total exports in 1974-75 will be in the range of \$ 1000 million to \$ 1100 million as compared to \$ 1026 million in the previous year.

The international recession in textiles led to sharp reduction in exports of cotton yarn and cloth. Exports of leather and fish have also fallen sharply. However, despite initial difficulties, Cotton Export Corporation has been able to sell the entire surplus of cotton crop. As compared to export of \$ 38 million last year, the country is likely to earn \$ 135 million from raw cotton in the current year. Rice will continue to be Pakistan's biggest export item, fetching about \$ 230 million in 1974-75.

Indications are that the international recession in cotton textiles will start fading out before the end of the current calendar year. Recently there have been signs of revival of demand for cotton yarn and consequently some improvement has occurred in the prices of cotton yarn. The long run prospects of increasing export earnings are substantially dependent on increasing agricultural production and the export of higher value added goods like made-up articles of textiles, leather goods etc. It is essential to increase investment in export-oriented sectors. Table 10.6 shows the growth of exports.

Table 10.6
GROWTH OF EXPORTS (\$ Million)

Year (July-June)	Value of Exports	% Change over preceding year
1970-71	419.75	+ 24.2
1971-72	589.06	+ 40.3
1972-73	826.00	+ 40.2
1973-74	1,026.00	+ 24.3
1973-74 (July-March)	631.00	—
1974-75 (July-March)	766.06	+ 21.40

Export Promotion Measures

During 1974-75, a number of steps had been taken to promote exports. In order to overcome the problems created by the recession in the Western countries, export duties on cotton and cotton manufactures were reduced on 8th June 1974. To maintain the export level of cotton textiles in the face of declining demand export duties were abolished on 1st August 1974 on grey cloth, finished cloth, cotton cloth bags, finished towels, cotton hosiery, cotton thread and canvas cloth (grey or white). On the same date, export duty on fish meal was also removed. On 18th August 1974, export duty of 20 per cent *ad valorem* with extra duty of 40 paise per lb applicable on yarn of 21 to 24 counts was abolished. This was followed by exemption of cotton yarn waste on 19th August 1974. On 3rd September, finished leather and leather shoes were exempted from export duty. On 30th October 1974, excise duty on cotton yarn was reduced by 60 paise per pound.

The Federal Government gives liberal income tax rebate on profits accruing from export business. Similarly rebate of customs and excise duties are allowed in respect of raw materials used in export items. Liberal credit facilities are also provided to exporters, especially on non-traditional items like capital goods and when exported on credit for a long time. Import licences are issued liberally to the exporters of manufactured goods, including necessary quantities of some of the banned items.

Transport facilities are being improved to facilitate the export of merchandise to as many countries as possible. Shipping services have been nationalised and efforts are being made to deploy them on appropriate routes. Handling capacity of Karachi Port is being expanded and a new port is being set up near Korangi.

Standardization.—Several steps have been taken for the standardisation of export goods. The design centre set up at Karachi with the technical assistance of the Government of Switzerland guides the exporters in designing their products for overseas markets. Standards have been specified for 27 manufactured export items, mainly electrical goods and non-electrical machines by the

Pakistan Standard Institute. Similarly, more than 11 agricultural commodities are graded before shipment by Agricultural Marketing Adviser. For other export items, preshipment inspection is made by the trade bodies. An exporter is punished under the Export (Quality Control) order 1973, in case he indulges in malpractices.

Trade Delegations

During the first nine months of 1974-75, export promotion drive was accelerated by sending trade delegations to increase sales of Pakistani products through personal contacts and understanding and on-the-spot study of import policy, tariff structure, local tastes, designs, style, colours, fashion, specifications, etc. and to make the products accordingly. Six trade missions visited countries of the Middle East, East Africa, Sri Lanka, India, Western European countries, countries of South East Asia, Japan, the U.S.A. and Canada. They included official and non-official members. Main commodities, covered by these delegations, included rice, raw cotton, dry fish, cotton textiles, fresh and dried fruits and a large number of other items.

Fairs and Exhibitions

In order to make the foreign customers aware of Pakistani products and to increase exports, Pakistan participated in 17 fairs and exhibitions in a number of countries. Most important of these were the Partners for Progress Overseas Imports Exhibition, Berlin, held from 28th August to 2nd September 1974. International Trade Fair of Sports Goods, Camping Equipment and Garden Furniture, Kolon (East Germany) in September 1974, "Leather Week" Paris in September 1974. International Market for European Diffusion of Sub-Contracting Exhibition, Lille (France) in October, 1974, International Fair of Footwear, "Leather Goods and Leather" Florence (Italy) in September and a number of other fairs held in Western Europe, Eastern Europe, Africa and the Middle East.

CLASSIFICATION OF EXPORTS

In 1972-73 and 1973-74, primary commodities were 39.4 per cent of total exports and manufactured goods 60.6 per cent. In 1974-75 due to heavy increase in the export of rice, raw cotton and some other primary commodities and fall in the export of fish, cotton yarn, cotton cloth and leather, the share of primary commodities in total exports has considerably increased. During the first nine months of the year, primary commodities were almost 50 per cent of total exports against slightly over 32 per cent during the first half of 1973-74. Table 10.7 shows the trend.

TABLE 10.7

ECONOMIC CLASSIFICATION OF EXPORTS

(Rs. in crore)

	1972-73		1973-74		1973-74 (July—March)		1974-75 (July—March)	
	Value	% Share	Value	% Share	Value	% Share	Value	% Share
Primary Commodities	336.56	39.4	400.72	39.4	197.04	31.4	375.45	49.5
Manufactured Goods	518.56	60.6	615.40	60.6	430.18	68.6	382.95	50.5
Total	855.12	100.0	1,016.12	100.0	627.22	100.0	758.40	100.0

Table 10.8
MAJOR EXPORTS, QUANTITY, VALUE

S. No.	Commodities	Unit	1972-73			Qty
			Qty	Value	Unit Value	
1.	Raw Cotton	Tons	2,12,432	109.2	514.12	36,127
2.	Cotton yarn	000 lbs.	4,01,936	186.2	0.46	2,16,464
3.	Cotton thread	"	4,600	3.2	0.69	5,207
4.	Cotton Cloth	" yds.	5,99,646	119.6	0.20	4,15,726
5.	Rice	Tons	7,76,415	110.6	142.51	5,87,806
	(i) Rice fine	"	1,08,922	26.0	239.11	2,31,298
	(ii) Rice other	"	6,67,493	84.6	126.75	3,56,508
6.	Leather	Cwt.	4,29,665	52.0	121.04	2,57,713
7.	Footwear	000 pairs	12,227	7.9	0.65	10,519
	(i) Leather footwear	"	1,063	2.8	2.65	1,082
	(ii) Canvas footwear	"	11,061	5.1	0.46	9,207
	(ii) Other footwear	"	103	0.1	0.57	230
8.	Fish, frozen, canned and dried ..	Cwt	4,34,856	22.0	50.59	3,33,968
9.	Cement	Tons	6,86,833	9.4	13.69	7,66,390
10.	Raw wool	000 lbs.	13,040	6.5	0.50	6,671
11.	Guar and guar products	Tons	73,957	8.9	120.62	66,044
12.	Oil Cakes	Cwt	13,17,568	4.9	3.73	1,97,406
13.	Animal Casings	"	5,215	2.0	384.28	9,631
14.	Synthetic textiles	'000 yds.	16,472	5.6	0.34	19,887
15.	Woollen Carpets	000 sq feet	8,508	25.3	2.98	10,758
16.	Molasses	Tons	1,34,549	3.8	28.35	1,30,839
17.	Petroleum & products, ...	Tons.	800,808	12.1	15.15	2,92,173
18.	Paints and varnishes	Cwt.	19,820	0.4	22.45	21,328
19.	Cotton waste	"	2,94,958	3.0	10.05	2,53,907
20.	Tobacco unmanufactured	000 pounds	13,260	4.1	0.31	21,26

AND UNIT VALUE

(Value in \$ million)
(Unit Value in \$).

1973-74			July-March, 1973-74			July-March, 1974-75		
Value	Unit Value	Qty	Value	Unit Value	Qty	Value	Unit Value	
38.0	1015.84	11,079	7.5	676.96	1,33,685	108.4	810.87	
83.1	0.85	1,64,668	142.4	0.87	1,08,388	56.2	0.52	
5.3	1.02	4,030	3.6	0.89	2,931	4.7	1.12	
143.1	0.34	3,21,196	108.5	0.34	3,47,432	98.4	0.28	
212.0	360.66	2,95,951	84.7	286.20	3,70,658	189.1	510.17	
110.0	475.14	1,26,808	53.2	419.53	1,45,706	114.4	785.14	
102.0	286.39	1,69,143	31.5	186.23	2,24,952	74.7	332.07	
42.3	164.14	2,02,623	31.4	154.50	1,54,078	24.9	161.61	
9.5	0.90	7,091	6.4	0.90	8,466	9.2	1.09	
3.1	2.87	712	2.1	2.95	739	2.7	3.65	
6.1	0.66	6,311	4.0	0.63	7,617	6.3	0.83	
0.3	1.30	219	0.3	1.37	90	0.2	2.22	
27.9	83.54	2,46,039	22.9	93.07	1,82,377	11.7	64.15	
16.2	21.14	4,65,281	9.4	20.20	4,14,089	20.4	49.26	
6.5	0.98	4,896	4.4	0.90	1,255	1.0	0.80	
17.7	268.68	51,232	12.5	243.99	31,252	11.6	371.17	
0.8	4.05	1,97,406	0.8	4.05	459	..	..	
2.9	301.11	8,112	1.9	234.22	2,201	1.5	681.51	
6.6	0.33	16,995	5.6	0.33	6,782	1.7	0.25	
41.5	3.85	5,493	21.2	3.86	6,489	28.6	4.41	
5.2	39.74	69,080	2.5	36.19	1,46,998	7.9	53.74	
17.7	60.58	1,39,634	6.1	43.69	1,27,865	11.1	86.81	
0.6	-28.13	16,268	0.4	24.59	10,354	0.5	48.29	
3.5	13.78	1,94,247	2.6	13.39	80,047	1.5	18.74	
10.2	0.48	10,498	5.6	0.53	13,587	6.6	0.49	

.. Indicates insignificant.

TRADE AGREEMENTS

Pakistan concluded a number of trade agreements during 1974-75 in order to enhance economic cooperation and promote trade with different countries.

Trade with India

After a decade of embargo on trade with India, a Protocol was signed in New Delhi in November 1974 to resume trade. This Protocol was followed by a formal trade agreement concluded in Islamabad in January 1975. The salient features of the trade agreement with India are:

- (a) The trade initially will be conducted on Government to Government basis.
- (b) There will be no barter and it will be financed in free convertible currency.
- (c) Both countries being members of GATT will give each other MFN treatment.
- (d) Goods and products originating in each country will not be re-exported to a third country.

The trade agreement has been followed by an agreement to establish shipping links between the two countries and the first trade deal was signed with India to export 2 lakh bales of cotton worth \$ 25 million. A Trade Enquiry Team from Pakistan also visited India in April 1975 and identified major items of import from India.

Trade with RCD Countries

Pakistan, Iran and Turkey are negotiating to establish a preferential trading area. The talks at the expert level are being followed up by a meeting of the Commerce Secretaries of the three countries in May 1975 at Ankara.

Long-Term Trade and Transit Agreement with Iran

Pakistan's trade with Iran has expanded sharply. Exports to Iran during July-December 1974 were \$ 47 million. Pakistan and Iran have concluded a Long Term Trade Agreement and a Transit Trade Agreement in May 1975. The Long-Term Trade Agreement provided for planned trade, keeping in view the products of joint ventures in a long term perspective. The Transit Trade Agreement will facilitate Pakistan's trade by land route to Middle Eastern and European Countries. Both these Agreements are initially valid for five years and renewable for a further period by mutual consent.

Barter Trade

Pakistan's long standing problem of favourable barter balances has been finally resolved. A favourable balance of \$ 7.5 million on 1st July 1974 has been converted into an import surplus of \$ 14 million on 31st March 1974. The barter exports during first eight months of the current fiscal year were only 6% of total exports. Trade with some socialist countries outside the barter has increased sharply.

During the current financial year Pakistan concluded barter agreements with China, USSR and North Korea. The agreement with China provides for a trade turn-over of Rs. 19 crore annually each way. Pakistan will be importing pig iron, billets, coal and coke, textile machinery etc. from China and exporting

cotton and its products. The Chinese Minister for Foreign Trade visited Pakistan in January 1975, and Pakistani delegation for machinery imports visited China in April 1975 to place long-term orders for import of machinery. The annual barter trade agreement with USSR was signed in January 1975. It provides for exchange of commodities worth Rs. 20.8 crore each way. The imports will include pig iron, urea, steel billets etc., and exports besides cotton and textile items will include spectacle frames, surgical instruments and machine-made carpets. A barter agreement for Rs. 5 crore was also concluded with Peoples' Republic of Korea in July 1974.

International Conferences

The world-wide inflation and recession has adversely affected all the non-oil exporting developing countries. Their terms of trade have deteriorated sharply. During the year, efforts were continued through various international agencies to focus attention on the problems of developing countries and to move in the direction of a new world economic order.

GATT

The Tokyo round of Multilateral Trade Negotiations, was delayed as the U. S. Congress did not pass the Trade Act till December 1974. The negotiations have now formally started and the modalities of approach to different international trade problems are being sorted out before discussions can take place on concrete issues. The special interest of the developing countries in these negotiations has been accepted in principle and would need to be transformed into practice by concerted action by all the developing countries. Pakistan is one of the members of Trade Negotiating Committee which is laying down the guidelines for the conduct of these negotiations. The world-wide economic recession has taken away some of the promise from these negotiations, yet all the developing countries including Pakistan hope that the current tariff and non-tariff barriers which impede their exports of manufactures and primary commodities will be substantially removed.

UNCTAD

Pakistan participated in the following meetings of the UNCTAD :

- (1) Sixth Session of the Committee on Manufactures.
- (2) Third Session of the UNCTAD Inter-governmental Group on Transfer of Technology.
- (3) Sixth Session of UNCTAD Committee on Shipping.
- (4) Fourteenth Session of the Trade and Development Board.
- (5) Sixth Special Session of the Trade and Development Board.

Pakistan has played a leading role in all these committees and as a recognition of it, she was selected as the Chairman of the Group of 77 to act as a spokesman of the developing countries in all the UNCTAD meetings.

European Economic Community

The EEC Commission invited the Government of Pakistan for initial negotiations for a Commercial Cooperation Agreement between the EEC and Pakistan. Two rounds of discussions were held in November and December 1974 at Brussels. Pakistan has requested for tariff concession on some of its major exports as well as liberal treatment for some of its manufactures in the Generalised Scheme of Preference of the EEC. Negotiations with the EEC Commission on these issues are in progress.

GSP

U.S. Trade Reform Act also gives authority to U.S. Government to introduce its Generalised Scheme of Preference. Unfortunately, the textile products which account for 56% of Pakistan's exports to USA are excluded from the US-GSP. Some of our other exports are already free of duty. Hence this scheme will only benefit about 40% of our exports to USA.

The GSP of the European Economic Community is being gradually liberalised but a large part of major exports fall in the category of sensitive and semi-sensitive products for which the EEC has a rigid system of country and global ceilings. Moreover, the operation of the scheme is quite complex and this prevents exporters from availing of its benefit. In order to remove this information gap the Community organized two Seminars at Karachi and Lahore in January 1975. Pakistan has also indicated products in which it has special interest so that they are given a more liberal treatment in their next year's GSP.

Textile Agreements

The Contracting Parties to the GATT have concluded a new Arrangement regarding International Trade in Textiles which has become effective from 1st January 1974. Pakistan has concluded bilateral textile agreements with USA, Austria and Sweden under this Arrangement. Negotiations are in progress for a bilateral textile agreement with EEC.

USA

The quotas and their utilization till 31st March 1975 are indicated in table 10.9.

TABLE 10.9
EXPORTS OF TEXTILES TO U. S. A.

Category No.	Ceiling Sq. Yds. (July-74 Dec-1975)	Utilization Sq. Yds. (July-74 March-75)
Group I Cotton Fabrics.		
Cat 9/10	70,953,840	4,381,038
Cat. 15/16	31,535,040	3,348,284
Cat. 18/19 part of 26	7,883,760	75,695
Cat. 22/23	11,825,640	
Part of Cat. 26 (Bark)	16,752,990	3,32,342
Part of Cat. 26 (Duck)	8,869,230	1,987,331
Others		
TOTAL GROUP I	147,820,500	10,124,690
Group II Cotton Made UPS.		
Part of Cat. 31 (shop towels)	6,410,160	3,184,012
Cat. 41/42 (T. Shirts)	9,690,455	2,061,617
Cat. 39-63 (excluding T. Shirts)	6,734,045	5,462,667
Others	10,014,340	3,834,197
Total Gp II	32,849,000	14,542,493

Austria

Pakistan's textile quota for Austria was increased from 205 metric tons in 1973 to 308 metric tons in 1974 i.e. an increase of 50%. The annual growth rate during the following years has also been agreed at 7%.

Sweden

Pakistan has also concluded a barter textile agreement with Sweden under which exports of bed-linen and terry-towels will be restricted to 770 tons during March, 1975 to February, 1976.

EEC

Our quota utilization position for EEC in 1974 is indicated in the table 10.10.

TABLE 10.10.
EXPORTS OF TEXTILES TO EEC

(Quantity in Metric tons)

Country	Group	Ceiling	Carry over	Adhoc Increase	Total availability	Actual Utilization during Jan—Dec. 1974	%
West Germany	I	1,000	259.3	150.0	1,409.3	1,292.058	91.63
	II	320	306.3	30.0	656.3	415.916	73.57
France	I	620	—	40.0	680.0	762.396	112.11
	II	210	85.2	50.0	345.2	252.552	73.16
Italy	I	1,170	20.9	70.0	1,260.9	1,012.830	80.23
	II	260	88.6	16.0	364.6	385.151	105.0
Benelux	I	520	194.6	75.0	789.6	567.304	71.34
	II	180	—	50.0	230.0	223.212	97.04
Denmark	I	500	83.9	—	583.9	190.531	32.63
	II	132	—	50.0	182.0	175.142	96.23
Ireland	I	340	85.0	—	425.0	308.746*	2.05
	II	106.66	26.60	—	133.26	0.196	0.14
Total	I	4,170	643.700	335.0	5,148.7	3,833.542	74.45
	II	1,208.66	506.60	196.0	1,911.26	1,452.169	75.97

*for re-exports
300.313

DIRECTION OF EXPORT TRADE

There has been a considerable change in the direction of trade of Pakistan in just one year. Due to changes in the balance of payments position, the demand of various regions for Pakistani products has undergone a significant change. The share of advance market economies including North America, Western Europe and Japan declined from about 44 per cent during the first nine months of 1973-74 to about 35 per cent during the same period of 1974-75. The share of Eastern Europe increased from 4.6 per cent to 6.4 per cent and the

value of exports went up by \$ 20.6 million or by more than 70 per cent. Increased economic cooperation with the Socialist countries has helped this improvement. The share of China also improved substantially.

The Middle East has become an important customer of Pakistan. During the first nine months of 1974-75, exports to this region were almost 31 per cent of exports to all regions of the world. The increase in exports to this region between the first nine months of 1973-74 and 1974-75 was more than 116 per cent. During the first nine months of 1974-75, Iran was leading all customers of Pakistan and accounted for 7.2 per cent of all exports. Saudi Arabia followed closely. There was some improvement in the share of Africa. Other Asia followed the Middle East closely although its share in total declined. Table 10.11 shows the trend.

TABLE 10.11
DIRECTION OF TRADE—EXPORTS

Countries	July—March 1974-75		July—March 1973-74	
	Value (\$ million)	% Share	Value (\$ million)	% share
All Countries	766.1	100	631.0	100
1. North America	35.6	4.6	45.3	7.2
(i) Canada	6.8	0.9	9.0	1.4
(ii) U. S. A.	28.8	3.7	36.3	5.8
2. Central America	1.1	0.1	3.1	0.5
3. South America	1.5	0.2	0.7	0.1
4. Western Europe	183.4	23.9	186.8	29.6
(a) E. E. C.	145.5	19.0	152.8	24.2
(b) E. F. T. A.	21.7	2.8	23.6	3.7
(c) Other Western Europe	16.1	2.1	10.4	1.6
5. Eastern Europe	49.4	6.4	28.8	4.6
6. Middle East	236.3	30.8	108.6	17.2
(a) RCD	56.0	7.3	14.8	2.3
(ii) Iran	55.4	7.2	14.6	2.3
7. Asian countries (excl. RCD)	144.7	19.0	86.8	13.8
(c) African Countries	35.5	4.6	7.0	1.1
8. Other Africa	30.3	4.0	23.9	3.8
9. Other Asian countries	221.1	28.9	219.7	34.8
10. Oceania	7.3	1.0	14.1	2.2

Chapter II

FOREIGN ECONOMIC ASSISTANCE

In 1972-73, Pakistan's exports exceeded imports by a small amount. The net aid inflow was small. In 1973-74, exports could finance roughly three-fourths of imports. In 1974-75, imports are likely to be double the level of exports. During the first nine months of the current year, exports and imports were valued at \$ 766 million and about \$ 1,475 million respectively. The exports were 52 per cent of the imports. The main factor in the worsening of the balance of payments situation is a sharp decline in Pakistan terms of trade by an estimated 20* per cent in 1974-75 and 25 per cent since 1970-71. Various studies have shown that Pakistan's balance of payments gap would have been \$ 800—900 million less than what it is likely to be in 1974-75, if the prices for Pakistan's imports and exports had been what they were in 1971-72. Larger foreign resources inflow was needed to cover this loss.

Foreign economic assistance to Pakistan started in 1950 and by the end of 1974-75, total commitments would amount to \$ 10.6 billion, \$ 2.6 billion in the form of grants (excluding special grants for the Indus Basin Works of the order of \$ 0.874 billion) and grant-type assistance *i.e.* loans repayable in non-convertible rupees and the balance of \$ 8.0 billion represents loans which are repayable in foreign exchange.

*The terms of trade index prepared by Statistics Division in Statistical Appendix is based on composition of trade in 1960-61 which has substantially changed. The figures used in this text are based on studies made in the Planning Division and international agencies on the basis of actual trade data for 1971-72 to 1974-75.

By the end of fiscal year 1973-74, disbursements of loans had amounted to \$ 5.4 billion, out of which \$ 1.0 billion had been repaid by Pakistan leaving a debt (disbursed and outstanding) of \$ 4.4 billion at the beginning of the current financial year. Debt outstanding is estimated to go up to \$ 4.9 billion by the end of the current financial year.

The increase in the volume of foreign economic assistance to Pakistan in the sixties was accompanied by a continuing shift in the composition of aid from grants and grant-type assistance to loans and credits repayable in foreign exchange. Grants and grant-type assistance constituted 70 per cent of total aid received during 1950-55 and 79 per cent during the First Plan (1955-60). During the Second Plan (1960-65), this type of assistance declined to 33 per cent and during the Third Plan (1965-70) to 19.7 per cent. Between 1970-71 and 1974-75 such assistance declined gradually and in 1974-75 it constituted 2.4 per cent of the total assistance.

During the period 1960-61 to 1972-73, the proportion of borrowing on concessional terms to the total borrowing ranged from 62 per cent to 75 per cent. In 1973-74 the ratio of borrowing on concessional terms dropped to 38 per cent because of the short-term borrowing to meet food deficit. In 1974-75 borrowing on concessional terms has increased to 50 per cent.

Debt Servicing

The logical result was a sharp increase in annual debt servicing. Initially the increase in debt servicing was relatively small because of the grace periods in a number of loans. At the beginning of the Third Plan, as grace periods were expiring, debt service liability increased sharply. Thus, debt service ratio to export earnings which was 9.5 per cent during the Second Plan period increased to 19.4 per cent during the Third Plan period. Debt service ratio has remained 20 per cent of export earnings since 1972, which is mainly on account of substantial debt rescheduling and a rapid increase in export earnings. Table 11.1 shows the trend.

Table 11.1
DEBT SERVICE RATIO (U. S. \$Million)

Year	Debt Service	Exports Earnings	Debt Service Ratio to Export Earnings
2nd Plan :			
1960-61	17	405	4.2
1961-62	31	413	8.0
1962-63	47	479	9.8
1963-64	62	482	12.8
1964-65	62	519	11.9
	219	2,298	9.5
3rd Plan :			
1965-66	74	581	12.7
1966-67	96	594	16.2
1967-68	108	620	17.4
1968-69	158	677	23.3
1969-70	176	683	25.8
	612	3,155	19.4
1970-71	182	705	25.8
1971-72	122	636	19.2
1972-73	193	789	24.5
1973-74	197	1,046	18.8
1974-75	254	1,100	23.1

The rapid increase in the debt service obligations has principally resulted from two basic factors: (i) a sharp and continuing shift in the composition of assistance from grants and grant-type assistance to loans requiring service in foreign currency, (ii) a decline in the share of loans carrying concessional terms after 1965. Such a sharp increase in debt service payments adversely affected net aid flow into Pakistan. An increasingly higher percentage of gross aid had to be returned to the lending countries/agencies in the form of repayment of principal and interest dues. During the Second Plan (1960-61 to 1964-65), gross disbursements of foreign assistance amounted to \$ 2,393 million. Debt service payments (principal and interest) aggregated \$ 219 million. Thus, the net amount of resources transferred from abroad represented 90 per cent of the gross inflow. For the Third Plan, because of sharp rise in debt service payments, net resource transfer was 80 per cent. This effect is illustrated more sharply when the terminal years of the Second and Third Plan are compared. Net transfers which constituted 91 per cent of gross disbursements at the end of the Second Plan (1964-65), dropped to 69 per cent at the end of the Third Plan period (1969-70). As would be seen from the following table, net transfers, taking into account debt relief, dropped further to 60 per cent in 1973-74. Because of increased disbursements, particularly from the oil producing countries during 1974-75 and debt relief during the year, the position of net transfers is expected to improve. Table 11.2 shows the trend.

Table 11.2
NET INFLOW OF AID

				(U.S. \$ Million)	
				1973-74	1974-75 (Estimates)
Gross Disbursements	..	..	..	497	1,022
Debt Service	..	..	..	197	254
Net Transfers				300	768
Net transfers as % of gross disbursements				60	75

Debt Relief Arrangements

Pakistan took an early initiative to analyse the problem of huge outstanding debt burden and to draw the attention of the creditors to it. The issue was raised in a meeting of the Consortium in May 1968, when Pakistan asked the member countries to improve the terms of assistance. In the same connection a special report was also submitted by the World Bank staff in January 1970. However, further action on the question remained more or less dormant during 1970. Meanwhile, due to liquidity crisis, Pakistan had to impose moratorium on convertibility of debt service payments with effect from May 1, 1971.

The problem acquired a new character and special urgency after the separation of East Pakistan in December 1971. In May 1972 short-term debt rescheduling was concluded with all the Consortium countries which provided debt relief of \$ 233.766 million followed by a second short-term arrangement providing debt relief of \$ 107.160 million. These agreements rescheduled about

56 per cent of the debt servicing falling due in the period May 1971 to June 1974. It was specified that after June 1974, Pakistan would not be required to service any debts incurred for projects visibly located in Bangladesh.

Short term rescheduling was not based on the study of debt profile of Pakistan. An understanding was reached with the donor countries that any difficulty created by short-term arrangements would be taken care of in the long term debt relief arrangements of Pakistan. The Memorandum of Understanding signed on 31st July, 1973 provided *inter alia* that during the year of debt relief a study would be made of Pakistan's debt situation in response to the request for long term debt relief and that the study would take into account all the aspects of Pakistan's debt burden.

As a result of further discussions held in Paris on June 23-28, 1974 the arrangements for debt rescheduling had emerged in the form of Memorandum of Understanding signed on 28th June, 1974. According to the Memorandum, Pakistan would be provided debt relief of \$ 650 million spread over four years from 1st January 1974 in annual instalments of \$ 175 million for the first three years and \$ 125 million for the fourth year. The relief amount will carry interest rate of 2.5% and will be repaid over a period of 30 years including 10 years' grace period.

In pursuance of the above Memorandum, proposals for debt relief/rescheduling arrangements for 1974-75 were made to all the creditor countries in July 1974. These proposals were followed by negotiations with the creditor countries through diplomatic channels. Debt rescheduling agreements/arrangements with West Germany, Belgium and Sweden had been concluded upto March 1975. Negotiations with the remaining countries were in progress and were expected to be concluded by the end of the fiscal year.

Proposals for debt relief arrangements for the year 1974-75 on consortium lines were also made to the non-consortium countries. Arrangements for 1974-75 have already been concluded with Switzerland. The negotiations with other countries are in progress.

Settlement of Bangladesh Debt

Pakistan has been negotiating with the creditor countries the settlement of portions of debt relating to utilizations in Bangladesh. In accordance with the Memorandum of Understanding of 31st July 1973, Pakistan is not expected to service any debts used on projects visibly located in Bangladesh from July 1974. The negotiations with the Consortium countries for take-off of debt used on projects visibly located in Bangladesh are in progress. Sweden, West Germany and Japan have absolved Pakistan of the entire liability of debt used in Bangladesh and understanding has been reached for the settlement of private debt. Major portion of IDA and IBRD loans utilized in Bangladesh has also been taken off. Almost the entire debt used in Bangladesh pertaining to the non-consortium countries except commercial debts from USSR and Romania, has been taken off.

Review of 1974-75

The total amount pledged by the donor countries/agencies for 1974-75 stands at \$ 1,743.664 million, \$ 863.422 million for financing of projects and the rest of \$ 880.424 million for import of commodities and balance of payment support. Source-wise break-up is given in Table 11.3.—

Table 11.3
PLEDGES FOR 1974-75

57,175

			(\$ Million)		
Sources		Project	Non-Project	Total	
A.—TRADITIONAL SOURCES					
I.—CONSORTIUM	.. ..	353.142	140.242	493.384	
II.—NON-CONSORTIUM	.. ..	354.170	—	354.170	
Sub-total (Traditional Sources)	..	707.312	140.242	847.554	
B.—NON-TRADITIONAL SOURCES					
III.—MUSLIM COUNTRIES	.. ..	156.110	740.000	896.110	
Total	..	863.422	880.242	1743.664	

Included in the "Consortium group" are Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Norway, Sweden, U. K., USA, IBRD and IDA which together pledged \$ 493.384 million. The Asian Development Bank pledged \$ 100.17 million. Among non-Consortium sources Denmark pledged \$ 6.5 million, Romania \$ 30 million, USSR pledged \$ 214 million for Karachi Steel Mill Project and the Democratic Republic of Germany \$ 3.5 million.

Commitments during the year are estimated at \$ 1,681 million—\$ 482 million from the Consortium sources, \$ 100 million from Asian Development Bank, \$ 203 million from non-Consortium (non-Muslim) sources and \$ 896 million from the Islamic countries.

Disbursements

Disbursements of foreign economic assistance from traditional sources during 1973-74 amounted to \$ 467 million. Of the total disbursements, \$ 170 million were against project aid and the balance for import of commodities, including food imports amounting to \$ 117 million. Disbursements from non-traditional sources (Libya) amounted to \$ 30 million. Thus, total disbursements (both from traditional and non-traditional sources) amounted to \$ 497 million.

Aid in the pipeline at the beginning of the financial year 1974-75 amounted to \$ 1,318.6 million of which project aid (including Indus/Tarbela) was of the order of \$ 1,056.0 million and non-project aid was \$ 262.6 million. With fresh commitments during 1974-75, (actuals upto April and expected during May-June 1975) amounting to \$ 1,680.7 million, the total availability during the current year increased to \$ 2,999.3 million; of this \$ 1,778.1 million was for projects and \$ 1,221.2 million for import of commodities and balance of payments support.

Disbursements during 1974-75 are estimated at \$ 1,022.4 million—\$ 254.7 million against projects, and the balance of \$ 267.7 million for import of commodities and balance of payments support. Table 11.4 shows disbursements of external resources during 1973-74 and 1974-75.

Table 11.4
DISBURSEMENTS OF FOREIGN ECONOMIC ASSISTANCE
(US \$ Million)

Particulars	Disbursements	
	1973-74 (Actuals)*	1974-75 (Revised)
I. Project Aid		
1. Public Sector Projects excluding Tarbela	59.8	151.1
2. Indus/Tarbela (including grants)	28.7	28.2
3. Autonomous/Private Sector projects	81.2	75.4
Sub-total (Project Aid)	169.7	254.7*
II. Non-Project		
1. Non-Food	210.5	650.4*
2. Food	117.2	117.3
Sub-total (Non-Project)	327.7	767.7
GRAND TOTAL	497.4	1,022.4

*Includes earthquake Disaster Relief Assistance amounting to \$ 42.8 million.

US Public Law—480

Payment for imports under PL—480 agreements is now made in dollar currency, spread over a period of 40 years, the first instalment being due ten years after the delivery of commodities. The loans carry interest at the rate of 2 per cent per annum during the first 10 years and 3 per cent during the next 30 years.

During 1974-75 agreements were signed for \$ 63.156 million for import of 4 lakh tons of wheat. Obligations under PL-480 during 1973-74 were \$ 42.40 million. Table 11.5 shows the trend.

Table 11.5
COMMODITY ASSISTANCE UNDER PL—480

(Value in U.S. \$ milli—)

Commodity/Unit	1970-71		1971-72		1972-73		1973-74		1974-75	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Wheat (Lakh Tons) ..	7.2	42.7	6.0	36.3	8.5	65.60	0.6	11.80	4.00	63.156
Rice (Lakh Tons) ..	—	—	0.5	9.0	—	—	—	—	—	—
Sorghum/Corn (Lakh Tons)	—	—	—	2.0	—	—	—	—	—	—
Cotton (Thousand bales)	9.7	2.3	11.0	2.9	—	—	—	—	—	—
Edible oil (Thousand tons) ..	100.0	34.2	25.0	7.5	40.0	12.90	40.0	26.00	—	—
Tobacco (Lakh Lbs.) ..	10.0	1.5	4.5	0.7	—	—	—	—	—	—
Total Value :— ..	—	80.7	—	58.4	—	78.50	—	42.40	—	63.156

Consortium Assistance for 1975-76

A meeting of the Aid-to-Pakistan Consortium was held in Paris on 6—8 May, 1975. Switzerland attended as an observer. Asian Development Bank, International Monetary Fund, OECD and U.N.D.P. representatives were also present. The Consortium indicated that roughly \$ 700 million of fresh aid commitments may be made by its members for assistance to Pakistan during 1975-76.

Economic Cooperation with Islamic Countries

Substantial aid commitments were made by the Muslim oil producing countries during 1974-75. Country-wise position is explained below.

Iran

A loan agreement with Iran was concluded on 12th June, 1974 for \$ 580 million, to be disbursed in three instalments of \$ 250, \$ 180 and \$ 150 million over the years 1974-75, 1975-76 and 1976-77. First instalment has already been disbursed. In addition, during the first session of Joint Ministerial Commission for Economic Co-operation in November 1973, agreement in principle was reached on the following joint ventures to be undertaken in Pakistan in collaboration with Iran :

- (1) Establishment in Pakistan of synthetic fibre and cotton textile plants with total of 100,000 spindles as well as weaving and finishing equipment.
- (2) Establishment in Pakistan of a cement plant with annual production capacity of 3 lakh tons.
- (3) Establishment in Pakistan of joint Agro-Industry Complex for large scale livestock raising.
- (4) Setting up of an Engineering and a Medical College in Baluchistan.

At the Second Session of Pak-Iran Joint Ministerial Commission, Iran has further agreed in principle to cooperate in the implementation of the following projects in Pakistan :—

- (1) A fertilizer plant with a capacity of 516,000 tons per year.
- (2) Three textile plants, each with a capacity of 25,000 spindles.
- (3) A cement factory with an annual capacity of 300,000 tons to be located at Kohat (North West Frontier Province).

The textile and cement projects will be implemented as joint ventures between the two countries and Iran is likely to purchase a part of the products.

Iran has also agreed in principle to assist Pakistan in the implementation of the following infrastructure projects whose foreign exchange component comes to approximately 12 million dollars :—

- (a) Anti-salinity and control of water logging project at Rohri South (Sind) including installation of 1962 tubewells.
- (b) Sehan Flood Irrigation Scheme in Baluchistan.
- (c) Rakshan River Basin Development Project in Baluchistan involving installation of 60 tubewells.
- (d) Bela Plain ground Water Development Project in Baluchistan consisting of installation of 120 tubewells for the irrigation of an area of 12,000 acres.

Libya

During 1974-75, the Central Bank of Libya provided a loan of \$ 50 million to the State Bank of Pakistan. The agreement was signed on 18th December 1974. The loan stands fully disbursed. Economic cooperation with Libya is being governed by the provisions of protocol on Economic, Cultural and Social Cooperation between Pakistan and Libya which was signed on 25th April 1974. The second session of the Pakistan-Libya Joint Ministerial Commission was held in Islamabad on 8th and 9th January, 1975. The Commission revised the implementation of the various provisions of the protocols and the two Governments concluded the following agreements on 1st September 1975 :

- (i) Agreement on the setting up of a Libya Pakistan Joint Shipping Company. The Headquarter of this venture will be at Karachi. Share capital will be \$ 20 million with Pakistan having 51% equity participation.
- (ii) Agreement for Technical and Scientific Co-operation between the two governments.
- (iii) Convention for the avoidance of double taxation with respect to taxes on income.
- (iv) Agreement to facilitate free movement of capital between the two countries.

Agreement was also reached on the establishment of a Pak-Libya Investment Banking Corporation with headquarters at Karachi and an Islamic Centre with the objective of training missionaries and scholars and a Pakistan-Libya publishing house for publishing books on Islamic heritage, both with headquarters in Pakistan.

The Libyan Arab Republic has indicated interest in setting up joint projects with Pakistan in the fields of fertilizers, sugar, cement, paper and textile etc. and in the development of economic infrastructure in Pakistan.

Qatar

A general-purpose loan of \$ 10 million was disbursed by Qatar during 1974-75. A delegation from Qatar visited Pakistan in the third week of March 1975. The possibility of Qatar's participation in projects in the agriculture sector was explored.

Abu Dhabi

A general purpose loan of \$ 100 million was provided by Abu Dhabi during 1974-75. In addition to this, Abu Dhabi is also financing on equity basis Pak-Arab Refinery, Multan in terms of an agreement signed in November 1973 and a fertilizer project at Multan to the extent of \$ 11.20 million as equity participation.

A 3-member delegation of Abu Dhabi Fund for Arab Economic Development led by its Chairman visited Pakistan from 9th to 11th April 1975 to explore and identify the avenues of fruitful and mutually beneficial economic cooperation between the Fund and this country.

Saudi Arabia

An agreement for \$ 100 million was signed with Saudi Arabia on 8th September 1974 for financing of the following :—

	US \$ Million
(1) A fertilizer plant near Mari Gas Field	50.00
(2) Extension of a Cement plant at Karachi	16.50
(3) Extension of a Cement plant in Hazara in North West Frontier Province	16.50
(4) Polyester Plant at Korangi in Karachi	17.00
Total	100.00

TECHNICAL ASSISTANCE

The availability of skilled manpower determines the rate of economic development of a country. Abundance of technical know-how is not only desirable but an essential condition for growth and prosperity. Pakistan has been placing due emphasis on technical assistance in the shape of training of technicians, provision of foreign experts and equipment in a broad spectrum of development activity. All this assistance has been obtained on a grant basis bilaterally and multilaterally.

In 1972-73 Pakistan utilized 276 training placements compared to 178 in the previous year, while the value of equipment received was \$ 3.12 million. During 1973-74, the number increased to 345 and equipment worth \$ 0.87 million was received. The number of training places availed of is expected to exceed 408 and value of equipment \$ 0.209 million in 1974-75.

UNDP offers aid to Pakistan in the form of training facilities, expert services and equipment. UNDP has offered \$ 20 million over a period of five years (1972—76) and a country programme for this amount is under implementation.

RCD

Technical assistance is also received under RCD Technical Cooperation Programme from Turkey and Iran in the form of (a) training facilities, (b) university scholarships, (c) expertise and (d) seminars. Up to March 1975 Iran has provided 15 training facilities, 153 University scholarships and 5 experts. Similar facilities provided by Turkey were 5, 179, and 7 respectively

Since the Technical Cooperation Programme is a reciprocal arrangement between the member countries of the RCD, Pakistan also provides technical assistance facilities to Iran and Turkey. Pakistan gave 12 training facilities, 77 scholarships and 4 experts to Iran. Similarly, Turkey was the recipient of 5 training facilities, 1 expert and 14 scholarships.

Chapter 12

CAPITAL MARKET

The stock market in Pakistan had started behaving erratically since the middle of 1970. Operating on a narrow and limited base, the Stock Exchange was seriously affected by political and economic changes. After touching peak activity in April 1970, the market kept sliding downwards. Share values moved below their real worth and finally the market had to be closed towards the end of 1971. It re-opened in May 1972, and faced the immediate task of adjusting to the new political and economic realities. The loss of physical assets located in East Pakistan and the rise in debt service obligations had seriously affected net worth of various companies as well as current profitability. In addition there were problems related to nationalisation of industries, basis of compensation and the psychological factors associated with the changed socio-political milieu. These factors had a depressing influence on the market till September 1974.

The overall situation improved during 1974-75, partly because the asset and profitability position of companies changed and partly because of the incentive measures announced by the Government at the time of Budget for 1974-75. The private sector also responded to the clarifications of policy announced by the Government which is designed to promote socially useful and broad-based private investment. The activity on the stock exchange started picking up from October 1974.

The turnover of shares has increased from 11.05 lakh in June 1974 to 36.52 lakh in April 1975. Aggregate market value of shares which stood at Rs. 354.61 crore in June 1974 increased to Rs. 454.13 crore in April 1975—a rise of 28.1 per cent. The general index of share prices which stood at 68.55 in June 1974 increased to 85.53 in April 1975 showing substantial increase of 24.8 per cent. The number of companies listed on Karachi Stock Exchange increased from 264 to 283 during the same period.

The performance of the financial institutions was also in line with the recovery in the stock market. The sanction of Capital Issues which amounted to Rs. 79.13 crore during July 1973—March 1974 was Rs. 173.98 crore during July 1974—March 1975. The disbursement of loans both by PICIC and IDBP for new investment was higher in 1974-75 than in 1973-74. The number of companies declaring dividends as also the percentage of dividends increased significantly.

Trend in Share Prices

The share prices at the Karachi Stock Exchange fared well in the second half of 1974 compared to the first half. The general index which stood at 72.43 in January 1974 declined to 68.55 in June 1974. In the second half of 1974, it declined to 64.17 in September 1974 but registered recovery in the final quarter of 1974. The upturn continued during first half of 1975. The general index rose to 85.53 in April 1975.

Aggregate Market Value

The aggregate market value of shares showed a trend similar to that of general index of share prices. The aggregate market value of shares declined from Rs. 381.02 crore in January 1974 to Rs. 354.61 crore in June 1974. It stood at Rs. 345.23 crore in August 1974. It started increasing in October 1974 and by April 1975 had reached the level of Rs. 454.13 crore.

Turnover of Shares

The total turnover of shares increased to 53.53 lakh during July—December 1974 as compared to 44.88 lakh during January—June 1974, showing a rise of 19.27 per cent. The turnover of shares stood at 26.80 lakh in January 1975, while it showed a slight fall, when it stood at 26.02 lakh shares in February 1975 but increased to 30.01 lakh shares in March 1975. The turnover aggregated 36.52 lakh shares in April 1975.

The monthly turnover of shares, general index of share prices and aggregate market value of shares during January 1974—April 1975 are given in Table 12.1.

Table 12.1

TURNOVER OF SHARES, GENERAL INDEX OF SHARE PRICES AND AGGREGATE MARKET
VALUE OF SHARES DURING JANUARY 1974—APRIL 1975

Year/Month	Volume of turno- ver of shares. (No. in lakh)	Increase/ Decrease	General Index (Base : 1969-70= 100)	Increase/ Decrease	Aggregate Market Value of Shares (Rs. in Crores)	Increase/ Decrease
1974						
January	7.17	—	72.43	—	381.02	—
February .. .	8.61	+1.44	70.91	—1.52	371.18	—9.84
March	8.24	—0.37	68.75	—2.16	354.33	—16.85
April	6.62	—1.62	66.33	—2.42	340.81	—13.52
May	3.19	—3.43	65.01	—1.32	334.24	—6.57
June	11.05	+7.86	68.55	+3.54	354.61	+20.37
July	9.90	—1.15	66.62	—1.93	342.87	—11.74
August	0.97	—8.93	65.96	—0.66	345.23	+2.36
September ..	0.63	—0.34	64.17	—1.79	338.34	—6.89
October	7.10	+6.47	64.48	+0.31	339.47	+1.13
November ..	16.29	+9.19	67.63	+3.15	352.69	+13.22
December ..	18.64	+2.35	69.44	+1.81	366.54	+13.85
1975						
January	26.80	+8.16	77.29	+7.85	417.28	+50.74
February .. .	26.02	—0.78	77.95	+0.66	426.23	+8.95
March	30.01	+3.99	81.13	+3.18	438.17	+11.94
April	36.52	+6.51	85.53	+4.40	454.13	+15.96

Source: State Bank of Pakistan

Note:—The shares in the banking sector have been excluded from the compilation of the turnover of shares, General Index, and Aggregate Market Value of shares since January 1974 following the nationalisation of banks.

Sectoral share prices depicted an overall rising trend during June 1974—April 1975. The general index of share prices by sectors/groups for this period is given in Table 12.2. The share values of all sectors appreciated except "Transport and Communications" which showed decline during the period under review.

Table 12.2
GENERAL INDEX* OF SHARE PRICES BY GROUPS/SUB-GROUPS
(BASE : 1969=70=100)
(JANUARY 1974=APRIL 1975)

S. No.	Groups/Sub : Groups	January 1974	February 1974	March 1974	April 1974	May 1974
1.	Insurance & Finance ..	62.94	61.98	61.14	60.02	58.76
2.	Jute ..	180.39	173.86	178.33	171.12	171.16
3.	Cotton & Other Textiles ..	73.66	72.19	68.55	67.73	65.63
(a)	Cotton Textiles ..	70.72	69.34	65.45	65.56	62.15
(b)	Other Textiles ..	76.59	75.03	71.64	69.91	69.11
4.	Fuel & Power ..	56.90	55.62	53.19	52.85	50.67
5.	Construction & Engineering ..	93.03	92.58	84.67	78.49	78.57
(a)	Cement ..	87.91	88.46	78.77	69.50	69.91
(b)	Others ..	98.15	96.70	90.57	87.48	87.23
6.	Transport & Communications ..	54.62	53.46	53.12	53.09	53.09
7.	Paper & Board ..	80.75	80.08	75.08	74.02	73.32
8.	Tobacco ..	36.33	34.67	32.93	30.38	30.09
9.	Miscellaneous ..	76.69	75.60	75.72	72.41	67.72
(a)	Chemicals ..	68.18	67.40	65.46	61.36	62.11
(b)	Tea ..	74.23	76.45	76.25	78.99	69.27
(c)	Sugar & Allied Industries ..	74.21	70.69	67.34	65.50	64.70
(d)	Others ..	90.15	87.87	93.84	83.88	83.81
GENERAL INDEX ..		72.43	70.91	68.75	66.33	65.01

*Index as on last Fridays of the month.

Note:—The shares in the banking sector have been excluded from the compilation of the index since January 1974 following the nationalisation of banks.

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June, 1974	July, 1974	August, 1974	September, 1974	October, 1974	November, 1974	December, 1974	January, 1975	February, 1975	March, 1975	April 1975
61.43	59.60	58.32	58.90	59.27	60.12	60.35	62.36	64.30	65.09	70.70
184.81	185.14	194.85	190.36	204.97	234.21	240.46	282.02	290.76	337.70	329.77
68.19	65.78	64.34	63.18	63.64	65.91	68.54	74.35	72.37	72.35	78.23
65.57	60.75	59.45	57.35	55.73	59.75	62.86	65.89	63.62	62.87	69.26
70.81	70.80	69.23	69.00	71.55	72.06	74.22	82.81	81.13	81.82	87.20
53.05	53.12	52.33	49.77	51.06	54.32	55.64	64.22	65.36	72.13	71.93
86.76	87.07	86.70	82.95	82.38	90.33	92.78	113.02	120.06	130.22	146.94
79.26	80.26	77.10	73.32	71.54	84.86	81.03	104.27	112.42	116.74	133.75
94.27	93.87	96.30	92.57	93.22	95.80	104.53	121.78	127.71	143.69	160.13
53.09	53.09	53.09	52.62	52.48	51.97	49.11	48.60	49.61	49.29	49.72
78.12	76.30	77.91	75.70	76.01	73.13	79.08	92.94	98.80	99.15	101.08
35.24	33.45	35.59	35.97	36.61	35.74	36.87	44.65	44.57	49.78	54.75
70.17	68.78	68.37	67.26	67.45	69.46	71.58	79.40	79.77	80.88	83.73
64.62	61.83	60.58	58.18	59.38	64.58	64.19	78.27	75.11	79.24	84.42
61.50	62.38	64.36	64.28	63.48	64.86	69.34	73.27	73.93	75.82	78.78
70.33	68.12	66.23	64.71	65.02	64.83	67.64	77.02	81.89	79.40	82.25
84.23	82.80	82.32	81.88	81.90	83.57	85.13	89.04	88.16	89.05	89.46
68.55	66.62	65.96	64.17	64.48	67.63	69.44	77.29	77.95	81.13	85.53

Source : State Bank of Pakistan.

Dividends Declared

During July 1974—March 1975, 77 companies declared dividends ranging between 5 per cent to 35 per cent for the different accounting periods of 1974. This is described in the table below:—

Table 12.3

DIVIDENDS DECLARED BY VARIOUS COMPANIES/CORPORATIONS DURING
JULY 1974—MARCH 1975.

Dividends	No of Companies
Dividends not yet decided	39
Dividend passed over	9
<i>Dividends Declared</i>	
5%—9%	8
10%—14%	25
15%—19%	18
20%—24%	18
25%—29%	4
30%—35%	4
Total	125

Source : I.C.P.

It may be observed that there was a large cluster of dividends in the range between 10 to 20 per cent. Six companies issued bonus shares during the year in addition to dividends.

Promotional Measures

The upward trend in the Stock Market may be attributed to the special measures taken by the Government to encourage and induce more investments. The Budget for 1974-75, initiated various measures to give impetus to private investment. Tax credit of 15—30 per cent was allowed on approved equity investment under various locational assumptions. Financial institutions were provided support to actively participate in the market. Guaranteed return on NTI Units was raised to one rupee and ten paise. In addition, tax exemption was granted to capital gains, and losses were permitted to be set off against future gains. Moreover, the then existing overall exemption limit of Rs. five thousand in respect of income from interest and dividends was removed and the following exemption ceilings were fixed:

- (a) exemption limit for dividend income from the National Investment Trust and the Investment Corporation of Pakistan was increased from Rs. 2,000 to Rs. 10,000.

- (b) exemption limits for other dividends was increased from Rs. 2,000 to Rs. 5,000;
- (c) Interest on securities and debentures continued to be exempt upto Rs. 5000. The interest on compensation bonds issued in lieu of shares of nationalized concerns was also to be treated at par with the interest on securities for the purposes of tax exemption.

Commencement of trading in the compensation bonds, and handsome dividends declared by the nationalised companies had a salutary effect on the stock market.

INVESTMENT CORPORATION OF PAKISTAN

The Investment Corporation of Pakistan was set up in February 1966 to encourage and broaden the base of equity investment and to develop the capital market in the country through underwriting new issues of securities and debentures maintaining investors accounts, floatations of closed-end mutual funds and purchase and sale of shares on the stock market to impart stability to the share values and promote share mindedness among the general public.

Under-Writing Operations

The Investment Corporation of Pakistan received 47 applications for an assistance of Rs. 38.44 crore during July 1974—March 1974 as compared to 65 applications for an amount of Rs. 53.70 crore during July 1973—March 1974.

The Corporation approved 41 applications of public issues and debentures involving an amount of Rs. 13.41 crore during the period under review as compared to 23 cases of Rs. 22.85 crore approved during the corresponding period last year.

The I.C.P.'s commitments in these sanctioned projects amounted to Rs. 3.04 crore during July 1974—March 1975 as compared to Rs. 3.53 crore during the corresponding period last year. Applications numbering 56 for Rs. 53.42 crore as on 31st March 1975, were pending with the Corporation as against 47 applications for an amount of Rs. 31.15 crore as on 31st March 1974.

Investor's Scheme

There were 5721 investment accounts with net deposits of Rs. 6.15 crore as on 31st March, 1975 as against 5971 accounts with net deposit of Rs. 6.33 crore as on 31st March, 1974. The Corporation also provides the facility of margin loans to its account-holders. ICP margin loans amounted to Rs. 4.22 crore as on 31st March 1975 as compared to Rs. 4.86 crore on 31st March, 1974.

Mutual Funds

The Corporation had by the end of March 1975, floated six Mutual Funds with a capital of Rs. 7 crore. All these Funds were heavily oversubscribed by the general public and are listed on the Karachi and Lahore Stock Exchanges. The Corporation has been paying regular dividends to its fund holders in the range of 10—16 per cent. The Corporation has declared 12 per cent interim dividend on all its funds in May 1975. The Corporation floated its 7th Mutual Fund on 15th May 1975 for Rs. 1 crore which was oversubscribed by Rs. 17.43 lakh. The performance of ICP Mutual Funds during July 1974—March 1975 is given in Table 12.4.

Table 12.4
PERFORMANCE OF ICP MUTUAL FUNDS

Name of Fund	(Rs. in lakh)	Rs.	Certificate Traded		Market Price	
			July 73— March 74	July 74— March 75	July 73—March 74	July 74—March 75
			Nos.	Nos.	High	Low
1st ICP Mutual Fund	50.00	100	950	2,930	83.00	48.00
2nd ICP Mutual Fund	150.00	100	6,200	11,285	89.00	43.00
3rd ICP Mutual Fund	200.00	100	9,355	20,605	110.00	52.75
4th ICP Mutual Fund	150.00	100	4,850	14,570	94.25	51.00
5th ICP Mutual Fund	50.00	10	72,000	59,850	13.30	7.60
6th ICP Mutual Fund	100.00	10	2,22,700	2,25,900	12.10	6.50
					103.00	86.00
					105.00	87.00
					105.00	86.50
					105.00	84.75
					10.65	9.70
					9.90	7.70

Source : Investment Corporation of Pakistan.

NATIONAL INVESTMENT (UNIT) TRUST

The National Investment (Unit) Trust was set up in 1962 for mobilization of savings to meet the growing needs of the corporate sector and to achieve broad-based investment to bring about a diffusion of corporate ownership.

Sale of Units

The Units worth Rs. 5.37 crore were sold during July 1974--March 1975 as compared to Rs. 1.52 crore during the corresponding period last year, while the units worth Rs. 3.40 crore were repurchased as compared to Rs. 5.02 crore during the same period last year.

The total number of units outstanding at the end of March 1975 was 4.91 crore valued at Rs. 61.04 crore as compared to 4.32 crore units valued at Rs. 54.40 crore at the end of March 1974.

Unit Prices

The sale and repurchase prices of units were fixed at Rs. 10.80 and Rs. 10.50 respectively, in the beginning of the current year and remained unchanged until the middle of January 1975. Since then, the issue and repurchase price have been increased from time to time and stood at Rs. 11.40 and Rs. 11.10 respectively as on 31st March 1975. The sale and repurchase prices of units at Rs. 10.80 and Rs. 10.50 respectively, have been further guaranteed by the Government until the end of June 1975.

Yield on Units

The return to investors on the basis of the minimum guaranteed dividend of Rs. 1.10 per unit at the sale price of Rs. 10.80 per unit fixed at the beginning of the current financial year works out to about 10.2 per cent per annum.

Investment of Trust Fund

The total investment of Trust Fund in shares and debentures at cost amounted to Rs. 57.62 crore at the end of March 1975 as compared to Rs. 52.86 crore at the end of March 1974.

PAKISTAN INDUSTRIAL CREDIT AND INVESTMENT CORPORATION.

The Pakistan Industrial Credit and Investment Corporation (PICIC) was established in October 1957 to provide finance to the private industrial sector in the form of long or medium term loans in local or foreign currencies or share participation or purchase of debentures and by underwriting any public issue of shares and debentures. It guarantees and counter-guarantees loans and obligations, arranges participation of local and external finance from private and institutional investors, facilitates creation, issue or conversion of capital in any form, and acts as a trustee in this regard. Besides, it helps in the promotion of industries by providing managerial and technical advice to the industrialists. PICIC also aims at broadening the base of industrial ownership in the country and thereby the stock market.

Total loans/guarantees/debentures (net of cancellations/withdrawals) sanctioned by PICIC during July 1974--March 1975 amounted to Rs. 48.53 crore to 28 projects out of which Rs. 42.92 crore were in foreign currency and Rs. 5.61 crore in local currency as compared to Rs. 42.22 crore to 28 projects out of which Rs. 41.68 crore were in foreign currency and Rs. 0.54 crore in local currency during the corresponding period last year.

Bulk of the assistance sanctioned during the period under review was meant for creation of new capacity, i.e. Rs. 44.25 crore out of a total sum of Rs. 48.53

crore. The balance of Rs. 4.28 crore was to be spent on balancing/modernisation/replacement schemes of existing units. During the corresponding period of last year, Rs. 41.14 crore out of a total of Rs. 42.22 crore were sanctioned for the creation of new capacity, and the balance of Rs. 1.08 crore for balancing/modernisation/replacement scheme of existing units. The underwriting of new public issues amounted to Rs. 0.10 crore compared to Rs. 0.13 crore during the corresponding period last year.

PICIC disbursed total loans of Rs. 11.56 crore out of which Rs. 11.43 crore were in foreign currency during 1974—March 1975 compared to Rs. 3.51 crore out of which Rs. 2.99 crore was in foreign currency during the corresponding period last year.

INDUSTRIAL DEVELOPMENT BANK OF PAKISTAN

IDBP was established in 1961 to provide medium and long term credit facilities, particularly, to the small and medium-size industries in the private sector. During the period, July 1974—March 1975, the Bank did not make any investment in the form of debentures or shares purchase.

The volume of financial assistance approved during July 1974—March 1975 amounted to Rs. 25.33 crore as against Rs. 27.63 crore during the corresponding period of the previous year.

During the period July 1974—March 1975 the Bank disbursed loans amounting to Rs. 7.93 crore (Rs. 0.89 crore in local currency and Rs. 7.04 crore in foreign currency) as against the disbursement of loans amounting to Rs. 3.74 crore (Rs. 1.50 crore in local currency and Rs. 2.24 crore in foreign currency) during the corresponding period last year.

NATIONAL DEVELOPMENT FINANCE CORPORATION

National Development Finance Corporation was established by the Federal Government in January 1973. The Corporation started operation in July the same year.

The Corporation has been assigned the responsibility of providing long and medium term loan, working capital finance and other types of financial assistance and advice to enterprises in the public sector. The Corporation is authorised to extend financial assistance to "eligible enterprises", which include the undertakings taken-over or managed by the Federal Government under the Economic Reforms Order, 1972, undertakings which are wholly or partly owned by the Federal Government and any other undertaking declared by the Federal Government to be an eligible enterprise.

During July 1974—March 1975 the Corporation extended financial assistance to the eligible enterprises to the tune of Rs. 18.89 crore including foreign currency loan amounting to Rs. 10.03 crore as compared to the financial assistance of Rs. 6.94 crore in local currency during the corresponding period last year.

During the period July 1974—March 1975 the Corporation disbursed loans amounting to Rs. 2.82 crore in local currency as against the disbursement of loans amounting to Rs. 4.05 crore in local currency during the corresponding period last year.

REGULATORY INSTITUTIONS

Securities and Exchange Authority of Pakistan

The Securities and Exchange Authority of Pakistan regulates the securities market, companies listed on the stock exchange and the insider to protect the interest of the small share-holders.

Regulation of Issuers

The Securities and Exchange Rules, 1971 provide for fuller disclosure of working results of the issuers. Under these rules, every issuer is required to transmit to the shareholders, Stock Exchange and to the Authority annual accounts at least 14 days before the holding of annual general meeting. The form of the annual accounts laid down in the S&E Rules ensures maximum disclosure of vital information for the information of the shareholders. In addition to the annual accounts, every issuer is also required to furnish half yearly accounts to the shareholders to provide them information with the mid-year working results of the establishment.

Regulation of Insiders

The insiders (*i.e.* directors, officers and shareholders holding 10% of shares of the listed companies) are required to file returns and to tender gains made by them through the sale and purchase of securities of the issuers in a six-month period. About 2500 to 3000, returns filed by the directors, officers and 10% holders of shares under Section 14 of the S&E Ordinance, 1969 are scrutinized by this Authority every six-month. Any gain which may have been made during the six-month period resulting from sale and purchase of securities is tendered under the provisions of the rules. The filing of the periodical returns in question, wherein holding of the insider is reflected, serves as a check on the abuse of their position of being insider and using corporate information for making short swing profits.

Company Law Administration

The company law administration was also assigned to SEAP with effect from 1st August 1974. The SEAP has reorganized the entire administration by opening full-fledged offices of Assistant Registrar, Joint Stock Companies at Islamabad and the four provincial capitals. The system of granting registration to Joint Stock Companies has been streamlined and it is being ensured that the registration is granted to the applicant companies expeditiously. Under the new arrangements, the Companies Act is being administered effectively to regulate the companies.

Auditor's reports to the shareholders

The Securities & Exchange Regulations, besides ensuring healthy corporate reportings, have also gone a long way in improving the quality of Auditor's reports to the shareholders.

Controller of Capital Issues

The issue of share requires the sanction by the Controller of Capital Issues in the Finance Division. New issues sanctioned for Pakistan during the period, July 1974—March 1975, amounted to Rs. 173.98 crore as compared to Rs. 79.13 crore during July 1973—March 1974, showing an increase of Rs. 94.85 crore. Of the sanctions, Rs. 122.74 crore related to equities and Rs. 51.24 crore to debentures of the public limited companies. (Table 12.5)

The Province-wise break up of capital sanctioned during July 1974—March 1975, shows that out of Rs. 173.98 crore, an amount of Rs. 109.60 crore was sanctioned for the companies located in the Punjab, Rs. 60.11 crore for Sind, Rs. 3.58 crore for N.W.F.P., Rs. 0.45 crore for Azad Kashmir and Rs. 0.25 crore for Northern Areas. The sanction for issue of capital was given to 91 companies comprising 81 industrial and 10 non-industrial companies. (Table 12.6)

Table 12.5
SANCTIONS FOR ISSUE OF CAPITAL BY PUBLIC AND PRIVATE COMPANIES
(JULY 1970—MARCH 1971 TO JULY 1974—MARCH 1975)

Period	(Rs. in lakh)											
	Public Companies						Private Companies					
	Capital Sanctioned by Public Companies						Capital Sanctioned by Private Companies					
	Classification of Public and Private Companies (number)						Total					
	Industrial	Commercial	Financial	Others	Total	Debt-equity	Equity	Debt-equity	Equity	Total	Debt-equity	Public and Private Companies 9+12
1	2	3	4	5	6	7	8	9	10	11	12	13
July 1970	79	4	8	6	97	3200.38	2481.20	5681.58	329.43	--	329.43	6011.01
March 1971	..	..	..	..	..	..	..	..	..	..	..	..
July 1971	46	2	8	3	59	1866.79	1582.00	3448.79	33.99	--	33.99	3482.78
March 1972	..	..	..	..	..	..	..	..	..	..	..	..
July 1972	33	1	5	3	42	1088.90	2526.33	3615.23	41.37	--	41.37	3656.60
March 1973	..	..	..	..	..	..	..	..	..	..	..	..
July 1973	69	3	4	4	80	3858.74	2514.56	6373.30	80.16	1460.00	1540.16	7913.46
March 1974	..	..	..	..	..	..	..	..	..	..	..	..
July 1974	81	3	3	4	91	4754.67	5080.80	9835.47	7519.95	43.00	7562.95	17398.42
March 1975	..	..	..	..	..	..	..	..	..	..	..	..

Source : Investment and Capital Issues Wing, Finance Division.

Table 12.6
PROVINCE/REGION-WISE SANCTIONS FOR ISSUE OF CAPITAL BY INDUSTRIAL AND
NON-INDUSTRIAL COMPANIES (JULY 1974-MARCH 1975)

Province/Regions	Industrial (a)			Non-Industrial (b)			Grand Total (a+b)		
	No. of companies	Equity (a)	Deben- tures, (b)	Total (a+b)	No. of companies	Equity (a)	Deben- tures, (b)	Total (a+b)	Total (a+b)
Punjab ..	35	8139.80	412.00	8551.80	3	—	2408.00	2408.00	10959.80
Sind ..	37	3638.82	322.00	3960.82	6	150.00	1900.00	2050.00	6010.82
N.W.F.P.	8	276.00	81.80	357.80	—	—	—	—	357.80
Baluchistan ..	—	—	—	—	—	—	—	—	—
Azad Kashmir ..	1	45.00	—	45.00	—	—	—	—	45.00
Northern Areas ..	—	—	—	—	1	25.00	—	25.00	25.00
TOTAL..	81	12099.62	815.80	12915.42	10	175.00	4308.00	4483.00	17398.42

Source : Investment and Capital Issues Wing, Finance Division.

Chapter 13

TRANSPORT AND COMMUNICATIONS.

A reliable and fast transport and communication system is an essential prerequisite for efficient production, distribution and administration. While the demand for expansion of this sector generally derives from the needs of other sectors of the economy, the programme in this sector must look beyond current needs and make careful and realistic projections of transport requirements in advance. During 1973-74, Rs. 240.1 crore were spent in the public and semi-public sectors on transport and communications as against an expenditure of Rs. 94.2 crore in 1972-73. In the Annual Plan for 1974-75, a total provision of Rs. 311.7 crore, both public and semi-public, was made for this sector. However, the inadequacy of transport and communications persists. Consequent upon the growth in output and increased economic activity, structural changes taking place in the economy are exerting a severe pressure on the transportation system, the development of which has lagged considerably behind other sectors, increased financial allocations notwithstanding.

PAKISTAN RAILWAYS

Pakistan Railways, which at present has a route mileage of 5,475.03 miles, and owns 992 locomotives, 3,174 coaching vehicles and 37,256 freight wagons, is still faced with a back log of replacements and its capacity to handle additional traffic is limited. Sustained efforts, however, are being made to quicken the pace of replacement of the old and worn out assets, increase the operational efficiency by modernising the existing equipment and removing bottlenecks and streamlining certain operational techniques and practices.

The Railways, in spite of the development and growth of other modes of transport, remains the main carrier of traffic, both passenger and goods. With the quickening of the pace of economic development, particularly after 1971-72 the inadequacy of the Railways to handle additional traffic being generated became more manifest. The Government, therefore, launched a crash programme in January 1974 to remove the operational bottlenecks.

The Crash Programme aims at increasing the transport capacity from Karachi port area by 30 per cent in a little over two years. This programme includes procurement of 68 diesel electric locomotives, 300 tank wagons and some important signalling and line capacity works, in addition to expediting the completion of two major projects—Pipri Marshalling Yard and doubling of track on Indus at Kotri. The total cost of the Crash Programme (other than two aforementioned projects) is estimated at Rs. 46.84 crore, of which Rs. 33.66 crore will be required in foreign exchange, mostly for the locomotives.

Total development expenditure for 1974-75 was budgeted at Rs. 77.0 crore, an increase of Rs. 62.41 crore over the revised estimates for 1973-74. The foreign exchange component of the programme was estimated at Rs. 44.56 crore.

A shop having facilities to manufacture spares of diesel electric locomotives has been installed and has gone into production. Works relating to the provision of public and passenger amenities were progressing satisfactorily and more platform shelters, passenger platforms, and water coolers were provided at different stations. A number of surveys for new railway lines have also been completed.

The work of rehabilitation and improvement of track of Karachi-Lalamusa main line has made further progress. About 750 miles of track on this section had been renewed upto October 1974. Progress has also been made on works relating to the introduction of all relay interlocking, automatic block signalling, track-circuiting and remodelling of yards.

Progress of some of the main on-going schemes included in the development programme of 1974-75 is as under:—

Islamabad Spur rail link

In Phase I, the project will be completed upto Dhok Zakir for industrial purposes and in phase II, it will be extended upto Islamabad station. The project is scheduled to be completed by 1978.

Kot Adu-Dera Ghazi Khan-Kashmor rail link

The standard of the line, which has since been completed excepting some minor works and opened to passenger traffic, is being raised to that of a main line.

Rolling Stock

During the period under review, 52 passenger coaches and 77 wagons were manufactured and placed on the line and 100 tank wagons were modernised. Of 68 diesel electric locomotives ordered under the crash programme 40 are expected to be received by 30th June 1975 and the balance in July 1975.

Doubling of track

The project designed to increase railways capacity on Karachi-Lodhran-Lahore main line to overcome operating difficulty is expected to be completed in 1977 at the anticipated cost of Rs. 6.92 crore with a foreign exchange component of Rs. 2.91 crore.

Provision of terminal facilities at Karachi Cantt.

In order to meet the growing demand of rising population and heavy industrialisation around Karachi, the number of trains originating from and terminating at Karachi is expected to go up considerably during the next few years. The existing facilities both at Karachi Cantt and Karachi City stations are inadequate to deal efficiently with the through and suburban traffic. As additional space is not available for further expansion it has become necessary to provide a new terminal station at Karachi Cantt. The project which will include laying of an entirely new yard with ancillary inspection and maintenance facilities is estimated to cost Rs. 11.3 crore.

Mechanised Marshalling Yard at Pipri

A new mechanised marshalling yard at Pipri is being built. In the first phase, the yard will handle about 2,500 wagons per day and its capacity can be increased to 5,000 wagons per day as and when the need arises. The total cost of the project is Rs. 19.35 crore with a foreign exchange component of Rs. 8.29 crore.

ROADS

The Annual Development Programme for 1974-75 made a provision of Rs. 22.38 crore for the Centre, Rs. 28.00 crore for the Punjab, Rs. 16.29 crore for roads in Sind, Rs. 7.92 crore for roads in NWFP and Rs. 4.90 crore for roads in Baluchistan.

The Central Roads Organisation completed Jhelum-Pind Dadan Khan Road and Road Bridge over Hub River during 1974-75. For other projects, the progress achieved and financial provisions made are as follows:

Indus Highway Phase I

In the Punjab section, the scheme consists of two projects i.e. completion of Rajanpur-Kashmor Road section and provision of bridge over Sanghar Nullah. The project for construction of road in Rajanpur-Kashmor section is estimated to cost Rs. 159 lakh. The work is in advanced stage of progress as bridges and culverts have been completed totalling 6½ miles and work on the bridge over Shori Nullah has been completed to the extent of 92 per cent and over Desert Canal about 40 per cent.

As regards Sanghar Nullah, an amount of Rs. 50 lakh was released during 1974-75. The revised cost of the project is Rs. 2.42 crore. The Provincial Government have already taken up the construction work on the project.

In the NWFP section, phase I of the project aimed at widening and improvement of the road at an estimated cost of Rs. 46.81 lakh, out of which Rs. 35 lakh was released in 1973-74 and Rs. 5.3 lakh in 1974-75. The work is in progress.

Duplicating road over bridge at Drigh Road

The total cost of this scheme is Rs. 1.55 crore out of which Rs. 60 lakh were to be borne by the Pakistan Railways and Rs. 95 lakh by the Ministry of Communications. An amount of Rs. 95 lakh was released during 1974-75.

Bridge at Nowshera across Kabul River

The cost of the project was revised from Rs. 99.51 lakh to Rs. 2.51 crore and to finance preliminary works an amount of Rs. 22.50 lakh was released during 1974-75.

Bridge at Attock across Indus River

The NWFP Government has appointed consulting engineers for the project. Preliminary design of the project has been completed. Negotiations are in progress with NESPAK for a supplementary agreement for the project. Tenders for sub-soil investigation are being evaluated by NESPAK. Model studies for the project are in progress at Hydraulic Research Station at Nandipur, which are expected to be completed by June 1975.

Other Road Projects

Funds were provided during 1974-75 for (i) Road from Kawai to Naran—Rs. 1.94 lakh, (ii) Construction of Warrar to Darora bridges and Chitral-Mastuj Road—Rs. 12.07 lakh, (iii) Reconstruction of miles 41—45 Saidu Kalam Road—Rs. 2.19 lakh and (iv) Reconstruction of road from Naran to Battakundi—Rs. 19.85 lakh.

During 1974-75, an amount of Rs. 14.88 lakh was released for black topping of road from Balakot to Kaghan and an amount of Rs. 9.30 lakh for reconstruction of Warrar to Darora bridges and Chitral-Mastuj Road.

R.C.D. Highway—Baratagzai-Taftan Section

The project is being executed with the financial assistance of the Federal Government. As regards the progress of work on the section from Baratagzai to Nowkundi earth work has been completed, 45 miles have been black-topped and work on remaining portion is in progress. Work on the first 10 miles of road section from Nowkundi to Taftan is in progress.

Road from Zargari to Ghiljo

An amount of Rs. 23.39 lakh was released upto June 1974 and another amount of Rs. 7.80 lakh was released in February 1975. Actual work on this road portion was taken up in May 1973. Considerable earth and masonry works have been completed on different portions. Work on retaining walls is in progress.

Road from Yusuf Khel to Nawagai

An amount of Rs. 17.77 lakh was released upto June 1974 and Rs. 11.70 lakh during 1974-75. As regards physical progress, first three miles have been completed and are open for traffic; earth work from 90 per cent to 95 per cent on miles 7 to 13 and 30 per cent on miles 13 to 18 has also been completed. The work of layer and surface treatment is in progress on other parts.

An amount of Rs. 5.18 lakh was released during 1974-75 for roads in Gilgit and Northern areas.

Punjab Road Transport Board

The Punjab Road Transport Board finances its development schemes/Programmes from its own revenues and no allocations are made by the Government. The Board placed contracts for the purchase of 1,852 buses with spare parts in the year 1972-73. The total financial requirement for this project was estimated at Rs. 22.22 crore. Out of this contract, 88 chassis were received during 1972-73—1,136 chassis during 1973-74 and 322 chassis during 1974-75 (upto the end of March) bringing the total to 1,546. The Board planned to procure another 1,550 chassis during 1974-75 at an estimated cost of Rs. 29.95 crore to cover the cost of chassis, spare parts and bus bodies from within the country through the Board of Industrial Management (BIM).

Contracts for the purchase of 840 chassis have since been signed. Letter of Intent of purchase of 200 Bedfords has also been issued and formal agreement will be signed shortly. The purchase of remaining 510 chassis is in advanced stages and expected to be finalized shortly. Out of the above contracts, the Board received 100 chassis during 1974-75 (upto end March).

The Board accelerated the body fabrication work during 1974-75. During the first nine months of 1974-75, 650 bus bodies were fabricated, against 588 in the whole of 1973-74, and 18 only in 1972-73. The fabricated buses were put on the intra-city and inter-city operations in the province.

PORTS AND SHIPPING

Karachi Port

In the Annual Plan for 1974-75, Rs. 10.5 crore were provided for the development of Karachi Port as against the estimated expenditure of Rs. 6.23 crore in 1973-74 and Rs. 5.18 crore in 1972-73. By the end of March 1975, Rs. 3.41 crore were spent. Schemes relating to replacement and purchase of craft and equipment and mechanisation and modernisation of cargo handling equipment have progressed satisfactorily.

Second Project for Karachi Port: Work on the second project of the port has been completed substantially. Schemes relating to new oil berth, strengthening and rehabilitation of Manora Breakwater, construction of additional berth No. 22—24 West Wharves and reconstruction of berths 1—4 East Wharves have been completed. Significant progress has also been made on the widening and deepening of the existing navigable channel scheme. A long term Master Plan for the development of the Port has also been prepared.

Third Project: The project, being financed from an IDA credit comprises three schemes and engineering/economic studies for the further expansion of the port facilities. The engineering and economic studies for the expansion of dry and oil cargo handling facilities have been completed. Preliminary works relating to the three schemes viz. construction of Quay structure and transit shed for the four shipping berths at Juna Bunder, reconstruction of the N.M. Road bridge and remodelling of the Karachi Port west railway and storage yard (M.L. Yard) have also been taken in hand.

Fourth Project: This project is also being financed from an IDA credit and consists of three schemes viz. (i) construction of a 75,000 D.W.T. oil tanker berth, (ii) deepening of the External Access Channel and Lower Harbour and (iii) procurement of a 2,000 cubic metre Trailing Suction Hopper Dredger. Preliminary works relating to these schemes have been initiated.

Port Qasim

All the seaborne trade of the country and some transit trade of Afghanistan passes through the port of Karachi. The traffic handled by the port which was only 28 lakh tons in 1947 had touched the one and a half crore ton figure by 1973-74. In order to expand the port facilities in the country the Government commissioned a number of studies to locate a suitable site for a second port. After detailed hydrographic and hydraulic investigations and studies by foreign experts it was recommended that there was deep water in Phitti Creek, about twelve miles south of Karachi, where a second port could be established.

The Government of Pakistan accepted this recommendation and decided to build a deep water port at this site. Eventually, the Port Qasim Authority Act, 1973 came into force on June 29, 1973 for making all arrangements for the planning, development and management of the Port Mohammad Bin Qasim.

Port Qasim is located conveniently both for domestic and international transportation. During 1974-75, Rs. 10 crore were allocated for preliminary works connected with the establishment of the port.

Shipping

With the promulgation of the Pakistan Maritime Shipping (Regulation and Control) Ordinance 1974, (Ordinance III of 1974), the management of the shipping companies was taken over by the Federal Government, with effect from January 1, 1974.

To manage and direct the affairs of these companies, two Boards of Management, the National Shipping Corporation Board for the NSC, and the Pakistan Shipping Corporation Board for the other companies were set up. The Federal Government, including the government controlled institutions, already held controlling shares of the National Shipping Corporation. The acquisition of shares and proprietary interests of the other shipping companies is taking place.

More than 90 per cent of Pakistan's trade is seaborne, but only a small fraction is at present lifted by the national fleet. Between 1971-72 and 1973-74 the average annual lifting of Pak flag vessels was about 10 per cent. The present fleet is composed of 52 ships, out of which 25 are owned by the National Shipping Corporation and 27 by others.

The Pakistan fleet at present plies on the following routes:

1. Liner
UK|Continent.
U.S.A.|Canada
Far East
2. Non-Liner.
Persian Gulf|Red Sea.
Adriatic|Mediterranean.
3. Seasonal.
Red Sea.

Besides, the Pakistan flag vessels are also engaged in tramp trade and international cross trades.

Pakistan is a member of the India-Pakistan Conference, Japan-India-Pakistan-Gulf/Japan Conference and RCD Shipping Services, which cover U. K. Continent, Far East and U.S. (East Coast) routes. There is no regular service on the Adriatic-Mediterranean and Persian Gulf-Red Sea routes, and vessels are occasionally put on these routes according to trade requirements. The seasonal trade on Red Sea route refers to the pilgrims movement to Saudi-Arabia during Haj season, which is a regular feature.

By 1979-80 the amount of Pakistan's seaborne trade is likely to rise to 2.56 crore tons (general cargo 38.6 lakh tons, bulk cargo 1.32 crore tons and petroleum 85.7 lakh tons). To lift 40 per cent of this trade, the tonnage requirement works out as under :

	Ships
(a) General Cargo	104
(b) Bulk Cargo	31
(c) Oil tankers	3
(d) Coasters	4

In addition, 7 passenger ships will be needed for pilgrim traffic with an annual target of 60,000 passengers. Taking into consideration the available number of ships (52) and the replacements to be made during the Plan period (19 ships), the net requirement comes to 116 ships. As expansion of this magnitude would not be possible due to limitation of financing, manpower and organisation, and port infrastructure, the requirement has been curtailed to 33 ships, as detailed below :

	Ships
(a) General Cargo	20
(b) Bulk Cargo	8
(c) Oil tankers	3
(d) Coasters	2

The total cost of these ships has been estimated at Rs. 411 crore. With the addition of 33 ships the fleet would become capable of lifting about 25 per cent of the cargo on an overall basis.

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

Significant recovery and progress made in the operational activities of the Pakistan International Airlines Corporation during 1973-74 was further consolidated during the period under review. During the first nine months of 1974-75 (July-March) the profit amounted to Rs. 471.70 lakh as against Rs. 111.29 lakh in the corresponding period of 1973-74, an increase of about 324 per cent. The operating results of the Pakistan International Airlines (PIA) from 1971-72 to 1974-75 can be seen from Table 13.1.

Table 13.1

OPERATIONAL ACTIVITIES OF PIA 1971-75

	1971-72	1972-73	1973-74	July-March	
				1973-74	1974-75
(i) Available Tonne Kilo-meters (000)	420,170	363,568	429,400	300,891	483,707
(ii) Revenue Tonne Kilo-meters (000)	226,540	184,020	215,389	158,075	231,235
(iii) Available Seat Kilo-meters (000)	2,825,139	2,395,447	2,926,276	2,111,606	2,645,130
(iv) Revenue Passenger Kilo-meters (000)	1,592,625	1,360,714	1,593,558	1,200,370	1,615,272
(v) Weight Loadfactor (per centage)	53.9	50.6	50.2	52.5	47.8
(vi) Passenger Loadfactor (Percentage)	56.4	56.8	54.6	56.8	61.07
(vii) Passengers Carried (000)	880	698	925	679	882

Steady growth in traffic and capacity was maintained. PIA carried more than 18,000 Pakistan Pilgrims from Karachi to Jeddah during 1974-75 as against only 6,000 Hajis transported last year. Arrangements were made to divert London-Karachi flights to touch down at Jeddah enabling Pakistanis in the United Kingdom to perform Haj. PIA capacity on March 31, 1975 as compared to that of March 1974 increased by 61 per cent overall. The number of passenger seats offered for sale increased by 25 per cent and the cargo capacity by 199 per cent from 12.1 crore Available Tonne Kilometers during July 1973-March 1974, to 36.2 crore Available Tonne Kilometers during July 1974-March 1975. This additional passenger capacity was deployed primarily on domestic and the Gulf routes and cargo capacity on all international routes.

Based on actual performance during the first nine months of the year and estimates for the remaining three months of the year, PIA's capacity would increase by 60 per cent in 1974-75 as compared to the previous year. The combined passenger and cargo traffic is estimated to be 50 per cent higher than in the previous year. This rate of growth is the highest ever recorded in the history of PIA. Total number of passengers carried in 1974-75 is expected to be 12 lakh which is 70 per cent higher than the number carried in 1972-73, the first full year after the separation of East Pakistan. These results are all the more gratifying as these have been achieved during what has been a period of crisis for the air transport industry. The growth rate of IATA Airlines combined has been almost zero in 1973-74.

In order to provide additional capacity on some of the major domestic routes, Boeing services were introduced for Quetta, Lyallpur and Peshawar with effect from September 15, 1974. Additional Fokker F-27 services were also introduced between Lahore-Rawalpindi, Peshawar-Chitral, Rawalpindi-Skardu and Karachi-Mekran Coast.

To cater to the specific requirements of the northern area, the Airline has leased a C-130 aircraft from Pakistan Air Force.

Three Boeing services are being operated a week each way on Karachi—Quetta—Lahore route, three on the Karachi—Quetta—Rawalpindi route and one weekly service from Karachi to Quetta and back. There are five services a week on the Karachi—Lyallpur—Karachi route and three Boeing services a week on the Karachi—Lahore—Peshawar route.

Boeing services between Karachi and Lahore have been increased from 21 to 27 a week each way including three flights through Quetta and three flights to Peshawar via Lahore. The Boeing flights between Karachi and Rawalpindi have been increased from 14 to 19 a week including the three services through Quetta and four DC 10-30 flights a week between Karachi and Rawalpindi.

Fokker Services between Lahore and Rawalpindi have been increased from 35 to 46 a week, between Lahore and Multan from 11 to 14 a week, between Karachi and Pasni from four to six a week, between Karachi and Moenjodaro from three to five a week and between Rawalpindi—Lyallpur from nil to three flights a week.

The service from Karachi to Moenjodaro has been extended to Multan providing connection between Moenjodaro and Multan.

Realising the increasing demand for cargo traffic, an all freighter service by Boeing 707 aircraft was also added during this period. Copenhagen and Tripoli were added to PIA international network during 1974-75.

The status of PIA fleet as on March 31, 1975 is given below :

Type of Aircraft	No of aircraft
1. DC-10-30	3
2. Boeing 707-320C	6
(i) In Fleet	2
(ii) On Lease	4
3. Boeing 720B	4
(i) In Fleet	2
(ii) On Lease	2
4. Fokker F-27	6
(i) In Fleet	2
(ii) On Lease	4

Cooperation with other Airlines

PIA has extended technical cooperation and training facilities to Iraqi Airways and will carry out repair and overhaul of its Boeing engines. Three agreements, covering various aspects of cooperation between the two airlines, have been finalised. An air service agreement with Tunisia has also been signed.

PIA signed an agreement with the Agha Khan in July 1974 for the development of hotels and other tourist infra-structure facilities in the northern areas and various towns in Pakistan in cooperation with Industrial Promotion Services (IPS), Switzerland. The work on this cooperative venture is proceeding apace.

Development Programme

The revised estimate of PIA's development expenditure for 1974-75 amounts to Rs. 34.05 crore which consists of the following projects:—

Project	Revised Allocation for 1974-75 (crore Rs.)
1. Wide-bodied aircraft hangar, supporting workshops and facilities..	1.01
2. Purchase of three medium long-range wide-bodied aircraft (DC-10-30) ..	26.04
3. Purchase of three Boeing 720B aircraft (second hand)	7.00

PIA has been able to complete two projects namely, (1) purchase of three 720B medium long-range wide-bodied aircraft and (2) purchase of three 720B aircraft (second-hand) during 1974-75. In addition, preliminary work has already been started on the wide-bodied aircraft hangar, supporting workshops and facilities and by June 1975, order was expected to be placed for major parts of the equipments costing about Rs. 1.0 crore.

A French Consultant firm has also been engaged to prepare a detailed feasibility study for the construction of new cargo terminal building at Karachi Airport.

POST OFFICES

The programme for post offices included opening of 600 new post offices, construction of Post Office buildings, residential quarters and the office building for the Director General at Islamabad. During the first nine months of 1974-75 (July—March) 400 new post offices were opened bringing the total number of Post Offices to 8,549 as on March 31, 1975.

TELECOMMUNICATIONS

The Telegraph and Telephones Department was allocated Rs. 30 crore for its development schemes during 1974-75 as against an expenditure of Rs. 17.50 crore made during 1973-74. The programme, among others, included:

- (i) Installation of 30,000 new exchange line units.
- (ii) Completion of Karachi—Rawalpindi and Rawalpindi—Lahore Microwave system.
- (iii) Completion of Carrier on Coaxial cable system Rawalpindi—Peshawar, Gujranwala—Sialkot and Nowshera—Mardan routes.
- (iv) Nationwide dialling network; and
- (v) Satellite earth station at Karachi.

Upto the end of March 1975, Rs. 22.0 crore were spent and during the period 16,815 line units were installed and the Rawalpindi—Lahore microwave system and co-axial cable system between Rawalpindi—Peshawar, Gujranwala—Sialkot were completed. Satisfactory progress was also made on the network relating to other schemes. During the period under review 30 automatic/manual exchanges with different line capacity were opened/expanded and the total number of telephones which stood at 2,04,354 at the end of June 1974 was increased to 2,21,000 at the end of March 1975.

Long Distance Trunk Services and Carrier Systems.—Additional trunk positions were provided at Thatta (2 positions) and Shahdadpur and Mingora (1 position each). Carrier telephone system were installed/expanded between 16 stations.

Tele-communications Facilities to Rural Areas.—Tele-communications facilities to rural areas were extended further and 34 new public call offices were opened during the period.

Telegraph Service.—V.F. Telegraph systems at Jacobabad—Kashmor (6 channels) and Sukkur—Jacobabad with additional 6 channels capacity and Lahore—Rawalpindi, Islamabad—Karachi, Rawalpindi—Campbellpur and Sargodha—Sukkur with 3 channels capacity each were provided during the period under review.

International Speech Telegraph Circuits.—An additional speech circuit on satellite communications was opened with Hong Kong. Two speech satellite circuits were added to work from Rawalpindi to London and five speech satellite circuits were added between Karachi and Bahrain to work with Abu Dhabi, Dubai and other UAE states. Karachi—Nairobi and Karachi—Paris circuits have also been converted to work on satellite. At present the total speech circuits comprise 34 satellite circuits, 6 microwave circuits and 14 HF R/T circuits. The total number of International Telegraph and Telex links include 55 satellite links, 15 HF TOR and over R/T and 4 over microwave.

Subscribers Trunk Dialling (STD).—Besides effecting improvement in the existing service, the STD system was extended to more cities. New routes were introduced between Rawalpindi—Multan and Rawalpindi—Sargodha (16 channels each) between Peshawar—Karachi and Peshawar—Lahore (24 channels each) between Quetta—Sukkur (20 channels). Twenty seven additional channels between Rawalpindi—Karachi and 36 additional channels between Rawalpindi—Peshawar were also provided.

PAKISTAN BROADCASTING CORPORATION

Radio is being used for stimulating public awareness and in supplementing formal education through programmes like school broadcasts, college/university magazine, youth and farm forums, adult literacy programmes and broadcasts of Arabic lessons. At present the total number of licensed sets in the country is estimated at 13 lakh and broadcasts by the Pakistan Broadcasting Corporation cover 90 per cent of population and 60 per cent of the area.

Radio Pakistan has been converted into a statutory corporation with a view to ensuring effective operation and growth of broadcasting as a function-oriented public service medium. The programmes were reorganised and reoriented and audience participating programmes and out-side broadcasts have been increased. The language of the programmes has also been made simple and the treatment and presentation more direct and attractive so that they fall within the comprehension of a vast majority of the listeners. Programmes in the regional languages have been increased substantially.

Special stress was laid on programmes intended to promote national integration and to discourage parochial prejudices, and on programmes directed to workers and labourers and farmers and peasants.

During 1974-75, Rs. 6.48 crore, with a foreign exchange component of Rs. 83 lakh, were provided for meeting the development requirements of the Pakistan Broadcasting Corporation. The bulk of the expenditure related to the construction/completion of National Broadcasting House, Islamabad, 1,000 KW MW transmitter for Islamabad and 300 KW MW transmitter for Peshawar. Upto March 1975, Rs. 4.3 crore were spent and the progress was according to the schedule.

TELEVISION

Television service, which was first introduced in the country in 1964, is being provided by the Pakistan Television Corporation, a public limited company run on commercial lines. By the end of 1971, the country had one full-fledged television centre at Karachi and one pilot centre each, at Lahore and Rawalpindi/Islamabad.

Since 1971, the development programme of the Corporation has been accelerated considerably. The Corporation commissioned its second full-fledged and most modern television centre at Lahore on December 21, 1972. This Centre has 5 KW transmitter with a transmitting range of first grade signals upto a radius of 45 miles. Signals of second grade quality, however, can be watched upto a radius of 60 to 70 miles. In the middle of 1973, the Corporation also commissioned three rebroadcast centres each with 10 KW transmitter at Cherat, Sakesar and Thana Bulla Khan covering an area of 70, 100 and 60 miles radius, respectively. Two pilot television centres, Quetta and Peshawar were also established by the end of 1974 on a crash programme basis. Another rebroadcast centre of a 10 KW transmitter at Shuja Abad started test transmission from March 23, 1975. The transmitter has a viewing range of about 60 miles radius. The Telegraph and Telephones Department have since completed a microwave link for television connecting Karachi, Lahore and Rawalpindi Television Centres. With the establishment of this link, all the Television and Rebroadcast Centres except Quetta have been placed on a national TV network.

At present 60 per cent of the population and 35 per cent of the area of the country is being covered by TV signals.

Chapter 14

SOCIO-ECONOMIC REFORMS

Socio-economic reforms were carried out by the present Government within a concentrated span of time immediately after assuming office in December 1971. The reforms were conceived in the light of the People's Party manifesto and in line with the mandate given by the people in the elections. While the phase of rapid introduction of reforms was completed within a limited period, their implementation, consolidation and assimilation in the growth process is a continuing function. This chapter briefly recapitulates the basic features of various reforms with an emphasis on the progress made in each sub-sector during this year.

LAND REFORMS

One of the most important measures taken by the Government was land reforms introduced in March 1972 which aimed at breaking the hold of the feudal lords over rural masses. This was done by slashing down the ceiling on individual holdings drastically by two-thirds from 36,000 to 12,000 produce index units (P.I.Us). All lavish concessions previously allowed such as additional retention of 150 acres as orchards, gift of land upto 18,000 P.I.Us to family dependents, exemptions allowed in case of *Shikargahs*, *Waqfs*, stud farms etc. were done away with. All land in excess of the ceiling was resumed by the State without compensation for free re-distribution among the landless or small tenants. The only concession allowed was for retention of area upto 2,000 P.I.Us. if the owner had adopted modern techniques of agricultural production by purchasing tractors and installing tubewells on his land on or before December 20, 1971. Further, for facilitating consolidation of land, persons affected were permitted to inter-change land with their family members.

Upto March 31, 1975 the number of owners who filed declarations of land holdings was 10,265 for a total area of 19.67 lakh acres. The area allowed to be retained with the owners was 10.74 lakh acres, and 8.92 lakh acres were resumed by the Government. Out of the total resumed land, 4.32 lakh acres were distributed among 53,458 small farmers/tenants, each getting an area equal to a subsistence holding. The table below shows the province-wise progress of the resumption of land and its redistribution among small farmers/tenants.

Table 14.1
PROGRESS OF LAND REFORMS UNDER MARTIAL LAW REGULATIONS UPTO
MARCH 31, 1975

Particulars	(Area in lakh acres)				
	Punjab	Sind	NWFP	Baluchis- tan	Total
MLR 115 of 1972					
No. of owners who filed declarations	6,143	2,981	670	471	10,265
No. of owners whose area was resumed	1,013	751	229	238	2,231
Total area owned by affected declarants	6.53	5.36	2.82	4.96	19.67
Total area retained by declarants	3.95	2.81	1.47	2.51	10.74
Total area resumed from declarants	2.58	2.55	1.34	2.45	8.92
Total area disposed of	1.64	1.16	1.25	0.27	4.32
No. of small farmers/tenants allotted land	31,545	10,388	9,429	2,096	53,458
MLR 117 of 1972					
Pat Feeder Land Areas Resumed	—	—	—	6.05	6.05

Under the 1972 land reforms, for the first time the tenant was given the right of pre-emption in respect of land in his tenancy. Steps were also taken to publicise widely the rights of tenants as enunciated in the reforms through various media to raise the level of their consciousness.

LABOUR REFORMS

The Government has shown great concern to promote the interest of workers and to save them from capitalist exploitation. The labour reforms introduced from time to time seek to guarantee freedom of association and collective bargaining and provide for greater security of service, participation in management besides a number of financial benefits. The new Labour Policy attempts at creating a climate of social justice and mutually beneficial cooperation between workers and employers.

Industrial Relations

Major reforms have been introduced in the law of industrial relations in the country. Trade unions have been allowed freedom to work. Restrictions on their registration do not exist any more.

Workers of those factories where 50 or more workers are employed have been allowed participation in management to the extent of 20 per cent at the factory level. Management can take no decision without the advice in writing of the workers' representatives on the Management Committee in the matters of framing of service rules and policy about promotion and discipline, changing physical working conditions in the factory, in-service training of workers and recreation and welfare facilities.

The collective bargaining agents in such factories can also seek the audit of the accounts of the factory once after the closing of the accounting year of the establishment.

Trade unions have been given legal protection. A trade union officer cannot be transferred during the pendency of union's application for registration. Similarly, the transfer of an officer of a trade union with a motive to victimize him has been made an unfair labour practice. As a result of the efforts of the Government, trade union formation has increased considerably. At the end of December 1974 the number of trade unions was 7,172 with a total membership of 7,41,174.

Several new institutions have been created to promote industrial democracy. The institution of Shop Stewards has been re-introduced. The institution of works council which existed in the form of Workers Committees has been revitalised. National Industrial Relations Commission has been created to promote the formation of trade unions at national level and to adjudicate industrial disputes relating to industry-wise trade unions or federation of such trade unions. The Commission also registers industry-wise trade unions and deals with cases of unfair labour practices. It is also authorised to determine Collective Bargaining Unit for large establishments spreading over more than one province on a reference made by the Government or on the application of trade unions.

Steps have also been taken to eliminate the procedural delays. Time limits have been fixed for disposal of matters relating to industrial relations. An application for the registration of a trade union for instance must be disposed of within 15 days, a grievance before a Junior Labour Court within seven days and a case before a labour court within 30 days.

The West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance, 1968.

The scope of this law has been extended by making it applicable to the establishments of contractors as well as to the industrial and commercial establishments employing 20 or more workers to whom certain selective benefits like that of bonus, holidays with pay and security of service have been extended.

In case of profits, a bonus equal to one month's wages or 30 per cent of the profits, whichever is less, shall be given to the workers. This is, however, in addition to the bonus payable under any agreement, settlement or award.

Workers are to be insured for contingencies not covered by the Workmen's Compensation Act, 1923 and Social Security Ordinance, 1965. This includes death (including natural death) and injury outside duty hours. Payment of premia is made by the employer. The amount of life insurance of a worker shall not be less than the amount of compensation payable under the Workmen's Compensation Act, 1923.

Previously, the employers were entitled to lay off their workers in case of fire or natural calamities for upto 14 days and the workers were paid lay-off benefits in such cases. These benefits will now be paid for all kinds and reasons of lay off and 50 per cent of the wages during the entire period of 14 days unlike the past when during the first week, half wages and during the second, one third of the wages were paid.

Gratuity was admissible to permanent workers at the rate of 15 days' wages for every completed year of service. It has now been enhanced to 20 days' wages for every completed year of service. For piece rate workers, gratuity is to be calculated at the rate of highest wages drawn in a year. In other cases, any average of the last three months' pay is to be taken as wages for the purpose.

Major reforms have been made in the matter of security of service to the workers. The employers previously could terminate the services of any workman after giving a notice of one month or pay in lieu thereof. This was obviously used as a tool for mass victimization of workers. Unlike the past, the employers are now bound to give the appointment, transfer or promotion orders to the workers in writing and the services of workmen cannot be terminated nor can be removed, retrenched, discharged or dismissed from service except by an order in writing which states the reasons for action taken. Law also provides that no employer shall close down the whole of his establishment without prior permission of the labour court.

Previously, the employer used to appoint *badli* workers (replacement workers) in place of permanent workers who would continue for several months and were denied the benefits available to the permanent workers. It has now been provided that such workers with 3 months' continuous service or 183 days of attendance in a year shall be entitled to the rights and status of a permanent worker. Similarly, protection has also been extended to the construction workers who shall have to be given preference in employment within one year of the date of their retrenchment and no break in their service shall be counted if they are re-employed within one month from the date of their retrenchment.

Mines Act, 1923

The Mines Act, 1923 which was painfully out of tune with time, has been amended to reduce the hours of work from 54 in a week to 48, and to provide better health and safety facilities to the miners. It has been made incumbent on every mine owner to notify cases of occupational diseases to the Inspector of Mines, to maintain safety equipment and first aid rooms of prescribed standards. In some cases, they have also to engage nursing and medical staff with sufficient quantity of medicines and other requisite facilities. Payment of overtime work has been introduced for the first time in mines, at double the rate of ordinary wages.

Annual leave is now allowed with full wages and is calculated at the rate of one every 17 days of work performed below the ground and one for every 20 days of work performed above the ground. In addition, the miners are now entitled to casual leave for 10 days with full wages, medical leave for 16 days on half wage and festival holidays on full wages.

Dock Workers

The Dock Workers (Regulations of Employment) Act was enacted in 1974. It envisages the registration of dock workers so as to ensure greater regularity of employment and efficiency of workers. It guarantees minimum wages to dock workers besides attendance allowance, health cover and measures for their safety.

The Factories Act

The Factories Act, 1934 was extended to factories employing 10 or more workers. The provisions relating to health and safety have been streamlined and improved for the benefit of factory workers. Half yearly medical examination of workers and vaccination and inoculation at the expense of the employer has been made compulsory. Previously there were no such obligations on the employers.

Workers in factories were earlier not entitled to medical leave and annual leave could be granted only for a period of 10 days. The workers employed in factories are now entitled to 14 days' annual leave with pay, 10 days' casual leave with pay, 16 days' sick leave on half pay and festival holidays with pay as allowed to Government employees.

The Workmen's Compensation Act

The Workmen's Compensation Act, 1923 which provides for compensation to workers in case of death and injuries caused by accidents arising out of and in the course of their employment has been extended to workers getting monthly wages upto Rs. 100 including workers employed in clerical capacity. The rate of compensation have also been substantially enhanced.

Employees Social Security

A Social Security Scheme covering the short-term risk like sickness, maternity and employment injury, was introduced in March 1967 in the then province of West Pakistan under the provisions of the West Pakistan Employees Social Security Ordinance, 1965 covering about one lakh textile workers of Karachi, Hyderabad and Lyallpur. Subsequently, the scheme was extended to other areas covering the employees of industrial and commercial establishments consisting of 19 or more workers. Since inception to March 31, 1975 the Scheme covered about 2.32 lakh workers in 3,950 establishments in the Punjab, over 1.91 lakh workers in 1,760 establishments in Sind and 26,000 workers in 119 establishments in NWFP.

There are 102 Social Security medical care units in the Punjab, 107 in Sind and 15 in NWFP. The Sind Social Security Institution has built a 200-bed hospital in Landhi and a 50-bed hospital in Kotri, while it has contractual arrangements with a number of other hospitals. The Punjab and NWFP Social Security Institutions do not have any hospital of their own but have made arrangements with government and private hospitals and clinics for the treatment of the secured workers. During the current year, a chest clinic was opened in Lahore.

The quantum of benefits under the Social Security Scheme has also been enhanced. The amount of death grant for funeral expenses of a secured person has been raised from Rs. 50 to Rs. 500. Sickness benefits to secured workers have been made payable for 121 days as against 91 days previously. For tuberculosis, this period has been increased to 191 days.

The Companies Profits (Workers Participation) Act, 1968

The Act applied to companies engaged in industrial undertakings employing 100 or more workers in a shift. It has now been extended to all industrial undertakings employing 50 or more workers. Workers' share in profits has been raised to 5 per cent of new profits.

Worker's Children (Education) Ordinance, 1972

The Worker's Children (Education) Ordinance, 1972 required the employers of all establishments employing 20 or more workers to pay an education cess at the rate of Rs. 100 per annum to provide free of cost education up to matric to one child of every worker employed in the establishments covered under the law. The facility includes supply of text books and exemption from admission fee, tuition fee, examination fee and school fund.

The Employees' Old Age Pension Scheme

An old-age pension scheme under the Employees' Old Age Pension Ordinance, 1972 is being finalised by the Government with the assistance of ILO.

The Cost of Living Allowance

Realising that workers and salaried persons are obviously the sufferers in an inflationary situation the Government came out with the Cost of Living (Relief) Act, 1973 providing for the monthly payment of Rs. 35 to all employees throughout the country drawing wages upto Rs. 700 per month with marginal adjustments upto Rs. 735. On 8th June, 1974 a new cost of living allowance at the rate of 10 per cent of wages subject to minimum of Rs. 50 and maximum of Rs. 150 to all employees getting monthly wages upto Rs. 1000 was announced to off-set the impact of high prices. In April 1975, another increase of Rs. 25 per month in the cost of living allowance was announced. It was designed to compensate for the increase in the issue prices of wheat, vegetable ghee and sugar.

Labour Courts

To ensure expeditious disposal of cases, a large number of Junior Labour Courts consisting of one presiding officer were established. Cases of industrial grievances have now to be disposed off within seven days by these courts. Upto March 1975, 37 Junior Labour Courts were set up, besides 12 Labour Courts. Their province-wise details are given in Table 14.2.

Table 14.2
LABOUR COURTS

Province	Junior Labour Courts			Labour Courts	Total
	Full time	Part time	Total		
Punjab	10	2	12	4	16
Sind	5	2	7	6	13
N.W.F.P.	1	8	9	1	10
Baluchistan	—	9	9	1	10
Total	16	21	37	12	49

Journalists Wage Board

For fixation of wages of newspaper employees, the Government set up a Wage Board under the Newspaper Employees (Conditions of Service) Act, 1974. The recommendations of the Board as contained in its award have been accepted by the Government. A whole time high-powered Implementation Tribunal is being set up to ensure proper compliance of the provisions of the award.

Labour—Management Situation

The over-all impact of the labour reforms and the concessions granted to the labourers is reflected in the decline in the number of strikes. During the period under review the labour situation in the country has improved. From July to December, 1974 only 74 strikes took place which is an improvement compared to the first half (i.e. January to June 1974) when there were 196 strikes in the country.

EDUCATION REFORMS

Pakistan has one of the highest rates of illiteracy in the world. Moreover, previous education policies created a certain imbalance in manpower requirement and actual manpower produced by educational institutions. To meet the above challenge, Education Reforms were announced on March 15, 1972. Major objectives of the new education policy were :

- (i) Free and universal education upto Class X for all children in a phased programme.
- (ii) Nationalization of privately managed educational institutions.
- (iii) A shift from general education to more purposeful agro-technical education.
- (iv) Equal access to education for all with emphasis on less developed areas and education of girls and women.
- (v) Providing financial assistance to talented boys and girls from low income groups.
- (vi) Improvement of science and technical institutions at the college level.
- (vii) Establishing adequate number of general, engineering and agricultural universities.
- (viii) Establishment of centres of excellence and area study centres at the universities.

Nationalization of Private Institutions

As a first major step towards implementation of the policy, and with a view to eradicating commercialization of education and to put an end to exploitation of teachers at the hands of private managements, 3,181 educational institutions viz. primary, middle and high schools, colleges and technical institutes were nationalized. The teachers of the nationalized institutions were brought at par with those of government institutions in terms of salary scales and service conditions.

Free Education

The basic steps aiming at the achievement of universal primary education in order to overcome illiteracy have been taken by making education free upto Class X throughout the country.

Expansion and Consolidation

Upto March 1975, significant achievement was made towards the expansion and consolidation of educational institutions at all levels viz. primary, secondary and college. (The details appear in the Chapter on Social Development).

Revision of Curricula

Curriculum Bureaus were established at the national and provincial levels to undertake revision and modernization of curricula at all levels of education.

National Book Foundation

The National Book Foundation has been established and commissioned to undertake local reprinting of foreign text books and to supply these to students at cheap rates. The Foundation has locally reproduced 170 titles. These books are being sold to students at a cost which is 1/10th to 1/4th of the price of imported editions.

National Council of Education

In pursuance of the Education Policy, the Government set up a National Council of Education in December 1974. The Council is charged with the task of formulating and recommending changes and development in educational policy and assessing and evaluating over-all educational progress in the country. The Council, comprising 47 members, is headed by the Education Minister. It will have eight standing committees for conducting basic studies and surveys to form the intellectual basis of policy-making, programming and progress reporting and evaluation.

Book Banks

In order to provide books to the needy students, 346 book banks have been set up in various colleges and universities. Multiple titles of important books worth Rs. 45 lakh were imported and supplied to these banks.

Adult Literacy

Adult literacy centres numbering 4,751 have been established in the Punjab. In Sind, 400 leader trainers and 10,300 adult literacy teachers were given specialised training. In NWFP, 16 adult education centres have been opened. The adult literacy programme in Baluchistan is being organized through the Integrated Rural Development Programme.

People's Open University

The People's Open University has been established to provide continuing education facilities to adult masses through correspondence, radio and television. The University has set up course teams for the development of programmes of study in several areas such as agricultural technologies, industrial technologies, natural and social sciences, humanities and home economics. The University is also in the process of launching a selective programme in the fields of applied electricity, mathematics, nutrition and in Arabic, English and Urdu languages.

University Legislation

The autocratic university ordinances have been replaced by democratic legislation giving effective representation to teachers and students in the management of university affairs.

University Grants Commission

A University Grants Commission was established to assess the requirements of universities, secure funds, and develop their facilities. The Commission has constituted groups on teachers and students problems, examination and improvement of university education to work out a coherent national strategy for higher education.

Centres of Excellence

With a view to bringing together meritorious students from all over the country, centres of excellence have been established in almost all the Universities. It is hoped that these centres would produce top level experts in scientific fields.

Pakistan Study Centres

With a view to promoting national cohesion and solidarity and proper appreciation of national identity, Pakistan Study Centres have been established in each university. The Centres would provide to undergraduate students courses on language, literature, and culture of various regions of Pakistan. The Centre established at the University of Islamabad is awarding M.Sc. degree in Pakistan Studies, combining in its courses the economic, political and cultural development of the country.

Students Loan Scheme

A Students Loans Scheme has been launched to help the outstanding but poor students to study in professional fields of education. Under this Scheme, students get interest-free loans and can return the amount after getting employment in easy instalments over a long period of 12 years. This facility is meant primarily for the children of peasants and workers whose income does not exceed Rs. 500 per month.

PEOPLE'S HEALTH SCHEME

To provide health cover to everybody in rural and urban areas, the Government announced a People's Health Scheme in March, 1972. The scheme envisages an integrated approach to the health problems of the nation by establishing a net-work of health units in the country, one for every union council area in villages and union committee areas in towns. Each unit will cover a population of about 10,000 (15,000 in sparsely populated province of Baluchistan and other similar areas in the country) and shall be adequately staffed. Out of every 5 such units the fifth one shall be much larger than others with additional staff and 10 beds. These units will be linked to hospitals located at tehsil/taluka and district headquarters. The salient features of the Scheme, in a phased programme, are as under :

- (i) Integration of vertical organizations dealing with a particular disease or health problems like malaria eradication, family planning, tuberculosis control, smallpox etc.
- (ii) Health facilities in the rural areas where the majority of population lives.
- (iii) Expansion and strengthening of tehsil and district hospitals having 60 and 250 beds respectively.
- (iv) Improvement in the standards of teaching and practice of indigenous and homoeopathic systems of medicines.
- (v) National Formulary of drugs and medicines by generic names to avoid wastage and duplication and bring down the cost of drugs and treatment substantially.

As the Scheme's implementation is spread over a period of eight years, it was considered necessary to go ahead with the implementation of those parts of the scheme which would immediately provide better and cheap medical facilities to the masses. With this end in view, two items were taken up viz., (i) sale of drugs by generic names and (ii) the first phase of the Scheme with the following objectives.

- (a) Increasing the supply of medicines by 3 times in all existing hospitals, dispensaries etc., in the country;
- (b) To provide for expansion of medical colleges in the country; and
- (c) Discontinuance of medical reimbursement in respect of government servants who were being provided all necessary medicines by the hospital dispensaries.

The Drugs (Generic Names) Act, 1972

Previously, simple drugs were packed and sold under a plethora of fanciful brand names at fantastic prices. A dire need was felt to scale down the prices to some reasonable and justifiable level and to bring medicines within easy reach of the common man.

It was, therefore, decided to switch over to the generic names of drugs which are nothing but scientific names known internationally.

To achieve this objective, 'The Drugs (Generic Names) Act, 1972, was enacted. This Act prohibited the manufacture, import and sale of any drug under brand names after April, 1973. It also provided for the compilation of the National Formulary of Pakistan.

National Formulary

During July 1974 to March 1975, the National Formulary Committee recommended 60 drugs for inclusion in the National Formulary thus taking the total number of drugs to 1,505. The Committee also reviewed the previous list of 397 drugs, granted exemption and recommended 59 drugs for exemption upto September 30, 1975 and 447 drugs for exemption for indefinite period.

Medical Education and Facilities

Emphasis is being given to both medical education and training to meet the increasing need of doctors envisaged in the health policy. (The details of measures taken to expand technical education/training are given in the chapter on Social Development).

INDUSTRIAL REFORMS

In January 1972, the Government announced the industrial and corporate reforms which reflected the principle of mixed economy in the country. Under the Economic Reforms Order, 1972, the Government took over the management of 32 industrial units under 10 basic categories namely (1) iron and steel (2) basic metals (3) heavy engineering (4) heavy electrical (5) assembly and manufacture of motor vehicles; (6) assembly and manufacture of tractor plants (7) heavy and basic chemicals; (8) petro-chemicals (9) cement (10) public utilities i.e.; (a) electricity generation and (b) transmission and distribution of oil and gas.

Due to the difficulties caused to the consumers by the artificial shortage of vegetable ghee, the Government nationalised the vegetable ghee industry in September 1973. All the vegetable ghee units with the exception of those having foreign participation were nationalised. This industry is being managed by the Provincial governments. Since nationalization, the industry has made

remarkable progress. The production increased by 20 per cent in 1973-74 over 1972-73 and by 27 per cent in July 1974—March 1975 over the corresponding period of 1973-74.

For the management of the taken-over (later nationalized) industries, a Board of Industrial Management was constituted. The nationalized industries alongwith the industrial ventures set up by the public sector (PIDC projects) were organised into 10 functional corporations, each responsible for the development of related industrial units. (Details of these corporations are given in the chapter on Industry).

In August 1973 rules were issued under the Economic Reforms Order, empowering the Federal Government to acquire majority share ownership. In November 1973 orders were issued for acquiring majority ownership in the public limited companies and the entire equity of the private limited companies. Amendment was made in the rules in March 1974 to provide for payment of compensation for the acquired shares at market value instead of the break-up value as originally envisaged. Upto March 1975, the value of entitlement certificates lodged with the Board of Industrial Management amounted to Rs. 11.60 crore against which compensation, mostly in the shape of bonds, amounting to Rs. 8.19 crore was paid.

For industries left in the private sector, steps were taken under the Reforms to broad-base the share ownership and the managing agency system, which led to concentration of wealth in a few hands, was abolished. Introduction of the cumulative voting system and proportionate representation has ensured minority shareholders to be represented on the Board of Directors.

Since nationalization, the industries have made considerable progress in all fields of operation. According to weighted index, in 1973-74 physical production of all industries increased by 31.4 percent in comparison with 1972-73, sales increased by 63.7 percent and exports by 127.2 percent. (Details of these industries appear in the chapter on Industry).

BANKING REFORMS

Pakistani banks have been nationalized with effect from 1st January, 1974. The objectives of nationalization are:

- (i) To direct banking activities towards national socio-economic objectives.
- (ii) To distribute bank credit equitably to different classes, sectors and regions.
- (iii) To coordinate banking policy in various areas of feasible joint activity without eliminating healthy competition among banks.
- (iv) To ensure safety and security of deposits of account holders.

The Banks (Nationalization) Act, 1974 covers the State Bank of Pakistan, the Industrial Development Bank of Pakistan, the Agricultural Development Bank of Pakistan, the Punjab Provincial Cooperative Bank and all commercial banks incorporated in Pakistan and carrying on banking business in Pakistan or abroad. The shareholders of the nationalised banks would be entitled to receive from the Government compensation in the form of bonds repayable at par at any time within a period of fifteen years.

A Banking Council consisting of a Chairman, a Deputy Governor of the State Bank, an official of Finance Division and three other members appointed by the Government, has been set up to make policy recommendations to the Government for directing banking activities towards national socio-economic objectives, to formulate policy guidelines for banks, to lay down performance

criteria, to evaluate their actual performance in the light of these criteria and to determine the areas of coordination among banks.

The Banking Council in consultation with the State Bank formulated "The Banks Amalgamation Scheme 1974" which was approved by the Government and came into effect on June 30, 1974. Accordingly, the banks were reorganised into five units. Under the new arrangements, the Bank of Bahawalpur stands merged with National Bank of Pakistan, Habib Bank (Overseas) Ltd, the Premier Bank Ltd with the Muslim Commercial Bank and the Pak Bank, the Sarhad Bank Ltd, the Lahore Commercial Bank Ltd, with the Australasia Bank Ltd, and renamed as the Allied Bank of Pakistan Ltd. Later, on December 30, 1974, Commerce Bank was merged with the United Bank Ltd. Standard Bank Ltd. will be merged with the Habib Bank Ltd, on June 30, 1975.

The nationalized banks have made considerable progress. The number of branches have increased from 3,397 in January 1974 to 4,441 in December 1974, the staff from 44,959 to 51,919 and credit advanced from Rs. 1,741.98 crore to Rs. 1,848.76 crore.

LIFE INSURANCE

The management of Life Insurance business in the country was taken over by the Government on March 18, 1972. After an interim period, during which Life Insurance Management Board served as the life policy-making and supervisory body, the business was nationalized and State Life Insurance Corporation of Pakistan was set up which started operation with effect from November 1, 1972.

The principal objectives of nationalisation were as follows:

- (i) To run the life insurance business on sound and economic lines;
- (ii) To provide a more efficient service to policy holders;
- (iii) To maximise the return to policy holders by economising on expenses and increasing the yield on investments;
- (iv) To make life insurance a more effective means of mobilising national savings;
- (v) To widen the area of operation of life insurance and make it available to as large a section of the population as possible.

Since nationalization, premium rates have been reduced and standardised, field structure, salary scales and service conditions have been rationalised, training programme introduced and continuous reviews of investment policy has been undertaken to maximise returns.

Performance during 1974-75

During the second year of the establishment, the State Life Insurance Corporation made a decisive effort to fulfil the objectives of nationalization by running the life business on sound lines, earning a higher yield on the life fund investments, extending the life insurance coverage to rural areas and serving as an effective medium for the mobilization of national savings.

Notwithstanding the fact that inflationary conditions in the economy in 1974 exercised a dampening effect on the mobilization of fresh household savings and caused impediments in the promotion of life insurance, the Corporation achieved a satisfactory rate of growth in its business operations. New sums assured in respect of ordinary life business registered an increase of 11.9 per cent from Rs. 88.25 crore in 1973 to Rs. 98.76 crore in 1974. Aggregate premium incomes derived from ordinary and group business moved up by 8.6 per cent from Rs. 29.11 crore in 1973 to Rs. 31.60 crore in 1974. Details of the premium

income in 1974, together with the comparative figures of the preceding year, are given in the following table :

Table 14.3
PERFORMANCE OF STATE LIFE INSURANCE CORPORATION

				(Rs. in crore)			
Particulars				1973	1974	1974-75 (July, March)	Percentage increase, decrease in 1974 over 1973
<i>Ordinary Life Policies :</i>							
First Year Premium	..	..	..	4.87	5.33	3.93	+9.4
Renewal Premium	..	..	..	19.40	20.52	15.16	+5.8
			Total I	24.27	25.85	19.09	+6.5
<i>Group Life Policies :</i>							
First Year Premium	..	..	..	1.39	1.24	0.80	(—)10.8
Renewal Premium	..	..	..	3.45	4.51	3.83	+30.7
			Total II	4.84	5.75	4.63	+18.8
			Total I+II	29.11	31.60	23.72	+8.6

In addition, the premium income on account of sale of ordinary life policies in the overseas market recorded a significant increase from Rs. 31.07 lakh in 1973 to Rs. 48.73 lakh in 1974, or a rise of 56.8 per cent.

The investment of the life fund of the policy-holders have been managed with the main objective of maximisation of return consistent with the security of investments. According to provisional figures, total life fund investment portfolio increased by Rs. 17.54 crore, from Rs. 140.08 crore on December 31, 1973 to Rs. 157.62 crore on December 31, 1974. As on December 31, 1974, Federal and Provincial governments' securities accounted for 30.6 per cent of the total life fund investment portfolio ; shares and debentures 29.3 per cent ; loans to policyholders 15.6 per cent ; bank deposits 15.3 per cent, real estate 7.7 per cent ; and loans against mortgage of immovable properties 1.5 per cent. The average yield on the life fund investment in overall return was made possible by switching over from low-yielding securities to other financial assets carrying comparatively higher return, a higher rate of marginal yield on fresh investments and rigorous management of cash balance in a manner that surplus funds become productive at the end of each business day.

New Fields of Business

The Corporation has launched a pilot project at Sahiwal (Punjab) with the object of expanding life insurance business in the rural areas. Encouraged by the results of the project, the Corporation has chalked out a programme to penetrate the rural segment of the life insurance market by opening up similar projects in other regions of the country. As a part of its development programme, the Corporation intends to extend the benefits of group life insurance to students and term depositors in collaboration with the banks. The overseas business also holds promise of substantial growth in the coming years. The old

age pension scheme has generally fared well in 1974. Negotiations are currently under way with a number of companies desirous of adopting the pension system.

MARITIME SHIPPING

Shipping industry was nationalized in January 1974 through the Pakistan Maritime Shipping (Regulation and Control) Ordinance, 1974 which has been replaced by the Pakistan Maritime Shipping (Regulation and Control) Act, 1974.

The Government took over the management of the National Shipping Corporation and other 9 shipping companies in the private sector with effect from January 1, 1974. For smooth functioning, two groups have been formed: (i) National Shipping Corporation with a separate Managing Director and a Board of Management, known as the Pakistan Shipping Corporation Board and (ii) other 9 taken-over establishments with a separate Managing Director and a Board of Management, known as the Pakistan Shipping Corporation. The fleet strength of the nationalized companies comprises 27 ships with a total DWT of 3,29,306. Action in regard to the re-organisation and acquisition of share/proprietary interest of the nationalised shipping companies is in process. Under the Pakistan Maritime Shipping (Regulation and Control) Act, 1974 compensation for share ownership will be paid in cash or in government bonds redeemable within a period of 15 years with interest one per cent above the Bank Rate.

MARKETING OF PETROLEUM PRODUCTS

The petroleum marketing and distribution companies were nationalized under Marketing of Petroleum Products (Federal Control) Ordinance, 1974. The Ordinance provided for taking over the control of Pakistan National Oil and Dawood Petroleum (now renamed as Premier Petroleum) on the lines of the shipping companies.

ADMINISTRATIVE REFORMS

The Administrative Reforms announced in August, 1973, aimed at changing completely the structure, objectives and functions of the country's public administration. The philosophy underlying the reforms was to create a sound public administration, honest in outlook, professionally, competent accountable to the people and dedicated wholeheartedly to the service of the people and to the task of development of the country.

Under the reforms all the services and cadres were merged into a unified graded structure with equality of opportunity for all those who enter the service at any stage on the basis of the required professional and specialised competence necessary for each job. The unified structure has enabled the Government for the first time in the country's history to introduce scientific planning for the entire body of public servants on the basis of competence and professional merit. For better performance, management and control, the large body of civil servants has been reorganised and grouped into various professional or occupational groups, each group representing a field of allied activity. The broad framework for rules and procedure under which the groups would function have been notified. The groups are: Accounts Groups, Foreign Affairs Groups, Secretariat Group, Office Management Group, District Management Group, Trade and Commerce Group, Income Tax Group, Customs and Excise Group, Police Group and Tribal Areas Group.

These occupational groups are by no means water-tight compartments as the old-time services used to be. There is provision both for horizontal movement from one group to the other, as well as for lateral entry from the public and private sectors. During 1974, for example, as many as 170 persons were selected through lateral entry to various senior posts in the Government.

Based on professional competence and merit, every one, throughout the range of the unified public service, now has opportunity for promotion to the highest posts. The road to the top is now open to all including scientific and technical personnel.

Conditions of Service

The terms and conditions of service of the civil servants are now governed by the Civil Servants Act, 1973. A number of rules and regulations have been issued on specific matter. Recruitment to the public service is governed by the F.P.S.C. Act, 1973. For speedy redress of grievances of the civil servants in matters pertaining to their terms and conditions of service the Government has established the Service Tribunal under the Service Tribunal Act, 1973. The disciplinary procedure which was cumbersome and complex has been streamlined and simplified under the Government Servants (Efficiency and Discipline) Rules issued in 1973 in the wake of the administrative reforms.

National Pay Scales

Connected with the improvements in the public service machinery was the introduction of unified 22-grade national pay scales for all classes of public servants, replacing thereby, over 600 salary scales. Furthermore, while revising the pay scales upwards the maximum benefit was given to low paid employees. This has led not only to the simplification of the pay structure but also to reduction of income disparities between the lowest paid and the highest paid functionaries of the Government.

Chapter 15

SOCIAL DEVELOPMENT

Social development is a key element in the development strategy of the present government. The focus is on mass education, health cover for everybody, adequate housing, removal of inequities in income distribution, a fair deal with labour, improvement of the lot of the farmers and fighting the menace of population explosion. While in the past it was assumed that higher level of gross national product would automatically accomplish the ultimate aim of economic change without social tensions, the experience of the past two decades has underlined the need for explicitly incorporating in development planning the various planks of social change. In other words, a determined and vigorous effort must be made to improve the qualitative content of economic growth.

Greater emphasis is being laid on the participation of the common man as an active partner in development process. This bias of the Government was manifest in the formulation of education, health, social welfare and the labour policies as well as the initiation of grass root level programmes like the People's Works Programme and the Integrated Rural Development Programme. A detailed discussion of various reforms in different social sectors is contained in the chapter on Socio-Economic Reforms. An attempt is made here to describe the overall physical achievements made in the various social sectors during the first nine months of 1974-75.

EDUCATION

There was a heavy shortfall in the implementation of the education sector programme for the Third Five-Year Plan (1965-70) and a large number of on-going programmes had to be carried over to the Annual Plans for 1970-72. The financial resources for development however, had to be severely curtailed during these two years due to abnormal situation in the country. With the formulation of the education policy by the new Government, the development and non-development expenditure on education picked up since 1972-73. By 1974-75, the development expenditure had jumped from Rs. 16.72 crore in 1970-71 to Rs. 48.57 crore, a rise of 190 per cent. The non-development expenditure during the same period rose from Rs. 41.60 crore to Rs. 110.80 crore or by 166 per cent. Much of the rise in non-development expenditure benefitted the teachers of nationalised schools/colleges who were allowed national pay scales and dearness allowances were given to them on three occasions. The following table shows the trend in development and non-development expenditure during the last few years.

Table 15.1

EXPENDITURE ON EDUCATION AND TRAINING

(In crore rupees)

Year	Development	Non-Development	Total
1970-71	16.72	41.60	58.32
1971-72	12.41	50.40	62.81
1972-73	22.09	65.00	87.09
1973-74	30.96	83.40	114.36
1974-75	48.57	110.80	159.37
Total	130.75	351.20	481.95

In spite of this sharp increase in expenditure on education and its recognition as an essential pre-requisite of socio-economic development, expenditure on this vital sector was still 1.6 per cent of the G.N.P. as compared to many other developing countries where it varies from 2.3 to 2.8 per cent of the G.N.P. The UNESCO has recommended that the developing countries should spend at least 4 per cent of their G.N.P. on education. Government is making efforts to accelerate the process of development in education further and to attain desirable levels by 1979-80.

Annual Development Programme 1974-75

The Annual Development Programme 1974-75 emphasised the implementation of high priority programmes and accelerated completion of programmes that lagged behind particularly those which were in an advanced stage of implementation. The estimated expenditure of Rs. 48.57 crore during 1974-75 was shared by various executing agencies as shown in the table below:

Table 15.2

ESTIMATED EXPENDITURE BY EXECUTING AGENCIES 1974-75

(In crore rupees)

Executing Agencies	Estimated Expenditure 1974-75
Punjab	14.96
Sind	4.22
N.W.F.P.	6.07
Baluchistan	1.95
Centre	21.36
Total	48.57

Physical Achievement during 1970-75

The following table shows details of physical achievement in selected areas in the education and training sector since 1969-70.

Table 15.3

PHYSICAL ACHIEVEMENT IN EDUCATION SECTOR

	1969-70	1974-75 (up to March) Estimate	Estimated increase	Percentage increase
1	2	3	4	5
Number of Primary Schools	41,290	50,400*	13,157	31.9
Enrolment at primary stage (lakh)	38.20	47.30	9.10	23.6
Number of Middle Schools	3,560	5,060	1,500	42.1
Enrolment at Middle stage (VI-VIII) (lakh)	8.61	11.16	2.55	29.6
Number of High Schools	1,995	2,540	545	27.3
Enrolment at high stage (lakh)	3.26	3.93	0.67	20.6
Number of vocational Institutes/Technical High Schools	40	86	46	115.0
Number of polytechnics/Technical Colleges (including Swedish Pakistani Institute)	19	24	5	26.3
Enrolment in Polytechnics/Technical Colleges	9,000	12,000	3,000	33.3
Annual output of diploma level technicians/Intermediate Technicians	2,500	3,600	1,100	44.0
Number of Engineering Institutes including WPUET	5	7	2	40.0
Annual output of Graduate Engineers	873	1,450	577	66.1
Number of Intermediate Colleges	145	152	7	4.8
Number of Degree Colleges	135	214	79	58.5
Enrolment at Degree stage (XIII-XIV) (lakh)	0.60	0.66	0.06	10.0

*Excludes 1,387 primary schools upgraded to middle schools, mushreem primary schools closed down and uneconomic units integrated after nationalisation.

This table indicates the priority being given to primary education and to technical fields as compared to other sub-sectors—a policy which suits the circumstances of a nation having widespread illiteracy and requiring more scientists and technicians.

Details of sector-wise physical implementation of educational programmes are given in the paragraphs below. While progress is indicated here for a 5-year period, there were two distinct periods—slow development during 1970–72 followed by rapid movement during 1972–75.

Primary Education

Upto the end of March 1975, in five years, 13,157 primary schools had been opened in the country (9,125 in the Punjab, 2,680 in Sind, 461 in NWFP, 665 in Baluchistan, and 226 in Azad Kashmir, Gilgit, Baltistan agencies and centrally administered tribal areas). This brought the total number of primary schools to 50,400 with an enrolment of more than 47 lakh students. Of the new primary schools opened, 300 were in the relatively backward areas. During 1970–75, 3,080 primary schools were improved in respect of buildings, and 5,287 schools were provided with equipment and teaching aids. Books are provided free of cost to students of class I in all schools since 1974. In order to improve the facilities of instruction at the primary level, library books, charts and educational toys were supplied to primary schools, besides radio sets for educational purposes. Emphasis has been on providing modern facilities for primary education and expanding the programme vigorously.

Secondary Education

Under the programme of upgradation of primary schools, 1,387 primary schools were upgraded to middle schools (Punjab 956, Sind 238, NWFP 78, Baluchistan 72 and centrally administered tribal areas 43) during 1970–75. Work on the construction of buildings for 1,344 schools and workshops in 46 middle schools was completed. Facility for teaching of science was provided at 1,421 middle schools. Introduction of diversified courses was completed in some middle schools in Azad Kashmir and Baltistan agency.

Upto the end of March 1975, work had been completed on the upgradation of 360 middle schools to high schools: Punjab 223, Sind 51, NWFP 46, Baluchistan 24 and centrally administered tribal areas 16. A total of 1,387 upgraded middle schools and 360 upgraded high schools were provided with buildings and equipment. In addition, 38 hostel/boarding houses were completed for high schools.

In order to give practical bias to education in the Punjab, industrial courses were introduced in 211 high schools, home economics in 629 girls high schools, and agricultural courses in class VI in 565 middle and high schools. Construction of buildings was completed for 16 comprehensive high schools. In Sind, 46 middle schools were provided with equipment for agro-technical courses and an equal number with workshops. In Baluchistan, to impart religious education in schools, *Mualims* were appointed in 448 primary schools, 34 middle schools and 26 high schools. To provide residential accommodation to teaching personnel, 15 quarters were constructed for head masters/headmistresses and 56 quarters/flats for teachers/lady teachers.

At the end of March 1975, the number of middle schools and high schools stood at 5,060 and 2,540 respectively. Enrolment at middle stage was estimated at 11.16 lakh and at high school stage at 3.93 lakh.

Teacher Education

The Government have been according priority to the training of teachers. During 1970-75, 52,000 additional primary school teachers were trained. At the end of March 1975, the training institutions for secondary school teachers had a capacity to train 4,475 teachers at degree and post-graduate level, 1,000 undergraduate teachers, 423 physical instructors and 50 teachers for vocational subjects annually.

For upgrading teachers' knowledge in their own field of specialisation and to acquaint them with the latest methodology and techniques of teaching, 1,520 teachers of the primary and secondary schools, polytechnics and colleges in Sind and 3,320 teachers in the NWFP were trained through specially designed in-service training programmes. In the Punjab, work was continued on building elementary teachers training colleges at Sargodha, Multan, Bahawalpur, Kotlakhpat, Kot Addu and Mianwali. Expansion of teachers training colleges at Lyallpur and Multan was completed. Five normal schools were raised to college level and four existing teachers training colleges were improved in respect of buildings and equipment. Two normal schools have been completed during 1974-75 and equipment was supplied to 5 new training institutions. At Karachi, building of National Education Extension Centre was completed. In Baluchistan, the building facilities at the Provincial Education Extension Centre, Quetta were improved. The building of Teachers Training School for Men at Quetta was improved and construction of its hostel was completed. Work was undertaken for the establishment of two teachers training schools at Uthal and Panjgar.

Technical Education

The programme completed upto March 1975 in the field of technical education included projects relating to polytechnic institutes at Larkana, Leiah, Sargodha and Multan, polytechnic institute for women at Lahore and expansion of polytechnic institutes at Lahore, Lyallpur, Sialkot, Rawalpindi, Quetta, Karachi, Hyderabad, Khairpur, Bahawalpur and Peshawar. Academic buildings for polytechnic institutes at Haripur and Dera Ismail Khan were completed. Polytechnic institutes at Lahore, Sialkot, Bahawalpur, Rasul, Rawalpindi, Multan and Lyallpur were raised to technical college level. Work for the establishment of a new polytechnic institute was started at Saidu Sharif. In the Punjab, work continued on polytechnic institute at Sahiwal, Pak-Swedish Institute of Technology at Gujrat and 4 technical institutes. In Sind, new vocational institutes were established at Sukkur, Nawabshah and Jacobabad and buildings were provided for Karachi and Hyderabad commercial institutes. Construction work on 4 commercial training institutes was continuing and 3 nationalised polytechnic institutes were being improved during 1974-75. Nine vocational schools for girls were set up, of which 7 were in rural areas. In the NWFP, buildings of vocational institutes at Peshawar, Chakdarra, Bannu, Abbottabad and D.I. Khan continued. Work was started on Government commercial institutes at Chitral, D.I. Khan, Kohat and Abbottabad. Building of blind institute at Peshawar was improved. In Baluchistan, Adult and Continuing Education Centre is being established at Mastung and Pishin and the existing deaf and dumb school is being provided with teaching aids.

Higher Education

Colleges.—During 1970-75, only 7 new intermediate colleges were established to bring the total enrolment at intermediate stage to 1.56 lakh. However, there was remarkable progress in the number of degree colleges because of upgradation of inter colleges and the setting up of new degree colleges. The number of degree colleges in Pakistan increased to 214. Science courses were introduced at 64 intermediate and 14 degree colleges. Hostels were constructed in 30 colleges for men and 8 colleges for women.

University Education.—Construction work at the new Punjab University Campus and women's hostel continued and swimming pool and mosque were completed. At the University of Engineering and Technology, Lahore, Ph. D. course in Solid State Physics was introduced and equipment was supplied for introducing paper, fertiliser, petroleum and gas, and corrosive technologies and for the development of high polymer and plastic technologies. The Institute of Chemical Engineering and the 'Institute of Education and Research' were supplied with equipment. Construction of students' hostel and Law College building were taken in hand. Site for the proposed Multan University was selected and financial provision for the purchase of land was made.

In Sind, all ongoing work at the University of Karachi was completed and construction of buildings for the departments of Physiology and Statistics continued. Department of Pharmacy at the University was raised to the level of a Faculty. At the Sind University, development of the institute of Chemistry was completed; Ph. D. courses in Analytical Chemistry and Mathematics were introduced and research centre for natural products in chemistry and nuclear chemistry was completed. Work was taken in hand for the establishment of schools of Fresh Water Biology, introduction of new disciplines in Physics, development of Institute of Education and construction of students hostels and residential accommodation. Upgradation of Sind University Engineering College to the level of Engineering University continued.

In the NWFP, equipment and books were supplied for introducing Ph. D. course in Physical Chemistry. Work was completed on the construction of a new block for Department of Physics, residential accommodation for 250 students and 13 staff members. Work continued on Pushto Academy, University Model School and improvement of the Student's Union House. Scientific equipment was procured for Engineering College. Laboratory equipment was supplied to the colleges of Engineering and Agriculture at the University of Peshawar. At Gomal University, work was initiated on the construction of science and administrative blocks, convocation hall, library and a hostel for 100 students.

In Baluchistan, construction of Baluchistan University Campus and buildings for the Chemistry, Physics and Botany blocks continued. Under the Federal Government programme, construction of hostel at Islamabad University was completed and work in respect of 6 science blocks, one Mathematics block and one social science block continued. Under phase II of the programme, work continued in respect of construction of central workshop, senate hall, Earth Science Block, teacher-student centre, and the guest house. Work on the establishment of Centres of Excellence, People's Open University and National Library of Pakistan continued. Equipment, furniture and transport facilities were provided to the People's Open University.

Scholarships

During 1970—75, an estimated amount of Rs. 13.80 crore (Rs. 7.38 crore in Punjab, Rs. 2.01 crore in Sind, Rs. 1.70 crore in NWFP and Rs. 0.28 crore in Baluchistan, Rs. 2.43 crore under Federal programme) was provided as scholarships to students. The number of students benefitting from these scholarships stood at 75,000. Establishment Division made provision of Rs. 0.42 crore for award of scholarships to children of non-gazetted employees of the Federal Government for studying in colleges and universities.

During 1970—75, 63 scholarships were awarded under Merit Scholarship Scheme, 57 scholarships under Central Overseas Training Scheme, 96 scholars were provided air travel grants to supplement foreign offers of scholarships.

Under Quaid-e-Azam Scholarships scheme, 15 scholars were awarded scholarships to continue their studies abroad and 31 other students received Nishan-e-Haider Scholarships to continue their higher education in Pakistan. 665 students from other countries also received scholarships to study at various levels of education in Pakistan. A Foreign Students Centre started functioning at Karachi and another one is being established at Lahore.

Museums and Archives

Work on the development of museums at Lahore, Bahawalpur, Peshawar and Hyderabad continued. A portion of Museum of Science and Technology at Lahore was completed. Tubewells were installed to arrest further decay of structural remains of Mohenjodaro and special type of repairs were undertaken at Shalimar Gardens and Lahore Fort. In NWFP, construction of hall, art gallery and the stage of Abbasin Art Council Peshawar was completed. In Sind, work was undertaken on the Development of Bhitshah Cultural Centre, Sind Adabi Board, Institute of Sindhiology and the Art Council Karachi. A College of Fine Arts was also established at Karachi. Microfilming and photostat equipment, books, manuscripts, historical documents etc. were procured for the National Archives at Islamabad.

HEALTH

Health facilities in Pakistan have always presented a dismal picture due to numerous factors. The development plans have not succeeded much in improving the situation. The available data indicate that existing public health institutions cater to the needs of hardly 15 per cent of the population. The rest of the population gets medical care from private practitioners, hakims and homeopaths and minor ailments are treated by themselves. The present Government accorded a high priority to the provision of health facilities and the matter was taken in hand on urgent basis. However, due to the long time needed for the training of doctors, shortage of training facilities for para-medical staff and the formidable cost of extending hospital facilities, the situation remains far from satisfactory.

At the end of March 1975, there were 38,835 hospital beds in the country, mostly located in urban areas. The number of doctors present in the country is about 10,000, of nurses 3,000 and lady health visitors about 1,000. Thus, there is one hospital bed for 1,800, one doctor for 7,000 and one nurse for 23,300 persons. There are 160 rural health centres in the country and about 400 sub-centres of rural health. The rural population has much lower standard of health facilities, because the majority of the private doctors settle down in towns due to better facilities available in these areas. The problem is further aggravated because the villages are situated at distances from the main arteries of roads and communication network.

National Health Policy

In order to correct the imbalance in medical facilities between the rural and urban areas, to provide medicines at cheaper rates and to extend basic health facilities to the common man, the Government announced a People's Health Scheme in March 1972. This Scheme could, however, not be finalised because of various discrepancies and has been under review ever since. Pending finalisation of the Scheme, the Government have already started implementing those parts of the Scheme which would immediately provide better and cheap treatment facilities to the masses e.g. the supply of medicines in all existing hospitals, dispensaries etc. was increased by three times their prevailing allocations.

A country health programme exercise is also being conducted in cooperation with the United Nations Development Programme and the World Health Organisation to assess the country's health problems, identify priorities and specify objectives in the context of health development programme. This exercise is expected to provide by the end of May 1975, a comprehensive picture of health needs, resources available and desirable targets. This document will help in finalising the national health policy.

Progress in Medical Education/training

Medical education has witnessed satisfactory increase in some of the categories. The number of under-graduate medical colleges has increased from 7 to 14, increasing the admission capacity for M.B.B.S. students from 900 to 3,877. It has been decided that admission to medical colleges would be strictly on merit basis and the small quotas reserved for heads of Provincial Governments have also been abolished. The increase in admission capacity of existing training institutions for health personnel is given in the following table:

Table 15.4

ADMISSION CAPACITY IN MEDICAL INSTITUTIONS

Category	Capacity	
	1971	March 1975
Medical Colleges	900	3,877
Nursing Training Schools	430	920
Public Health Nursing Schools	200	472
Midwifery Training Schools	150	200
Medical Technology Schools	40	40
Physiotherapy Schools	24	24
Nurse Teachers Training Schools	60	60
Sanitary Inspectors Schools	100	160
Post-graduate Public Health Institutes	50 (DPH) 20 (DCH)	50 (DPH) 20 (DCH)
Post-graduate Basic Medical Science's Institute	30	30

At present, emphasis is placed mainly on the training of doctors. The present output of doctors is about 1,000 per annum which is expected to rise to approx. 2,500 in 3 years and 3,500 in five years. On an average, it takes about 7 years after high school and an investment of Rs. 80,000 per doctor. A nurse, on the other hand, takes three years training after high school and an investment of about Rs. 20,000. The output is low in relation to overall requirement of the country. The problem is aggravated by the migration of a good number of the trained personnel to foreign countries and loss of female personnel due to marriage. Added problems are the disproportion between the output of doctors and para-medical and auxiliary personnel and the reluctance of doctors to serve in rural areas.

Progress During 1974-75

The allocation for the health sector for 1974-75 was Rs. 30.9 crore which was 88 per cent higher than the revised estimates for 1973-74. In the Northern areas where population is sparse and access to static health units is difficult, the programme initiated in 1973-74 for training the local people as health guards was expanded further. As such during the year, 34 rural health centres (12 in the Punjab, 8 in Sind and 14 in NWFP), 123 dispensaries and 7 maternity and child health centres were completed, and work on 72 rural health centres and 32 basic health units was continued. The smallpox eradication programme launched in collaboration with World Health Organisation to achieve zero target has shown remarkable success as no case of the disease has been reported from any part of the country since November 1974.

POPULATION PLANNING PROGRAMME

The Family Planning Programme in 1972-73 was redesignated as Population Planning Programme. An allocation of Rs. 14.5 crore was made for this sector during 1974-75 (against Rs. 10.2 crore in 1973-74) and 100 per cent achievement is expected in financial terms. The detailed break-up of allocation and estimated expenditure is as under:

Table 15.5

FINANCIAL ALLOCATIONS FOR THE POPULATION PLANNING PROGRAMME

(In crore rupees)

Executing Authority									Allocation and estimated Expenditure during 1974-75
Punjab	..	..	..	..	..	..	..	..	8.10
Sind	..	..	..	..	..	..	..	..	2.77
N.W.F.P.	..	..	..	..	..	..	..	..	1.44
Batuchistan	..	..	..	..	..	..	..	..	0.50
Centre	..	..	..	..	..	..	..	..	1.69
Total									14.50

The activities of the Population Planning Programme since 1971 are given in the table below, which shows that since 1972 the emphasis has been shifted from surgery to oral pills.

Table 15.6

PROGRESS OF POPULATION PLANNING PROGRAMME 1971-75

Year	I U D	Vasectomy	Tubeli- gation	Conventional Contracep- tives (000 number)	Cycle of Oral Pills
1971	172,185	1,613	2,410	36,149	22,740
1972	106,672	730	2,138	25,962	90,967
1973	90,951	835	2,455	32,521	654,171
1974	112,466	1,340	4,026	61,329	1,695,622
1974 (Jan—Mar.)	22,994	282	915	12,517	334,842
1975 (Jan—Mar.)	33,229	525	1,350	23,732	626,214

Efforts have been made to refurbish and remove handicaps from which it suffered. A large number of measures were introduced to give a concrete shape to the programme.

The following measures were taken to ensure effectiveness of the programme:

- (i) The representation and functional level of the Pakistan Population Planning Council (of which the Central Health Minister is the Chairman), was strengthened by bringing in the Provincial Health Ministers, public representatives (Members of National and Provincial Assemblies) and workers' and peasants' representatives on the Council as members.
- (ii) Provincial Health Ministers were designated as Chairman of the respective provincial Population Planning Boards. This measure raised the functional level of the Provincial Boards and matters started moving forward with greater vigour and speed.

Other Measures

On the basis of the pilot projects tried in Sialkot and Hazara districts, the field structure of the programme was thoroughly revised. The new field structure provided for full time, paid literate field workers, responsible for household listing, keeping record needed for supervision and evaluation, and oriented towards providing family planning care as a regular and continuous service. Up to the end of March 1975, the continuous motivation system was extended to 96 tehsils of 33 districts having population density of 300 persons or more per square mile. A major information feedback system was established in pilot districts of Sialkot and Hazara to provide programme administrators with fast, accurate and reliable data of field trends and performance.

Front line workers of nation-building departments such as agriculture, co-operatives, education etc. were given short but intensive orientation courses in population programme. The number of male and female front line motivators increased from 8,400 in 1973-74 to over 15,000 at the end of March 1975.

It was established through continued research and observation, that family planning work when conducted exclusively for itself attracted less clientele. As such the Family Planning Clinics were converted into Family Welfare Clinics, where maternity and child health services and drugs for common ailments were offered. This gave a great fillip to the family planning work.

A system of women staff-motivators in female sectors of all hospitals, where women patients flock was introduced. These motivators take advantage of the captive audiences to educate them. They were also in a position to put the motivated ones into contact with clinics from where advice and contraceptives could be obtained.

Modern contraceptives were made widely available at price which even the lowest income groups could afford. Some 28,000 outlets, mainly commercial shops, as also clinics, health centres, field workers and doctors were registered for contraceptive distribution. Oral contraceptives were made freely available.

Publicity was stepped up, mostly through word of mouth and through audio-visual and folk-media and symbol display measures to the maximum extent consistent with Government policy.

Closer co-ordination with health, education, labour and rural development organisations for a more stable acceptance in future is being worked out. Field workers are being trained in health education. Suitable population components are being introduced in school curricula, industrial labour is being educated and trained for motivation and delivery of supplies and integration is being evolved with rural development projects.

In spite of efforts made in different directions, the progress made in this sector left much to be desired particularly as high population growth rates are continuing. In May 1975, the Government have set up a Committee headed by Federal Health Minister to prepare concrete recommendations for making the population planning programme more effective.

LABOUR

The programme in the labour sector like all other social development sectors fell short of expectation during 1968-71 period due to lack of adequate financial support, abnormal political and economic situation, organisational bottlenecks and absence of initiative on the part of the executing agencies. The present government, introduced a series of labour reforms. (See the Chapter on Socio-Economic Reforms). Here the provisions designed to improve the condition of labour will be discussed.

Workers Education and Research

The National Institute of Labour Administration Training (NILAT), Karachi was reorganised and expanded. The Provincial governments of Punjab and NWFP, also started schemes on workers' education. In NWFP, the research planning and statistical cell was further strengthened.

National Industrial Relations Commission

A National Industrial Relations Commission was set up under the Industrial Relations Ordinance in November 1972 to deal with cases of unfair labour practices and to promote the formation of national organisation of workers. The Commission undertook extensive tours and met representatives of workers and employers with a view to ensuring industrial peace and promotion of healthy trade unionism. The Commission visited a number of industrial and commercial undertakings with a view to acquiring first hand knowledge of working conditions.

Table 15.7

CASES RECEIVED AND DISPOSED OF BY THE NATIONAL INDUSTRIAL RELATIONS COMMISSION FROM THE DATE OF INCEPTION TILL 31.3.1975.

	Cases Received	Cases Disposed of	Balance	Percentage
Unfair Labour Practice	1,779	1,392	387	78.24
Registration	144	132	12	91.66
Referendum	60	35	25	58.33

Workers Housing

Workers Welfare Fund Ordinance 1971 provided for the establishment of a fund for providing residential accommodation and other facilities for workers.

It imposed a tax amounting to 2 per cent of the annual assessable income of every industrial establishment, the total income of which was not less than one lakh of rupees. The Government was empowered to realise additional contribution from them taking into consideration their financial and other circumstances. This tax was imposed from July 1, 1972. The Federal Government made an initial contribution of Rs. 10 crore to the Fund. The management and administration of the Fund were entrusted to a Governing Body with the Federal Labour Secretary as its chairman.

Allocations are made to Provincial Governments on the basis of percentage of industrial labour force in their respective provinces but the allocated amount is released only after the utilisation of earlier allocations and against schemes submitted by them and approved by the governing body of the workers welfare fund. So far, amounts of Rs. 2.69 crore have been released to Sind, Rs. 1.49 crore to Punjab, Rs. 45.98 lakh to NWFP and Rs. 10 lakh to Baluchistan.

The implementation of the programme shows that the Government of Sind has completed 1,700 flats and another 2,500 flats are under construction. The Government of the Punjab have constructed 512 family flats at Lyallpur. In the NWFP, work has been started on a labour housing colony which will have 1,010 two-room family quarters. More such schemes are being finalised.

MANPOWER AND EMPLOYMENT

Pakistan has a civilian labour force of about 2 crore persons out of a total population of 7 crore. Every year approximately 6 lakh persons enter the labour force thus adding to the numbers seeking employment. According to the Labour Force Survey of 1971-72, 57 per cent of the labour force is engaged in agriculture, 12 per cent in large and small-scale industry and 10 per cent in trade. With structural change in the economy, the proportion in the agriculture sector has been gradually declining and is expected to decline further. This shift, apart from higher wages in industry is dictated by heavy pressure on land—36.2 million acres of cultivated land supporting about 11 million persons.

Unemployment rates have been estimated variously between 10 per cent to 30 per cent of the labour force if under-employment is taken into account. Generally, unemployment is more common in the urban areas while under-employment and seasonal unemployment prevails in the rural areas.

Employment Generating Programme

To overcome the shortcomings of past planning, Government decided that greater employment must be treated as a primary goal of economic development. Besides the formulation of a long-term employment strategy to achieve higher employment level, the Government decided to launch some special programmes which may have immediate effect on raising participation rate of labour force and improving employment situation.

A detailed and realistic evaluation of these employment oriented programmes, is yet to be made to assess the results achieved so far. A cursory review of these programmes reveals that they have decidedly helped in tackling the problem of unemployment. The following programmes are being implemented in the country at present:

(a) *People's Works Programme*.—The essence of the programme is to mobilise the people in rural areas at village level and in urban areas at mohalla level to undertake productive projects that will help build up the economy and

provide for basic amenities. The programme will mobilise local resources to motivate people for a massive productive effort, and provide opportunities for constructive leadership to draw upon local initiative to the maximum extent, and inculcate a sense of confidence and self-reliance among the masses through training and skill formation. The details of this programme are given in Chapter 4 of this document.

(b) *National Development Volunteers Programme (NDVP)*.—The National Development Volunteers Programme was launched in 1973 with the specific purpose of making job opportunities available to the educated unemployed particularly scientists, engineers and technicians both in private and public organisations as volunteers and thus to enable them to get on-the-job training. The programme has achieved some success. The employing institutions are utilizing the talent of the young technicians while degree and diploma holders are placed in a working environment so that their academic knowledge is polished and developed into professional skills. These volunteers are allowed stipends by the Government for specified period keeping in view their educational qualifications, while in certain cases in the private sector the amount is shared by the Government and the employer.

(c) *Integrated Rural Development Programme*.—Integrated Rural Development Programme aims at improving the standard of living in the rural areas and to help the rural—urban migration under some check by establishing agro-based industries around villages. Details of the programme and its achievements are given in Chapter on Rural Development.

(d) *Agrovilles Programme*.—Agrovilles are small towns located in rural areas with basic facilities similar to those available in the cities and serve as focal points for the availability of agricultural services, marketing of agricultural products, supply of essential consumer goods and development of agro-based industries. By providing employment opportunities to people near their places of residence thus slowing the large scale migration to cities and help ease problems being faced in urban areas at present.

To meet the shortage of skilled manpower in the country, the Government of Pakistan, in collaboration with ILO has embarked upon a programme of skill development by establishing three different projects under a phased programme. Phase I of the programme consisted of the setting up of West Pakistan Institute of Management, phase II related to the Instructor and Technical Training Centre and phase III comprised Vocational Training, Planning and Apprenticeship. Manpower Division has recently conducted training course on "Educated Unemployed" with the assistance of Asian Regional Team for Employment Promotion located at Bangkok which is a regional programme of the ILO/UNDP.

Manpower Planning

There was no manpower planning machinery in the country as such upto 1962. The creation of National Manpower Council in 1963 as a result of the recommendation of the Second Five Year Plan was the first conscious effort in this direction. The Council is an inter-ministerial body charged with the responsibility of drawing up national policies and programmes for human resource development and utilisation. Due to various factors, the Council could not bring about effective coordination in the field of manpower and employment.

A high-power National Commission on Manpower and Education was set up in 1968. The Commission was wound up suddenly after one year without

making a formal report. Work done by the Commission was in the form of some studies on various aspects of manpower and employment which it had sponsored.

It would thus appear that the various steps taken in the direction of manpower planning in the past have been sporadic and casual. In order, therefore, to make up for the past lapses and in view of the increasing importance of manpower planning covering research on development and utilisation of human resources in the context of overall economic planning, the present government created a Manpower Division in mid-1973.

The functions of the Manpower Division are:—

- (i) To evolve and determine manpower policies concerned with recruitment, training, use and conservation of manpower resources in co-operation with major agencies concerned with the production and utilisation of manpower.
- (ii) To produce short-term and long-range operational programmes for the development and utilisation of manpower.
- (iii) To prepare manpower plans at the national and Provincial levels for incorporation in annual, five-year and perspective plans.
- (iv) To undertake continuous review of manpower situation in various sectors of the economy, identify the imbalances in manpower supply and demand relationships and recommend adjustments and remedial actions by concerned agencies.
- (v) To develop basic data and statistics for sound manpower planning on a continuing basis and to promote comprehensive research and studies.

The newly created Division is currently in its initial stages of organisation and as soon as it takes shape it is hoped that it will become the focal point in the governmental set-up on all matters concerning various aspects of manpower and employment including the manpower information programme. In addition, the question of reviving the National Manpower Council as the highest policy making body in the field of manpower and employment is under consideration.

Manpower planning in developing countries is comparatively a new subject. It was, therefore, necessary to secure international assistance to organise it in Pakistan. An agreement for a project on manpower planning and employment promotion has accordingly been concluded in 1974 with the UNDP and ILO as executing agency with the following immediate and long-range objectives:—

Immediate objectives

The immediate objectives of the project are to assist at a high administrative level in:

1. the development of Manpower Division;
2. the identification of those major aspects of the employment problems to which attention will need to be directed on a priority basis in the formulation of an employment policy that has due regard to the principles outlined in the ILO Employment Policy Convention and Recommendation (No. 122), 1964.
3. ensuring coordination and cooperation between various central and provincial government ministries/departments concerned with the formulation and implementation of employment policies, programmes and projects;

4. the preparation of an immediate programme for employment promotion in the rural and urban sectors;
5. the development of reliable and regular programme for manpower information.

Long-Range Objectives

The long-range objectives of the project are:

1. to absorb in the labour market new entrants in the labour force and reduce the backlog of unemployed;
2. to develop programmes for the creation of jobs for future new entrants in the labour market;
3. to ensure that employment creation be recognized as a major objective of economic and social planning;
4. to develop a system for estimating the employment potential of various projects included in the economic plans;
5. to develop the mechanism for the preparation of a manpower budget;
6. to prepare a long-term programme for the creation of additional employment and the increased absorption of the unemployed.

The project does not have any direct investment potential but by overcoming manpower shortages and surpluses will contribute to an efficient utilization of human resources, and create a favourable climate for foreign and domestic investment.

SOCIAL WELFARE

The public sector programmes in social welfare sector include rural and urban community development projects, family and child welfare, youth welfare, professional and financial assistance to the voluntary social welfare agencies, medical social work, social work training and research etc. In addition, the Government has been encouraging private sector to initiate needed social services with the active assistance of the Government on aided self-help basis. The social reforms of the present Government during the last three years aimed at structural changes in the society and accordingly prescribed altogether a new strategy for social welfare. Administrative re-arrangements have been underway and steps are being taken to effect greater coordination between various Government Departments and agencies and the social welfare sector.

Performance during 1974-75

During 1974-75 a total expenditure of Rs. 1.47 crore was incurred on social welfare programmes in the public sector (Federal Government—Rs. 54.50 lakh; Punjab—Rs. 60 lakh; Sind—Rs. 21.75 lakh; NWFP—Rs. 11.49 lakh). In addition to this the private sector mobilised popular participation and private investments in social services.

In the four Provinces, by the end of March 1975, 320 service units were functioning in the field of community development, socio-economic programme for women, mother's and children's home, model orphanages etc.

Vocational Training Centres

In order to encourage women to become productive citizens, more than 2,000 vocational training centres have been established under the auspices of the Federal and the Provincial Governments.

Social Work Education and Research

The Federal Government gives grants-in-aid to the universities and colleges for the promotion of social work education. During the year 1974-75, a sum of Rs. 2.9 lakh was given as grants-in-aid to Punjab, Karachi, Sind, Baluchistan and Peshawar Universities for social work education and research as compared to Rs. 1.1 lakh in 1973-74. For the colleges, grant remained constant at last year's level of Rs. 1.5 lakh.

Relief and Rehabilitation

Voluntary social welfare agencies did a commendable job of collecting relief supplies and sending all necessary articles required for assistance for earthquake victims in Hazara and Swat districts.

Provincial Directorate of Social Welfare and prominent voluntary social welfare agencies like All Pakistan Women's Association continued their work for the rehabilitation of repatriates from Bangladesh.

PHYSICAL PLANNING AND HOUSING

In view of the acute housing shortage in the country the present Government has given this sector its due place in the scale of priorities. In the Annual Development Plan for 1974-75, Rs. 72.8 crore had been provided for this sector. This represents 544 per cent increase over 1971-72. In spite of substantial increase in financial resources in 1974-75, the size of the programme remains quite modest as compared to the needs. Out of the total allocation of Rs. 72.8 crore, the expenditure upto March 1975 is estimated at Rs. 48.34 crore.

Strategy and Objectives

In the field of housing, the Government with its limited resources confined itself to providing sites and services, leaving actual construction to the private sector. To help the private sector, the capital resources of the House Building Finance Corporation (H.B.F.C.) have been augmented and fiscal incentives have been provided to attract private capital for house construction. In addition to housing, there is paramount need for safe drinkable water and disposal of sewerage and excreta to prevent diseases caused by impure water and unhealthy sanitation. Keeping the above requirements in view, the Annual Development Plan 1974-75 provided for the following:

- (i) Development of 23,200 residential plots and construction of 3,500 nucleus houses/flats for low income groups.
- (ii) Allocation of Rs. 10 crore to H.B.F.C. to provide loan to large number of low and middle income families.
- (iii) The availability of electricity and gas to lower-income households.
- (iv) Stepping up programme for providing water supply and sanitation in both urban and rural areas and initiating hand-pump installation programme in areas affected by the 1973 floods.
- (v) Revising water and sewerage charges to make the urban programme financially viable.
- (vi) Construction of model villages and undertaking pilot programmes for village improvement.
- (vii) Construction of people's waiting halls and improvement of subordinate courts in a phased programme.

Community Services and Utilities

Rural Water Supply

The present Government is laying special emphasis on the supply of pure drinking water in rural areas. There were 340 ongoing and new schemes on rural water supply in various provinces of the country. During 1974-75, 133 schemes were completed. With the completion of these schemes, a total rural population of 7.40 lakh will be served with water supply.

Urban Water Supply, Sewerage and Drainage

Urban water supply and sewerage and drainage schemes made satisfactory progress during 1974-75. The target envisaged was the provision of water supply, sewerage and drainage facilities to 5.80 lakh population in the urban areas. In the Punjab, 11 schemes and in Sind 3 schemes will be completed. In NWFP, work on 7 water supply sewerage and drainage schemes were in an advanced stage of completion.

In addition work was initiated on preparation of Phase II of the Greater Lahore Water Supply and Sewerage Project and progress was made on Part I of the Third Phase of Greater Karachi Bulk Water Supply Scheme and Lyari Water Supply and Sewerage Scheme.

Low Cost Housing

Efforts were continued for making developed plots available to all income groups. In 1974-75 (upto end March), 24,275 plots were developed. In addition, 445 houses/flats were constructed. Work was initiated on a pilot low cost housing colony in Peshawar with an initial government equity of Rs. 10 lakh. In addition, rupee one crore was made available to municipal committees for initiating development projects in various towns in NWFP.

Government Servants Housing

During the first nine months of 1974-75, 3,000 houses/quarters/flats were completed (Federal Government 1,500 and 1,500 by the Provinces). Work was initiated for the construction of an M.P.As Hostel at Islamabad. In NWFP, construction was started on a colony for Government servants at Jamrud Road and a guest house in Peshawar. Work was completed on the renovation/improvement of official residences at Quetta.

Regional Planning and Development

During 1974-75, the following research studies were completed under urban and regional planning efforts to tackle the problems of rural and urban areas in a more comprehensive manner.

- (i) Under Joint Research Project No. IV for Slum Improvement and Urban Development, in-depth study on improving slum area of Usmania Mohajir Colony.
- (ii) Outline development plans for Khanewal and Rahimyar Khan.
- (iii) Mapping work of Larkana town.
- (iv) Planning of areas around the Shrine of Shah Abdul Latif and Lal Shah Baz.
- (v) Construction work of Research Laboratory at Rawalpindi and Building Research Station, Lahore.
- (vi) The Master Plan for Karachi Metropolitan Area.

In addition, work on the preparation of five Outline Development Plans and the Regional Development Plan for Sargodha region; preparation of development projects for Karachi for the consideration of international aid giving agencies; and work on two ongoing schemes for establishing Public Health Engineering Research Laboratories at Rawalpindi and Lahore were continued. During 1974-75, in-depth study on Lyari Slum Area was undertaken. The Karachi Municipal Corporation was implementing recommendations of completed research projects in Chanesar Goth Slum area.

Urban and Regional Planning Legislation

To properly institutionalise urban planning in the country, work on the preparation and processing of appropriate legislations was taken up at the Federal and Provincial levels. A draft Federal Physical Planning Act was prepared and finalised during 1974-75 and is being further processed. The NWFP Government have already enacted a similar legislation creating Urban Development Board. The Governments of Punjab, Sind and Baluchistan are considering enactment of suitable legislations.

Agrovilles

Agrovilles are conceived to be self-contained urban settlements planned to offer their inhabitants a balanced range of essential public services and social and cultural facilities. The objective is to bring urban facilities to rural areas and to lessen the movement of population from rural to urban centres. During 1973-74, a modest beginning was made by selecting three sites in Sind namely Badin, Miro Khan and Garhi Khairo and actual work was started on these sites. The Federal Government contributed Rs. 25 lakh for agrovilles at Badin.

During 1974-75, an allocation of Rs. 66 lakh was made in the Provincial ADPs (Punjab and NWFP—Rs. 15 lakh each, Sind—Rs. 30 lakh and Baluchistan Rs. 6 lakh). In addition, an allocation of Rs. 10 lakh was made in the Federal ADP for providing assistance to the provinces. Details of this programme are given in the Chapter on Rural Development of this document.

Special Areas

In Azad Kashmir, work continued on the schemes of construction of residential accommodation for government servants and water supply schemes. Work was also initiated for the construction of administrative buildings.

In the Northern Areas, comprising Gilgit, Baltistan and Diamer Agencies, work was undertaken for the construction of 200 quarters, provision of drinking water supply to villages and townships and construction of administrative buildings for police force and other departments. Preliminary work for the construction of a new town at Chillas was completed. In the Federally Administered Tribal Areas, progress was made in the programme for drinking water supply and construction of residential and non-residential buildings.

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Population

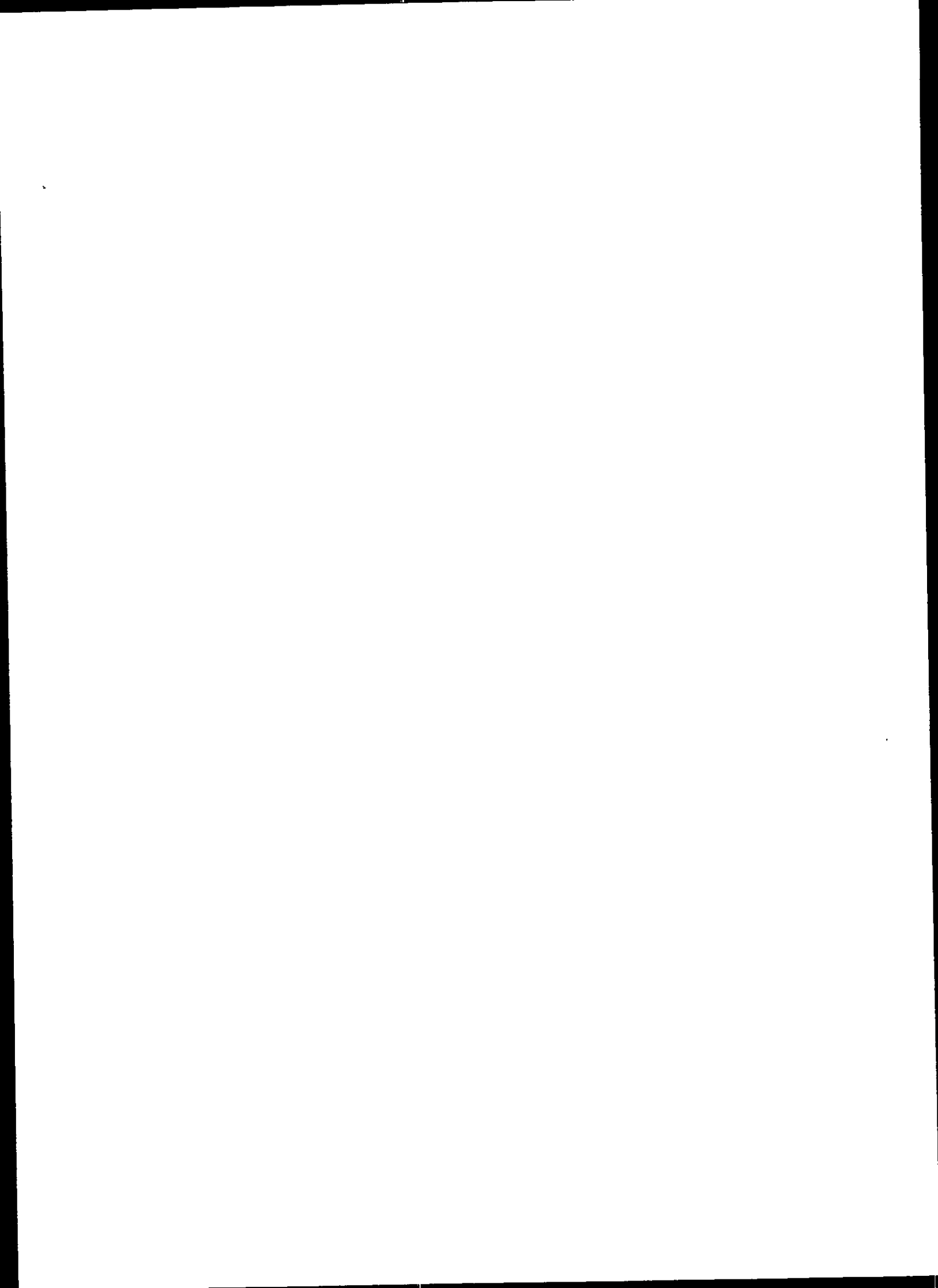


TABLE NO. I
POPULATION IN PAKISTAN

(in thousand)

Census year	Population					Average Inter-Censal rate of growth per annum
1901	..	..	..	..	16,576 ¹	— ²
1911	..	..	..	..	19,382	0.7
1921	..	..	..	..	21,109	0.9
1931	..	..	..	..	23,542	1.1
1941	..	..	..	..	28,282 ³	1.8
1951	..	..	..	..	33,740 ⁴	1.7
1961	..	..	..	..	42,880	2.4
1972	..	..	..	..	64,976	**

1. Excluding population of Frontier Regions.

2. Based on population excluding 16 thousand persons of Frontier Regions in 1911.

3. Including 13 thousand persons (estimated) of Gawadar and 24 thousand persons (estimated) in Frontier Regions who were not included in the 1951-census published data.

4. The Planning Commission has estimated that there was under enumerations in the 1961 census to the tune of 7.5 percent. As such the 1951 population figures used for various economic indicators is taken to be 46,110 thousand

**The inter-censal population growth rates between 1961 and 1972 are 3.6 percent if the 1961 population is taken without adjustment and 2.9 percent after adjustment for 7.5 percent under-enumeration.

TABLE NO. 2
POPULATION BY PROVINCES AND SEX
(in thousand)

Province	1951			1961			1972		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Pakistan ..	33,779	18,170	15,609	42,880	22,960	19,920	64,890	34,643	30,247
N.W.F.P. ..	3,253	1,717	1,536	4,140	2,163	1,977	8,337	4,342	3,995
Federally Administered Tribal Areas	2,647	1,396	1,251	3,438	1,792	1,646	2,486	1,280	1,206
Punjab ..	20,651	11,058	9,593	25,581	13,643	11,938	37,508	19,942	17,566
Sind ..	6,054	3,355	2,699	8,510	4,722	3,788	14,008	7,497	6,511
Baluchistan ..	1,174	644	530	1,161	640	521	2,405	1,272	1,133
Federal Capital Territory Islamabad. ..	—	—	—	—	—	—	276	130	146

Source : Census of Pakistan 1951, 1961 and 1972.

1. Including 13,000 persons of Gwadar and 24,000 person estimated in Frontier regions who were not included in 1951 Census published reports.
2. The Planning Commission has estimated that the population during 1961 was 46,110 thousand, the figure used in this table is the official Census figure.
3. The population Census Organisation have recently revised the figure to 64,976,000.

TABLE No. 3
POPULATION BY PROVINCES URBAN/RURAL AREAS *

(in thousand)

	195			1961			1972								
	Total	Urban	Per cent urban	Total	Urban	Per cent urban	Total	Urban	Per cent urban						
Pakistan	..	..	..	33,779	6,019	19.81	27,760	42,880	9,655	22.50	33,225	64,890	16,538	25.48	48,422
N.W.F.P.	..	..	..	3,253	507	15.58	2,746	4,140	743	17.94	3,397	8,337	1,189	14.26	7,148
Federally Administered Tribal Areas	..	..	..	2,647	—	—	2,647	3,438	41	1.19	3,397	2,486	80	0.32	2,473
Punjab	..	..	..	20,681	3,599	17.43	17,052	25,581	5,475	21.40	20,106	37,508	9,180	24.47	28,328
Sind	..	..	..	6,034	1,768	29.20	4,286	8,560	3,175	37.09	5,385	14,008	5,701	40.70	8307
(a) Sind (Excluding Karachi Distt)	..	..	..	4,928	700	14.20	4,228	6,516	1,262	18.44	5,254	10,418	2,202	21.13	8,216
(b) Karachi Distt.	..	..	..	1,126	1,068	94.84	58	2,044	1,913	93.59	131	3,590	3,499	97.46	91
Baluchistan	..	..	..	1,174	145	12.35	1,029	1,161	221	9.03	940	2,405	398	16.54	2,007
Islamabad	..	..	..	..	..	..	..	..	..	..	..	236	77	32.62	159

* See foot-notes under table 2 on page 2.

Source : Census of Pakistan 1951, 1961 and 1972.

TABLE NO. 4

AREA AND DENSITY BY PROVINCES AND DIVISIONS

Provinces/Divisions	Area (in Sq. miles)	Density		
		1951	1961	1972
Pakistan	3,07,374.1	109	140	211
North Western Frontier Province ..	28,773	240	248	290
Peshawar Division	10,745	317	96	512
D. I. Khan Division	5,172	115	141	201
Malakand Division	12,856	—	—	140
Federally Administered Tribal Area ..	10,510	103	152	236
Federal Capital Territory, Islamabad ..	350	—	—	674
Punjab Province	79,284	259	322	473
Rawalpindi Division	10,857	307	355	522
Sargodha Division	17,095	277	350	525
Lahore Division	8,907	586	724	1,100
Multan Division	24,823	214	266	383
Bahawalpur Division	17,602	104	147	202
Sind Province	54,407	106	131	258
Baluchistan Province	1,34,050	9	9	18
Quetta Division	54,048	13	12	24
Kalat Division	79,992	7	7	14

Source: Population Census Organisation

1. Area in square miles as given in Press release on 1972 Population Census by Ministry of Interior.

National Income

TABLE No. 5
GROSS DOMESTIC PRODUCT AT CONSTANT FACTOR COST (1959-60)

(Crore Rupees)

Sectors	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
															(Revised)	(Provis.)
1. Agriculture	771.1	769.5	817.1	859.7	881.3	927.6	931.8	982.9	1,098.2	1,147.8	1,257.4	1,218.8	1,261.1	1,282.1	1,299.2	1,273.7
(a) Major Crops	388.2	384.0	420.9	459.5	450.9	488.8	482.1	513.7	607.8	640.8	755.3	704.5	733.6	747.3	754.1	17.5
(b) Minor Crops	89.3	86.9	91.8	89.1	112.9	113.0	117.2	128.4	140.6	151.6	136.3	141.8	150.7	147.8	152.3	157.6
(c) Livestock	283.7	288.7	294.0	299.6	340.8	312.1	317.8	324.2	330.7	337.3	344.0	350.9	357.9	365.1	372.4	379.
(d) Fishing	7.1	6.7	7.0	7.7	8.5	9.1	9.7	11.4	13.5	12.1	17.0	15.5	12.5	12.8	11.5	11.6
(e) Forestry	2.8	3.2	3.4	3.8	4.2	4.6	5.0	5.2	5.6	6.0	4.8	6.1	6.4	9.1	8.9	8.9
2. Mining and quarrying	7.0	8.1	8.6	9.6	11.3	12.2	13.3	13.3	13.7	14.1	15.7	15.6	15.9	16.1	18.0	19.9
3. Manufacturing	201.8	227.6	257.6	286.3	318.6	350.1	379.9	401.2	426.7	463.4	515.6	523.4	498.8	547.4	582.9	600.3
(a) Large Scale	115.9	139.4	167.1	193.4	223.3	252.3	279.6	298.2	320.9	354.8	404.2	409.0	381.3	426.5	458.5	427.3
(b) Small Scale	85.9	88.2	90.5	92.9	94.3	97.8	100.3	103.0	105.8	108.6	111.4	114.4	117.5	120.9	124.4	128.0
4. Construction	42.7	61.2	59.6	70.0	89.7	102.9	107.9	103.9	103.7	131.7	135.7	139.0	116.3	134.6	149.0	71.41
5. Electricity and Gas Distribution Services	8.7	9.9	9.9	12.2	14.2	17.2	19.7	20.7	22.4	25.1	63.9	74.1	78.0	90.3	106.8	112.5
6. Transportation, storage and communications	92.1	102.3	98.7	108.6	112.4	149.0	158.1	164.3	172.9	182.3	202.2	197.4	201.5	235.3	245.1	262.6
7. Wholesale and retail trade	210.5	225.1	242.7	266.5	293.5	316.6	344.0	362.1	375.4	402.0	445.7	445.3	441.4	469.2	537.7	547.2
8. Banking and Insurance	83.7	85.8	88.8	91.6	94.3	97.6	100.6	103.9	106.7	109.9	111.2	114.9	118.8	123.1	127.5	132.1
9. Ownership of Dwellings	39.7	39.8	44.3	47.2	51.8	54.3	73.8	66.7	76.0	78.2	208.0	213.3	227.8	239.9	232.7	29.55
10. Public Administration and defence	141.1	147.8	153.7	160.1	166.5	172.2	180.1	187.8	195.4	203.1	216.9	227.6	239.1	251.6	265.3	280.3
11. Services	1,598.4	1,677.1	1,781.0	1,911.8	2,033.6	2,200.7	2,309.2	2,406.8	2,591.1	2,757.6	3,230.2	3,232.9	3,262.7	3,499.7	3,652.1	3,746.2
12. Gross Domestic Product	450.3	462.0	475.3	489.0	503.1	517.6	532.6	547.9	563.7	580.0	597.0	614.9	633.4	652.4	672.0	692.1
13. Population (in lakhs)	355	363	375	391	404	425	434	439	460	475	541	526	515	535	544	541
14. Per Capita Gross Income (rupees)	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

Note :—(i) Population figures are those based on the estimates of growth prepared by the Planning Division.

(ii) The estimates have been revised from 1969-70 to 1972-73 by transferring the value added in mass media to transport, storage and communication sector.

Source : Statistics Division.

TABLE No. 6

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST

GROSS DOMESTIC PRODUCT AT CURRENT FACTOR COST																
Sectors	(Crore Rupees)															
	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 (Rev)	1974-75 (Priv)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1. Agriculture	771.1	818.4	821.6	856.5	949.9	1,043.8	1,057.2	1,246.0	1,399.4	1,403.8	1,556.4	1,793.4	2,190.7	2,879.8	3,273.4	
(a) Major Crops	388.2	411.1	407.9	436.1	495.5	572.0	566.9	660.4	732.9	746.6	910.3	883.2	1,006.7	1,234.6	1,531.6	1,762.3
(b) Minor Crops	89.3	90.0	91.1	86.4	115.0	134.6	144.8	194.4	215.9	170.9	199.9	224.4	240.8	283.3	369.6	456.8
(c) Livestock	283.7	306.4	311.0	320.3	323.8	319.9	325.4	368.8	425.6	461.5	454.7	479.4	505.3	616.9	824.7	961.6
(d) Fishing	7.1	7.9	8.3	8.9	11.6	12.7	13.8	15.1	15.9	14.8	23.3	26.1	29.5	37.9	47.6	56.5
(e) Forestry	2.8	3.0	3.3	3.9	4.0	4.6	6.3	7.4	9.1	10.0	8.2	10.5	11.1	18.0	25.3	36.2
2. Mining and quarrying	7.0	8.3	8.9	10.2	11.9	14.0	15.2	15.8	16.5	18.1	22.9	24.3	26.8	38.6	56.0	76.9
3. Manufacturing	201.8	225.8	260.2	302.4	341.4	375.9	428.1	459.6	519.9	601.3	692.3	745.0	7.557	934.8	1,218.7	1,664.3
(a) Large-scale	115.9	138.3	168.8	214.3	239.0	270.4	315.1	349.0	380.5	460.4	542.7	583.2	577.7	728.2	958.3	1,308.8
(b) Small-scale	85.9	87.5	91.4	98.1	102.4	105.5	113.0	120.6	129.4	140.9	149.6	162.8	178.0	206.6	260.4	355.5
4. Construction	42.7	60.7	60.2	73.9	96.0	110.3	121.6	121.6	126.2	170.9	182.2	197.9	176.3	229.8	311.4	375.0
5. Electricity and Gas Distribution Services	8.7	10.2	10.5	12.7	15.7	20.0	22.9	26.9	29.1	30.9	66.1	78.2	82.3	95.5	121.7	134.0
6. Transport, storage and communication	92.1	106.1	106.5	114.0	124.0	173.7	185.5	217.1	235.6	250.3	293.7	300.4	323.3	426.0	556.5	720.0
7. Wholesale and retail trade	210.5	232.0	250.5	270.6	315.9	369.0	410.0	478.6	511.6	553.8	647.5	678.1	708.5	849.0	1,218.3	1,494.7
8. Banking and Insurance	—	—	—	—	—	—	—	—	—	—	77.1	88.2	96.8	140.8	180.1	223.1
9. Ownership of dwellings	83.7	87.5	92.4	95.3	100.0	108.3	118.7	134.0	140.3	151.6	161.4	175.2	191.3	223.7	286.8	358.8
10. Public administration and defence	39.7	41.6	46.6	50.2	56.0	61.5	86.5	83.8	98.7	103.1	276.9	296.7	344.5	443.0	514.0	681.6
11. Services	141.1	150.5	160.0	164.0	175.6	192.6	211.8	239.5	252.8	267.3	313.4	347.5	389.4	463.6	636.3	810.2
12. Gross Domestic Product	1,598.4	1,741.1	1,817.4	1,949.8	2,186.4	2,469.1	2,760.5	3,032.9	3,320.1	3,551.1	4,329.9	4,888.3	6,035.5	7,898.6	9,912.0	
13. Population (in lakh)	450.3	462.0	475.3	489.0	503.1	517.6	532.6	547.9	563.7	580.0	597.0	614.9	633.4	652.4	672.0	692.1
14. Per capita gross income (rupees)	355	377	382	399	535	477	500	554	591	612	725	741	772	925	1175	1432

Note :— (i) Population figures are those based on the estimates of Growth prepared by the Planning Division.

Source : Statistics Division

TABLE NO. 7

EXPENDITURE ON NATIONAL PRODUCT AT CURRENT PRICES

(in million roubles)

Flows	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
Private Consumption Expenditure	3,664.2	3 853.6	4 020.9	4,858.7	6,931.5	8962.0
General Government Current Consumption expenditure.	484.6	527.0	631.0	756.3	856.0	1210.0
Gross Domestic Fixed Capital Formation	681.4	704.5	688.1	774.1	953.7**	1650.0
Change in Stocks	70.6	84.7	85.0	100.0	100.0	200.0
Export of Goods and Services	363.7	392.2	392.3	1,004.1	1 204.9	1245.0
Import of Goods and Services	(-)-494.2	(-)-532.3	(-)-472.7	(-)-966.5	(-)-1,652.4	2655.0
Expenditure on Gross Domestic Product at Market Prices	4,770.3	5,029.7	5,344.6	6,526.7	8,393.2	10642.0
Net Factor Income from/to rest of the World ..	(+)-0.3	(-)-8.2	(+)-9.9	(+)-46.3	(+)-61.7	(+)-89.7
Expenditure on Gross National Product at Market Prices	4,770.6	5,021.5	5,354.5	6,573.0	8,434.9	10731.7
Indirect Taxes	(-)-463.6	(-)-497.8	(-)-509.6	(-)-643.6	(-)-711.5	(-)-1067.6
Subsidies	(+)-23.2	(+)-22.8	(+)-53.3	(+)-152.4	(+)-246.9	(+)-335.6
Gross National Product at Factor Cost	4,330.2	4,546.5	4,898.2	6,081.8*	7,960.3*	10001.7

*Revised.

**Provisional

Sources: (1) Planning Division
(2) Statistics Division

Agriculture

TABLE NO. 8
INDEX OF AGRICULTURAL PRODUCTION (MAJOR CROPS)
(1959-60=100)

Year (July-June)	All crops	Food crops	Non-food crops	Fibres
1948-49	89	—	—	—
1949-50	86	—	—	—
1950-51	90	N.A.	N.A.	N.A.
1954-55	90	—	—	—
1955-56	86	—	—	—
1959-60	100	100	100	100
1960-61	100	98	103	103
1961-62	109	105	122	111
1962-63	119	108	151	128
1963-64	118	108	124	144
1964-65	128	120	162	130
1965-66	127	107	181	142
1966-67	135	114	189	156
1967-68	157	150	170	171
1968-69	168	160	184	181
1969-70	186	177	214	185
1970-71	174	164	195	188
1971-72	183	170	169	245
1972-73	188	181	163	243
1973-74 (r)	196	190	188	228
1974-75 (p)	186	180	178	218

Source : Statistics Division

(a) Revised.

(p) Provisional.

Weighting system : Weighted average prices of the base year are used as a weight for the quantum indices.

Method of calculation : The index numbers are computed by Laspeyre's Formula i.e. $\frac{\sum Q_1 P_0}{\sum Q_0 P_0}$

where Q_1 is the quantity of current year and Q_0 and P_0 are the average quantity and weighted average prices of the base year, respectively.

TABLE NO. 9
PER CAPITA AVAILABILITY OF FOODGRAINS

(000 Tons)

Year (July-June)	Available (a) from domestic Production of food crop	Allowance for seed, animal feed, was- tage etc ; @10%	(b) Imports	Exports	(c) Avail- able consump- tion (2-3+4 -5)	(d) Popu- lation in Lakh	Per capita availability (ounces per day)	
t	2	3	4	5	6	7	8	
1959-60	..	6,013	601.3	804	56	6,159.7	450.3	13.43
1960-61	..	5,948	594.8	1,062	148	6,267.2	462.0	13.32
1961-62	..	6,069	606.9	667	128	6,001.1	475.3	12.40
1962-63	..	6,298	629.8	711	134	6,245.2	489.0	12.54
1963-64	..	6,507	650.7	864	132	6,588.3	503.1	12.86
1964-65	..	6,781	678.1	1,492	131	7,413.9	517.6	14.06
1965-66	..	7,095	709.5	744	139	6,990.5	532.6	12.89
1966-67	..	6,495	649.5	1,146	176	6,815.5	547.9	12.21
1967-68	..	7,300	730.0	1,419	116	7,873.0	563.7	13.71
1968-69	..	9,622	962.2	16	125	8,550.8	580.0	14.48
1969-70	..	10,187	1,018.7	227	87	9,308.3	597.0	15.31
1970-71	..	10,836	1,083.6	290	177	9,865.4	614.9	15.75
1971-72	..	10,045	1,004.5	694	196	9,538.5	633.4	14.79
1972-73	..	10,466	1,046.6	1,527	335	10,611.4	652.4	15.97
1973-74	..	11,321	1,132.1	1,168	575	10,781.9	762.0	15.75
1974-75	..	11,112*	1,111.2*	1,625*	500*	11,125.8	692.1	15.78

- (a) The figures include the production of rice, maize, bajra and jowar of the current year and production of wheat and barley of the previous year.
 (b) The import figures are those supplied by the Ministry of Food and Agriculture.
 (c) Stocks are assumed constant because of lack of adequate information about private stocks; Annual variations in per capita availability may therefore be partly met from changes in stocks.
 (d) Population figures are based on the estimates of the Planning Division.
 *Estimates

TABLE NO. 10
ACREAGE OF PRINCIPAL CROPS

(Thousand acres)

Crop	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Wheat ..	9,770	10,591	10,337	10,799	10,148	9,432	10,416	10,530	11,172	11,587	11,388	11,933
Rice ..	1,952	2,075	2,305	2,392	2,184	2,243	2,510	2,369	2,395	2,401	2,652	2,844
Bajra ..	1,998	2,329	2,368	2,403	2,017	2,212	2,581	2,191	2,202	2,287	1,845	2,003
Jowar ..	1,054	1,180	1,361	1,255	1,130	1,316	1,512	1,125	1,326	1,357	954	1,096
Maize ..	899	945	990	935	971	970	1,062	1,062	1,061	1,056	1,065	1,127
Barley ..	415	573	497	429	431	484	518	450	451	453	485	490
Total Food-grains ..	16,088	17,693	17,858	18,213	16,871	16,657	18,599	17,727	18,607	19,150	18,389	19,493
Gram ..	2,179	2,797	2,398	2,756	2,110	2,032	2,561	3,046	3,247	3,162	2,998	3,013
Total Food Crops ..	18,267	20,490	20,256	20,969	18,981	18,689	21,160	20,773	21,854	22,312	21,387	22,406
Sugarcane ..	468	487	542	465	469	626	722	752	708	788	982	1,057
Rape & Mustard ..	1,059	1,118	907	1,140	1,365	1,054	1,076	1,275	1,467	1,362	1,347	1,493
Sesamum ..	65	43	49	58	62	60	67	60	58	61	64	59
Cotton ..	3,056	2,598	2,744	3,016	3,318	3,422	2,870	3,136	3,477	3,555	3,590	3,273
Tobacco ..	30	37	41	51	54	42	61	107	78	72	89	89
Total Cash Crop ..	4,678	4,283	4,283	4,730	5,268	5,204	4,796	5,330	5,788	5,838	6,072	5,971
Total Principal Crops ..	22,945	24,773	24,539	25,699	24,249	23,893	25,956	26,103	27,642	28,150	27,459	28,377

(Thousand acres)

Crops	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75 (P)
Wheat ..	12,055	11,463	12,165	12,410	12,598	13,140	12,738	13,305	14,785	15,221	15,393	14,771	14,325	14,754	15,105	14,397
Rice ..	2,974	2,918	3,001	2,930	3,178	3,350	3,443	3,483	3,508	3,842	4,008	3,715	3,599	3,656	3,736	3,866
Bajra ..	1,990	1,844	2,055	2,104	1,831	2,250	2,075	2,069	2,258	1,819	1,560	1,853	1,876	1,512	1,812	1,511
Jowar ..	1,127	1,175	1,267	1,202	1,154	1,446	1,467	1,380	1,444	1,170	2,212	1,378	1,253	1,236	1,456	1,145
Maize ..	1,192	1,185	1,169	1,133	1,236	1,202	1,339	1,368	1,502	1,523	1,600	1,581	1,563	1,594	1,563	1,515
Barley ..	566	462	461	485	436	458	382	400	429	385	399	347	388	406	506	459
Total Food-grains ..	19,904	19,047	20,118	20,264	20,237	21,846	21,444	22,005	23,926	23,960	24,172	23,645	23,004	23,158	24,178	22,893
Gram ..	2,821	2,732	2,951	3,013	2,751	2,991	2,643	2,578	2,769	2,369	2,293	2,559	2,383	2,514	2,738	2,659
Total Food-Crops ..	22,725	21,779	23,069	23,277	22,988	24,837	24,087	24,583	26,995	26,329	26,465	26,204	25,387	25,672	26,916	25,552
Sugarcane ..	980	959	1,098	1,312	1,180	1,243	1,476	1,605	1,245	1,336	1,532	1,572	1,365	1,318	1,564	1,655
Rap & Mustard ..	1,387	1,233	1,114	1,222	1,173	1,207	1,091	1,136	1,340	1,093	1,184	1,260	1,389	1,319	1,331	1,233
Sesamum ..	76	78	108	74	66	83	70	75	79	68	56	76	103	73	82	51
Cotton ..	2,318	3,195	3,449	3,395	3,634	3,624	3,858	3,939	4,411	4,313	4,338	4,284	4,837	4,967	4,559	5,019
Tobacco ..	95	96	112	114	109	121	144	177	174	160	149	150	125	108	115	N.A.
Total Cash Crop ..	5,856	5,561	5,881	6,117	6,162	6,278	6,639	6,932	7,249	6,970	7,259	7,342	7,819	7,786	7,650	—
Total Principal Crops ..	28,581	27,340	28,950	29,394	29,150	31,115	30,726	31,415	33,944	33,299	33,724	33,546	33,206	33,458	34,566	—

(P) Provisional.

N.A. Not Available.

Source : Planning Unit, Ministry of Food and Agriculture

TABLE NO. II
PRODUCTION OF PRINCIPAL CROPS

(Thousand tons)

Crop	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62
Wheat ..	3,301	3,974	3,862	3,930	2,962	2,367	3,587	3,136	3,317	3,581	3,508	3,845	3,847	3,754	3,963
Rice ..	682	736	792	851	719	819	906	825	828	831	862	976	979	1,014	1,109
Bajra ..	296	340	370	386	265	267	461	349	430	361	274	309	324	301	364
Jowar ..	202	243	267	244	205	220	228	221	249	255	183	212	229	21	244
Maize ..	353	373	401	381	377	346	402	426	450	462	440	481	478	432	480
Barley ..	111	175	146	129	99	92	127	104	126	114	157	158	137	118	114
Total Foodgrains..	4,945	5,841	5,838	5,921	4,627	4,111	5,711	5,061	5,310	5,508	5,424	5,981	5,994	5,836	6,274
Gram ..	465	754	599	744	422	316	562	594	688	681	653	568	598	600	613
Total Food crops ..	5,410	6,595	6,437	6,665	5,049	4,427	6,273	5,655	5,998	6,189	6,077	6,549	6,592	6,436	6,887
Sugarcane ..	5,442	6,837	7,725	5,419	5,314	7,151	8,815	8,696	8,070	8,806	11,116	12,292	10,494	11,657	14,130
Rape & Mustard ..	172	185	142	196	197	125	163	216	220	222	229	268	235	211	202
Seamum ..	9	6	6	8	7	6	6	6	6	6	6	6	6	7	11
Cotton ..	193	168	216	252	236	297	261	285	293	300	299	278	287	296	319
	(1,106)	(964)	(1,239)	(1,406)	(1,397)	(1,784)	(1,425)	(1,583)	(1,678)	(1,711)	(1,708)	(1,587)	(1,639)	(1,692)	(1,823)
Tobacco ..	14	17	25	29	35	25	37	72	48	46	56	57	61	59	69
	(31.7)	(40.3)	(56.4)	(66.0)	(78.3)	(57.0)	(84.0)	(162.6)	(107.6)	(102.8)	(124.8)	(128.4)	(137.2)	(132.4)	(154.8)
Total Cash Crop ..	5,830	7,213	8,114	5,904	5,789	7,604	9,282	9,275	8,637	9,380	11,706	12,901	11,083	12,230	14,731
Total Principal Crops	11,240	13,808	14,551	12,569	10,838	12,031	15,555	14,930	14,635	15,569	17,783	19,450	17,675	18,666	21,618

		(Thousand tons)													
Crop		1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75 (P)	
Wheat	..	..	4,104	4,096	4,518	3,854	4,266	6,317	6,513	7,179	6,374	6,781	7,325	7,508	
Rice	..	..	1,078	1,173	1,329	1,296	1,343	1,475	2,000	2,346	2,165	2,226	2,293	2,416	
Bajra..	..	..	416	356	439	364	365	407	325	297	355	354	299	346	
Jowar	..	..	247	234	288	270	273	286	258	279	324	307	297	372	
Maize	..	..	481	518	520	531	578	779	616	657	706	694	695	755	
Barley	..	..	122	109	116	82	87	106	95	107	90	101	107	137	
Total Food grains		..	6,448	6,486	7,210	6,397	6,912	9,370	9,807	10,865	10,014	10,463	11,016	11,534	
Total Food Crops		..	7,115	7,086	7,871	6,928	7,537	9,843	10,327	11,368	10,495	10,965	11,560	12,065	
Sugarcane	..	..	18,148	15,885	18,373	21,957	21,635	18,365	21,624	25,952	22,801	19,648	19,632	21,000	
Rape & Mustard	..	..	253	208	212	179	200	270	219	246	265	296	282	N.A.	
Sesamum	..	..	8	8	9	7	7	9	8	6	10	13	10	N.A.	
Cotton	..	..	360	411	321	408	456	508	518	529	534	696	691	624	
	..	..	(2,060)	(2,354)	(2,124)	(2,331)	(2,605)	(2,911)	(2,967)	(3,015)	(3,030)	(3,979)	(3,947)	(3,567)	
Tobacco	..	..	70	74	81	108	137	128	123	120	111	86	62	N.A.	
	..	..	(156.8)	(166.2)	(218.1)	(243)	(308)	(286)	(276)	(269)	(249)	(192)	(139)	N.A.	
Total Cash Crop	..	..	18,839	16,586	19,046	22,659	22,435	19,280	22,492	26,853	23,721	20,739	20,677	21,989	
Total Principal Crops	..	..	25,954	23,672	26,917	29,587	29,972	29,123	32,819	38,221	34,216	21,704	32,237	36,610	

Note:—Figures in brackets indicate '000' bales for cotton and million pounds for tobacco.
(P) Provisional.

Source : Planning unit M/o Agriculture.

TABLE No. 12
YIELD PER ACRE OF PRINCIPAL CROPS

(In Maunds)

Crop	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60
Wheat	9.2	10.2	10.2	9.9	7.9	6.8	9.3	8.1	8.0	8.4	8.4	8.8	8.7
Rice	9.5	9.6	9.4	9.7	9.0	9.8	9.8	9.4	9.4	9.4	8.8	9.3	10.7
Bajra	4.0	4.6	4.3	4.4	3.6	3.3	4.9	4.3	4.2	4.3	4.0	4.2	4.4
Jowar	5.2	5.6	5.3	5.3	5.0	4.6	5.1	5.3	5.1	5.1	5.2	5.3	5.5
Maize	10.7	10.7	11.0	11.1	10.6	9.7	10.3	10.9	11.5	11.8	11.2	11.6	10.9
Barley	7.3	8.3	8.0	8.2	6.3	5.2	6.6	6.4	7.6	6.9	8.8	8.8	6.4
Gram	5.8	7.3	6.5	7.3	5.4	4.2	6.0	5.3	5.8	5.9	5.9	5.1	5.8
Sugarcane	316.5	384.2	386.1	318.8	308.4	313.4	338.2	316.5	310.2	304.2	308.1	316.5	291.5
Rape & Mustard	4.4	4.5	4.3	4.7	3.9	2.2	4.1	4.6	4.0	4.4	4.6	4.9	4.4
Sesamum	3.3	3.2	3.3	3.7	3.1	2.7	2.5	2.8	2.7	2.7	2.6	2.8	2.9
Cotton	1.7	1.8	1.2	2.2	2.0	2.5	2.4	2.5	2.3	2.3	2.3	2.3	2.3
Tobacco	12.7	12.9	16.5	15.6	17.6	16.6	17.0	18.4	16.8	17.4	17.0	17.5	11.7

(In Maunds)

Crop	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75 (P)
Wheat ..	8.9	8.8	9.0	9.0	9.4	8.2	8.8	11.6	11.6	12.6	11.7	12.9	13.5	13.5	13.2
Rice ..	9.5	10.1	10.0	10.1	10.8	10.2	11.4	11.7	14.2	16.5	15.9	16.8	17.1	17.6	15.1
Bajra ..	4.2	4.8	5.4	5.3	5.3	4.8	4.8	4.9	4.9	5.2	5.1	4.7	5.4	5.2	5.8
Jowar ..	5.0	5.3	5.6	5.5	5.4	5.0	5.4	5.4	6.0	6.3	6.4	6.7	6.5	7.0	6.5
Maize ..	9.9	11.1	11.5	11.4	11.8	10.8	11.5	14.1	11.0	11.1	12.2	12.0	11.9	13.1	12.9
Barley ..	7.0	6.7	6.8	6.8	6.9	5.8	5.9	6.7	6.9	7.3	7.1	7.1	7.2	7.4	N.A.
Gram ..	6.0	5.7	6.0	5.9	6.0	5.5	5.5	4.7	6.0	5.9	5.9	5.7	5.9	6.0	N.A.
Sugarcane ..	325.2	350.3	376.5	366.4	402.3	404.9	366.9	401.5	440.6	461.1	394.9	391.9	405.3	409.5	345.4
Rape & Mustard ..	4.7	4.9	5.6	4.8	4.8	4.5	4.8	5.5	5.6	5.8	5.7	5.8	5.8	5.9	N.A.
Sesamum ..	2.4	2.8	2.9	3.3	3.0	2.2	2.5	3.1	3.2	3.7	3.7	3.5	3.8	4.1	N.A.
Cotton ..	2.5	2.5	2.9	3.1	2.8	2.9	3.1	3.1	3.3	3.3	3.4	3.9	3.8	3.9	3.4
Tobacco ..	16.8	16.7	16.6	18.5	18.3	20.5	21.4	20.0	20.5	20.9	20.2	18.6	15.5	15.3	N.A.

(P) Provisional

N.A. Not Available.

Source : Planning unit M/o Agriculture

TABLE No. 13
PRODUCTION, IMPORTS AND CONSUMPTION OF FERTILIZERS
 (000 N. / tons)

Years	N	P	K	Total	N	P	K	Total	N	P	K	Total
PRODUCTION												
1962-63	40.42	1.07	—	41.49	31.14	—	—	31.14	40.80	1.00	—	41.80
1963-64	44.36	1.19	—	45.55	51.13	—	—	51.13	68.00	0.70	—	68.70
1964-65	47.25	1.45	—	48.70	3.20	—	—	3.20	85.00	2.20	—	87.20
1965-66	46.56	1.42	—	47.98	48.95	—	—	48.95	69.24	1.25	—	70.49
1966-67	51.96	0.71	—	52.67	106.49	16.39	1.00	123.79	107.78	3.91	0.14	111.83
1967-68	49.66	1.30	—	50.96	103.23	49.32	—	152.55	177.44	12.78	0.21	190.43
1968-69	78.05	2.58	—	80.63	117.22	31.98	5.09	154.29	203.52	38.64	2.48	244.64
1969-70	129.29	4.18	—	133.47	293.13	6.40	—	299.53	272.56	33.81	1.34	307.71
1970-71	128.05	4.26	—	132.31	107.81	38.55	5.00	146.36	251.52	30.46	1.22	283.20
1971-72	215.07	4.88	—	219.95	70.42	—	—	70.42	343.97	37.23	0.74	381.94
1972-73	274.46	8.46	—	282.92	115.54	72.10	—	187.64	386.39	48.73	1.38	436.50
1973-74	299.86	4.01	—	303.87	224.54	103.90	6.31	334.75	342.66	58.11	2.67	403.44
1974-75 July-March	266.48	3.19	—	269.47	93.12	22.97	0.72	116.21	291.08	44.03	1.49	336.61
CONSUMPTION												
IMPORTS												
Source : Ministry of Food and Agriculture												

N- Nitrogenous
 P- Phosphatic
 K- Potassic

Industry

TABLE NO. 14
INDEX OF LARGE-SCALE MANUFACTURING AND MINING
 (BASE : 1964-65=100)

								Manufac- turing	Mining
1964-65	..	..	..	..	..	..	..	100	100
1965-66	..	..	..	..	..	..	..	110.8	100.5
1966-67	..	..	..	..	..	..	..	118.2	106.0
1967-68	..	..	..	..	..	..	..	127.2	101.6
1968-69	..	..	..	..	..	..	..	104.6	117.5
1969-70	..	..	..	..	..	..	..	160.2	118.7
1970-71	..	..	..	..	..	..	..	162.1	119.8
1971-72	..	..	..	..	..	..	..	151.1	114.1
1972-73	..	..	..	..	..	..	..	169.0	120.7
1973-74	..	..	..	..	..	..	..	181.7	119.6
1974-75	..	..	..	..	..	..	..	N.A	121.4 (E)

REVISED INDEX OF LARGE-SCALE MANUFACTURING
 (BASE : 1969-70=100)

1969-70	..	..	..	..	..	..	..	100
1970-71	..	..	..	..	..	..	..	106.2
1971-72	..	..	..	..	..	..	..	105.7
1972-73	..	..	..	..	..	..	..	115.4
1973-74	..	..	..	..	..	..	..	122.4
1974-75 (E)	..	..	..	..	..	..	..	121.4*

(E) Estimate.

Source : Statistics Division

Note:—The indices have been computed by using the production data of 76 major industrial items covering 76.9% of the total value added.

* The figure is based on data for July-December 1974 only.

I	2	3	4	5	6	7	8	9	10	11	12	13	14	15
(v) Sulphuric acid ..	000 tons	—	—	—	—	—	—	—	1	4	6	9	12	15
(vi) Caustic soda ..	000 tons	—	—	—	—	—	—	—	0.9	3.0	3.9	3.6	4.4	4.1
Bicycles ..	000 Nos	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	—
Sewing machines ..	000 Nos	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	—
<i>Electric Fans :</i>														
(i) Pedestal ..	000 Nos	NA	NA	NA	AN	NA	NA	NA	NA	NA	NA	NA	NA	NA
(ii) Ceiling ..	000 Nos	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(iii) Table ..	000 Nos	NA	NA	NA	NA	NA	AN	NA	NA	NA	NA	NA	NA	NA
Straw board ..	000 tons	—	—	—	—	—	—	—	—	2.7	3.6	4.5	4.5	3.6
Paper board ..	000 tons	—	—	—	—	—	—	—	—	3.9	6.0	7.2	7.8	10.2
Chip board ..	000 tons	—	—	—	—	—	—	—	—	—	—	0.5	1.4	2.1
Paints and Varnishes ..	000 gallons	—	—	—	—	—	—	—	—	—	—	—	—	521.1
Mild Steel Products ..	000 tons	—	—	—	—	—	—	—	—	—	—	—	—	—

TABLE No. 15—Contd
PRODUCTION OF SELECTED MANUFACTURING INDUSTRIES

Item	Unit	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75 (July- March (19)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Food Manufactures :															
(i) Sugar	000 tons	122	199	155	156	371	317	248	401	600	511	369	426	(1) 589	(1) 451
(ii) Vegetable ghee	000 tons	50	67	84	90	100	85	92	98	124	133	159	184	221	208
(iii) Sea salt	000 tons	229	197	193	219	193	210	211	319	248	215	236	158	109	100
Cigarettes	Crore Nos	1050	1083	1279	1430	1,687	1,897	2,002	2,064	2,237	2,417	2,177	2,762	2,748	2,011
Textile Manufactures :															
(i) Cotton yarn	Crore lbs	36.7	38.5	43.8	45.4	42.8	45.6	49.5	52.7	60.2	67.0	74.0	82.9	83.7	(1) 59.1
(ii) Cotton cloth	crore Yds	63.9	67.2	69.3	71.5	65.1	68.4	71.5	71.0	72.5	78.7	75.1	70.4	70.8	(1) 41.1
(iii) Art silk and, Rayon cloth	Lakh Yds	148.6	184.4	352.0	321.0	352.0	445.0	711.3	875.0	786.0	672.2	100.7	58.3	95.0	67.4
Jute textiles	000 tons	—	—	—	—	—	—	—	—	32.5	37.0	29.7	34.0	35.9	32.0
Motor tyres	000 Nos	—	—	—	59	60	59	84	12	109	115	100	168	272	181
Motor tubes	000 Nos	—	—	—	67	65	68	96	29	115	126	85	162	178	164
Cycles tyres and tubes	Lakh Nos	41.2	49.2	51.5	68.9	49.3	70.5	58.7	66.2	67.3	65.4	44.9	58.3	71.1	54.0
Safety matches	Lakh gross boxes	4.4	6.8	10.2	11.7	14.2	8.7	11.4	24.4	12.2	11.8	16.7	23.5	25.6	21.4
Others	Lakh tons	12.2	13.5	13.9	16.3	16.1	19.3	21.3	25.1	26.1	26.6	25.6	28.3	31.0	25.1

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Chemicals and Fertilizers :																
(i) Super phosphate 000 tons			7.9	6.1	6.6	8.0	7.9	4.0	15.8	14.2	22.9	25.0	27.0	45.0	22.3	(1) 23.3
(ii) Ammonium Sulphate .. 000 tons			51.8	51.6	49.1	34.9	38.4	42.2	46.1	41.9	57.4	58.7	65.7	57.3	89.0	(1) 94.8
(iii) Urea .. 000 tons			0.7	28.1	39.7	44.0	41.0	46.8	43.0	104.8	203.1	201.5	388.5	524.7	566.4	(1) 573.7
(iv) Soda Ash .. 000 tons			25.4	32.1	29.0	33.8	31.5	31.4	57.3	61.8	66.7	76.8	75.6	73.1	79.9	56.4
(v) Sulphuric Acid .. 000 tons			16.1	15.3	18.2	18.9	21.8	20.0	24.8	23.7	31.0	33.1	34.4	41.8	33.5	27.0
(vi) Caustic soda 000 tons			3.6	3.4	5.3	8.7	8.0	14.2	19.3	21.7	28.0	30.7	33.8	34.8	36.9	26.0
Bicycles .. 000 Nos			—	—	—	98.0	102.6	137.6	155.4	169.8	161.3	159.7	122.8	211.7	178.5	157.0
Sewing Machines 000 Nos			—	—	—	47.9	34.9	39.2	57.2	80.5	88.3	84.6	58.2	66.4	75.5	36.0
Electric Fans																
(i) Pedestal .. 000 Nos			—	—	—	NA	15.6	16.7	19.8	19.2	19.1	28.4	28.2	34.1	32.4	—
(ii) Ceiling .. 9000 Nos			—	—	—	NA	135.8	149.7	143.3	112.4	109.9	146.2	137.3	152.7	144.8	—
(iii) Table .. 000 Nos			—	—	—	NA	35.0	42.5	47.1	34.7	32.9	41.1	35.6	36.2	13.8	—
Straw board .. 000 tons			5.7	4.9	5.0	5.6	4.8	5.0	4.1	4.5	1.4	0.2	—	—	—	—
Paper board .. 000 tons			10.6	10.3	12.9	15.7	14.4	16.6	16.9	22.6	25.2	24.7	19.9	19.8	21.1	12.0
Chip board .. 000 tons			2.0	2.2	2.2	3.1	4.5	4.6	3.6	7.2	10.7	14.7	13.9	17.4	14.2	9.0
Paints and varnishes 000 gallons			503.5	593.1	876.9	1133.1	1165.0	1123.8	1329.4	1435.0	1489.4	1619.0	1316.0	1246.0	1350.0	947.0
Mild steel products .. 000 tons			AN	NA	NA	236.4	183.7	193.6	176.0	224.1	177.2	193.0	162.9	181.0	214.7	151.4

Source : Statistics Division,
Industries Division

(P) Provisional.

(*) Data relate to calendar year. Figures coming under 1948-49 mean figures for 1949 calendar year and so on.

(J) Data relate to nine months.

(—) Nil or insignificant

Mining

TABLE NO. 16
PRODUCTION OF MINERALS

Items	Unit	1948-49*	1954-55	1959-60	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 (July-March) (p)	1974-75 (p)
Antimony	.. (Tons)	—	—	—	265	61	914	758	148	173	181	318	76	32	175
Aragonite/Marble	(000 Tons)(a)	—	—	3	9	11	10	10	17	18	23	16	30	21	19
Celestine	.. (000 tons)	—	—	—	463	239	524	480	580	507	478	254	112	155	351
Chromite	.. (000 tons)	17(e)	27	15	16	20	38	23	26	25	27	33	18	13	7
Coal	.. (000 tons)	241	554	723	1,237	1,186	1,323	1,200	1,373	1,249	1,303	1,236	1,174	1,039	798
Dolomite	.. (Tons)	—	—	—	484	84	547	8,563	5,058	—	1,426	298	28	371	575
Fireclay	.. (000 tons)	6(e)	9	16	17	19	20	19	19	28	28	21	19	34	17
Fuller's earth	.. (000 tons)	—	—	—	9	10	18	14	7	3	14	12	16	15	10
Gypsum	.. (000 tons)	15(e)	27	91	183	115	122	60	234	204	164	21	129	214	118
Limestone	.. (000 tons)	313(e)	815	927	1,994	1,825	2,170	1,568	2,173	2,872	2,851	2,586	2,792	3,941	1,918
Magnesite	.. (Tons)	—	—	—	622	655	774	1,231	1,304	514	638	101	2,464	3,156	1,264
Rock salt	.. (000 tons)	206	140	169	247	289	231	273	365	305	344	353	348	369	279
Silica sand	.. (000 tons)	16(e)	13	28	28	25	78	86	148	43	34	43	27	43	32
Soap stone	.. (Tons)	—	—	2,088	3,354	1,971	2,870	2,081	2,931	2,931	4,348	4,158	6,150	8,455	3,849
Barytes	.. (Tons)	—	—	—	11,223	8,800	6,228	8,608	11,183	1,296	3,149	1,780	1,954	1,821	4,179
Crude oil	.. (Million Barrels)	0.42	0.70	2.05	3.45	3.40	3.20	3.20	3.42	3.40	3.00	2.90	2.80	2.35	1.55
Natural gas	.. (000 Million cu. ft.)	—	—	22	63	68	73	77	91	113	118	119	145	169	136

—Nil or insignificant.

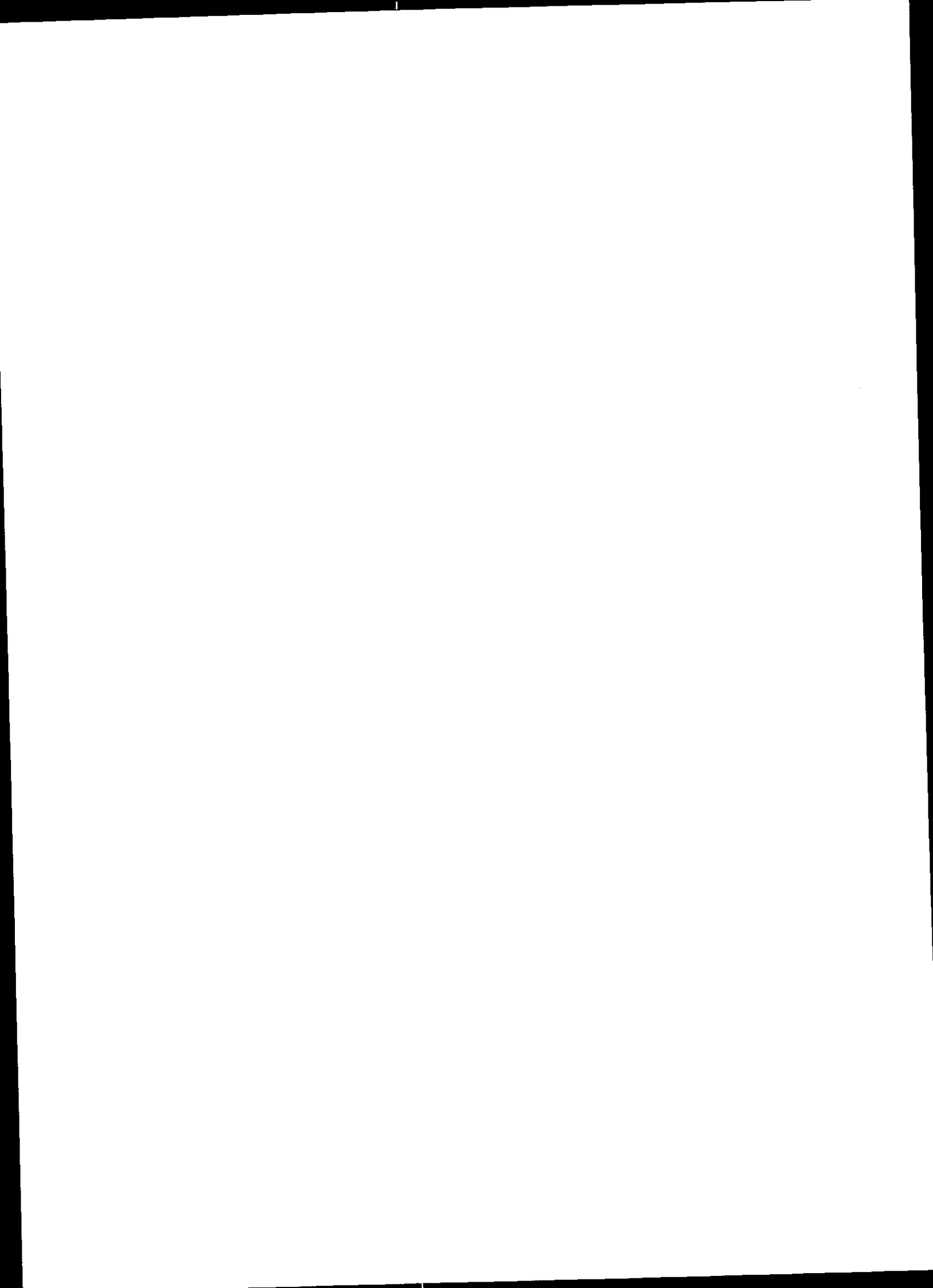
(a) From 1962-63 onward figures of aragonite include those of ordinary marble also.

(e) Estimates.

(*) Data relate to calendar year. Figures coming under 1948-49 mean figures for 1949 calendar year.

(p) Provisional.

Source : Statistics Division



Energy Resources

TABLE ENERGY

Year	Quantity					Hydro Power (mil- lion k.w.h.)
	Oil Domestic (000 tons)	Oil Imports (000 tons) Crude	POL	Coal (000 tons)	Natural Gas (000 mil- lion cft.)	
1	2	3	4	5	6	7
1949-50	183	—	NA	385	—	4
1950-51	165	—	NA	421	—	4
1951-52	184	—	NA	453	—	4
1952-53	208	—	NA	592	—	4
1953-54	235	—	NA	569	—	4
1954-55	248	—	NA	542	—	11
1955-56	256	—	NA	588	6	26
1956-57	270	—	NA	581	13	34
1957-58	279	—	1,724	557	17	40
1958-59	285	—	1,686	660	21	48
1959-60	306	—	2,080	776	26	50
1960-61	347	—	2,109	862	31	64
1961-62	380	328	1,315	943	35	90
1962-63	435	1,510	348	1,101	39	117
1963-64	479	2,090	224	1,209	47	124
1964-65	473	2,395	122	1,237	57	128
1965-66	485	2,664	163	1,186	67	140
1966-67	459	2,606	165	1,323	73	150
1967-68	463	2,961	190	1,270	77	154
1968-69	504	3,163	48	1,373	95	157
1969-70	486	3,043	254	1,249	112	159
1970-71	463	3,102	389	1,303	120	161
1971-72	414	2,953	4,34	1,236	127	163
1972-73	402	3,139	7,79	1,174**	146	165
1973-74	386	2,968	1,038	1,039**	169	167

- Notes :
1. For gas, total production has been taken and the use as feed stock has not been excluded.
 2. Data pertaining to coal and imported oil for the year 1972-73 and 1973-74 is provisional.
 3. Figures for imported oil are on calendar year basis.
 4. Rates of conversion into BTUs.
 Crude Oil 18000 Btu's/lb
 Petroleum Products 19000 Btu's/lb
 Gas 975 Btu's/cft.
 Coal 8500 Btu's/lb
 Power 12000 Btu's/kwh.
 *Does not include POL imports

Nuclear Power (million (k.w.h.))	Heating Value (Trillion BTU's)							Total
	Oil Domestic	Oil Imports Crude oil	Petroleum Products	Coal	Natural Gas	Hydel Power	Nuclear Power	
	8	9	10	11	12	13	14	
—	5.77	—	NA	7.33	—	0.50	—	13.60*
—	6.65	—	NA	8.02	—	0.60	—	15.27*
—	7.42	—	NA	8.63	—	0.80	—	16.85*
—	8.39	—	NA	11.27	—	1.30	—	20.96*
—	9.48	—	NA	10.83	—	1.70	—	22.01*
—	10.00	—	NA	10.32	—	1.90	—	22.22*
—	10.69	—	NA	11.20	5.85	3.20	—	30.94*
—	10.89	—	NA	11.60	12.67	4.20	—	38.82*
—	11.25	—	73.35	10.61	16.58	4.80	—	116.59
—	11.49	—	71.75	12.27	20.48	5.30	—	121.29
—	12.34	—	89.27	14.78	25.35	6.10	—	147.84
—	13.99	—	89.77	16.41	30.20	7.70	—	158.07
—	15.32	13.22	55.97	17.95	34.13	11.30	—	147.89
—	17.54	60.89	14.80	20.96	38.02	14.10	—	166.31
—	19.31	83.87	9.95	23.09	45.82	16.40	—	198.44
—	19.07	96.58	5.17	23.55	55.58	16.30	—	216.25
—	19.56	107.42	6.93	22.58	65.32	17.10	—	238.91
—	18.51	105.09	7.02	25.19	71.18	18.40	—	245.39
—	18.67	119.38	8.09	22.85	75.08	29.80	—	273.87
—	20.32	127.55	2.06	26.14	92.63	33.50	—	302.20
—	19.60	122.69	10.80	23.78	109.20	35.00	—	321.07
—	18.67	125.07	16.57	24.81	117.00	41.40	—	343.52
180	16.69	119.05	18.45	23.53	123.83	44.10	2.16	347.81
550	16.21	126.56	33.17	22.35	142.35	52.30	6.60	399.54
678	15.56	119.66	44.16	19.78	164.78	52.30	8.14	424.38

Source : 1. Ministry of Fuel, Power and Natural Resources.
2. Statistics Division.

Money and Banking

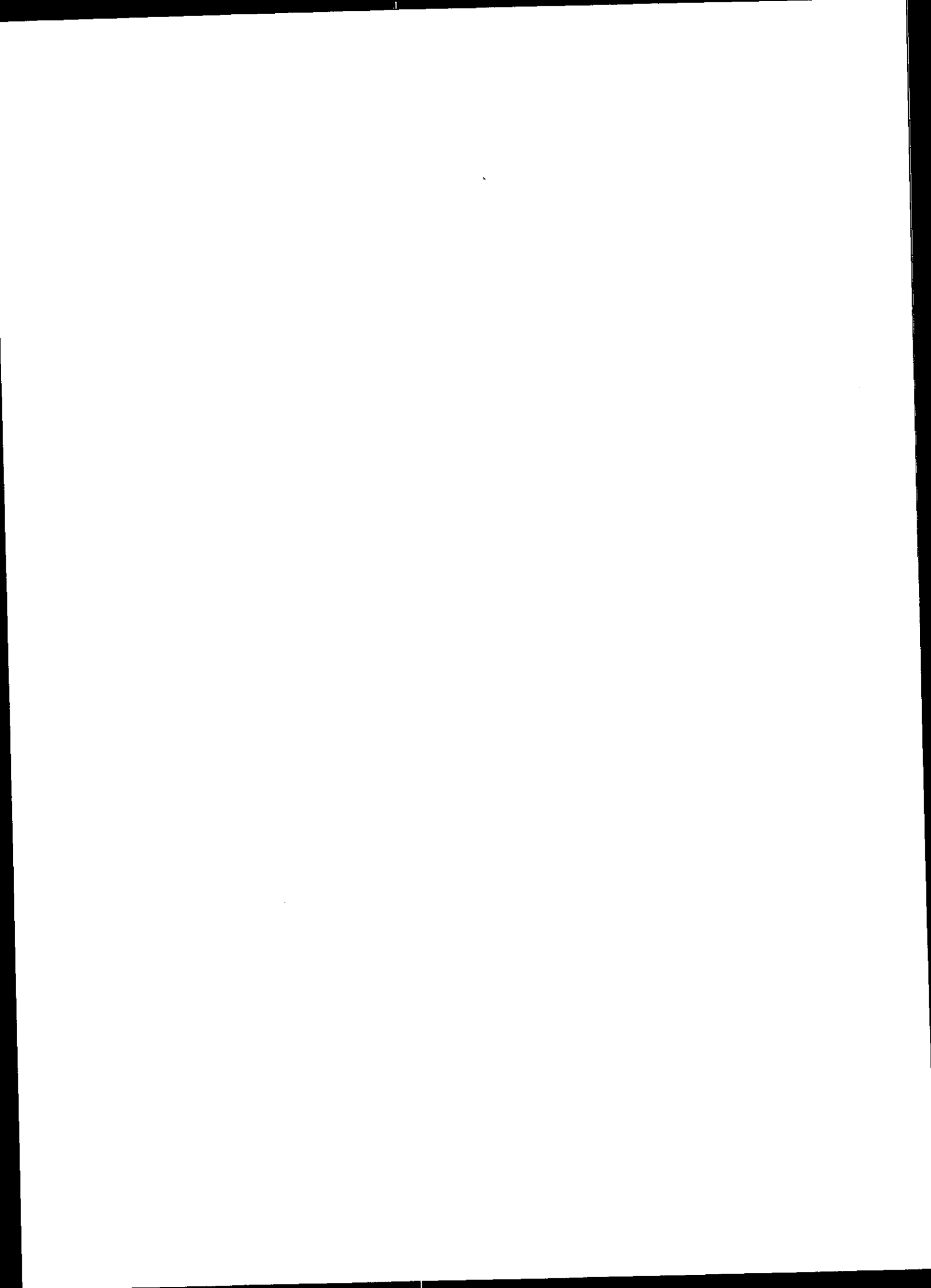


TABLE No. 18

MONETARY ASSETS—ALL PAKISTAN

(Rs. in crore)

Month/year (last Friday)	Currency in circulation	Scheduled Banks' Demand Liabilities	Scheduled Banks' Time Liabilities	Other Deposits with S.B.P.	Deposits of Non- scheduled and Co- operative Banks with SBP	Post Office savings Bank Deposits	Monetary Assets
		(a)	(b)	(b)			
	1	2	3	4	5	6	7
June 1962	386.54	219.01	150.71	4.04	2.33	49.35	811.98
December 1962	410.33	235.86	176.18	4.05	3.16	50.18	879.76
June 1963	415.72	277.98	193.52	3.92	4.32	51.98	947.44
December 1963	453.72	288.15	222.82	4.04	3.04	53.66	1,025.43
June 1964	466.12	327.40	243.21	4.34	2.44	55.47	1,098.98
December 1964	505.27	362.18	393.61	4.49	2.47	57.81	1,225.83
June 1965	503.73	365.51	322.77	5.38	0.96	58.63	1,256.98
December 1965	561.11	392.45	349.79	7.84	—	57.35	1,368.54
June 1966	393.54	394.94	403.86	8.12	1.48	59.01	1,460.95
December 1966	620.21	464.63	465.56	13.32	1.90	61.07	1,626.69
June 1967	568.17	468.96	514.00	12.20	3.88	61.29	1,628.50
December 1967	592.96	459.67	542.20	14.64	9.52	60.59	1,679.58
June 1968	588.54	489.92	593.30	6.77	8.33	61.37	1,748.23
December 1968	650.52	515.87	637.38	8.16	8.71	61.79	1,882.43
June 1969	678.34	525.42	620.07	21.04	10.88	63.40	1,919.15
December 1969	709.82	605.26	647.19	22.44	9.94	64.68	2,059.33
June 1970	709.50	603.21	711.48	19.85	10.00	69.40	2,123.44
December 1970	806.51	664.22	728.35	18.74	10.59	77.50	2,305.14
June 1971	537.44@	675.92	678.84	20.87	17.95	88.30	2,019.32
December 1971	721.20@	847.94	768.25	35.66	20.68	97.41	2,491.14
June 1972	737.37@	945.58	786.69	53.75	23.02	108.47	2,654.88
December 1972	870.40@	1055.49	845.98	41.57	26.90	116.49	2,956.83
June 1973	953.14@	1142.65	967.35	42.52	31.16	137.43	3,274.25
December 1973	1087.82@	1179.44	1025.29	40.97	19.32	138.45	3,491.29
June 1974	1007.77@	1275.04	993.89	42.62	13.07	147.92	3,480.31
December 1974	1132.50£	1191.68	956.68	49.19	0.38	141.77	3,472.20*£
March 1975	1176.74	1195.28	1012.72	49.97	0.41	143.09	3,578.21*£

(a) Excluding inter-bank deposits.

(b) Excluding IMF A/c No. 1, Counter-part Funds and other Loan Accounts.

@ Adjusted for currency lootings and demonetization operation.

* Provisional

£ The assets and liabilities of the State Bank of Pakistan and the scheduled banks pertaining to their branches in former East Pakistan were excluded as from 5th July 1974.

Note:— The figures upto December, 1973 are inclusive of unexchanged/unsurrendered demonetised notes worth Rs. 148.06 crore which were cancelled and excluded from the published figures as from the last week of March 1974. In order to get the correct picture of change in monetary assets after December 1973, an adjustment for Rs. 148.06 crore will have to be made by adding this amount to the change over the period indicated by the published figures.

CAUSATIVE FACTORS OF CHANGE

(Rs. in Crores)

Causative Factors	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Dec. 73
Changes in Monetary Assets	+30.30	+51.72	+135.46	+151.54	+158.00	+203.97	+167.55	+119.73	+134.25
Private Sector	+37.97	+55.46	+78.22	+89.70	+172.08	+37.82	+191.95	+82.18	+61.25
Government Sector (adjusted for counterpart funds and other loan accounts)	+15.13	-5.84	+26.37	+87.27	+36.36	+158.86	+10.07	+70.68	+53.49
Foreign Sector	-11.58	-3.15	+30.81	-12.46	-34.86	+11.51	-48.94	+17.40	+26.26
Net impact of Capital Accounts, Suspense Items and other Own Account Transactions of the Banking System.	-0.51	-17.32	+3.27	-0.55	-13.43	-1.20	+17.33	-26.55	-4.34
Net Impact of Transactions currently treated as Inter-Bank items. ..	+6.25	+7.86	-1.08	-6.42	-1.23	-3.12	+1.24	-15.96	+6.25
Miscellaneous items	-16.96	+14.71	-2.13	-6.00	-0.92	+0.08	-4.10	-8.02	-4.06
Adjustment for Currency lootings and demonetization	-	-	-	-	-	-	-	-	-
Total ..	+30.30	+51.72	+135.46	+151.54	+158.00	+203.97	+167.55	+119.73	+134.25

*Provisional

@Adjusted for currency lootings and demonetization.

Note:—The figures upto Decemer, 1973 are inclusive of unexchanged/unsurrendered demonetised notes worth Rs. 148.06 crore which were cancelled and excluded from the published figures as from the last week of March 1974. In order to get the correct picture of change in monetary assets after December 1973 an adjustment for Rs. 148.06 crore will have to be made by adding this amount to the change over period indicated by the published figures.

No. 19

MONETARY ASSETS

1968-69	Dec. 69	1969-70	Dec. 70	1970-71	Dec. 71	1971-72	Dec. 72	1972-73	Dec. 73	1973-74	Dec. 74	March 75
170.92	+140.18	+204.29	+182.47	-104.12 ^(a)	+472.59 ^(a)	+635.56 ^(a)	+301.95 ^(a)	+619.37 ^(a)	+217.40 ^(a)	+354.12 ^(a)	+285.31	+391.32£*
16.60	+115.38	+136.49	+135.16	+72.19	+77.82	+125.62	+154.02	+160.64	+198.26	+271.25	+273.97	+324.67*
128.35	+33.85	+84.23	+92.33	+184.31	+163.57	+180.65	+120.36	+246.16	+25.35	+161.36	-39.71	+149.66
36.83	+0.67	-14.98	-34.23	-49.72	-12.45	+73.25	-14.18	+233.64	+22.02	-22.82	+23.93	-73.40
-19.37	-8.87	-7.36	-0.04	+89.29	-33.71	-47.32	+29.89	-18.18	-52.65	-73.96	+41.84	+33.21
-1.57	+3.19	+13.39	-7.09	-2.39	-21.82	-16.09	+25.17	+19.19	-20.70	-19.65	-10.50	-38.25
-7.92	-4.04	-7.48	-3.66	-7.76	+2.76	-2.94	-16.35	-25.72	-8.11	-16.29	-6.15	-6.52
—	—	—	—	-390.04	+296.42	+322.39	+3.05	+3.64	+52.87	+54.23	+1.93	+1.95
170.92	+140.18	+204.29	+182.47	-104.12 ^(a)	+472.59 ^(a)	+635.56 ^(a)	+301.95 ^(a)	+619.37 ^(a)	+217.40 ^(a)	+354.12 ^(a)	+285.31	+391.32£*

TABLE
CONSOLIDATED BALANCE SHEET OF
(Rs. in Crores)

Item	31-12-65	30-6-66	31-12-66	30-6-67	31-12-67	30-6-68
LIABILITIES						
Capital	27.02	27.02	28.15	30.43	30.40	31.50
Reserves	12.38	14.80	15.48	21.22	18.98	20.25
<i>Demand deposits</i>						
(a) From banks	25.21	26.01	29.35	20.78	47.01	31.37
(b) From others	381.81	405.73	436.77	454.95	462.64	495.30
Total demand deposits	407.02	431.74	466.13	475.73	509.64	527.33
<i>Time Deposits</i>						
(a) From banks	10.04	14.62	13.70	9.38	12.73	6.11
(b) From others	349.02	409.23	459.81	508.02	547.32	591.30
Total time deposits	359.06	423.85	473.52	517.41	560.05	597.41
Total demand and time deposits	766.08	855.59	939.64	993.14	1,069.70	1,124.74
Borrowings from State Bank	178.16	102.28	187.86	177.75	181.87	172.30
Borrowings from abroad	0.41	0.33	37.54	41.07	49.95	53.30
Borrowing from other banks	24.33	19.64	17.67	20.52	14.96	20.30
Total Borrowings	202.90	122.25	243.07	239.34	246.78	245.90
Head office and inter-bank adjustment	14.25	16.76	16.70	5.22	22.49	17.30
Contingent Liabilities as per contra	471.68	479.83	573.01	555.17	531.29	574.74
Other liabilities	55.92	64.62	77.83	81.63	99.40	90.00
GRAND TOTAL	1,550.22	1,580.38	1,893.88	1,926.16	2,019.06	2,106.51

No. 20

SCHEDULED BANKS—ALL PAKISTAN

31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74
33.39	37.44	41.72	46.60	48.13	48.89	49.59	50.03	49.82	50.07	50.32	50.60
22.27	23.39	24.75	25.31	26.83	28.54	28.20	30.81	30.72	37.38	37.51	39.34
43.30	44.60	58.40	65.74	73.46	56.70	71.11	89.02	109.81	105.41	116.94	78.42
528.00	530.00	608.72	615.47	687.26	700.60	803.30	881.61	1,026.55	1,102.26	1,175.90	1,255.94
571.30	574.60	667.12	681.21	760.72	757.29	874.41	970.63	1,136.36	1,207.67	1,292.84	1,334.36
15.04	18.06	17.39	6.32	25.96	14.54	17.34	10.76	18.74	13.07	13.80	12.58
627.77	611.13	651.83	708.26	725.86	687.25	756.02	783.60	859.99	959.69	1,019.84	1,005.40
642.81	629.19	669.22	714.58	751.82	701.79	773.36	794.37	878.73	972.75	1,033.65	1,017.98
1,214.12	1,203.79	1,336.34	1,395.79	1,512.54	1,459.08	1,647.77	1,765.00	2,015.09	2,180.42	2,326.49	2,352.34
223.11	162.63	202.05	139.83	214.07	340.14	127.56	129.94	183.96	149.70	305.56	431.14
51.48	55.53	56.70	58.55	60.60	64.83	67.13	70.37	111.24	109.48	106.47	105.77
14.29	15.89	17.78	12.39	19.11	17.77	13.06	14.02	18.60	16.66	41.31	39.29
288.89	234.05	276.53	210.77	293.78	422.74	207.75	214.33	313.80	275.84	453.34	576.20
16.40	31.41	35.07	43.33	63.06	44.90	89.14	130.54	71.48	98.92	88.97	222.72
615.22	611.07	655.20	748.65	743.32	773.67	783.40	1,081.24	1,324.06	1,587.16	1,731.62	2,086.10
99.45	107.91	113.72	128.01	141.66	156.98	172.46	203.88	240.22	307.25	333.82	390.39
1,309.94	2,249.09	2,483.32	2,598.46	2,829.35	2,934.79	2,978.31	3,475.82	4,045.19	4,537.04	5,022.08	5,717.71

—(Contd.)

	31-12-65	30-6-66	31-12-66	30-6-67	31-12-67	30-6-68
ASSETS :						
Cash :						
(a) Gold ..	0.02	—	0.03	0.01	—	—
(b) Notes, coins and silver ..	32.96	29.15	40.03	35.58	38.85	36.21
(c) Balances with State Bank ..	53.93	52.43	55.97	71.81	74.96	69.96
(d) Balances with other banks ..	24.35	28.37	18.21	33.28	30.25	38.24
Total ..	111.25	109.95	114.24	140.68	144.06	144.51
Balances held abroad ..	7.84	6.62	5.86	5.09	8.66	6.38
Bills purchased and discounted ..	43.93	34.09	54.38	42.48	47.86	48.24
ADVANCES :						
(a) To banks ..	38.82	27.27	27.74	22.28	28.71	16.25
(b) To others ..	623.58	631.66	785.72	820.78	871.65	941.21
Total ..	662.40	658.93	813.46	843.07	900.36	957.46
Total bank credit ..	706.33	693.02	867.84	885.55	948.22	1,003.29
Investment in shares and securities :						
(a) Central Government ..	131.68	135.45	137.09	137.48	149.33	158.01
(b) Treasury bills ..	0.70	12.58	8.85	0.85	4.09	7.18
(c) Provincial Government ..	35.10	34.91	57.74	57.74	60.27	57.45
(d) Foreign ..	0.24	0.38	0.38	0.38	0.31	0.31
(e) Others ..	25.56	40.43	43.88	57.11	57.68	58.51
Total ..	193.28	223.76	247.94	253.56	271.69	282.51
Bank premises ..	6.70	6.86	7.94	8.05	12.98	12.51
Head office and inter-bank adjustment ..	2.86	3.68	3.55	7.14	2.43	1.86
Contingent Assets as per contra ..	471.68	479.33	573.01	555.17	531.29	574.34
Other Assets ..	50.28	57.13	73.50	70.90	99.73	78.81
Total ..	1,550.22	1,580.38	1,893.88	1,926.16	2,019.06	2,106.31

Note:— Totals might exhibit minor differences due to rounding off.

No. 20

31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74
49.91	41.82	55.16	51.98	53.06	76.27	52.15	52.19	55.71	64.83	73.91	87.94
78.83	72.25	83.40	83.11	93.92	76.17	90.18	112.33	119.36	147.74	147.66	154.43
41.07	39.94	51.63	46.95	99.28	55.50	61.34	56.01	87.92	69.99	123.67	74.08
169.81	154.00	190.19	182.04	246.26	207.95	203.67	220.53	262.99	282.56	345.24	316.45
8.93	9.23	10.68	15.75	15.95	10.14	18.51	29.82	12.87	49.93	43.76	53.01
63.89	58.45	75.52	64.16	74.47	59.60	66.04	91.53	120.60	127.54	148.52	151.30
26.84	31.55	34.62	42.00	39.86	41.23	34.41	49.77	86.97	69.34	50.50	46.14
1,006.70	945.96	1,038.33	1,065.46	1,173.36	1,157.91	1,144.68	1,243.28	1,399.41	1,459.75	1,733.84	1,917.94
1,033.54	977.51	1,072.95	1,107.46	1,213.22	1,199.14	1,179.09	1,293.05	1,486.38	1,529.09	1,784.33	1,964.08
1,097.43	1,035.96	1,148.47	1,171.62	1,287.69	1,258.74	1,245.13	1,384.58	1,606.99	1,656.63	1,932.85	2,115.38
181.05	194.57	182.15	175.27	192.36	195.82	195.66	229.32	225.69	230.17	280.21	295.37
5.04	6.52	24.15	16.78	7.52	5.57	110.27	99.20	127.25	205.76	118.97	71.47
45.91	45.80	59.54	61.11	74.75	75.77	80.42	82.63	89.34	90.95	87.36	95.46
0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
71.49	84.97	91.45	91.94	84.41	104.24	113.66	117.62	135.00	155.02	166.46	179.80
303.79	332.17	357.60	345.42	359.35	381.70	500.33	529.09	577.59	682.20	653.31	642.41
14.01	15.13	16.56	17.67	20.01	23.28	27.37	29.59	29.98	36.29	28.01	39.94
3.89	2.27	2.93	1.54	1.17	36.45	3.17	2.62	5.01	3.98	7.52	7.10
615.22	611.07	655.20	748.65	743.32	773.67	783.40	1,081.24	1,324.06	1,587.16	1,731.62	2,086.10
96.86	89.27	101.69	115.77	155.60	242.86	196.74	198.35	225.70	238.29	279.78	457.32
2,309.94	2,249.09	2,483.32	2,598.46	2,829.35	2,934.79	2,978.31	3,475.82	4,045.19	4,537.04	5,022.08	5,717.71

TABLE NO. 21

BANK CREDIT TO PRIVATE AND PUBLIC SECTORS—ALL PAKISTAN

(Rs in crore)

Month/Year (Last Friday)							Private Sector**	Public Sector	Inter-bank advance @	Total Bank Credit
June	1961	..	..	..	..	..	166.00	33.06	21.22	220.28
December	1961	..	..	..	..	..	217.15	33.94	21.37	272.46
June	1962	..	..	..	..	..	223.68	32.66	29.81	286.15
December	1962	..	..	..	..	..	286.04	23.93	27.08	337.05
June	1963	..	..	..	..	..	300.58	37.81	28.61	367.00
December	1963	..	..	..	..	..	360.63	24.68	30.79	416.10
June	1964	..	..	..	..	..	393.30	60.53	25.30	479.13
December	1964	..	..	..	..	..	507.14	63.18	29.97	600.29
June	1965	..	..	..	..	..	550.10	62.90	25.77	638.77
December	1965	..	..	..	..	..	582.60*	52.18	38.82	673.60*
June	1966	..	..	..	..	..	569.31*	60.68	27.27	657.26*
December	1966	..	..	..	..	..	718.16*	59.05	27.74	804.95*
June	1967	..	..	..	..	..	744.24*	56.42	22.29	822.95*
December	1967	..	..	..	..	..	817.38*	41.47	11.93	870.78
June	1968	..	..	..	..	..	821.75*	96.82	9.91	928.48*
December	1968	..	..	..	..	..	877.62*	122.46	17.87	1,017.95*
June	1969	..	..	..	..	..	814.67*	123.84	21.80	960.31*
December	1969	..	..	..	..	..	924.89*	107.96	16.48	1,049.33*
June	1970	..	..	..	..	..	931.73*	106.88	32.89	1,071.50*
December	1970	..	..	..	..	..	1,091.36*	85.33	26.09	1,202.78*
June	1971	..	..	..	..	..	1,014.82*	116.34	30.93	1,162.09*
December	1971	..	..	..	..	..	1,085.48*	77.43	25.88	1,188.79*
June	1972	..	..	..	..	..	1,160.25*	88.13	35.89	1,284.27*
December	1972	..	..	..	..	..	1,295.21*	98.57	67.75	1,461.53*
June	1973	..	..	..	..	..	1,323.07	141.27	54.03	1,518.37
December	1973	..	..	..	..	..	1,528.52	191.92	41.45	1,761.93
June	1974	..	..	..	..	..	1,619.42	226.89	29.71	1,876.02
December	1974	..	..	..	..	..	1,657.13	222.07	32.38	1,911.58†
March	1975	..	..	..	..	..	1,723.30	292.35	23.77	2,039.42†

@Figures from June, 1961 to June, 1967 pertain to the last date of the month and from subsequent periods they pertain to the last Friday of the month

*Excludes ADBP foreign currency loans as from December 1965 and IDBP foreign loans as from December 7, 1966

**Includes total bank advances and inland and foreign bills purchased & discounted but excludes inter-bank advances and advances to Govt for commodity-operations. This item also excludes foreign currency loans of ADBP as from December, 1965 and of IDBP as from December 7, 1966

†Includes bank advances in West Pakistan only.

TABLE CLASSIFICATION OF SCHEDULED BANKS ADVANCES

Economic Groups	31-12-65	30-6-66	31-12-66	30-6-67	31-12-67	30-6-68
Agriculture, forestry, hunting and fishing	35,81	49,01	46,09	54,55	60,01	74,22
Mining and quarrying	2,97	2,77	4,39	4,30	5,66	3,17
Manufacturing	2,42,47	2,41,53	3,23,77	3,48,45	3,65,04	3,62,34
Construction	12,07	12,60	14,27	15,30	14,89	16,18
Electricity, gas, water and sanitary services	2,93	2,56	3,29	3,98	7,48	13,47
Commerce	2,45,02	2,27,75	2,94,48	2,81,19	3,05,44	3,38,77
Transport, storage and communication	11,06	16,74	16,00	15,49	18,92	20,68
Services	42,97	42,21	48,65	60,28	59,28	68,31
Employees and activities not adequately described	28,28	56,48	34,78	37,24	34,94	43,78
Total ..	6,23,58	6,31,66	7,85,72	8,20,78	8,71,65	9,41,24

Note : 1. Due to rounding off of individual figures the totals may show minor differences.
2. Excluding inter-bank advances.

ECONOMIC GROUPS—ALL PAKISTAN

(Rupees in lakhs)

31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74
12,33	87,27	90,58	1,02,23	98,15	1,15,09	1,06,54	1,15,68	1,25,36	1,37,73	1,80,73	2,22,70
4,12	5,25	4,91	4,66	4,57	6,29	5,73	6,25	4,78	5,83	6,57	12,21
1,87,16	3,79,47	4,19,62	4,60,31	5,20,31	5,17,58	5,37,66	6,12,43	6,74,99	697,14	8,11,79	8,38,06
19,97	19,45	20,17	14,67	17,39	14,35	13,63	14,99	16,09	18,03	19,60	20,89
5,36	3,02	5,47	6,93	6,78	8,38	7,80	6,86	4,84	3,04	3,58	3,11
1,91,76	3,13,55	3,43,42	3,26,67	3,58,92	3,34,82	3,13,73	3,18,28	3,80,29	3,88,66	4,31,94	5,48,84
19,31	26,50	27,17	27,21	29,34	26,65	26,39	30,55	38,94	36,45	34,96	46,49
66,01	70,33	82,69	75,76	87,65	82,15	84,71	92,48	87,66	99,39	1,07,38	1,26,97
38,67	41,12	44,20	47,00	49,26	52,60	48,48	45,76	66,46	73,48	87,30	98,67
10,06,70	9,45,96	10,38,33	10,65,46	11,73,36	11,57,91	11,14,68	12,43,28	13,99,41	14,59,75	17,33,84	19,17,94

TABLE CLASSIFICATION OF BILLS PURCHASED AND DISCOUNTED (All)

Economic group	31-12-65	30-6-66	31-12-66	30-6-67	31-12-67	30-6-68
Agriculture	7,27	2,61	4,34	1,76	4,41	3,53
Manufacturing	93	1,11	2,13	1,21	24	1,62
Construction	3	20	6	37	5	18
Commerce	34,51	28,05	45,01	37,11	40,83	48,54
Financial institutions	2	5	1	11	5	48
Electricity, gas, water and sanitary services	14	21	1	6	30	3
Transport, storage and communication	26	90	81	44	10	4
Other	78	97	2,02	1,43	1,19	1,78
Total	43,93	34,09	54,38	42,48	47,86	48,24

Note: Due to rounding off of individual figures the totals may show minor differences.

BY SCHEDULED BANKS-BY ECONOMIC GROUPS—ALL PAKISTAN

Banks)

(Rupees in lakh)

11-12-68	30-6-69	1-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74
5.57	2.60	3.94	2.65	3.09	2.31	4.46	4.66	11.96	13.37	8.12	6.86
1.54	1.16	1.41	1.65	88	1.00	83	1.94	2.70	1.66	1.62	2.00
4	15	18	4	6	—	1	12	29	4	4	0.20
54.66	52.82	67.72	57.70	65.76	54.34	57.89	83.22	102.11	105.75	130.31	116.47
16	31	51	38	1.20	40	21	16	49	1.61	50	28
10	9	4	2	3	—	11	28	5	10	4	5
2	4	5	10	24	2	21	21	21	23	21	21
1.80	1.27	1.68	1.62	3.22	1.53	2.32	95	2.78	4.79	7.68	25.23
63.89	58.45	75.52	64.16	74.47	59.60	66.04	91.53	120.60	127.54	148.52	151.30

TABLE No. 24

CLASSIFICATION OF SCHEDULED BANKS ADVANCES BY SECURITIES PLEDGED
(Rupees in Lakhs)

SECURITIES	1	2	3	4	5	6	7	8	9	10	11	12	13	14
A. Precious Metals, Gold and Silver Bullion & Gold and Silver Ornaments ..	6,71	4,66	4,77	5,61	6,04	6,26	6,17	9,74	5,90	7,82	9,35	12,32	10,98	
B. Stock Exchange Securities :	40,82	47,65	49,41	59,23	59,95	69,62	80,64	67,17	72,00	70,63	70,92	74,90	61,54	
(a) Government & Other Trustee Securities ..	1,73	8,48	2,99	4,22	6,10	7,72	11,50	5,83	6,74	10,43	9,05	11,96	6,40	
(i) Stock Brokers and Dealers ..	64	6,83	28	28	41	55	2,39	1,14	2,40	4,37	1,16	45	49	
(ii) Others ..	1,09	1,65	2,71	3,94	5,69	7,17	9,11	4,69	4,34	6,06	7,88	11,52	5,91	
(b) Shares & Debentures of Joint Stock Companies ..	39,09	39,17	46,42	55,01	53,85	61,90	69,13	61,94	65,26	60,19	61,87	62,93	58,13	
(i) Stock Brokers and Dealers ..	4,65	4,00	5,43	4,13	4,07	7,65	7,02	5,24	5,89	4,03	3,93	3,29	4,72	
(ii) Others ..	34,44	35,16	40,99	50,88	49,78	54,25	62,11	56,69	59,37	56,16	57,94	59,64	53,41	
C. Merchandise :	328,87	317,88	388,93	464,01	478,06	516,96	577,77	569,38	601,64	729,52	745,67	967,45	1099,17	
(a) Export Commodities :	100,21	115,64	140,72	151,10	124,17	147,63	190,73	230,70	228,22	311,55	282,11	3,94,81	433,74	
(i) Cotton ..	26,87	26,84	36,02	33,74	27,05	36,40	54,22	81,92	66,76	128,55	80,01	149,32	163,96	
(ii) Jute ..	24,55	26,95	42,85	47,06	32,99	37,48	57,96	60,59	64,86	59,38	60,66	60,44	61,35	
(iii) Wool and Goat Hair ..	3,13	2,71	2,55	3,24	1,70	2,66	1,93	3,55	4,39	5,34	5,58	9,07	7,98	
(iv) Hides and Skins ..	2,57	2,89	3,83	3,79	4,68	5,09	5,46	6,11	6,95	8,40	9,66	13,90	15,73	
(v) Tea ..	2,60	3,36	5,25	4,72	6,35	7,26	4,28	5,47	5,07	4,59	3,73	4,20	5,43	
(vi) Cotton Textiles ..	18,37	20,76	17,99	19,29	19,28	21,39	22,79	26,96	32,12	28,08	32,98	55,41	53,71	
(vii) Cotton Yarn ..	5,45	6,86	7,63	5,50	5,64	7,89	12,21	11,06	11,20	18,43	22,44	23,16	27,96	
(viii) Jute Manufactures ..	4,54	8,80	9,13	16,47	14,79	13,84	15,15	13,97	14,40	14,55	14,37	14,20	15,36	
(ix) Other ..	12,13	16,47	15,47	17,29	11,71	15,62	16,72	21,07	22,46	44,24	52,66	65,10	82,24	
(b) Imported goods other than Industrial Machinery ..	108,38	93,56	113,65	125,10	140,19	144,79	153,48	165,44	189,15	195,19	216,19	282,54	343,92	
(i) Iron, Steel Engineering & other metal Products	47,02	35,67	36,01	41,43	48,29	45,87	49,31	48,85	62,70	64,33	80,60	101,93	112,75	

Table No. 24 - Contd.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
(ii) Chemicals, Dyes & Pharmaceuticals ..		11.75	11.95	13.87	16.52	16.98	25.02	29.67	33.62	36.04	40.02	40.36	53.20	61.20
(iii) Minerals ..		1.17	1.36	2.06	86	1.50	83	1.50	1.89	1.70	1.15	1.80	2.11	1.53
(iv) Cotton Textiles ..		79	1.01	1.60	2.19	1.37	2.76	2.21	2.16	4.99	4.63	3.81	6.48	5.43
(v) Cotton Yarn ..		1.08	95	96	79	87	87	1.62	1.25	1.63	1.51	1.83	2.16	2.62
(vi) Other Textiles ..		2.12	1.34	1.65	1.11	2.23	1.35	1.12	2.62	1.39	60	2.54	1.39	12.58
(vii) Other Imparted goods ..		44.25	41.28	57.50	62.40	69.14	67.88	68.05	75.23	80.70	82.96	85.26	115.27	147.80
(c) Industrial Machinery ..		4.54	6.25	18.01	16.23	15.25	15.22	14.72	14.90	16.31	16.06	13.40	9.85	10.99
(d) Other Merchandise ..		115.74	102.44	116.55	171.38	198.25	209.31	218.84	158.34	167.96	206.71	233.97	280.25	310.52
(i) Wheat ..		15.02	15.40	16.34	53.04	30.14	33.29	25.30	8.90	6.37	14.28	40.22	49.84	45.84
(ii) Rice and Paddy ..		59.79	40.64	26.94	34.05	57.67	54.59	53.78	36.99	42.96	64.00	60.65	78.32	67.99
(iii) Grams ..		44	96	92	85	64	82	87	53	84	88	1.32	46	34
(iv) Other Grains and Pulses ..		1.93	1.81	1.53	1.66	86	1.60	1.22	67	1.78	5.71	10.61	9.08	10.77
(v) Oilseeds ..		8.03	5.88	6.14	5.98	5.11	6.18	6.23	3.31	4.02	15.11	4.41	2.77	13.40
(vi) Edible Oils ..		6.90	5.09	5.29	10.54	8.09	6.77	12.96	12.77	15.12	25.36	17.74	14.39	12.16
(vii) Sugar and Gur ..		5.30	15.44	21.29	7.29	44.00	41.27	31.64	17.37	22.37	16.00	29.69	34.68	58.69
(viii) Kariana and Spices ..		1.46	1.32	87	73	76	80	83	71	81	3.75	5.86	1.76	1.82
(ix) Other Items ..		16.87	15.90	37.24	57.24	50.78	83.59	86.62	77.09	73.69	61.60	63.47	88.97	99.52
D. Machinery and Fixed Assets		37.38	42.22	62.60	75.04	73.65	77.69	65.43	69.32	92.88	111.86	126.27	124.81	134.41
E. Real Estate ..		34.62	54.35	77.68	92.95	104.68	116.26	135.44	139.45	156.11	162.35	176.94	194.93	233.66
F. Financial Obligations, e.g., Insurance Policies, Bank Deposits etc ..		25.79	28.65	45.50	64.72	62.86	78.41	59.22	57.87	55.69	51.85	51.87	51.52	39.05
G. Others ..		115.98	136.25	191.89	179.65	160.72	200.27	233.24	231.16	259.34	265.38	278.72	307.92	336.13
(i) Other Secured Advances		64.18	63.09	89.94	73.69	71.45	95.55	101.76	104.44	114.48	116.57	111.07	122.39	129.26
(ii) Advances Secured by Guarantees		18.62	24.89	41.53	38.77	40.00	44.87	68.01	68.28	82.70	84.11	98.50	107.32	117.38
(iii) Unsecured Advances		33.18	48.28	60.42	67.19	49.27	59.85	63.48	58.44	61.87	64.69	69.16	78.21	89.48
All Securities ..		590.17	631.66	820.78	941.22	945.96	1065.46	1157.91	1144.68	1243.28	1399.41	1459.75	1733.84	1917.94

Source : State Bank of Pakistan.

Prices

TABLE NO. 25
INDICES OF WHOLESALE PRICES BY GROUPS
(1959-60=100)

Year (July—June)					General	Food	Raw Materials	Fuel, Lighting & Lubricants	Manufactures
1959-60	--	--	--	--	100.01	100.00	100.00	100.00	100.00
1960-61	--	--	--	--	104.77	105.30	103.20	99.10	99.23
1961-62	--	--	--	--	101.65	104.73	110.30	93.29	101.81
1962-63	--	--	--	--	102.86	99.89	110.54	93.47	105.64
1963-64	--	--	--	--	106.35	104.56	112.30	103.93	107.20
1964-65	--	--	--	--	113.55	113.10	125.90	105.29	107.15
1965-66	--	--	--	--	112.03	103.24	125.57	109.13	112.70
1966-67	--	--	--	--	124.36	126.89	126.21	120.93	117.50
1967-68	--	--	--	--	125.63	133.26	105.97	123.61	121.60
1968-69	--	--	--	--	129.54	134.04	113.19	127.37	129.50
1969-70	--	--	--	--	132.19	134.10	122.15	132.20	134.20
1970-71	--	--	--	--	137.12	136.50	133.23	137.08	141.50
1971-72	--	--	--	--	150.31	153.50	136.34	150.63	151.50
1972-73	--	--	--	--	170.74	189.05	157.81	182.20	170.50
1973-74	..	..	..	..	229.37	250.62	202.34	201.29	197.50
1974-75	..	..	..	..	257.38	258.56	231.66	280.04	269.50
July	..	..	..	..	265.42	266.45	225.29	282.68	291.50
August	..	..	..	..	274.32	280.37	226.21	282.69	291.50
September	..	..	..	..	278.25	287.63	224.11	282.47	291.50
October	..	..	..	..	280.54	293.86	218.59	296.95	291.50
November	..	..	..	..	289.42*	306.78	225.41*	296.95*	291.50
December	..	..	..	..	291.59	311.07	230.24	297.73	291.50
January	..	..	..	..	293.79	314.46	232.42	328.06	291.50
February	..	..	..	..	296.87	318.98	232.91	327.98	291.50
March *	..	..	..	..					

* Provisional

Source : Statistics Division

TABLE No. 26
INDICES OF WHOLESALE PRICES OF SELECTED COMMODITIES
(1959.60=100)

Year (July-June)	Rice	Wheat	Gram	Sugar	Vege- table Ghee	Tea	Mineral oils	Soap	Matches	Cotton	Cotton Yarn	Meat
1959-60 ..	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1960-61 ..	95.34	114.90	105.31	100.00	100.00	93.04	100.00	85.89	100.87	108.97	110.99	104.52
1961-62 ..	96.30	105.61	108.03	103.41	98.89	91.42	100.02	85.51	101.58	100.01	112.11	111.87
1962-63 ..	96.04	101.43	108.62	110.53	95.34	113.90	100.54	85.34	99.40	96.59	107.82	110.90
1963-64 ..	100.64	112.12	97.70	121.28	95.24	108.24	110.21	85.30	99.79	97.06	114.54	117.29
1964-65 ..	102.69	122.53	124.30	127.12	112.70	101.12	110.21	93.89	99.17	114.01	118.96	119.10
1965-66 ..	98.85	111.66	94.72	115.75	126.37	118.86	114.70	102.81	109.93	107.39	122.55	125.70
1966-67 ..	112.66	168.48	123.60	106.27	140.03	130.33	138.54	112.66	103.90	96.48	122.93	133.69
1967-68 ..	125.79	149.10	148.52	126.31	134.78	108.74	139.95	108.00	104.24	95.77	133.17	158.13
1968-69 ..	125.44	127.78	156.73	118.61	133.47	115.78	141.66	109.24	114.13	110.35	139.56	168.82
1969-70 ..	119.61	128.96	207.31	118.61	137.36	109.78	144.11	121.58	117.29	114.46	165.93	170.06
1970-71 ..	119.68	132.48	145.04	108.35	150.23	113.96	152.29	116.89	134.07	141.24	163.81	186.65
1971-72 ..	128.64	148.55	149.35	138.33	152.06	119.35	176.95	136.78	261.75	151.12	178.21	196.79
1972-73 ..	185.66	153.62	219.99	167.35	151.57	158.73	177.65	141.34	213.23	184.51	268.06	198.93
1973-74 ..	238.36	190.55	247.35	184.30	190.77	148.59	233.53	196.63	213.68	264.67	330.50	272.72
June 1972	140.41	137.32	161.79	192.34	148.97	142.98	169.45	143.28	274.67	159.40	193.76	192.79
Dec. 1972	176.86	164.34	222.50	156.47	152.68	160.41	177.48	143.28	213.21	176.45	235.51	190.44
June 1973	225.52	163.04	238.97	156.46	152.07	148.59	177.48	147.86	206.18	240.15	338.18	229.12
Dec. 1973	242.01	181.80	242.87	188.88	189.94	148.59	222.18	204.48	205.11	285.70	330.55	245.85
Jan. 1974	250.09	190.99	244.40	188.83	189.94	148.59	275.25	220.60	223.56	301.35	331.04	280.46
Feb. 1974	244.62	193.62	239.19	188.88	189.94	148.59	276.30	225.74	223.56	259.44	319.58	283.69
Mar. 1974	245.61	195.36	229.24	187.97	189.94	148.59	275.25	225.18	222.10	268.04	310.21	280.97
April 1974	212.35	203.22	225.78	187.97	189.94	148.59	275.25	223.59	222.10	269.97	310.21	306.17
May 1974	229.99	193.29	251.88	187.97	189.94	148.59	275.25	223.59	222.10	275.52	310.21	251.52
June 1974	224.08	201.01	251.53	219.45	237.73	148.59	297.88	203.61	222.10	280.75	311.49	329.47
July 1974	228.38	217.76	246.09	219.45	237.73	148.59	297.88	208.60	222.10	274.66	308.29	320.55
August 1974	277.43	238.70	243.07	219.45	237.73	148.59	303.54	215.16	222.10	254.15	310.85	328.68
Sept 1974	229.70	252.49	236.11	219.45	237.73	148.59	303.54	215.16	222.10	244.55	322.97	347.37
Oct. 1974	237.14	266.30	257.01	219.45	237.73	148.59	303.54	228.86	277.46	242.84	273.70	347.81
Nov. 1974	250.99	286.99	258.83	218.81	235.26	148.59	303.54	254.84	269.77	211.95	261.17	369.51
Dec. 1974	259.40	320.22	288.02	218.81	235.26	148.59	303.54	258.15	258.78	212.63	248.61	382.78
Jan. 1975	256.03	330.58	317.88	218.81	235.26	175.70	303.54	258.15	262.88	216.98	242.91	384.49
Feb. 1975	267.43	326.20	333.34	218.81	235.26	175.70	386.07	258.15	262.88	219.08	206.97	401.86
*March 1975	272.56	326.77	341.68	218.81	235.26	175.70	386.07	258.15	262.88	218.35	224.21	398.46

*Provisional.

TABLE
AVERAGE WHOLESALE PRICES OF

Item and specification	Market	Unit	1967-68	1968-69	1969-70	1970-71
1	2	3	4	5	6	7
Wheat (Fair average quality)	Karachi	Maund	23.07	18.05	21.28	21.23
Wheat (Fair average quality)	Lyallpur	"	21.12	18.48	19.12	18.97
Wheat (Fair average quality)	Peshawar	"	22.16	15.29	16.82	18.57
Rice—Sugdasi	Karachi	"	50.14	37.11	28.75	27.43
Masoor (Whole)	Lyallpur	"	27.62	23.44	32.56	38.62
Masoor (Split) Punjab	Karachi	"	38.79	29.00	40.39	48.33
Mas Split (Punjab)	Karachi	"	46.00	51.05	71.44	59.17
Moong (Punjab) Whole	Karachi	"	30.41	37.60	46.11	41.67
<i>Spices:</i>						
Chillies Dry Red (Punjab)	Karachi	"	88.17	74.07	76.58	94.99
Black Pepper	Karachi	"	326.24	301.15	401.37	529.14
<i>Sugar:</i>						
Desi	Lahore	"	60.57	42.36	46.21	35.37
Refined/controlled	Karachi	"	58.49	69.00	69.00	69.00
Refined/Controlled	Lahore	"	74.08	69.00	69.00	64.93
Refined/Open Market	Karachi	"	72.54	63.33	69.00	65.26

SELECTED COMMODITIES

1971-72	1972-73	1973-74	1974					1975			
			Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
8	9	10	11	12	13	14	15	16	17	18	19
22.90	25.53	30.89	..	..	39.15	41.20	45.94	49.50	52.05	50.47	48.93
23.35	22.78	26.36	35.37	35.06	35.70	37.29	41.25	45.13	46.29	46.58	47.51
20.81	21.94	26.47	31.75	40.00	41.87	44.00	42.50	46.50	53.00	51.00	51.00
28.24	35.42	..	..	..	..	..	..	..	..	..	..
45.06	45.21	53.28	47.09	45.00	43.31	47.17	44.60	46.50	55.63	57.25	48.50
54.62	63.18	76.13	60.83	65.00	65.00	64.63	70.70	71.75	91.88	85.75	73.75
59.77	86.24	169.15	159.00	153.87	153.75	156.00	157.60	153.75	169.25	161.00	158.00
43.04	60.40	73.33	65.33	62.83	62.19	62.00	63.90	67.00	77.06	74.88	78.25
113.51	104.28	145.34	200.83	166.87	207.50	211.67	274.00	325.00	396.25	450.00	472.50
565.37	546.14	846.65	1088.33	1061.25	1043.12	1076.25	1114.00	1125.00	1175.00	1150.00	1150.00
51.50	115.00	132.50	..	..	..	..	..	134.75	..	..	—
65.25	84.00	116.88	139.00	139.00	139.00	139.00	139.00	139.00	139.00	139.00	139.00
65.25	100.00	116.75	139.00	139.00	139.00	139.00	139.00	139.00	139.00	139.00	139.00
86.38	123.90	..	..	..	..	..	..	..	..	..	..

Table

1	2	3	4	5	6	7	
<i>Ghee</i> (Punjab) Desi	..	Lahore	Maund	288.44	296.78	312.43	322.80
Ghee Desi (graded)	..	Karachi	..	288.09	295.60	318.21	345.58
<i>Oils :</i>							
Mustard Oil	..	Karachi	..	98.42	92.75	120.26	133.79
Mustard Oil (Mill)	..	Lahore	..	96.52	91.97	..	134.77
Coconut Oil (Imported)	..	Karachi	..	155.69	228.41	265.00	264.15
Cotton Seed Oil (Single Zero White)	..	Karachi	..	98.34	86.69	128.25	134.54
<i>Vegetable Products :</i>							
Dalda	..	Karachi	5 lbs. Tin	11.17	11.11	11.43	12.54
<i>Tea (Packed and Blended) :</i>							
Brooke Bond Red Label	..	Karachi	lb	5.67	5.97	5.75	6.48
Ispahani Red Spot	..	Karachi	..	4.38	4.66	4.36	4.59
Lipton Yellow Label	..	Karachi	..	8.21	8.60	7.90	8.20
<i>Leaf Tobacco :</i>							
Motjhari	..	Mardan	Maund	98.81	92.75	100.00	100.12

No. 27—Contd.

8	9	10	11	12	13	14	15	16	17	18	19
335.22	368.71	579.39	617.50	577.50	555.00	605.00	607.50	615.00	610.00	597.50	595.00
345.50	(e) 350.50	552.58	623.33	625.00	625.00	585.00	600.00	620.00	615.00	620.00	605.00
117.85	119.30	170.32	192.50	215.00	222.50	215.00	233.70	252.00	265.00	228.33	243.00
116.17	135.58	180.54	200.50	213.75	221.00	220.13	224.38	233.50	246.00	249.63	240.00
262.03	230.37	..	..	..	..	..	..	..	..	..	..
124.16	127.05	155.34	187.50	..	..	200.00	..	..	..	..	..
12.59	12.48	15.69	19.65	19.65	19.65	19.45	19.45	19.45	19.45	19.45	19.45
6.59	8.40	8.43	8.80	8.80	8.60	10.00	10.00	10.00	9.40	9.40	9.40
4.60	6.25	6.25	6.25	6.25	6.25	6.25*	6.25	6.25	8.40	8.40	8.40
8.30	8.40	8.40	8.60	8.60	8.60	9.20	9.20	9.20	8.60	8.60	8.60
101.52	100.00	100.00	..	..	..	..	..	..	..	..	..

(e) Ghee Desi (ungraded) Sind.

*Specification Changed from Red Spot Ispahani to Nayab Ispahani

TABLE

1	2	3	4	5	6	7
<i>Cotton :</i>						
4-F Punjab R.G.	..	Karachi Maund	73.35	86.26	89.20	111.00
N.T. Sind R.G.	..	Karachi ..	83.33	90.99	95.07	117.03
239-F Punjab R.G.	..	Karachi ..	83.49	90.63	95.49	114.89
Punjab Desi	..	Karachi ..	70.40	83.28	90.68	118.01
<i>Hides Wet Salted :</i>						
70/30 Selection (Cow Med)	Karachi	Piece	20.29	28.32	21.25	..
80/20 Selected (Buffalo, Medium)	..	Karachi ..	15.58	28.67	25.40	17.52
<i>Skins Dry Salted :</i>						
Sheep Skins Papra all Primes. measurement basis 32-in. 36-in.	..	Karachi 100 Skins	253.75	306.87	324.27	300.00
<i>Wool Raw :</i>						
Pakistan Superior (White)	Karachi	Maund	143.22	167.65	190.00	193.57
Wool (White)	..	Peshawar ..	94.11	94.59	120.00	126.61
<i>Oil Seeds :</i>						
Cotton Seed	-	Lyallpur ..	18.60	21.37	26.32	28.06
N.T. (Roller)	-	Karachi ..	18.69	22.40	27.31	26.04
Mustard Seed (Punjab)	-	Karachi ..	40.07	40.82	52.50	53.95
<i>Salt :</i>						
Rock Salt (Lahnro)	-	Karachi ..	7.76	7.65	7.25	7.36
Sea Salt (Mauripur, crushed)	Karachi	..	4.00	4.00	4.00	3.92

No. 27—Contd.

8	9	10	11	12	13	14	15	16	17	18	19
124.90	154.87	222.10	226.50	203.20	192.00	191.50	164.00	162.00	173.25	176.50	176.00
131.54	167.35	244.81	238.50	217.60	219.81	220.25	184.40	185.50	188.75	187.50	187.50
130.70	167.71	233.40	237.50	214.20	203.00	202.50	175.00	185.50	188.75	188.00	187.50
114.65	116.99	169.41	208.00	206.00	199.00	199.00	179.60	177.00	177.00	186.00	182.00
30.12	52.07	62.47	55.00	67.00	75.00	75.00	75.00	75.00	75.00	85.00	85.00
15.63	41.07	51.20	42.50	42.50	42.50	42.50	44.50	42.50	42.50	60.00	60.00
		2445.00	2500.00	2340.00	2225.00	2200.00	2040.00	2000.00	2000.00	3400.00	3300.00
201.05	393.42	479.27	424.33	409.00	450.00	443.75	429.00			385.00	400.00
94.22	82.61	182.82	255.00	272.00	270.00	290.00	230.00	248.75	350.00	325.00	325.00
23.75	26.53	35.31	41.88	45.90	51.25	52.17	47.33	46.63	43.75	43.31	49.50
22.54	28.59	38.00	47.83	50.81	52.07	51.38	48.65	48.44	48.00	45.17	49.25
43.33	51.27	68.11	71.00	74.10	75.00	77.17	84.63	91.50	97.37	95.50	93.00
8.07	9.26	15.87	22.00	21.75	22.00	22.00	22.00	25.75	24.25	23.75	24.00
3.96	4.15	8.29									

1	2	3	4	5	6	7
Coal :						
Steam Coal Grade-I	f.o.r. Wagah Border	Ton	122.50	161.09	178.00	178.00
Rajbora Soft Coal	f.o.r. Moghal-pura	"	128.00	169.92	184.00	(c) 186.00
Mineral Oil (Imported)						
Moter Spirit (Shell)	Karachi	I.G.	3.84	3.84	3.94	4.20
Diesel Oil (Light)	Karachi	"	1.42	1.45	1.47	1.47
Furnace Oil	Karachi	Ton	153.15	161.57	118.40	222.25
Kerosene Oil (Bulk)	Karachi	8 IG	13.28	13.04	13.44	13.92
Do.	Lahore	"	13.28	13.58	13.69	16.80
Cement :						
Zeal Pak	f.o.r. Hyderabad	Ton	128.41	140.17	133.41	133.41
Dalmia Portland (Pyramid)	Karachi (Ex-factory)	"	136.00	140.17	141.00	141.00
Chemicals :						
Soda Ash (Light)	Karachi	160 lbs.	49.52	51.23	55.37	71.47
Bleaching Powder (ICI)	Karachi	Cwt	84.41	108.17	104.41	116.62
Chemicals (Imported) :						
Caustic Soda Solid 98/99% (U.K.)	Karachi	"	63.53	97.21	151.38	110.86

(b) Steam Coal f.o.r. Keamari-Karachi.
(c) For Humpyard Dump, Karachi.

No. 27 (Contd.)

	9	10	11	12	13	14	15	16	17	18	19
b)											
28.80	422.00	567.00	567.00	567.00	567.00	567.00	567.00	567.00	567.00	567.00	937.00
(c)											
35.00	186.00	659.00	659.00	659.00	659.00	659.00	659.00	659.00	659.00	659.00	955.00
5.28	6.28	7.85	9.44	9.54	9.54	9.54	9.54	9.54	*9.54	10.54	10.54
1.81	1.81	2.89	4.02	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07
15.18	245.18	383.69	505.45	505.45	505.45	505.45	505.45	505.45	505.45	505.45	505.45
16.56	16.56	24.08	24.64	24.64	24.64	24.64	24.64	24.64	24.64	32.64	32.64
17.76	16.47	18.96	23.84	24.64	24.64	24.64	24.64	24.64	24.64	32.64	32.64
22.92	176.65	171.96	168.41	168.41	174.41	174.41	174.41	220.00	220.00	220.00	220.00
27.72	161.38	181.63	215.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00
31.06	70.40	75.49	82.86	94.65	94.65	94.65	94.65	94.65	94.65	94.00	125.00
35.99	130.53	236.50	255.75	325.00	317.50	312.50	310.00	286.24	347.50	403.75	384.00
—	..	185.42	201.25	216.00	229.00	..	295.60	324.50	442.50	478.75	452.00

1	2	3	4	5	6	7
<i>Dyes :</i>						
Alzarine Red 100% Lumps	Karachi	Lb ²	17.06	30.20	43.39	42.95
Congo Red (ICI) ..	Karachi	"	9.02	9.16	8.57	8.79
Indigo 60% Grains (ICI) ..	Karachi	"	14.45	13.80	14.98	15.24
<i>Paints and Varnishes :</i>						
Qamar Varnish Paint (1 lb tin)	Karachi	Dozen	23.00	22.65	23.83	26.46
Buxley Oil Bound Distemper	Karachi	14 lbs	17.45	19.34	..	19.46
<i>Jute Manufactures :</i>						
Gunny bag B.Twill 2-1/4 Lbs. (Adamjee).	Karachi	100 Bags	232.75	227.50	228.27	242.05
<i>Matches :</i>						
50 sticks	Karachi	Gross	7.34	7.75	7.84	8.10
<i>Paper and Paper Products :</i>						
White Printing 20-in.—30-in. 24 Lbs.	Karachi	Lb.	1.27	1.28	1.29	1.43
<i>Cycle Tyres :</i>						
Bata Mazboot Super	Pakistan	Dozen.	117.80	118.75	114.00	114.00
<i>Cycle Tubes :</i>						
Bata Mazboot	Pakistan	"	54.35	54.60	55.54	51.00

27 (Contd ,

	9	10	11	12	13	14	15	16	17	18	19
00	..	..	..	..	..	..	..	..	..	..	..
00	..	20.48	19.33	19.67	19.50	20.25	19.75	20.31	21.25	22.50	22.50
04	18.33	22.46	25.17	24.60	25.00	24.00	28.00	26.00	24.00	24.00	24.00
66	35.43	..	..	..	..	..	..	..	48.00	48.00	48.00
09	26.78	..	..	..	..	..	..	..	52.00	52.00	52.00
00	720.00	..	..	..	..	..	..	..	..	..	..
09	17.86	16.70	..	..	..	..	17.84	16.50	17.00	17.00	17.00
72	1.86	1.86	1.86	1.86	1.86	1.86	1.86	1.86	..	..	..
07	135.00	164.00	216.00	216.00	216.00	216.00	216.00	216.00	216.00	216.00	216.00
00	57.00	65.50	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00

1	2	3	4	5	6	7
<i>Bata Shoes :</i>						
Begum Ladies Slipper(3—6, Pakistan size).		Pair	6.84	6.84	5.38	7.31
<i>Soap :</i>						
Lifebuoy Soap 6 oz. cake ..	Karachi	Dozen	6.60	6.60	--	6.60
Sunlight Soap 6 oz. cake ..	Karachi	"	6.60	6.71	--	6.06
<i>Cotton Yarn :</i>						
20/2 :Dawood (Camel Cart)	Karachi	10 lbs.	27.83	31.90	--	32.50
<i>Cotton Textiles :</i>						
Bleached Longcloth 15,000 W 35-in. (Colony).	Karachi	40 Yards	65 10	70.32	75 85	82.87
D.C.L.W-28-in. (Dawood) ..	Karachi	Yard	2.70	2.90	3 10	3.27
<i>Silk Textiles :</i>						
Satin No. 900 (Diamond) ..	Karachi		3.25	2.40	--	4.05
<i>Cigarettes :</i>						
Scissors ..	Karachi	100 Nos.	32.40	32.40	--	35.13

.. Not available.

No. 27 (Contd)

8	9	10	11	12	13	14	15	16	17	18	19
..	9.42	10.14	12.86	12.86	12.86	12.86	12.86	12.86	12.86	16.30	16.30
..	9.06	12.52	14.46	14.46	14.46	16.00	16.00	16.00	16.00	16.00	16.00
..	8.42	9.95	11.81	14.58	14.98	16.82	16.82	16.82	16.82	16.82	16.82
..	53.36	..	..	..	..	..	..	..	-	..	..
..	91.22	153.15	199.20	200.00	200.00	200.00	234.25	232.00	227.00	215.75	213.00
..	3.40	4.18	..	4.62	4.62	4.62	5.12	5.12	4.62	5.20	5.11
..	4.24	4.57	..	..	..	..	..	..	..	-	..
..	47.15	47.15	47.15	61.75	61.75	61.75	61.75	61.75	61.75	61.75	61.75

.. Not Available

Source : Statistics Division

TABLE NO. 28

**CONSUMER PRICE INDEX FOR INDUSTRIAL WORKERS
BY EXPENDITURE GROUP (1961=100)**

Year/Month (July—June)					General	Food	Apparel, textiles and footwear	Housing and household operations	Miscella- neous
KARACHI									
1961-62	..	..	..	..	101.25	102.34	97.95	99.87	100.88
1962-63	..	..	..	..	99.92	100.04	96.20	98.92	101.94
1963-64	..	..	..	..	103.08	104.85	96.10	99.50	103.88
1964-65	..	..	..	..	109.34	114.55	97.55	104.58	104.09
1965-66	..	..	..	..	114.87	120.88	99.54	108.83	109.97
1966-67	..	..	..	..	125.01	131.93	106.55	120.03	118.76
1967-68	..	..	..	..	127.83	134.76	111.81	124.81	119.33
1968-69	..	..	..	..	129.71	135.14	116.68	124.87	124.58
1969-70	..	..	..	..	135.53	143.07	120.86	125.20	128.52
1970-71	..	..	..	..	142.48	152.52	127.99	126.46	131.78
1971-72	..	..	..	..	150.80	162.90	134.70	130.70	137.90
1972-73	..	..	..	..	171.24	192.97	143.04	143.03	143.45
1973-74									
July	..	..	..	..	195.31	225.43	168.09	154.62	151.02
August	..	..	..	..	204.70	239.70	169.01	158.19	151.96
September	..	..	..	..	211.25	249.34	176.27	158.19	156.36
October	..	..	..	..	216.15	253.85	181.84	170.10	158.27
November	..	..	..	..	222.35	263.72	182.07	170.10	161.07
December	..	..	..	..	220.52	258.78	182.42	173.09	163.84
LAHORE									
1961-62	..	..	..	..	98.59	97.23	100.04	100.70	100.80
1962-63	..	..	..	..	97.06	95.29	95.58	101.34	100.06
1963-64	..	..	..	..	102.12	100.55	94.07	103.92	109.22
1964-65	..	..	..	..	107.65	107.62	96.55	107.45	112.46
1965-66	..	..	..	..	109.92	108.44	100.63	109.47	119.18
1966-67	..	..	..	..	121.31	123.58	106.10	116.28	124.10
1967-68	..	..	..	..	124.47	127.22	105.86	122.86	124.08
1968-69	..	..	..	..	124.65	125.58	107.83	125.47	127.62
1969-70	..	..	..	..	132.42	135.93	111.47	128.43	132.44

TABLE NO. 28 (Contd)

Year/Month (July-June)					General	Food	Apparel, textile and footwear	Housing and household Operations	Miscella- neous
LAHORE—contd.									
1970-71	--	--	--	--	138.32	142.37	114.11	132.50	139.37
1971-72	--	--	--	--	146.30	154.10	114.50	135.20	143.10
1972-73	--	--	--	--	165.77	182.02	127.46	137.98	148.90
1973-74									
July	--	--	--	--	188.06	214.28	144.08	141.55	156.34
August	--	--	--	--	199.16	231.88	148.38	144.00	155.48
September	--	--	--	--	209.37	246.91	154.79	144.00	159.51
October	--	--	--	--	216.07	256.69	160.20	144.00	161.96
November	--	--	--	--	209.98	245.95	165.37	144.00	161.90
December	--	--	--	--	209.31	242.77	169.38	144.00	167.27

Source : Statistics Division

TABLE No. 29
CONSUMER PRICE INDEX FOR CLERICAL WAGE EARNERS (1961-100)

Year/Month (July-June)					General	Food	Apparel Textile & Footwear	Housing and Household operations	Miscella- neous
KARACHI									
1961-62	--	--	--	--	100.25	101.78	98.11	100.20	98.67
1962-63	--	--	--	--	100.37	100.66	96.99	100.24	101.41
1963-64	--	--	--	--	103.98	105.19	101.15	100.94	104.61
1964-65	--	--	--	--	110.01	115.63	103.42	107.73	104.61
1965-66	--	--	--	--	114.41	121.92	105.53	110.50	107.61
1966-67	--	--	--	--	123.06	133.19	112.84	121.44	111.45
1967-68	--	--	--	--	128.07	138.61	118.43	126.10	115.71
1968-69	--	--	--	--	130.88	139.14	124.27	126.46	122.12
1969-70	--	--	--	--	136.06	147.78	128.62	128.15	123.51
1970-71	--	--	--	--	143.72	161.17	135.52	128.46	125.40
1971-72	--	--	--	--	154.80	179.80	141.70	130.00	130.30
1972-73	--	--	--	--	173.29	213.79	151.30	137.41	132.29
1973-74									
July	--	--	--	--	195.38	250.79	173.61	144.35	136.55
August	--	--	--	--	202.58	265.46	174.30	145.48	137.01
September	--	--	--	--	206.69	270.18	187.12	145.48	138.24
October	--	--	--	--	210.31	275.18	190.93	149.27	139.99
November	--	--	--	--	214.16	282.11	193.15	149.27	140.65
December	--	--	--	--	212.81	276.52	193.55	150.21	144.48
LAHORE									
1961-62	--	--	--	--	100.57	100.10	100.44	100.89	101.51
1962-63	--	--	--	--	101.35	101.70	95.82	101.37	102.31
1963-64	--	--	--	--	105.14	106.57	93.28	101.99	107.91
1964-65	--	--	--	--	108.53	110.73	95.04	104.23	110.87
1965-66	--	--	--	--	110.08	110.58	97.59	104.92	116.97
1966-67	--	--	--	--	117.36	120.68	101.90	108.28	121.24

Year/Month (July—June)					General	Food	Apparel, Textiles and Footwear	Housing and Household operations	Miscella- neous
LAHORE—Contd.									
1967-68	...	...	...	...	121.65	126.52	105.45	112.10	122.90
1968-69	...	...	...	...	122.63	126.42	107.82	113.58	125.13
1969-70	...	...	...	...	126.70	131.71	110.26	115.74	128.25
1970-71	...	...	...	...	134.21	142.50	114.34	117.99	132.78
1971-72	...	...	...	...	152.90	173.20	117.10	119.00	140.90
1972-73	...	...	...	...	174.72	209.06	126.91	120.67	147.26
1973-74	...	...	...	...					
July	...	...	...	...	193.94	239.58	141.39	122.60	153.45
August	...	...	...	...	199.59	249.87	142.36	122.60	153.53
September	...	...	...	...	210.76	268.82	150.92	122.60	154.96
October	...	...	...	...	214.00	272.97	154.65	122.60	158.27
November	...	...	...	...	213.30	268.82	159.49	122.60	163.72
December	...	...	...	...	213.92	269.03	160.65	122.60	165.65

Source : Statistics Division

TABLE NO. 30
COMBINED CONSUMER PRICE INDEX NUMBERS
 ALL INCOME GROUPS
 (1969-70 = 100)

		1970-71											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Industrial Employees :													
General	--	102.95	103.36	103.87	104.31	104.85	105.12	107.29	107.31	107.90	107.49	106.98	107.56
Food, Beverages and Tobacco	--	103.45	104.02	104.82	105.41	106.33	106.60	106.74	106.76	107.56	107.31	105.71	106.21
Apparel, Textile and Footwear	--	101.96	102.66	103.08	103.60	103.93	103.90	106.81	107.27	107.57	107.22	107.68	107.31
Housing and H.Hold Operations	--	102.37	102.54	102.56	102.63	102.74	102.94	105.52	105.40	105.62	105.52	106.56	108.21
Miscellaneous	--	102.39	102.36	102.44	102.66	102.49	102.93	110.34	110.29	110.66	109.51	110.62	111.09
Commercial Employees :													
General	--	102.78	103.18	103.62	104.03	104.52	104.78	107.44	107.51	108.03	107.61	107.12	107.61
Food, Beverages and Tobacco	--	103.31	103.94	104.66	105.23	106.17	106.46	107.11	107.23	107.98	107.74	105.98	106.31
Apparel, Textile and Footwear	--	101.83	102.44	102.78	103.28	103.54	103.51	106.56	106.97	107.22	106.54	106.93	106.69
Housing and H.Hold Operations	--	102.43	102.58	102.59	102.67	102.73	102.84	105.01	104.87	105.03	104.90	105.84	107.42
Miscellaneous	--	102.15	102.12	102.20	102.42	102.25	102.63	110.20	110.17	110.50	109.55	110.73	111.15
Government Employees :													
General	--	102.80	103.20	103.68	104.13	104.61	104.88	107.35	107.37	107.93	107.52	107.14	107.65
Food, Beverages and Tobacco	--	103.40	104.03	104.83	105.44	106.37	106.70	106.81	106.83	107.67	107.38	105.76	106.22
Apparel, Textile and Footwear	--	101.90	102.57	102.97	103.48	103.79	103.76	106.60	107.04	107.32	106.88	107.30	107.01
Housing and H.Hold Operations	--	102.36	102.52	102.53	102.61	102.67	102.80	104.77	104.60	104.71	104.62	105.59	106.88
Miscellaneous	--	102.02	101.99	102.04	102.31	102.09	102.43	110.64	110.61	110.92	110.02	111.33	111.76
Three Categories Combined :													
General	--	102.82	103.22	103.69	104.12	104.62	104.88	107.40	107.44	107.99	107.57	107.12	107.64
Food, Beverages and Tobacco	--	103.38	103.98	104.75	105.34	106.27	106.57	106.92	106.99	107.78	107.52	105.84	106.28
Apparel, Textile and Footwear	--	101.88	102.53	102.91	103.41	103.70	103.67	106.63	107.06	107.33	106.79	107.22	106.93
Housing and H.Hold Operations	--	102.40	102.55	102.56	102.64	102.71	102.85	105.04	104.89	105.05	104.94	105.91	107.43
Miscellaneous	--	102.14	102.11	102.18	102.42	102.23	102.60	110.46	110.42	110.75	109.79	111.02	111.45

TABLE No. 30 (Contd.)

		1971-72											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Industrial Employees :													
General	--	109.09	109.34	109.62	110.33	110.63	110.66	110.63	112.00	113.10	113.97	112.20	112.65
Food, Beverages and Tobacco	--	107.89	108.13	108.17	109.24	109.63	109.22	108.10	110.34	111.95	113.11	110.00	110.82
Apparel, Textile and Footwear	--	107.85	108.24	108.57	108.94	109.24	109.23	110.56	110.77	110.75	110.78	110.83	110.89
Housing and H.Hold Operations	--	110.07	109.79	109.39	109.59	109.66	110.33	111.85	112.19	113.00	113.37	113.07	112.61
Miscellaneous	--	112.41	113.00	114.46	114.65	114.83	115.73	117.14	117.28	117.61	118.39	118.57	118.76
Commercial Employees :													
General	--	108.99	109.27	109.59	110.31	110.58	110.58	110.73	111.72	112.51	113.41	112.06	112.39
Food, Beverages and Tobacco	--	107.78	108.08	108.19	109.35	109.73	109.28	108.31	110.03	111.24	112.51	109.91	110.52
Apparel, Textile and Footwear	--	107.09	107.47	107.77	108.23	108.48	108.48	110.01	110.24	110.20	110.15	110.21	110.24
Housing and H.Hold Operations	--	109.33	109.63	108.67	108.87	108.91	109.35	110.70	110.50	111.51	111.85	111.62	111.30
Miscellaneous	--	112.40	112.95	114.25	114.44	114.60	115.36	116.74	116.89	117.17	117.93	118.16	118.39
Government Employees :													
General	--	109.04	109.28	109.57	110.24	110.24	110.48	110.55	111.74	112.65	113.48	111.95	112.35
Food, Beverages and Tobacco	--	107.71	107.96	108.01	109.09	109.46	108.97	107.93	110.00	111.42	112.59	109.63	110.35
Apparel, Textile and Footwear	--	107.46	107.82	108.16	108.59	108.84	108.85	110.25	110.47	110.44	110.45	110.50	110.56
Housing and H.Hold Operations	--	108.80	108.51	108.19	108.37	108.40	108.89	110.12	110.33	110.96	111.21	110.96	110.59
Miscellaneous	--	112.93	113.46	114.68	114.86	115.01	115.72	117.13	117.26	117.53	118.27	118.59	118.87
Three Categories Combined :													
General	--	109.06	109.31	109.62	110.32	110.59	110.59	110.67	111.81	112.71	113.58	112.08	112.46
Food, Beverages and Tobacco	--	107.78	108.05	108.12	109.24	109.62	109.17	108.14	110.09	111.45	112.67	109.89	110.53
Apparel, Textile and Footwear	--	107.38	107.75	108.07	108.50	108.77	108.76	110.21	110.45	110.40	110.39	110.44	110.48
Housing and H.Hold Operations	--	109.33	109.03	108.68	108.87	108.91	109.42	110.77	111.01	111.67	111.98	111.73	111.36
Miscellaneous	--	112.69	113.24	114.53	114.71	114.88	115.64	117.02	117.16	117.45	118.21	118.47	118.71

TABLE No. 30 (Contd.)

1972-73												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Industrial Employees :												
General	115.20	115.41	115.70	116.28	116.99	119.55	122.18	123.88	124.80	127.68	128.51	131.46
Food, Beverages and Tobacco	113.13	113.54	113.83	114.38	115.20	119.38	122.26	124.38	125.45	128.68	129.55	133.81
Apparel, Textile and Footwear	112.12	112.24	112.94	114.93	116.15	117.39	121.28	123.90	126.56	133.40	135.57	139.29
Housing and H. Hold Operations	114.20	113.94	114.29	114.63	115.26	115.52	118.61	119.14	119.35	120.18	120.46	120.78
Miscellaneous	123.30	123.27	123.34	123.58	123.79	123.91	124.90	125.76	125.98	127.43	127.93	128.67
Commercial Employees :												
General	115.20	115.38	115.64	116.28	116.94	119.02	122.01	123.71	124.67	127.97	128.62	131.11
Food, Beverages and Tobacco	113.07	113.47	113.70	114.42	115.21	118.79	122.30	124.59	125.84	129.59	130.64	134.41
Apparel, Textile and Footwear	111.38	111.50	112.20	114.28	115.49	116.63	120.81	123.23	125.52	132.49	134.38	137.64
Housing and H. Hold Operations	112.97	112.69	113.00	113.17	113.66	113.83	117.06	117.33	117.45	118.24	118.47	118.58
Miscellaneous	123.30	123.28	123.36	123.60	123.84	124.03	125.15	126.10	126.35	127.75	128.22	129.02
Government Employees :												
General	115.11	115.31	115.61	116.21	116.89	119.20	121.88	123.56	124.55	127.36	128.66	130.77
Food, Beverages and Tobacco	112.60	113.03	113.36	114.04	114.87	118.90	121.85	124.16	125.44	128.83	129.56	133.74
Apparel, Textile and Footwear	111.72	111.84	112.56	114.66	115.88	117.11	121.29	123.90	126.55	133.48	135.56	139.08
Housing and H. Hold Operations	112.22	111.95	112.26	112.37	112.88	113.08	116.18	116.44	116.58	117.20	117.49	117.64
Miscellaneous	124.23	124.20	124.27	124.49	124.71	124.81	125.94	126.77	126.98	128.27	128.69	129.36
Three Categories Combined :												
General	115.23	115.42	115.70	116.31	116.99	119.25	122.06	123.75	124.71	127.76	128.46	131.12
Food, Beverages and Tobacco	112.94	113.35	113.63	114.30	115.10	118.97	122.16	124.40	125.62	129.32	130.05	134.06
Apparel, Textile and Footwear	111.65	111.77	112.48	114.54	115.75	116.94	121.05	123.57	126.05	132.98	134.99	138.43
Housing and H. Hold Operations	113.01	112.73	113.05	113.24	113.77	113.97	117.13	117.45	117.60	118.34	118.60	118.71
Miscellaneous	123.79	123.77	123.84	124.07	124.30	124.44	125.55	126.44	126.66	128.03	128.49	129.23

TABLE No. 30 (Contd)

		1973-74											
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Industrial Employees :													
General	..	138.08	146.00	151.58	154.08	154.51	157.92	159.11	162.22	166.38	168.69	167.50	175.19
Food, Beverages and Tobacco	..	141.22	153.27	157.85	160.43	159.15	158.50	160.55	163.50	169.96	171.67	170.18	179.31
Apparel, Textile and Footwear	..	152.06	154.94	166.44	174.39	177.12	182.70	183.14	186.35	186.57	187.69	188.55	193.76
Housing and H. Hold Operations	..	124.62	129.75	134.77	139.51	142.90	150.32	151.31	155.47	155.90	157.46	157.80	163.94
Miscellaneous	..	131.70	131.66	137.79	135.41	137.79	149.84	147.45	150.00	152.31	154.46	155.40	161.16
Commercial Employees :													
General	..	137.97	145.10	150.63	152.77	152.81	157.71	159.08	162.12	166.14	168.24	167.70	175.34
Food, Beverages and Tobacco	..	142.42	154.26	158.70	161.57	159.61	161.12	163.65	166.55	172.72	175.04	173.47	182.70
Apparel, Textile and Footwear	..	149.64	152.18	162.46	170.41	172.20	178.65	179.61	183.21	184.08	184.98	185.60	190.49
House and H. Hold Operations	..	122.05	125.96	129.79	133.72	136.64	142.56	144.49	148.19	149.41	151.35	152.02	158.04
Miscellaneous	..	132.98	132.86	140.20	136.41	138.66	150.57	149.05	151.54	153.82	156.00	156.94	163.19
Government Employees :													
General	..	137.23	144.51	150.36	152.04	152.53	156.41	157.61	160.73	164.93	166.90	166.42	174.11
Food, Beverages and Tobacco	..	140.97	152.92	157.54	160.07	158.82	158.60	161.65	164.75	171.52	173.50	172.01	180.75
Apparel, Textile and Footwear	..	151.67	154.33	165.50	173.48	175.79	181.40	182.02	185.47	186.60	187.12	187.88	193.20
Housing and H. Hold Operations	..	120.92	125.03	129.02	133.00	136.28	141.92	143.46	147.031	48.03	149.78	150.56	156.61
Miscellaneous	..	133.57	133.58	141.59	136.75	138.86	150.93	147.57	150.13	152.03	154.49	155.56	162.90
Three Categories Combined :													
General	..	137.82	145.16	150.82	152.87	153.14	157.41	158.66	161.74	165.84	167.81	167.28	174.94
Food, Beverages and Tobacco	..	141.72	153.63	158.16	160.86	159.28	159.74	162.29	165.27	171.69	173.76	172.23	181.29
Apparel, Textile and Footwear	..	150.78	153.44	164.25	172.21	174.38	180.27	181.13	184.60	185.22	186.23	186.95	192.04
Housing and H. Hold Operations	..	122.26	126.50	130.63	134.75	137.88	144.04	145.68	149.45	150.42	152.22	152.80	158.91
Miscellaneous	..	133.08	133.02	140.37	136.47	138.70	150.77	148.26	150.78	152.15	155.21	156.19	162.67

TABLE No. 30 (Contd.)

1974-75

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March
Industrial Employees :									
General	179.90	187.73	191.72	194.60	194.17	199.08	201.75	204.90	208.22
Food, Beverages and Tobacco	184.41	193.46	198.03	200.23	197.70	203.77	206.97	210.05	214.83
Apparel, Textile and Footwear	198.06	213.86	214.95	218.43	220.36	224.67	227.23	227.28	227.86
Housing and H. Hold Operations	167.39	170.82	172.32	176.18	178.36	183.22	185.68	192.46	193.60
Miscellaneous	165.99	172.40	178.34	181.90	185.21	186.40	187.49	188.70	190.40
Commercial Employees :									
General	179.63	186.97	190.98	193.82	193.83	198.31	201.01	204.12	207.26
Food, Beverages and Tobacco	187.17	195.58	200.36	212.60	200.37	205.85	209.20	212.25	216.85
Apparel, Textile and Footwear	194.33	207.99	209.50	213.40	215.44	220.81	223.75	224.16	225.13
Housing and H. Hold Operations	161.34	164.61	166.25	169.87	172.46	176.93	179.36	185.49	186.74
Miscellaneous	168.04	174.90	180.13	183.03	186.32	187.54	188.53	190.03	191.77
Government Employees :									
General	178.84	186.24	190.18	193.03	192.59	197.17	199.58	202.72	205.77
Food, Beverages and Tobacco	186.11	194.83	199.52	201.84	198.87	204.74	207.62	210.61	215.36
Apparel, Textile and Footwear	197.06	211.64	212.80	216.29	218.10	222.55	225.06	225.23	226.05
Housing and H. Hold Operations	159.88	162.96	164.54	167.94	170.19	174.68	177.05	183.43	184.58
Miscellaneous	167.63	174.39	179.61	182.76	186.04	187.14	188.17	189.84	191.35
Three Categories Combined :									
General	179.46	186.94	190.92	193.77	193.54	198.16	200.76	203.89	207.08
Food, Beverages & Tobacco	186.17	194.83	199.54	201.79	199.27	205.01	208.18	211.22	215.92
Apparel, Textile and Footwear	195.99	210.40	211.71	215.39	217.34	222.21	224.74	225.20	226.03
Housing and H. Hold Operations	162.23	165.48	167.07	170.68	173.07	177.63	180.06	186.40	187.60
Miscellaneous	167.48	174.21	179.59	182.71	186.00	187.17	188.20	189.69	191.35

Source : Statistics Division

**Trade
And
Payments**

TABLE No. 31.
FOREIGN TRADE

(Crore rupees)

Year (July—June)	Imports	Exports	Balance
48 (15th August to 30th June)	31.88	44.39	+12.51
49	117.68	54.24	—63.44
50	91.22	53.51	—37.71
51	116.71	134.25	+17.54
52	147.39	92.19	—55.20
53	101.73	86.74	—14.99
54	82.43	64.10	—18.33
55	78.30	49.14	—29.16
56	96.45	74.24	—22.21
57	151.60	69.82	—81.78
58	131.43	43.36	—88.07
59	102.46	44.44	—58.02
60	180.57	76.31	—104.26
61	217.32	54.02	—163.30
62	223.63	54.29	—169.34
63	280.01	99.81	—180.20
64	298.16	107.50	—190.66
65	367.24	113.96	—253.28
66	288.03	120.36	—167.67
67	362.57	129.73	—232.84
68	332.72	164.48	—168.24
69	304.66	169.99	—134.67
70	328.51	160.86	—167.65
71	360.24	199.84	—160.40
72	349.54	337.14	—12.40
73	839.83	855.12	+15.29
74	1356.96	1016.12	—331.84
75 (July—March)	1459.86	758.40	—701.46

SOURCE : Statistics Division.

- (a) Data on sea-borne trade with India are included since April 1948 because of the stand still Agreement upto March 1948 and on land-borne trade since July 1, 1949.
- (b) Data on exports to Afghanistan are included since July 1949 whereas data on imports from Afghanistan are included from March 1951.
- (c) Data on land-borne trade with Iran are included since July 1949.
- (d) Data on exports do not include re-exports from 1967-68.

S. No.	Items	Quantity unit.	1965-66		1968-69		1969-70	
			Qty.	Value	Qty.	Value	Qty	Value
1.	Fish & fish preparations.	(Cwt)	38,78,15	4,94	35,99,12	6,13	46,31,25	2.1
2.	Rice	(Tons)	14,56,31	13,25	13,78,77	15,52	8,94,78	9.2
3.	Hides & skins	(Cwt)	3,07,79	1,41	34,50	38	61,88	1.7
4.	Raw Wool	(000 lbs)	2,37,40	6,04	2,54,66	4,14	1,47,56	2.4
5.	Raw Cotton	(Tons)	11,69,12	27,71	14,12,54	34,56	8,27,54	20.0
6.	Cotton waste	(Cwt)	35,97,12	1,97	39,47,11	1,75	25,50,15	1.0
7.	Leather	(")	23,13,13	7,49	30,11,16	11,38	26,90,12	10.0
8.	Cotton yarn	(000 Lbs)	5,31,97	10,22	13,46,95	20,78	16,03,88	25.0
9.	Cotton thread	(")						
10.	Cotton fabrics	(000 yds)	19,43,73	14,79	31,46,43	22,61	35,60,07	25.1
11.	Petroleum & products	(Tons)	2,79,967	1,93	2,30,279 (e)	3,96	13,42,231	4.8
12.	Synthetic textiles	(000 yds)	25,92	50	26,310	6,24	13,023	1.0
13.	Footwear	(000 Pairs)	71,45	82	76,49	3,13	6,064	2.4
14.	Animal casings	(Cwt)	56,18	96	1,25,195	85	5,830	1.0
15.	Cement & products	(Tons)	12,73	2	2,16,214 (e)	1,28	3,35,346	1.0
16.	Guar & products	(")	3,30,662	2,69	36,777	2,22	60,763	2.9
17.	Oil cakes	(Cwt)	9,80,414	1,53	5,83,764	85	7,57,297	1.2
18.	Paints and varnishes	(")	1,32,566	47	76,104 (e)	70	47,925	0.9
19.	Tobacco raw & manufac- tures	..	--	7	..	1,58	--	1.3
20.	Readymade garments and hosiery	..	--	91	--	2,87	--	1.0
21.	Drugs and Chemicals	..	--	1,26	--	1,73	--	1.2
22.	Surgical instruments	..	--	71	--	81	--	1.4
23.	Carpets & rugs	..	--	2,32	--	3,95	--	2.0
24.	Sports goods	..	--	1,91	--	2,68	--	1.0
25.	Others	..	--	16,44	--	19,90	--	2.8
Grand Total				1,20,36		1,69,99		1,60.4

EXPORTS

(Value in lakh Rupees)

1970-71		1971-72		1972-73		1973-74		1974-75 (July—March)	
Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value.
32,85,44	6,13	43,66,28	11,11	39,92,11	23,37	35,39,68	27,63	1,82,372	11,59
17,83,83	17,30	19,48,83	27,41	77,64,15	1,13,61	58,78,05	2,09,84	3,70,658	1,87,19
26,84	1,67	36,32	1,96	27,63	1,69	2,727	2,35	1166	329
1,00,28	2,09	93,74	2,46	126,06	6,82	6,617	6,02	12,55	96
9,86,26	27,00	19,26,30	95,48	21,24,32	1,16,70	35,127	37,61	1,33,685	1,07,35
26,54,26	1,48	41,34,61	2,74	29,49,65	3,14	2,53,907	3,50	800,47	1,48
31,10,71	10,70	32,79,77	17,35	42,99,71	54,49	2,57,713	41,85	1,53,998	24,65
22,33,96	34,42	28,48,94	59,23	40,19,36	1,94,10	2,16,464	1,81,06	1,08,388	56,22
39,83	1,28	34,89	1,34	46,00	3,33	5,207	5,25	4,557 (c)	4,65
39,79,10	31,13	45,70,42	38,71	61,84,49	1,24,71	415,726	1,41,68	3,47,432	97,42
58,58,36	3,86	54,21,06	4,13	80,09,22	12,86	292,173	17,56	1,27,865	1,102
1,33,88	1,48	99,15	1,22	1,66,71	5,73	19,883	6,53	67,82	1,73
81,43	2,94	99,32	3,89	1,22,26	8,26	10,519	9,94	84,46	906
43,44	83	48,83	95	52,15	2,12	9,611	2,91	22,01	1,52
30,33,01	2,05	58,08,58	4,39	69,02,30	10,62	771,559	16,72	4,14,933	20,24
4,83,73	3,96	5,41,39	3,92	11,66,76	9,57	65,044	17,57	16,827	11,44
25,81,51	62	62,92,57	34	1,31,75,68	522	197,739	78	459	1
3,39,57	38	4,47,19	47	1,98,20	47	21,328	60	10,364	48
..	1,44	..	2,53	..	4,90	..	10,72	..	11,17
..	2,40	..	3,59	..	9,74	..	16,74	..	16,99
..	1,19	..	1,09	..	2,56	..	8,57	..	4,51
..	1,84	..	2,25	..	4,52	..	8,52	..	9,28
..	6,47	..	10,87	..	28,15	..	45,67	..	30,94
..	3,27	..	5,07	..	13,60	..	18,80	..	16,08
..	33,82	..	35,04	..	94,68	..	1,77,83	..	1,19,13
1,99,84		3,37,14		8,55,12		1,01,612		7,58,40	

Source :—Statistics Divisions

TABLE NO. 33
MAJOR IMPORTS

Items	(Value)					(Value in lakh Rs.)			
	1965-66	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 (July-March)	1974-75	
1. Chemicals	3,51	8,03	9,13	10,38	9,65	25,57	35,19	29,42	
2. Drugs and medicines ..	5,29	5,99	6,23	5,58	7,95	11,98	18,39	19,39	
3. Dyes and colours ..	3,26	4,76	5,40	5,12	4,86	16,04	16,49	20,09	
4. Chemical fertilizers ..	5,61	13,11	28,23	17,76	5,28	38,99	89,54	70,54	
5. Electrical goods ..	22,30	21,84	21,89	25,96	25,72	45,95	59,76	79,07	
6. Machinery non-electrical	69,91	66,29	70,90	67,32	59,43	73,90	1,19,62	1,40,82	
7. Transport equipment ..	37,48	30,34	34,01	48,57	19,72	48,28	1,07,77	08,92	
8. Paper, board and stationery.	3,86	3,40	3,45	4,24	7,00	14,12	39,14	34,63	
9. Tea	12	7	8	1,13	16,05	33,66	34,33	49,49	
10. Sugar Refined	2,63	7,31	1	1,01	2,66	42,85	12,62	1	
11. Art-silk yarn	3,04	91	31	58	75	2,11	16,82	14,36	
12. Iron and steel and manufact- ures thereof	27,82	38,10	36,05	45,80	43,80	87,64	110,66	1,56,56	
13. Non-ferrous metals ..	5,00	5,45	6,74	7,66	5,90	15,51	30,87	18,39	
14. Petroleum and Products	5,96	23,96	20,84	26,27	25,65	64,91	1,50,91	2,30,12	
15. Oil vegetables	8,18	6,65	7,71	13,51	8,51	22,44	81,93	1,16,40	
16. Grains, pulses and flour	23,34	59	5,57	7,57	29,74	1,12,30	1,55,54	1,13,80	
17. Other imports	60,72	67,85	71,96	78,78	76,87	1,83,58	2,77,38	2,67,85	
Grand Total	2,88,03	3,04,65	3,28,51	3,60,24	3,49,54	8,39,83	13,56,96	14,59,86	

Source : Statistics Division.

TABLE No. 34
IMPORTS OF SELECTED COMMODITIES
(Quantity)

Year (July—June)	Fertilizer (000 Tons)	Tea (000 lbs)	Edible Oils (000 cwt)	POL@ (000 tons)		Wheat (000 tons)	Sugar (tons)
				Crude	Product		
1960-61	.. 164	—	—	—	2,109	—	93
1961-62	.. 157	—	—	328	1,315	6,56	76,901
1962-63	.. N.A.	—	—	1,510	348	6,65	83,996
1963-64	.. 24	—	—	2,090	224	8,64	1,206
1964-65	.. 15	—	—	2,395	122	14,59	96,956
1965-66	.. 172	—	—	2,664	163	7,39	66,711
1966-67	.. 456	—	—	2,606	165	11,40	313
1967-68	.. 451	—	—	2,961	190	14,07	8,174
1968-69	.. 331	—	—	3,163	48	15	2,23,404
1969-70	.. 651	—	—	3,043	254	1,77	67
1970-71	.. 301	5,633	3,308	3,102	389	2,15	95
1971-72	.. 156	69,236	9,54	2,953	434	6,94	11,064
1972-73	.. 347	83,890	1,361	3,139	779	14,64	199,481
1973-74	.. 670	83,512	2,597	2,968*	1,038*	11,68	44,100
1974-75 (July—March)	326	N.A.	N.A.	2,948*	1,091*	15,75	N.A.

@ Figures on Calendar year basis.
* Estimates.

Source : (1) Ministry of Agriculture.
(2) Statistics Division.
(3) Ministry of Fuel, Power and Natural Resources.

TABLE
DIRECTION OF

Regions, Countries and Territories	1969-70			1970-71		
	Imports	Exports	Balance	Imports	Exports	Balance
GRAND TOTAL	3,28,51	1,60,86	-1,67,65	3,60,24	1,99,84	-1,60,40
1. American Region	90,50	13,55	-76,95	1,14,57	14,52	-1,00,05
(a) North America	90,48	13,22	-77,26	1,14,52	14,10	-1,00,42
Of which :						
U.S.A.	78,68	12,10	-66,58	1,02,96	12,65	-90,31
Canada	11,80	1,11	-10,69	11,56	1,45	-10,11
(b) Central America	1	21	+20	1	27	+26
(c) South America	1	12	+11	4	15	+11
2. Western Europe	1,26,46	37,33	-89,13	1,23,65	41,60	-82,05
(a) E. C. M.	1,17,29	34,20	-83,09	1,15,63	37,99	-77,64
Belgium—Luxembourg—Irish Republic	4,20	1,35	-2,85	4,82	1,42	-3,40
France	12,51	2,22	-10,29	6,37	2,51	-3,86
West Germany	3910	4,22	-34,88	40,58	6,17	-34,41
Italy	18,50	6,25	-12,25	19,28	6,35	-12,93
Netherlands	4,76	2,10	-2,66	3,55	2,25	-1,30
U. K.	37,36	17,44	-19,92	40,21	18,33	-21,88
Denmark	86	62	-24	82	46	-36
(b) E. F. T. A. Excl. U. K.	8,47	2,62	-5,85	7,73	307	-4,66
Of which :						
Finland	60	7	-53	60	9	-51
Austria	51	15	-36	69	9	-60
Norway	1,47	13	-1,34	1,65	18	-1,47
Portugal	17	12	-5	20	10	-10

FOREIGN TRADE

(Value in lakh Rs.)

1971-72			1972-73			1973-74			1974-75 (July—March)		
Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
1,49,54	3,37,14	-12,40	8,39,83	8,55,12	+15,29	13,56,96	10,16,12	-3,40,84	14,59,86	7,58,40	7,01,96
79,71	21,24	-58,47	2,56,52	43,92	-212,60	4,05,32	75,02	-3,30,30	2,962	37,86	+8,24
77,19	20,52	-56,67	2,21,45	42,55	-1,78,98	3,96,66	67,81	-32,885	2724	35,28	+8,04
72,88	14,41	-55,47	2,09,41	34,88	-1,74,53	3,45,18	54,05	-2,91,13	2,21,36	28,55	-1,92,81
4,31	3,11	-1,20	12,04	7,66	-4,38	51,43	13,74	-37,69	51,09	6,72	-44,37
2,03	48	-1,55	48	61	+21	19	3,85	+3,66	1,20	1,07	-13
49	24	-25	34,67	76	-33,91	8,47	3,36	-5,11	1,18	1,51	+33
1,16,99	73,78	-43,21	2,35,46	2,13,21	-22,25	3,90,55	2,79,83	-1,10,72	3,70,38	1,81,55	-1,88,83
1,07,87	64,22	-43,65	2,10,09	1,81,15	-28,94	3,45,78	2,28,85	-1,16,93	32,413	1,44,14	-1,79,99
4,12	2,85	-1,27	10,66	7,93	-2,73	25,97	17,18	-8,79	24,98	10,50	-12,48
7,62	6,22	-1,40	11,29	18,34	+7,05	34,25	26,60	-7,65	20,63	15,20	-5,43
34,40	10,53	-23,87	74,87	30,59	-44,28	1,05,08	46,53	-58,72	1,19,31	32,67	-86,64
19,17	12,53	-6,64	23,26	43,44	+20,18	30,02	49,12	+19,10	40,97	17,78	-23,19
6,30	5,00	-1,30	19,60	13,24	-6,36	51,48	15,90	-35,58	30,65	10,53	-20,12
35,33	25,99	-9,34	68,33	63,02	-5,31	95,02	68,66	-26,36	83,42	51,20	-32,22
93	1,10	+17	208	4,59	+2,51	3,99	5,05	+1,06	4,17	3,72	-45
8,58	6,09	-2,49	23,94	18,28	-5,68	42,52	34,68	-7,84	41,46	21,51	-19,95
85	12	-73	98	82	-16	5,89	2,12	-3,77	4,85	70	-4,15
85	21	-64	2,33	79	-1,54	5,86	84	-5,02	4,71	83	-3,88
43	16	-27	2,50	73	-1,77	10,47	1,80	-8,67	7,37	1,33	-604
13	45	+32	3,46	1,19	-2,27	3,28	82	-2,46	2,70	74	-1,96

TABLE 35—Contd.

Regions, Countries and Territories	1969-70			1970-71		
	Imports	Exports	Balance	Imports	Exports	Balance
Sweden	1,54	89	-65	2,26	10	-2,16
Switzerland .. .	4,18	1,26	-2,92	2,34	1,54	-80
(c) Western Europe excl E. C. M. & E. F. T. A. ..	64	51	-13	29	54	+25
Of which :						
Malta & Gozo .. .	1	2	+1	..	4	+4
Spain	61	31	-30	25	24	-1
Greece	2	14	+12	2	22	+20
3. Eastern Europe	28,18	28,56	+46	31,43	38,17	+6,74
Of which :						
U.S.S.R.	7,62	7,98	+36	9,69	16,20	+6,51
Bulgaria	1,03	3,29	+2,26	4,53	2,71	-1,82
Czechoslovakia .. .	581	1,86	-3,95	4,80	3,41	-1,39
Hungary	77	1,27	+50	69	2,47	+1,78
Poland	4,81	7,94	+3,13	5,73	7,86	+2,13
Rumania	70	3,97	+3,27	1,71	1,78	+7
Yugoslavia	7,34	2,26	-5,08	4,21	3,73	-48
4. Middle East	20,68	22,54	+1,86	26,53	28,16	+1,63
(a) R. C. D.	8,93	2,25	-6,68	10,51	203	+192
Turkey	10	14	+4	23	15	-8
Iran	8,84	2,11	-6,73	10,28	1,88	-8,40
(b) Asian Countries	11,62	18,93	+7,31	16,01	23,48	+7,47
Of which :						
Abu Dhabi	6,77	91	-5,86	5,83	94	+11
Bahrain	1	3,16	+3,15	1,25	2,04	+89
Dubai	7	2,48	+2,41	11	2,97	+1,86
Iraq	44	1,18	+74	35	537	+502

(Value in lakh Rupees)

1971-72			1972-73			1973-74			1974-75 (July—March)		
Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
2,62	1,46	-1,16	6,90	4,44	-2,46	10,95	732	-3,63	14,47	7,20	-7,27
1,71	3,69	-2	7,63	10,32	2,69	6,06	21,68	+15,62	7,36	10,71	+3,35
53	3,47	+2,94	1,43	13,78	+12,35	2,24	16,30	+14,06	4,40	15,90	+11,50
—	47	+47	10	1,35	+1,25	2	2,97	+2,95	—	1,23	1,23
33	1,77	+1,44	1,17	939	+8,22	1,70	11,37	+9,67	3,61	8,66	5,05
20	1,18	+98	16	2,98	+2,82	51	1,80	+1,29	79	5,15	4,36
36,10	3958	+3,48	55,85	64,04	+8,19	79,23	63,27	-15,69	74,41	48,95	-25,46
8,43	13,58	+5,15	16,53	22,26	+5,73	18,12	25,61	+7,49	30,34	22,23	8,11
1,98	3,82	+1,84	2,22	4,58	+2,36	210	21	-1,89	2,20	89	1,31
5,21	3,19	-202	4,53	4,93	+40	9,65	1,44	-8,21	6,26	1,64	4,62
1,19	2,92	+1,73	1,63	3,96	+2,33	6,26	2,23	-3,98	3,64	1,10	-2,54
10,24	9,50	-74	18,69	11,84	+6,85	20,13	14,28	-5,85	10,78	10,73	-5
2,94	3,01	+7	3,65	4,35	+70	7,64	59	-7,05	12,08	3,95	-8,13
5,99	3,55	-2,44	7,58	12,08	+4,50	14,44	18,69	+4,25	8,89	7,45	-1,44
27,84	45,55	+17,71	76,67	78,78	+2,11	1,73,17	1,89,75	+16,58	2,48,43	2,33,90	-14,53
7,32	2,18	-5,14	15,27	6,13	-9,14	24,17	33,21	+9,04	10,29	55,47	+45,18
94	11	-83	548	13	-535	2,03	29	-1,74	1,75	58	-1,17
6,38	2,07	-4,31	9,79	6,00	-3,79	22,14	32,92	+10,78	8,54	54,89	+46,35
20,48	41,67	+21,19	60,21	66,70	+6,49	1,43,92	1,43,96	+4	2,37,87	1,43,24	-94,63
3,36	2,03	-1,33	55	3,86	+3,31	12	9,90	+9,78	75	17,59	+16,84
21	2,87	+2,66	18	2,52	+2,34	76	10,14	+9,38	5,10	1,16	-3,94
60	4,08	+3,48	89	11,03	+10,14	1,69	19,48	+17,79	2,06	18,00	+15,94
53	5,49	+4,96	66	10,62	+9,96	81	20,66	+19,85	15,85	21,90	+6,05

TABLE 35—Contd.

(Values in lakh Rupees)

1974-75 (July—March)

TABLE 35

Continued

1972-73

1971-72

1970-71

1969-70

Regions, Countries and Territories

	Imports		Exports		Balance		Imports		Exports		Balance		Imports		Exports		Balance		Imports		Exports		Balance	
	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71	1969-70	1970-71
Jordan	16	67	+51	19	64	+47	10	223	+213	69	77	+8	79	1.67	+88	1.11	1.15	+4	1.11	1.15	1.15	1.15	+4	+4
Kuwait	3	9.21	+3.18	4.24	4.27	+3	6.29	10.33	+4.04	20.41	9.17	-11.24	4.981	14.64	-35.17	1,00.38	5.97	-94.41	1,00.38	5.97	5.97	5.97	-94.41	-94.41
Lebanon	—	38	+38	17	27	+10	12	71	+59	8	2.23	+2.15	8	1.78	+1.70	13	2.41	+2.28	13	2.41	2.41	2.41	+2.28	+2.28
Sultanate of Oman	N.A.	27	+27	—	71	+71	1	1.75	+1.74	2	3.64	+3.62	5	7.35	+7.30	3	7.70	+7.67	3	7.70	7.70	7.70	+7.67	+7.67
Qatar	7	69	+62	6	1.06	+1.00	—	1.42	+1.40	3	2.67	+2.64	2	3.79	+3.77	2	2.31	+2.29	2	2.31	2.31	2.31	+2.29	+2.29
Saudi Arabia	8.47	9.82	+35	3.79	2.93	-86	9.20	8.13	-1.07	36.59	12.82	-23.77	89.29	39.66	-49.63	1,11.91	51.88	-60.03	1,11.91	51.88	51.88	51.88	-60.03	-60.03
People's Rep. of S. Yemen	1	1.44	+1.45	1	1.23	+1.22	—	1.26	+1.26	1	2.02	+2.01	14	95	+81	..	1.07	+1.07	28	35.19	35.19	35.19	+34.91	+34.91
(c) African Countries	13	1.35	+1.22	1	2.74	+2.73	4	1.70	+1.66	1.18	5.96	+4.78	5.08	12.57	+7.49	28	35.19	+34.91	28	35.19	35.19	35.19	+34.91	+34.91
Of which:																								
Libya	—	79	+79	—	47	+47	1	59	+58	75	2.60	+1.85	..	6.82	+6.82	5	4.72	+4.67	..	4.02	4.02	4.02	+4.02	+4.02
Somalia	—	25	+25	—	24	+24	—	25	+25	13	70	+57	4	3.71	+3.67	..	50	+50	..	50	50	50	+50	+50
U.A.R. (Egypt)	4	2	-2	—	3	+3	1	56	+55	3	1.99	+1.96	1.07	1.25	+18	..	30.93	+16.80	..	30.93	30.93	30.93	+16.80	+16.80
5. African Countries other than Middle East	99	3.85	+2.86	59	4.49	+3.90	2.43	4.81	+2.38	10.56	40.51	+29.95	11.12	40.10	+28.98	13.23	30.93	+16.80	13.23	30.93	30.93	30.93	+16.80	+16.80
Of which:																								
Liberia	—	20	+20	N.A.	5	+5	—	14	+14	1	3.20	+3.19	—	1.02	+1.02	8	52	+44	8	52	52	52	+44	+44
Ghana	1	6	+5	—	1	+1	—	5	+5	—	1.50	+1.50	4	20	+16	11	41	+30	11	41	41	41	+30	+30
Kenya Rep.	36	92	+56	29	1.34	+1.05	1.43	1.30	-13	7.85	2.70	-5.15	6.43	3.39	-3.04	8.34	1.83	-6.51	8.34	1.83	1.83	1.83	-6.51	-6.51
Mauritius	—	25	+25	—	29	+29	—	44	+44	—	2.18	+2.18	—	4.73	+4.73	7	70	+63	7	70	70	70	+63	+63
Nigeria	9	59	+50	—	37	+37	—	37	+37	—	2.37	+2.37	—	1.51	+1.51	—	2.03	+2.03	—	2.03	2.03	2.03	+2.03	+2.03
Tanzania	34	45	+11	12	47	+35	17	17	—	1.09	92	-17	2.47	2.10	-46	1.93	27	-1.56	1.93	27	27	27	-1.56	-1.56
Cameroon	—	5	+5	—	1	+1	—	1	+1	—	1.59	+1.59	—	21	+21	7	1	-6	—	1.66	1.66	1.66	+1.66	+1.66
Malawi	—	11	+11	—	12	+12	2	23	+21	1	1.02	+1.01	1	1.15	+1.14	—	22	+22	—	22	22	22	+22	+22
Sierra Leone	—	1	+1	1	6	+5	—	10	+10	—	1.24	+1.24	—	2.69	+2.69	—	3.92	+4.92	—	3.92	3.92	3.92	+4.92	+4.92
Algeria	—	10	+10	—	7	+7	—	5	+5	4	59	+55	..	1.06	+1.06	—	—	—	—	—	—	—	—	—

TABLE No. 35—(Contd.)

Regions, Countries and Territories	1969-70			1970-71		
	Imports	Exports	Balance	Imports	Exports	Balance
6. Asian Countries Excl. Middle East	54,84	52,15	-2,69	59,69	69,78	+10,09
Of which :						
Sri Lanka	85	4,27	+3,42	1,84	5,79	+3,95
Malaysia	2,04	87	-1,17	2,07	1,05	-1,02
Singapore	1,29	5,81	+4,52	1,17	6,08	+4,91
Afghanistan	9,43	4,07	-5,36	9,67	2,33	-7,34
People's Republic of China	5,04	3,50	-1,54	5,52	2,22	-3,30
Hong Kong	1,83	14,98	+13,15	1,17	24,65	+23,48
Indonesia	14	2,14	+2,00	6	3,03	+2,97
Japan	32,54	12,33	-20,21	35,85	19,46	-16,39
Thailand	4	11	+7	6	25	+19
North Korea	5	53	+48	64	79	+15
South Korea	1,02	13	-89	77	10	-67
Philippines	4	7	+3	11	5	-6
Burma	39	1,42	+1,03	31	90	+59
7. Oceania	6,94	2,91	-4,03	3,77	3,14	-63
Of which :						
Australia	6,61	2,32	-4,29	3,58	2,33	-1,25
New Zealand	32	35	+3	18	56	+38

.. Amount less than one lakh.

(Value in lakh Rupees)

1971-72			1972-73			1973-74			1974-75 (July—March)		
Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
12,45	1,48,38	+65,93	1,93,86	4,06,70	+2,12,84	2,90,37	3,48,89	+58,52	4,08,97	2,18,85	-1,90,12
10,94	6,53	-4,41	29,81	20,53	-9,28	35,60	12,84	-22,76	42,19	51,38	+9,19
1,56	2,38	+82	5,81	5,65	-16	9,11	5,31	-3,80	56,24	6,01	-50,23
2,56	6,13	+3,57	13,07	29,58	+16,51	18,26	38,20	+19,94	14,67	8,61	-6,06
10,25	4,40	-5,85	12,92	3,62	-9,30	18,79	8,19	-10,60	19,28	10,44	-8,44
9,91	14,60	+4,69	36,19	19,34	-16,85	57,09	3,93	-53,16	39,04	14,33	-24,71
2,44	50,52	+48,08	3,25	96,10	+92,85	5,53	1,11,69	+1,06,16	7,50	48,49	+40,99
1,02	5,03	+4,01	71	65,90	+65,19	11,98	93,29	+81,31	23,87	7,95	-16,42
34,95	54,01	+19,06	72,11	1,56,21	+84,10	1,12,62	63,33	-49,29	1,76,74	48,15	-1,27,59
4,42	2,32	-2,10	5,92	56	-5,36	4,52	1,23	-3,29	4,01	1,31	-2,70
1,18	16	-1,02	74	99	+25	2,62	44	-2,18	3,80	33	-3,47
1,26	25	-1,01	5,25	3,35	-1,90	4,18	2,41	-1,77	8,71	48	-8,23
16	8	-8	39	10	-29	27	2,93	+2,66	34	21	-13
77	2	-75	4,77	44	-4,33	8,48	95	-7,53	7,93	4,33	-3,60
4,03	3,80	-23	10,92	7,96	-2,96	7,19	19,26	+12,07	69,60	7,26	-62,34
3,65	2,85	-80	9,98	6,51	-3,47	5,99	15,36	+9,37	69,01	4,07	-64,94
37	61	+24	94	82	-12	1,18	3,26	+2,08	59	1,40	+81

Source : Statistics Division.

TABLE No 36

ECONOMIC CLASSIFICATION OF IMPORTS

. (Value in lakh Rs.)

Year (July—June)	Industrial raw materials								Total		
	Capital Goods		Capital Goods		Consumer Goods		Consumer Goods				
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	
1969-70	--	16,550	50.4	3,440	10.5	9,570	29.1	3,290	10.0	32,850	100.0
1970-71	--	18,854	52.3	3,819	10.6	9,498	26.4	3,853	10.7	36,024	100.0
1971-72	--	14,821	42.4	3,666	10.5	8,515	24.4	7,952	22.7	34,954	100.0
1972-73	--	24,988	29.8	8,302	9.9	25,846	30.8	24,847	29.5	83,983	100.0
1973-74		40,657	30.0	9,040	6.6	51,859	39.7	32,140	23.7	1,35,696	100.0
1974-75 (July—March)		44,298	30.4	13,910	9.5	59,274	40.6	28,504	19.5	1,45,986	100.0

Source: Statistics Division

TABLE No. 37
ECONOMIC CLASSIFICATION OF EXPORTS
(Value in lakh Rs.)

Year (July—June)	Primary Commodities			Semi-manufactures			Manufactured Goods			Total	
	Value	Percentage Share		Value	Percentage Share		Value	Percentage Share		Value	Percentage Share
1969-70	5,317	33.1	—	3,754	23.3	—	7,015	43.6	—	16,086	100
1970-71	6,503	32.6	—	4,722	23.6	—	8,760	43.8	—	19,985	100
1971-72	15,104	44.8	—	9,138	27.1	—	9,472	28.1	—	33,714	100
1972-73	53,656	39.4	—	25,833	30.2	—	26,023	30.4	—	85,512	100
1973-74	40,073	39.4	—	22,938	22.6	—	38,601	38.0	—	1,01,612	100
1974-75 (July—March)	37,545	49.5	—	8,875	11.7	—	29,420	38.8	—	75,840	100

Source.—Statistics Division

TABLE
INDICES OF UNIT VALUE OF IMPORTS
1960-61

Year (July—June)	Terms of Trade	Imports							
		General	Food	Beverages and Tobacco	Crude Materials	Minerals Fuels and Lubricants	Animal and Vege- table oil		
1960-61	100.0	100.00	100.00	100.00	100.00	100.00	100.00		
1961-62	92.4	110.4	101.4	136.8	108.6	115.3	109.0		
1962-63	88.2	114.1	105.1	125.8	111.5	111.2	115.1		
1963-64	85.3	118.5	104.8	162.4	114.3	137.9	101.3		
1964-65	90.0	116.1	106.4	125.7	121.1	143.1	118.3		
1965-66	96.3	113.0	102.4	125.1	115.9	137.4	132.3		
1966-67	90.5	117.0	103.9	142.4	110.2	153.8	131.9		
1967-68	94.2	115.2	96.7	151.2	97.5	136.9	108.2		
1968-69	93.9	114.5	95.2	141.1	111.3	129.8	96.3		
1969-70	86.8	122.2	110.7	150.3	96.6	173.3	95.9		
1970-71	89.8	124.7	98.4	152.6	99.2	187.3	113.0		
1971-72	97.1	134.3	106.2	150.3	99.8	182.8	121.8		
1972-73	94.6	273.9	258.2	182.7	273.8	235.6	238.9		
1973-74	95.8	358.6	382.0	280.8	385.6	388.2	353.4		
July—Sept., 1974 ..	*98.1	481.0	593.0	315.5	422.9	767.6	474.3		
Oct.—Dec., 1974 ..	96.3	459.3	405.9	350.9	374.6	697.2	524.1		

*Provisional

AND EXPORTS AND TERMS OF TRADE

= 100

Chemicals	Manufactured Goods	Machinery and Transport Equipment	Misc. Manufactured Goods	General	Exports		
					Food, Beverages and Tobacco	Crude Materials	Manufactured Goods
100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
126.1	100.6	119.0	101.7	102.5	112.8	100.6	100.4
112.2	112.7	123.8	102.8	100.5	123.9	96.4	95.7
118.1	113.6	121.0	139.9	100.5	120.9	97.3	95.
124.7	116.1	109.0	114.8	104.5	119.0	102.5	100.6
104.3	112.2	113.1	119.3	108.5	125.6	105.9	105.5
118.1	113.3	115.1	109.7	105.9	140.3	99.4	99.5
110.1	119.3	120.2	116.1	108.6	179.1	93.5	98.4
147.0	112.4	113.8	103.9	107.6	185.9	88.7	99.6
164.0	127.6	101.5	85.0	106.1	159.1	91.5	103.4
194.4	127.4	97.2	108.7	112.0	148.0	110.2	97.2
220.5	132.7	114.6	99.7	130.3	172.5	122.9	121.5
374.7	294.9	257.4	192.2	258.3	272.9	223.3	307.4
594.4	365.9	255.6	238.9	343.4	357.6	279.7	439.1
604.9	494.3	288.7	295.6	471.6	648.7	428.1	455.1
680.0	540.3	295.1	290.1	442.3	624.8	416.3	394.9

Source : Statistics Division

BALANCE OF

Items	1965-66			1969-70		
	Credit	Debit	Net credit	Credit	Debit	Net credit
A. Goods and Services (1 through 8) ..	672.4	1156.7	-484.3	328.6	1398.6	-570.0
1. Merchandise	564.4	917.2	-352.8	660.2	1050.2	-390.0
2. Non-monetary gold	0.1	—	+0.1	31.6	—	+31.6
3. Freight and insurance on international shipments	4.6	84.4	-79.8	1.1	113.7	-112.6
3.1. Freight	3.8	80.1	-76.3	—	105.8	-105.8
3.2. Insurance	0.8	4.2	-3.4	1.1	7.9	-6.8
4. Other Transportation	14.9	14.6	+0.3	36.7	35.2	+1.5
5. Travel	2.2	5.7	-3.5	8.6	11.2	-2.6
6. Investment income	9.2	62.5	-53.3	36.8	109.1	-72.3
7. Government not included elsewhere	35.5	43.1	-7.6	29.6	52.7	-23.1
8. Other Services	41.5	29.3	+12.2	23.8	26.4	-2.6
8.1. Non-merchandise insurance	2.4	2.2	+0.2	1.8	6.6	-4.8
8.2. Others	39.1	27.1	+12.0	21.9	19.8	+2.1
B. Unrequited Transfers (9 plus 10) ..	229.1	6.8	+222.3	176.9	14.0	+162.9
9. Private	44.9	6.6	+38.3	106.7	5.8	+100.9
10. Government	184.2	0.2	+184.0	70.1	8.2	+61.9
C. Allocation of SDRS	—	—	—	—	—	—

PAYMENTS

(million U.S. dollars)

1970-71			1971-72		
Credit	Debit	Net credit	Credit	Debit	Net credit
846.5	1573.6	-727.1	722.8	1258.5	-535.6
683.4	1186.9	-503.5	619.5	946.3	-326.7
25.9	—	+25.9	0.2	—	+0.2
0.7	121.7	-121.0	0.8	83.5	-82.7
—	115.7	-115.7	—	77.9	-77.9
0.7	6.1	-5.4	0.8	5.5	-4.8
37.6	46.6	-9.0	32.5	32.5	—
9.3	16.5	-7.2	8.5	14.7	-6.1
18.3	109.9	-91.6	10.9	72.6	-61.6
48.8	75.0	-26.2	15.5	74.3	-58.8
22.4	16.9	+5.5	34.9	34.7	+0.3
1.3	3.8	-2.5	1.2	5.1	-3.9
21.1	13.1	+7.9	33.7	29.5	+4.1
141.6	10.9	+130.7	179.3	6.3	+173.0
68.9	5.0	+63.9	96.3	3.3	+92.9
72.7	5.9	+66.8	83.0	3.0	+80.1
—	—	—	27.0	—	+27.0

TABLE

	1965-66 Change in			1969-70 Change in		
	Assets	Liabilities	Net position	Assets	Liabilities	Net position
D. Capital and Monetary Gold (11 through 16)	-74.4	-333.3	+258.7	+6.6	-391.1	+397.2
11. Private Long-term including all direct investment	—	-36.8	+36.8	+2.8	-75.1	+78.1
12. Private short-term (other than direct investment)	—	-3.9	+3.9	—	+2.5	-2.5
13. Local Governments	—	+2.7	-2.7	—	-97.3	+97.3
14. Central Government	-6.3	-245.5	+239.3	-9.5	-236.6	+227.1
14.1. Long term loans	—	-245.5	+245.5	-9.9	-236.5	+226.6
14.2. Other long term assets and liabilities	+3.9	—	+3.9	+2.5	—	+2.5
14.3. Other short-assets and liabilities	-10.2	—	-10.2	-2.2	—	-2.2
15. Central Monetary Institutions	-91.3	-75.6	-15.7	+17.7	+2.9	+14.8
15.1. Accounts with IMF	-38.0	-75.5	+37.5	—	-2.7	+2.7
15.2. Marketable assets	-46.1	—	-46.1	+75.8	—	+75.8
15.3. Deposits	-7.0	-0.06	-6.94	-46.1	+5.6	-51.7
15.4. Gold	-0.1	—	-0.1	—	—	—
15.5. Special Drawing Rights	—	—	—	-11.9	—	-11.9
16. Other Monetary Institutions	+22.9	+25.7	-2.8	-4.4	+12.6	-17.0
16.1. Deposits	-9.5	+25.0	-34.5	-3.6	+12.7	-16.3
16.2. Other foreign assets and liabilities	+32.5	+0.7	+31.8	-0.8	-0.1	-0.7
E. Errors and Omissions Net	+3.2	—	+3.2	+9.4	—	+9.4

—Nil.

.. Amount less than 0.1 million dollar.

1970-71 Change in			1971-72 Change in		
Assets	Liabilities	Net position	Assets	Liabilities	Net position
+88.6	-512.1	-600.8	-53.5	-350.6	+297.1
+1.4	-91.5	+92.9	+15.9	-54.5	+70.4
—	+0.8	-0.8	—	-1.0	+1.0
—	-111.4	+111.4	—	-66.1	+66.1
+47.7	-287.9	-335.6	-13.9	-193.6	+179.6
—	+286.3	-286.3	—	-193.6	+193.6
+45.2	-1.6	+46.8	-9.9	—	-9.9
+2.5	—	+2.5	-3.9	—	-3.9
+33.3	-28.3	-61.6	-67.4	-44.7	-22.7
-47.0	-28.5	-18.6	—	-53.4	+53.4
+14.2	—	+14.2	+57.7	—	+57.7
+69.5	+0.1	+69.4	-102.5	+8.7	-111.1
-0.8	—	-0.8	-0.2	—	-0.2
-2.7	—	-2.7	-22.5	—	-22.5
+6.3	+6.3	—	+11.8	+9.1	+2.7
+9.6	+6.3	+3.3	—	-9.1	-9.1
-3.3	+0.02	-3.3	+11.8	—	+11.8
-4.4	—	-4.4	+38.5	—	+38.5

Source : State Bank of Pakistan

11. Private long-term ..	..	..	58.7	45.9	+12.8	100.9	43.4	+57.5	46.9	24.5	+22.4
11.1 Direct Investment ..	..	..	..	0.3	-0.3	..	6.3	-6.3	9.3	6.2	+3.1
11.6 Loans ..	..	..	58.7	45.6	+13.1	100.9	37.1	+63.8	37.6	18.3	+19.3
12. Private Short term (other than direct investment).	..	..	1.0	..	+1.0	0.1	..	+0.1	0.3	..	+0.3
13. Local Governments ..	..	..	33.0	41.8	-8.8	106.0	37.0	+69.0	63.8	14.0	+49.8
14. Central Government ..	..	..	262.9	15.1	+247.8	244.8	32.6	+212.2	437.8	28.1	+409.7
14.4 Long-term Loans ..	..	..	221.2	15.1	+206.1	237.1	26.0	+211.1	432.1	17.3	+414.8
14.5 Other long-term Assets and Liabilities ..	..	..	9.5	..	+9.5	7.7	..	+7.7	1.6	3.3	-1.7
14.6 Other short-term Assets and Liabilities ..	..	..	32.2	..	+32.2	..	6.6	-6.6	4.1	7.5	-3.4
b. Monetary Sector (15 plus 16)	..	..	23.3	183.2	-159.5	183.9	36.2	+147.7	262.6	197.7	+64.9
15. Central Monetary Institutions ..	..	..	11.5	162.6	-151.1	128.7	8.3	+120.4	243.0	189.0	+54.0
15.1 Accounts with IMF ..	..	..	..	4.5	-4.5	33.2	..	+33.2	125.3	..	+125.3
15.2 Marketable Assets ..	..	..	..	25.8	-25.8	21.9	..	+21.9	35.4	25.3	+10.1
15.3 Deposits —Assets ..	..	..	..	125.5	-125.5	52.5	..	+52.5	78.2	163.7	-85.5
—Liabilities ..	..	..	..	0.5	-6.8	..	8.3	-8.3	..	..	..
15.6 Gold ..	..	..	..	..	..	..	..	..	..	..	..
15.7 Special Drawing Rights ..	..	..	11.5	..	+11.5	1.1	..	+1.1	4.1	..	+4.1
16. Other Monetary Institutions ..	..	..	11.8	20.6	-8.5	55.2	27.9	+27.3	19.6	8.7	+10.9
16.2 Deposits —Assets ..	..	..	11.8	..	+11.8	..	27.9	-27.9	10.6	8.7	+1.9
—Liabilities ..	..	..	..	20.6	-20.6	54.7	..	+54.7	9.0	..	+9.0
16.4 Other Foreign Assets and Liabilities ..	..	..	..	..	..	0.5	..	+0.5	..	..	..
E. Errors and Omissions Net ..	..	..	7.4	..	+7.4	..	5.3	-5.3	29.3	..	+29.3

Note :—In monetary sector and items 14.5 and 14.6 of Non-Monetary Sector, an increase in assets or a decrease in liabilities gives a debit entry, whereas a decrease in assets or an increase in liabilities generates a credit entry.

.. Negligible.

Table No. 40
BALANCE OF PAYMENTS
Recorded Receipts from Exports

Commodity						(lakh rupees)
	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75 (July-March)
Cotton	21,80	25,79	95,36	140,16	43,46	98,71
Cotton Manufactures	56,81	66,57	92,57	2,90,16	3,72,43	1,98,94
Hides and Skins	1,76	2,37	2,75	3,09	7,44	3,31
Wool	2,83	2,34	2,21	10,14	8,66	2,58
Other exports	2,41,91	2,38,37	1,63,31	3,81,18	6,03,47	4,04,72
Total	3,25,11	3,35,44	3,56,20	8,24,73	10,35,46	7,11,25

Source : State Bank of Pakistan

*Recorded receipts are on a mixed c & f and f.o.b. basis and hence differ from those appearing in the table giving overall position.

Table No. 41
GOLD AND FOREIGN RESERVES HELD AND CONTROLLED BY
STATE BANK OF PAKISTAN

(Crore rupees)

Period*	Amount	Period*	Amount
		1962	
June..	51.79	June ..	112.83
December	141.61	December	118.41
		1963	
June..	165.51	June ..	143.62
December	98.02	December	132.80
		1964	
June..	95.85	June ..	123.53
December	94.16	December	104.28
		1965	
June..	151.31	June ..	95.17
December	148.17	December	98.97
		1966	
June..	104.57	June ..	126.33
December	60.61	December	93.93
		1967	
June..	66.88	June ..	79.32
December	68.89	December	75.89
		1968	
June..	63.05	June ..	86.43
December	63.10	December	113.78
		1969	
June..	69.64	June ..	142.25
December	115.62	December	148.21
		1970	
June..	139.47	June ..	136.78
December	126.29	December	87.74
		1971	
June..	120.05	June ..	94.86
December	102.14	December	81.39
		1972	
June..	88.05	March ..	90.05
December	76.58	June ..	313.84
		September	308.86
		December	314.51
		1973	
June..	104.32	March ..	338.28
December	122.72	June ..	458.38
		September	409.93
		December	484.00
		1974	
June..	116.96	March ..	434.43
December	129.40	June ..	398.51
		September	574.60
		December	466.90
		1975	
June..	122.50	March ..	405.19
December	113.30		

* Last day of the month.
 @ Provisional.

**Foreign Economic
Assistance**

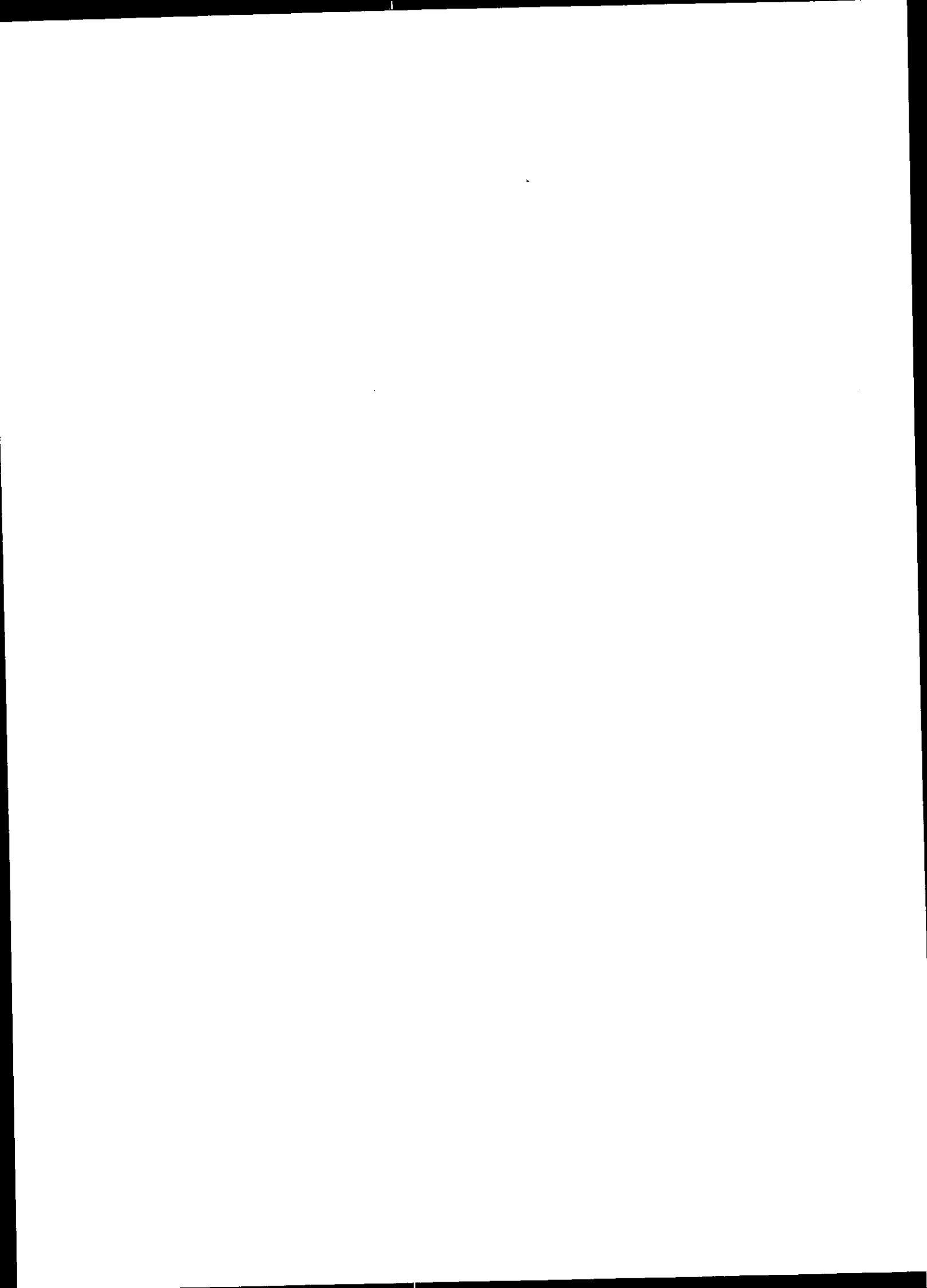


TABLE No. 42
OUTSTANDING EXTERNAL INDEBTEDNESS OF PAKISTAN
AS ON JUNE 30, 1974

(Million US dollars)

					Debt outstanding as on 30-6-1974		
Lending Country/Agency					Disbursed and Outstanding	Un-disbursed	Total Debt Outstanding
1					2	3	4
A. Consortium							
1. Belgium	—Capital Aid	..	..	..	7.058	7.028	14.086
	—Export Credit	..	..	..	3.147	8.610	11.757
	Sub-total (Belgium)				10.205	15.638	25.843
2. Canada*	—CIDA loans	..	..	..	117.584	41.669	159.253
	—EDC Credits	..	..	..	47.851	0.306	48.157
	Wheat Board Credit				28.230	—	28.230
	Sub-total (Canada)				193.665	41.975	235.640
3. France	—Capital Aid	..	..	..	38.486	—	38.486
	—Export Credit	..	..	..	75.153	56.204	131.357
	Sub-total (France)				113.639	56.204	169.843
4. Germany	—Capital Aid	..	..	..	433.112	72.261	505.373
	—Export Credit	..	..	..	35.550	2.553	38.103
	Sub-total (Germany)				468.662	74.814	543.476
5. Italy	—Capital Aid	..	..	..	42.992	—	42.992
	—Export Credit	..	..	..	99.119	13.110	112.229
	Sub-total (Italy)				142.111	13.110	155.221
6. Japan	—Capital Aid	..	..	..	303.428	45.382	348.810
	—Suppliers Credit	..	..	..	5.231	—	5.231
	Sub-total (Japan)				308.659	45.382	354.041
7. Netherlands	—Capital Aid	..	..	..	28.226	14.621	42.847
	—Export Credit	..	..	..	15.118	—	15.118
	Sub-total (Netherlands)				43.344	14.621	57.965
8. Sweden	—Capital Aid	..	..	..	5.514	—	5.514
	—Export Credit	..	..	..	0.088	—	0.088
	Sub-total (Sweden)				5.602	—	5.602
9. UK	—Capital Aid	..	..	..	246.581	18.274	264.855
	—Export Credit	..	..	..	29.252	4.042	33.294
	—CDFC	..	..	..	4.153	—	4.153
	—ERC	..	..	..	1.642	—	1.642
	—Shell Petroleum Co.	..	..	..	4.933	—	4.933
	—Tenant Guaranty Ltd.,	..	..	..	1.847	—	1.847
	—NGB Loans	..	..	..	18.488	0.004	18.492
	—Midland Bank Ltd.	..	..	..	30.733	16.017	46.750
	—Bankers Trust International Ltd	..	..	..	6.638	3.402	10.040
	Sub-total (UK)				344.267	41.739	386.006

*Does not include \$ 4.959 million (Disbursed and out standing \$ 1.845 million and undisbursed \$ 3.114 million) reported by the Administrator for Tarbela Development Fund for which details are presently not available in this Division.

1				2	3	4
10. USA	—Capital Aid			1,417.878	59.704	1,477.582
	—US Suppliers			2.223	—	2.223
	—US-Eximbank			88.266	10.198	98.464
	PL-480 Title I			278.389	31.492	309.881
	—CCC Credit			41.083	—	41.083
	—Singer Manufacturing Co.			0.222	—	0.222
Total (USA)				1,828.061	101.394	1,929.455
11. Asian Development Bank				13.410	133.181	146.591
12. IBRD				298.696	71.558	370.254
13. IDA				404.179@	92.506	496.685
14. I.F.C.				5.649	—	5.649
Sub-total (Consortium Sources)				4,180.149	702.122	4,882.271
B. Non-Consortium Sources :						
1. Austria				—	0.753	0.753
2. China	—Loans			46.833	170.558	217.391
3. Czechoslovakia	—Export Credit			31.407	2.957	34.364
4. Denmark	—Capital Aid			3.931	3.751	7.622
	—Suppliers Credit			1.385	—	1.385
Sub-total (Denmark)				5.316	3.751	9.067
5. Kuwait	—Suppliers Credit			1.956	—	1.956
6. Poland	—Export Credit			3.471	—	3.471
7. Rumania				—	14.677	14.677
8. Switzerland	—Export Credit			31.102	13.615	44.717
9. Turkey	—Export Credit			0.729	2.370	3.099
10. USSR	—State Credit			27.316	273.478	300.794
	—Export Credit			50.600	1.439	52.039
Sub-total (USSR)				77.916	274.917	352.833
11. Yugoslavia				16.306	0.594	16.900
Sub-total (Non-Consortium Sources)				215.036	484.192	699.228
TOTAL (ALL SOURCES)				4,395.185	1,186.314	5,581.499

Source : Economic Affairs Division.

@ Excludes exchange adjustment amounting to \$ 60.836million

TABLE No. 43- A
TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN

		(\$ million)											
		(1951-52 to 1954-55)											
Lending Country/ Agency		1951-52			1952-53			1953-54			1954-55		
		Terms			Terms			Terms			Terms		
		Amount	Interest Rate %	Amorti- zation Years	Amount	Interest Rate %	Amorti- zation Years	Amount	Interest Rate %	Amorti- zation Years	Amount	Interest Rate %	Amorti- zation Years
1		2	3	4	5	6	7	8	9	10	11	12	13
1. U.K.		—	—	—	—	—	—	28,000	—	9	—	—	—
2. US-Eximbank		—	—	—	15,000	2.50	44	—	—	—	—	—	—
3. IBRD		30,450	4.62	15	—	—	—	14,000	4.75	20	13,777	4.62	15

TABLE No. 43-B

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 1ST PLAN
(₹ million)

Lending Country/ Agency	1955-56					1956-57					1957-58					1958-59					1959-60				
	Terms					Terms					Terms					Terms					Terms				
	Amount	Interest	Amorti- zation	Rate	Years	Amount	Interest	Amorti- zation	Rate	Years	Amount	Interest	Amorti- zation	Rate	Years	Amount	Interest	Amorti- zation	Rate	Years	Amount	Interest	Amorti- zation	Rate	Years
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16										
1. Japan—Export credit,	—	—	—	—	—	—	20,500	5.75	10	—	—	—	4,600	5.75	10										
2. Netherlands—Export credit,	—	—	—	—	—	—	—	—	—	—	—	—	2,444	5.75	10										
3. U. K.	—	—	—	—	—	—	—	—	—	28,000	Var- iable	10	—	—	—										
4. U.S. Eximbank	—	—	—	—	—	—	2,827	6	5	—	—	—	—	—	—										
5. IBRD	18,901	4.62	15	—	—	—	49,049	5.56	15-20	—	—	—	24,705	6	10-16										
6. IFC	—	—	—	—	—	—	—	—	—	—	—	—	1,380	8	16										
7. Suppliers Credits,	42,285	5.75	10	—	—	—	27,385	5.75	10	2,080	5.75	10	—	—	—										

TABLE No 43-C

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 2ND PLAN
(\$ million)

Lending Country/ Agency	1960-61			1961-62			1962-63			1963-64			1964-65		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Interest	Amorti- zation	Amount	Interest	Amorti- zation	Amount	Interest	Amorti- zation	Amount	Interest	Amorti- zation	Amount	Interest	Amorti- zation
		Rate	Years		Rate	Years		Rate	Years		Rate	Years		Rate	Years
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Consortium															
Belgium :														0.439	6 10
Export credit															
Canada :							12.232	6	15-20						
EDC Credits															
France :				10.128	5.25	10	15.191	5.25	10	10.128	5.25	10	10.128	5.25	10
Export credit															
Germany :							22.015	3	25	10.750	3	25	8.325	3	25
Capitalaid				5.500	5.5	20	9.360	4.3	20	16.625	5.5	20	7.582	5.5	20
							52.750	5.5	20						
Export credit	267.65	6	10	35.945	6	10	13.588	6	10	9.827	6	10	10.515	6	10
Italy :														5.317	6 10
Export credit															

TABLE No. 43-C (Contd.)
**TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY
 PAKISTAN DURING 3RD PLAN**
 (\$ million)

Lending Country/ Agency	1960-61			1961-62			1962-63			1963-64			1964-65		
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Japan :															
Capital aid	—	—	—	19,892	6	15	23,460	6	14	29,924	5.75	15	29,932	5.75	18
Export credit	20,600	6	10	—	—	—	12,900	6	10	—	—	—	9,800	6	10
Netherlands :															
Capital aid	—	—	—	—	—	—	—	—	—	—	—	—	6,629	5.5	25
Suppliers credit	—	—	—	1,355	0.75	10	—	—	—	1,033	0.75	10	4,976	5.75	10
U. K. Capital aid	22,400	Variable	20	19,600	Variable	25	28,000	Variable	25	31,634	Variable	25	22,232	Variable	25
Suppliers/Financial Institutions	0,734	3.5	10	—	—	—	—	—	—	0,375	3.5	10	24,667	3.5	10
USA	—	—	—	96,535	0.75	40	146,638	0.75	40	106,222	0.75	40	345,469	0.75% for first ten years & 2% thereafter	40
US—Eximbank	6,210 2,075	5.75 6	10 10	12,100	5.75	10	3,464	5.75	20	5,583	5.75	8	3,348	5.75	20
IBRD	104,654	6	13-30	—	—	—	42,333	5.50	15-20	61,901	5.50	51-25	—	—	—
IDA	—	—	—	18,318	0.75	50	11,432	0.75	50	64,276	0.75	50	90,746	0.75	50
IFC	—	—	—	3,846	7.5	15	—	—	—	—	—	—	5,507	7.5	13

Lending Country/ Agency	1960-61			1961-62			1962-63			1963-64			1964-65		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Interest Amorti- zation Rate %	Years	Amount	Interest Amorti- zation Rate %	Years	Amount	Interest Amorti- zation Rate %	Years	Amount	Interest Amorti- zation Rate %	Years	Amount	Interest Amorti- zation Rate %	Years
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Non-Consortium :															
Denmark :															
Export credit	--	--	--	--	--	--	--	--	--	--	--	--	6,298	6.5	10
Switzerland	--	--	--	--	--	--	--	--	--	--	--	--	0,114	6.75	10
U.S.S.R. :	25,930	2.5	12	--	--	--	--	--	--	10,000	2.5	12	13,643	2.5	10
Yugoslavia	--	--	--	--	--	--	5,006	3	10	7,932	3	12	2,850	3	12

TABLE No. 43-D

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 3RD PLAN
(\$ million)

Lending Country/ Agency	1965-66					1966-67					1967-68					1968-69					1969-70				
	Terms					Terms					Terms					Terms					Terms				
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16										
Commonwealth																									
Belgium—																									
Capital aid	—	—	—	—	0.500	3	20	1,000	3	20	1,000	3	20	1,500	2	20									
Export credit	—	—	—	—	0.531	5.5	10	0.932	6	10	1,182	6	10	—	—	—									
Canada—																									
CIDA\Loan	23,363	0	50	10,000	0	50	11,000	0	50	11,500	0	50	40,299	0	50										
EDC Credit	29,978	6	15—20	10,000	6	15—20	—	—	—	9,250	6	15—20	4,000	6	12½										
France	20,255	5.25	10	10,128	5.25	10	10,128	5.25	10	15,192	3.50	10—20	16,204	5.25	10										
												—7.25													
Germany—																									
Capital aid	—	{ 2.975 8.275	3 5.5	25 20	{ 37,606 4,636	3 5.5	25 20	15,000 3,750	3 5.5	25 25	27,421	3	25	17,708 30,558	2.5 3.0	30 25									
—Export credit	—	13.034	6	10	23,807	6	10	7,844	6	10	9,514	6	10	3,337	6	10									
Italy	—	21,301	6	10	12,030	6	10	14,579	6	10	23,949	6	10	14,777	6	10									

Lending Country/ Agency	1965-66					1966-67					1967-68					1968-69					1969-70				
	Terms					Terms					Terms					Terms					Terms				
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16										
Japan --																									
Capital aid ..	29.981	5.75	18	29.971	5.75	18	27.430	5.50	18	27.381	5.25	18	21.791	5.25	18										
Export credit ..	--	--	--	--	--	--	1.812	5.75	10	--	--	--	1.000	6	10										
Netherlands--																									
Capital aid ..	2.762	5.5	25	2.209	3	25	2.209	3	25	3.314	3	25	4.420	2.5	30										
--Suppliers ..	0.020	5.75	10	0.232	5.75	10	--	--	--	--	--	--	4.835	6	10										
Sweden :																									
Capital aid ..	4.833	2	25	1.759	2	25	3.101	0.75	50	--	--	--	--	--	--										
Export credit ..	0.257	6.5	10	--	--	--	--	--	--	--	--	--	--	--	--										
U. K. :																									
Capital aid ..	38.651	0	25	17.049	0	25	15.245	0	25	15.093	0	25	22.392	0	25										
--Suppliers & Financial Institutions.	--	--	--	11.863	6	10	9.849	6	10	19.882	5.50	10	27.470	5.50	10										

TABLE No. 43-D (Contd.)
TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 3RD PLAN

Lending Country/ Agency	(\$ million)															
	1965-66				1966-67				1967-68				1968-69			
	Terms		Terms		Terms		Terms		Terms		Terms		Terms		Terms	
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Terms
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
US-Aid	..	83.700	1% for first ten years & 2.5% thereafter	40	149.053	1% for first ten years & 2.5% thereafter	40	165.725	2% for first ten years & 2.5% thereafter	40	66.287	2% for first ten years & 3% thereafter	40	124.000	2% for first ten years & 3% thereafter	40
Eximbank	..	5.793	5.75	20	2.500 { 7.520	5.75	20	—	—	—	5.000	6	20	2.500	6	20
Suppliers Credit	..	—	—	—	19.000	6.25	10	3.400	4.425	10	6.750	6	10	—	—	—
PL-480-Title-I	..	—	—	—	21.400	1% for first ten years & 2.5% thereafter	40	14.100	2% for first ten years & 2.5% thereafter	40	7.500	2% for first ten years & 3% thereafter	40	48.100	2% for first ten years & 3% thereafter	40
IBRD	..	30.000	5.5	17	34.986	6	17	35.000	6	17	120.502	6.25	20	19.200	7	20
IDA	..	25.000	0.75	50	27.624	0.75	50	10.000	0.75	20	40.714	0.75	50	34.300	0.75	50
IFC	..	—	—	—	3.200	8	12	—	—	—	—	—	—	—	—	—
ADB	..	—	—	—	—	—	—	—	—	—	4.588	7.05	3	—	—	—

Lending Country/ Agency	1965-66				1966-67				1967-68				1968-69				1969-70			
	Terms				Terms				Terms				Terms				Terms			
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization Years		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16					
Non-Consortium																				
Austria	..	—	—	—	—	—	—	—	—	—	—	—	4.661	5.50	10					
Turkey	..	—	—	—	—	—	—	—	—	3.099	4	10	—	—	—					
Kuwait	..	—	—	—	—	—	—	—	—	—	—	—	4.958	0	5					
Denmark	..	1.232	0	20	—	—	—	—	—	—	—	—	—	—	—					
Czechoslovakia	..	2.879	2.5	10	—	—	—	—	—	26.234	2.5	10	23.400	2.5	10					
Poland	..	2.915	2.5	10	—	—	2.622	2.5	10	—	—	—	—	—	—					
Switzerland	..	12.963	6.75	10	—	—	—	—	—	3.539	6.75	10	12.059	6.75	10					
U.S.S.R.	..	18.195	2.5	10	3.820	2.5	10	11.872	2.5	10	28.916	2.5	10-12	10.534	2.5	10				
Yugoslavia	..	17.122	3	10	9.521	3	10	—	—	6.144	3	10	—	—	—					

TABLE 43-E
TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY
PAKISTAN DURING 1970-71

(\$ million)

Lending Country/ Agency	1970-71		
	Amount	Terms	
		Interest Rate %	Amorti- zation Years
1	2	3	4
CONSORTIUM			
Belgium	1.500	2	30
Canada			
CIDA	6.500	0	50
France			
Capital Aid	30.583	6	10
Germany			
Capital Aid	35.656	3	25
Export credit	2.732	6	10
Italy			
Capital Aid	40.000	6	10
Export credit	24.875	6	10
Netherlands			
Capital Aid	4.420	3	25
Export Credit	—	—	—
U.K.			
Capital Aid	7.003	0	25
Suppliers	7.358	6	10
NGB	17 000	7	10
E.R.C.	1.512	8	10
U.S.A.			
US-Aid-Loans	13.960	2% for first ten years & 3% there- after.	40

1						2	3	4
US-Eximbank	..	..	..	..	..	15.155	6	6-1/2
US-Financial Institutions	..	..	..	..	..	18.445	5-6	3-1/2-7-1/2
P1-480 Title I	..	..	..	..	..	57.529	2% for first ten years and 3% thereafter.	40
IDA	..	..	..	..	..	23.000	0.75	50
ADB	..	..	..	..	..	23.350	8.25	11-14
Non-Consortium								
China	..	..	..	..	..	217.391	0	48
Denmark	..	..	..	..	..	5.333	0	20
Switzerland	..	..	..	..	..	6.328	6.75	10
U.S.S.R.	..	..	..	..	..	4.249	2.5	10
Yugoslavia	..	..	..	..	..	2.412	3	10

TABLE NO. 43-F
TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY
PAKISTAN DURING 1971-72-1974-75

(\$ Million)

Country/Agency	1971-72			1972-73			1973-74			1974-75 (upto March '75)		
	Amount	Interest Rate %	Amortization Years	Amount	Interest Rate %	Amortization years	Amount	Interest Rate %	Amortization years	Amount	Interest Rate %	Amortization year
1	2	3	4	5	6	7	8	9	10	11	12	13
CONSORTIUM												
Belgium—Capital Aid	—	—	—	2,500	2	30	4,958	2	30	3,099	2	30
Export credit	—	—	—	—	—	—	9,078	6.5	10	1,240	8.85	10
Canada	—	—	—	10,000	0	50	46,700	0	50	44,400	0	50
CIDA	—	—	—	—	—	—	—	—	—	—	—	124
France—Capital Aid	—	—	—	—	—	—	—	—	—	—	—	—
Export Credit	—	—	—	10,860	3	21 1/2	11,946	3	20	16,937	3	18
	—	—	—	10,860	7.8	10	11,946	7.8	10	16,937	7.8	10
Germany—Capital Aid	—	—	—	24,825	2	30	61,200	2-3	25-30	22,973	2-2.5	30
Export Credit	3,301	7.5	10	—	—	—	—	—	—	—	—	—
Italy—Capital Aid	—	—	—	—	—	—	—	—	—	—	—	—
Export Credit	4,358	6	10	4,534	6	10	2,700	6	10	15,000	6	10

	1	2	3	4	5	6	7	8	9	10	11	12	13
Japan—Capital Aid	..	—	—	—	31,097	4.5—4.75	20—25	23,624	4	25	23,000	4	25
Netherlands—Capital Aid	..	—	—	—	4,931	2.5	28	6,506	2.5	30	6,550	2.5	30
Exports Credit	..	3,426	N.S.	3	—	—	—	—	—	—	—	—	—
U.K.—Capital Aid	..	5,863	0	25	15,634	0	25	11,465	0	25	15,402	0	25
Midland Bank Ltd.	..	—	—	—	—	—	—	56,790	5.7	5	—	—	—
U.S.A.—Aid Loans	..	6,770	0	40	136,291	2% for 1st 10 years & 3% thereafter.	40	27,600	2% for 1st 10 years & 3% thereafter.	40	131,250	2% for 1st 10 years & 3% thereafter.	40
Eximbank	..	—	—	—	—	—	—	28,210	6	11	—	—	—
PL-480	..	35,058	2% for 1st 10 years & 3% thereafter.	40	78,500	2% for 1st 10 years & 3% thereafter.	40	42,400	2% for 1st 10 years & 3% thereafter.	40	63,000	2% for 1st 10 years & 3% thereafter.	40
CCC Credit	..	6,000	6,125	3	6,000	6,125	3	35,000	9.5	3	—	—	—
IBRD	..	—	—	—	—	—	—	25,000	7.25	20	—	—	—
IDA	..	—	—	—	—	—	—	35,000	7.25	16	—	—	—
ADB	..	—	—	—	—	—	—	53,000	0.75	50	82,000	0.75	50
Canada—Wheat Credit	..	—	—	—	—	—	—	82,360	1—7.5	40/25	70,510	1—7.5	40/25
Non—Consortium	..	—	—	—	—	—	—	31,675	8.75	3	—	—	—
Austria	..	—	—	—	—	—	—	0,793	5	10	—	—	—
Bulgaria	..	—	—	—	—	—	—	3,880	2.5	12	—	—	—
Denmark	..	—	—	—	—	—	—	—	—	—	6,500	—	35
German Democratic Republic.	..	—	—	—	—	—	—	—	—	—	3,500	7.5	8
Romania	..	—	—	—	—	—	—	15,868	3.5	10	—	—	—
U.S.S.R.	..	0,366	2.5	12	31,463	2.5	12	136,612	2.5	12	214,000	2.5	12

*Amortization is inclusive of grace.

TABLE
GRANT ASSISTANCE AGREEMENTS

Name of the Lending Country/Agency	Pre-Ist Plan	Ist Plan (1955-60)	2nd Plan (1960-65)
1	2	3	4
I. Consortium including outside Consortium Sources :			
1. Canada	19.779	67.310	70.885
2. Germany	—	—	—
3. Japan	—	0.192	0.837
4. Netherlands	—	—	—
5. New-Zealand	2.940	1.820	1.668
6. Norway	—	—	—
7. Sweden	—	—	0.916
8. Switzerland	—	—	—
9. U.K.	1.151	3.633	5.697
10. U.S.A.	177.796	447.667	481.065
11. UN & Specialised Agencies	3.940	5.177	4.488
12. UNDP Special Fund	—	8.175	3.378
13. Ford Foundation	—	11.718	11.061
14. F.A.C/Others	—	—	—
15. E.E.C. Special	—	—	—
Sub-total (Consortium)	205.606	545.692	580.040
II. Non-Consortium Sources :			
1. Australia	7.729	11.240	6.091
2. China	—	—	60.000
Sub-Total (Non-Consortium)	7.729	11.240	66.091
Sub-total (I+II)	213.335	556.932	646.131
III. Indus Tarbela Development Fund :			
1. Australia	—	—	26.916
2. Canada	—	—	37.003
3. Germany	—	—	58.336
4. India	—	—	168.803
5. New-Zealand	—	—	3.902
6. U.K.	—	—	91.691
7. U.S.(a) Dollars	—	—	295.590
(b) Rupee contribution	—	—	235.000
Sub-total.. (III)	—	—	920.241
Sub-total (General (I+II+III))	213.335	556.932	1,566.372

SIGNED BY PAKISTAN

(Million US dollars)

BLE
NTSPlan
65)

.885

.837

.668

.916

.697

.065

.488

.378

.061

.040

5.091

0.000

6.091

6.131

6.916

7.003

8.336

8.803

3.902

1.691

5.590

5.000

0.241

6.372

3rd Plan
(1965-70)

1970-71

1971-72

1972-73

1973-74

1974-75

Total

5

6

7

8

9

10

11

67.103

9.612

0.109

11.904

0.750

1.650

249.102

0.492

0.171

0.240

0.742

—

—

4.964

16.915

0.244

3.954

185.681

2.812

14.515

12.293

—

—

308.721

54.037

18.735

28.944

26.251

48.468

1816.494

4.074

0.192

43.479

2.884

47.553

3.076

356.274

57.113

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920.241

356.274

57.113

18.735

28.944

26.251

48.468

2872.424

TABLE No. 1
TOTAL LOANS AND CREDITS

Name of the lending Country/Agency					Per-1st Plan	1st Plan (1955-60)	2nd Plan (1960-65)
					2	3	4
1							
A. Consortium Sources :							0.439
1.	Belgium	..	..	..	..	—	1.500
2.	Canada	..	..	..	..	—	12.232
3.	France	..	..	..	..	—	45.575
4.	Germany	..	..	..	..	—	223.477
5.	Italy	..	..	..	..	—	5.317
6.	Japan	—	—	..	..	25.100	146.508
7.	Netherlands	—	..	..	..	2.444	13.993
8.	Sweden	..	..	..	..	—	—
9.	U. K.	..	..	..	..	20.000	149.642
10.	U. S. A	(a)	Repayable in Dollars	..	..	15.000	740.360
		(b)	Repayable in local currency	..	..	20.600	245.704
Sub-total (U.S.A.)					..	35.000	278.614
					..	58.227	92.655
11.	IBRD	..	..	..	..	—	208.888
12.	IDA	..	..	..	..	—	184.772
13.	IFC	..	..	..	..	1.380	9.353
Sub-total (Consortium Sources)					..	121.227	428.193
					..	—	1,986.260
B. Non-Consortium :							
1.	ADB	..	..	..	..	—	—
2.	Austria	..	..	..	..	—	—
3.	Bulgaria	..	..	..	..	—	—
4.	China	..	..	..	..	—	—
5.	Czechoslovakia	..	..	..	..	—	—
6.	Denmark	..	..	..	..	—	6.298
7.	German Democratic Republic	..	..	..	..	—	—
8.	Kuwait	..	..	..	..	—	—
9.	Poland	..	..	..	..	—	—
10.	Romania	..	..	..	..	—	—
11.	Switzerland	..	..	..	..	—	0.114
12.	Turkey	..	..	..	..	—	—
13.	USSR	..	..	..	..	—	49.573
14.	Yugoslavia	..	..	..	..	—	15.788
15.	Suppliers Credits from various sources..	..	..	..	..	71.750	—
SUB-TOTAL (NON-CONSORTIUM)					..	—	71.750
SUB-TOTAL (LOANS) (A + B)					..	121.227	499.943
TOTAL (GRANTS + LOANS)					..	334.562	1,056.875
					..	—	3,624.405

CONTRACTED BY PAKISTAN

(Million US Dollars)

n -65)	3rd Plan (1965-70)	1970-71	1971-72	1972-73	1973-74	1974-75 (July-March)	Total
	5	6	7	8	9	10	11
1.439							
.500	6.645	1.500	—	2.500	14.036	4.339	29.459
.232	140.140	6.500	—	10.000	78.575	44.400	291.847
.575	71.907	30.583	—	21.720	23.892	33.874	227.551
.477	205.465	38.388	3.301	24.825	61.192	22.793	579.441
.317	89.973	64.875	4.358	4.534	2.700	15.000	186.757
.508	139.366	—	—	31.096	23.624	23.000	388.694
.993	20.000	4.420	3.426	4.931	6.506	6.550	62.270
	5.117	—	—	—	—	—	5.117
.642	177.494	31.361	5.863	15.634	68.255	15.402	519.651
.360	782.328	106.089	47.828	220.791	131.099	194.250	2,240.572
.704	191.123	—	—	—	—	—	732.614
5.064	973.451	106.089	47.828	220.791	131.099	194.250	2,973.186
3.888	239.688	—	—	—	60.000	—	659.458
1.772	142.638	23.000	—	95.000	53.000	82.000	580.410
2.353	3.200	—	—	—	—	—	13.933
5.260	2,215.084	306.715	64.776	431.031	522.879	441.600	6,517.774
	4.588	23.350	—	38.500	82.360	70.510	219.368
	4.661	—	—	—	0.793	—	5.454
	—	—	—	—	3.880	—	3.880
	—	217.391	—	—	—	—	217.391
	52.513	—	—	—	—	—	52.513
6.298	1.232	5.332	—	—	—	6.500	19.363
	—	—	—	—	—	3.500	3.500
	4.958	—	—	—	—	—	4.958
	5.537	—	—	—	—	—	5.537
	—	—	—	—	15.868	—	15.868
0.114	28.561	6.328	—	—	—	—	35.003
	3.099	—	—	—	—	—	3.099
9.573	72.754	4.249	0.366	31.463	136.612	214.000	509.017
15.788	32.786	2.412	—	—	—	—	50.986
	—	—	—	—	—	—	71.750
11.773	210.689	259.063	0.366	69.963	239.513	294.510	1,217.627
18.033	2,425.773	565.779	65.142	500.994	762.392	736.118	7,735.401
14.405	2,782.047	622.892	83.877	529.938	788.643	783.586	10,607.825

TABLE NO. 45 (Contd).

		1973-74		1974-75 (July-March)		
Name of the Lending Country/ Agency	Amount	Interest Rate %	Amorti- zation years	Amount	Interest Rate %	Amorti- zation years
1	2	3	4	5	6	7
Non-Traditional :						
Iran	—	—	—	366.110	2.5	8
Abu Dhabi	—	—	—	100.000	2.5	10
Saudi Arabia	—	—	—	100.00	0	15
Qatar	—	—	—	10.000	3	10
Libya	30.000	4-1/2	10	50.000	1	35

Transport and
Communications

TABLE NO. 46
GROSS EARNINGS OF PAKISTAN RAILWAYS

(Crore Rupees)

Year							Gross earnings
1947-48* (April—March)	..	..	..	..	..	..	23.54
1948-49	..	..	..	..	..	..	24.51
1949-50	..	..	..	..	..	..	25.54
1950-51	..	..	..	..	..	..	26.63
1951-52	..	..	..	..	..	..	29.55
1952-53	..	..	..	..	..	..	32.13
1953-54	..	..	..	..	..	..	33.96
1954-55	..	..	..	..	..	..	35.30
1955-56	..	..	..	..	..	..	36.18
1956-57	..	..	..	..	..	..	38.92
1957-58	..	..	..	..	..	..	41.89
1958-59	..	..	..	..	..	..	46.93
1959-60 (July—June)	..	..	..	..	..	..	48.27
1960-61	..	..	..	..	..	..	48.42
1961-62	..	..	..	..	..	..	47.58
1962-63	..	..	..	..	..	..	49.34
1963-64	..	..	..	..	..	..	54.33
1964-65	..	..	..	..	..	..	58.25
1965-66	..	..	..	..	..	..	59.21
1966-67	..	..	..	..	..	..	615.6
1967-68	..	..	..	..	..	..	62.40
1968-69	..	..	..	..	..	..	66.52
1969-70	..	..	..	..	..	..	73.12
1970-71	..	..	..	..	..	..	71.26*
1971-72	..	..	..	..	..	..	77.98*
1972-73 (a)	..	..	..	..	..	..	81.43
1973-74 (a)	..	..	..	..	..	..	88.18
1974-75 (July—Dec)	..	..	..	..	..	..	61.79

*Provisional

a) 11 month total (July—May)

Sources : Statistics Division

TABLE NO. 47

MOVEMENT OF PASSENGERS AND FREIGHT BY RAIL

Year			Number of Passengers Carried (Crore)	Passenger- miles (Crore)	Freight carried (long tons) (Crore)	Net freight miles (Crore)
1947-48* (April—March)	..	..	8.1	4,87.5	0.3	1,90.8
1948-49	..	..	7.2	4,01.6	0.6	1,70.2
1949-50	..	..	6.8	3,68.5	0.7	1,80.7
1950-51	..	..	7.0	3,88.2	0.8	2,22.3
1951-52 (July—June)	..	..	8.0	4,37.7	0.9	2,52.0
1952-53	..	..	7.9	4,25.5	0.9	2,98.5
1953-54	..	..	8.2	4,19.1	1.0	2,93.4
1954-55	..	..	8.6	4,41.0	1.0	2,85.5
1955-56	..	..	8.8	4,44.5	1.0	2,89.2
1956-57	..	..	9.8	4,85.3	1.1	3,28.2
1957-58	..	..	10.4	5,17.9	1.2	3,44.0
1958-59	..	..	10.9	5,26.5	1.4	3,59.7
1959-60	..	..	12.1	5,59.0	1.2	3,81.4
1960-61	..	..	12.5	5,71.6	1.3	4,12.9
1961-62	..	..	12.0	5,54.3	1.4	3,97.9
1962-63	..	..	12.3	5,85.8	1.4	4,20.1
1963-64	..	..	13.2	6,24.3	1.4	4,80.4
1964-65	..	..	13.2	6,25.7	1.5	4,94.9
1965-66	..	..	12.2	6,00.4	1.6	4,74.3
1966-67	..	..	12.8	6,20.7*	1.5	5,04.6
1967-68	..	..	13.2*	6,27.5	1.5	5,23.7
1968-69	..	..	13.5	6,48.2	1.6	4,76.1
1969-70	..	..	12.9	5,94.4	1.2	4,67.5
1970-71	..	..	12.6	5,82.3	1.3	4,58.1
1971-72	..	..	12.4*	5,91.4*	1.3*	4,72.2*
1972-73	..	..	13.5	6,82.4		5,11.2
1973-74	..	..	14.1	7,20.8		4,49.1

*Provisional

Sources : Statistics Division.

TABLE NO. 48
DEVELOPMENT OF RAILWAYS

Year	Route Miles	No. of Loco- motives	No. of Freight wagons
1	2	3	4
1948-49 (April-March) ..	5,316.07	821	23,815
1949-50 ..	5,316.07	822	23,733
1950-51 ..	5,316.07	845	23,716
1951-52 ..	5,316.07	858	23,769
1952-53 ..	5,316.07	875	24,270
1953-54 ..	5,316.07	882	24,319
1954-55 ..	5,332.82	849	25,110
1955-56 ..	5,335.37	825	24,935
1956-57 ..	5,334.64	819	24,306
1957-58 ..	5,334.64	829	24,538
1958-59 ..	5,332.50	851	23,798
1959-60 (July-June) ..	5,327.41	878	29,854
1960-61 ..	5,326.30	903	29,710
1961-62 ..	5,326.30	940	30,172
1962-63 ..	5,326.30	939	31,753
1963-64 ..	5,326.42	1,011	33,127
1964-65 ..	5,333.69	1,012	33,644
1965-66 ..	5,334.80	1,026	35,048
1966-67 ..	5,334.80	1,045	36,428
1967-68 ..	5,334.80	1,047	36,970
1968-69 ..	5,383.32	1,043	37,252
1969-70 ..	5,321.66	1,076	37,530
1970-71 ..	5,323.00	1,141	37,337
1971-72 ..	*5,465.00	1,015	37,624
1972-73 ..	5,475.03	994	37,436
1973-74 ..	5,475.00	992	37,339

* Provisional

TABLE NO. 49
POSTAL SERVICE OPERATIONS

Year (July—June)	No. of registered letters booked			No. of registered parcels booked			Money orders issued	
	Insured (000)	Ordinary (in lakh)	Value payable (lakh Nos.)	Insured (000)	Ordinary (in lakh)	Value payable 000 Nos.	Number (in lakh)	Value (lakh Rs.)
1952-53	109	64	5.0	36	7	223	38	1,780
1953-54	118	72	5.3	41	8	219	41	1,854
1954-55	124	74	6.3	37	10	229	46	2,179
1955-56	130	81	6.5	46	10	243	49	2,383
1956-57	137	85	7.3	52	12	312	52	2,659
1957-58	136	93	8.1	69	12	301	52	2,891
1958-59	139	111	7.5	57	13	273	46	2,652
1959-60	115	100	7.7	49	16	276	51	3,054
1960-61	115	100	7.9	64	18	310	54	3,220
1961-62	102	98	7.6	69	19	325	56	3,347
1962-63	97	106	8.7	77	20	336	59	3,598
1963-64	94	112	8.5	73	22	347	62	4,260
1964-65	80	108	7.5	71	22	340	59	4,322
1965-66	73	109	6.0	76	22	251	60	4,343
1966-67	67	115	5.9	98	23	254	56	4,183
1967-68	66	119	5.8	101	22	238	58	4,220
1968-69	58	128	5.8	108	23	248	57	4,677
1969-70	48	140	5.8	119	25	262	59	5,057
1970-71	52	125	7.2	117	24	300	63	4,941
1971-72	43	129	5.1	84	24	234	64	6,327
1972-73	39	132	5.5	53	22	198	66	6,497
1973-74	45	131	5.4	52	22	181	56	6,445
1974-75 (July—Nov.)	18	66	2.2	19	10	78	25	2,947

Source : Statistics Division.

TABLE No. 50
CARGO HANDLED AT KARACHI PORT

Value lakh Rs.)							(Thousand tons)		
	Year						Import	Export	Total
1,780	1947-48	..	..	..	..	..	2,181	1,315	3,496
1,854	1948-49	..	..	..	..	..	2,190	1,227	3,417
2,179	1949-50	..	..	..	..	..	2,203	1,152	3,355
2,383	1950-51	..	..	..	..	..	2,302	1,172	3,474
2,659	1951-52	..	..	..	..	..	2,688	1,076	3,764
2,891	1952-53	..	..	..	..	..	3,017	897	3,914
2,652	1953-54	..	..	..	..	..	2,654	895	3,559
3,094	1954-55	..	..	..	..	..	2,147	892	4,039
3,220	1955-56	..	..	..	..	..	2,530	1,096	3,626
3,347	1956-57	..	..	..	..	..	3,271	1,017	4,288
3,598	1957-58	..	..	..	..	..	3,394	844	4,238
4,260	1958-59	..	..	..	..	..	2,641	967	3,608
4,322	1959-60	..	..	..	..	..	3,424	1,078	4,502
4,343	1960-61	..	..	..	..	..	3,911	1,068	4,979
4,183	1961-62	..	..	..	..	..	3,489	1,117	4,606
4,220	1962-63	..	..	..	..	..	4,016	1,545	5,561
4,677	1963-64	..	..	..	..	..	4,523	1,331	5,854
5,057	1964-65	..	..	..	..	..	6,273	1,533	7,806
4,941	1965-66	..	..	..	..	..	5,184	1,869	7,053
6,327	1966-67	..	..	..	..	..	6,786	2,285	9,071
6,497	1967-68	..	..	..	..	..	6,405	2,258	8,663
6,445	1968-69	..	..	..	..	..	5,515	2,788	8,303
2,947	1969-70	..	..	..	..	..	5,929	3,372	9,301
	1970-71	..	..	..	..	..	6,279	3,157	9,436
	1971-72	..	..	..	..	..	6,296	3,010	9,306
	1972-73	..	..	..	..	..	7,158	3,158	10,316
	1973-74	..	..	..	..	..	7,440	3,045	10,485
	1974-75 (July—March)	..	..	..	..	..	5,679	1,719	7,398

Sources : Statistics Division.

TABLE No. 51
ROAD MILEAGE STATISTICS

(Miles)

				Total	High type	Low type
1947-48 (15-8-47 to 31-3-48)	..	..	..	13,821	5,053	8,768
1948-49 (April—March)	..	..	..	15,472	5,433	10,039
1949-50	..	..	..	15,726	5,624	10,102
1950-51	..	..	..	16,326	6,150	10,176
1951-52	..	..	..	17,152	6,654	10,498
1952-53	..	..	..	18,279	7,001	11,278
1953-54	..	..	..	18,620	7,444	11,176
1954-55	..	..	..	19,102	7,980	11,122
1955-56	..	..	..	19,424	8,038	11,386
1956-57	..	..	..	19,424	8,238	11,186
1957-58	..	..	..	19,424	8,412	11,012
1958-59 @	..	..	..	19,441	8,690	10,751
1959-60 (July—June)	..	..	..	19,176	8,772	10,404
1960-61	..	..	..	20,381	8,827	11,554
1961-62	..	..	..	20,990	9,002	11,988
1962-63	..	..	..	21,007	9,327	11,680
1963-64	..	..	..	21,397	9,445	11,952
1964-65	..	..	..	21,758	9,971	11,787
1965-66	..	..	..	22,036	10,134	11,902
1966-67	..	..	..	18,934	10,456	8,478
1967-68	..	..	..	19,678	10,704	8,974
1968-69	..	..	..	19,003	10,926	80,77
1969-70	..	..	..	19,685	10,886	8,819
1970-71	..	..	..	20,204	11,291	8,913
1971-72	..	..	..	21,592	12,002	9,590
1972-73	..	..	..	22,219	12,365	9,854

Source : Ministry of Communications and Statistics Division.

@ Figures relate to April 1958 to June 1959.

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CD.

Public Finance

RECEIPTS AND EXPENDITURE OF THE FEDERAL GOVERNMENT

TABLE

Head	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
REVENUE RECEIPTS :						
Principal Heads of Revenue	16,12	53,89	71,84	1,09,28	1,26,88	1,09,79
Customs	11,37	32,92	42,25	77,62	82,15	65,89
Central Excise Duties	1,38	5,34	5,15	6,72	7,09	6,99
Income Tax & Corporation Tax	2,70	6,59	11,55	13,24	17,23	17,59
Sales Tax	—	4,17	8,94	7,11	14,51	13,01
Salt	40	3,76	2,44	2,22	2,50	2,34
Other Heads	27	1,11	1,51	2,37	3,40	3,97
Railways (net)	—67	3,34	1,97	1,71	1,52	4,95
Post Office, Telegraph and	—17	25	—	61	94	1,60
Telephone (net)	—	—	—	—	—	—
Debt Services	2,68	4,94	6,15	6,01	6,77	6,48
Civil Administration	22	71	78	1,24	1,38	1,85
Currency and Mint	—	—	1,08	95	66	80
Miscellaneous	38	75	66	93	1,25	1,61
Defence Services	1,17	2,16	5,47	4,84	4,84	4,85
Extraordinary Items	6	52	29	1,45	27	1,19
Other Heads	10	20	30	30	33	31
Total—Revenue Receipts	19,89	66,76	88,54	1,27,32	1,44,84	1,33,43
EXPENDITURE MET FROM REVENUE:						
Direct Demands on Revenue	69	1,55	1,93	2,21	2,50	2,74
Debt Services	90	2,19	3,07	6,94	6,63	8,11
Civil Administration	4,90	10,90	13,87	16,93	21,02	23,65
General Administration	82	1,97	2,27	2,88	3,40	4,11
Frontier Regions	2,13	4,26	5,39	5,78	6,74	7,24
Foreign Affairs	37	1,01	1,36	1,45	1,85	2,02
Education	9	28	61	60	1,00	1,23
Medical and Public Health	11	26	39	46	71	88
Other Beneficent and Social Service	—	—	—	—	—	—
Departments	52	1,38	1,61	2,43	2,92	3,37
Other Administrative Departments	86	1,74	2,24	3,33	4,40	4,80
Currency and Mint	14	36	46	46	46	51
Civil Works and Central Road Fund	23	66	95	1,62	1,66	1,13
Miscellaneous	80	1,51	1,04	29,77	23,79	11,50
Pensions, Stationery and Printing	26	1,04	15	—5	1,40	69
Contribution to the Central and	—	—	—	62	1,65	1,81
Special Funds for Rehabilitation	54	47	59	29,20	20,74	9,00
Other Miscellaneous Expenditure	—	—	—	—	—	—
Defence Services	15,38	46,15	62,54	64,99	77,91	78,34
Contribution and Miscellaneous Adjust-	—	—	—	—	—	—
ments between the Federal and Pro-	50	1,40	1,60	3,60	10,10	1,95
vincial Governments	—	—	—	—	—	—
Development Expenditure—other Heads	6	7	9	10	16	4,08
Total—Expenditure met from Revenue	23,69	64,70	85,60	1,26,62	1,44,23	1,32,01
Surplus/Deficit	—3,71	2,06	2,94	70	61	1,42

TABLE NO. 52
MENT ON REVENUE ACCOUNT—contd.

(Rupees in lakh)

952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59 (15months)	Head
REVENUE RECEIPTS .							
1,09,79	82,62	89,94	1,11,32	1,02,18	1,04,83	1,39,02	Principal Heads of Revenue
65,89	36,10	41,61	55,79	46,96	42,05	49,36	Customs
6,99	13,16	11,55	13,50	14,48	19,37	26,41	Central Excise Duties.
17,59	18,07	19,41	21,42	21,14	24,04	39,81	Income Tax & Corporation Tax
13,01	8,65	10,60	13,72	13,23	14,27	17,02	Sales Tax
2,34	2,44	2,21	2,40	1,95	5	—6	Salt
3,97	4,20	4,56	4,49	4,42	5,05	6,48	Other Heads
4,95	6,18	6,18	7,69	7,68	10,22	10,35	Railways (net)
1,60	1,42	66	1,73	1,77	1,85	3,01	Post Office, Telegraph and Telephone (net).
6,48	7,53	8,83	9,14	8,68	11,77	13,81	Debt Services
1,85	2,56	1,85	1,99	2,53	3,24	4,48	Civil Administration
80	1,93	2,08	1,96	2,72	3,82	3,78	Currency and Mint.
1,61	2,58	1,51	3,18	2,74	2,63	4,24	Miscellaneous
4,85	5,33	3,99	5,83	4,15	6,27	8,44	Defence Services
1,19	22	1,42	11	17	7,11	8,00	Extraordinary Items
31	68	81	63	52	76	74	Other Heads
1,33,43	1,11,05	1,17,27	1,43,58	1,34,14	1,52,50	1,95,87	Total—Revenue Receipts
EXPENDITURE MET FROM REVENUE							
2,74	2,51	2,72	2,98	2,82	3,19	4,32	Direct Demands on Revenue
8,11	7,74	9,37	9,37	12,55	12,13	16,93	Debt Services
23,65	22,79	23,17	26,41	26,91	29,36	40,73	Civil Administration
4,11	3,73	4,21	5,01	5,40	6,83	8,86	General Administration
7,24	6,31	6,81	6,73	5,63	5,84	7,23	Frontier Regions
2,02	1,78	1,87	2,62	3,14	3,15	3,93	Foreign Affairs
1,23	1,04	1,96	1,81	2,15	2,61	2,98	Education
89	89	94	1,00	1,01	1,33	1,66	Medical and Public Health
3,37	4,03	2,83	4,08	4,61	4,70	6,61	Other Beneficent and Social Service
4,80	5,01	4,55	5,16	4,97	4,90	9,46	Departments
51	38	34	37	74	68	81	Other Administrative Departments
1,13	1,61	2,03	1,61	1,38	2,52	1,69	Currency and Mint
11,50	8,08	7,56	5,82	4,50	6,08	6,47	Civil Works and Central Road Fund
69	85	1,07	1,49	1,06	1,56	1,16	Miscellaneous
1,81	2,04	2,22	2,27	1,91	2,48	2,66	Pensions, Stationery and Printing
9,00	5,19	4,27	2,06	1,53	2,04	2,65	Contribution to the Central and Special Funds for Rehabilitation
78,34	65,32	63,51	91,77	80,09	85,42	99,66	Other Miscellaneous Expenditure
1,95	1,25	5,71	4,89	2,30	3,68	3,95	Defence Services
4,08	—	—	—	—	—	—	Contribution and Miscellaneous Ad- justments between the Federal and Provincial Governments
1,19	2,85	12	1,78	9,12	21,09	Other Heads	
1,3,2,01	1,10,87	1,17,26	1,43,34	1,33,07	1,52,18	1,95,65	Total—Expenditure met from Revenue
1,47	18	1	24	7	32	22	Surplus/Deficit —

Sources: Finance Accounts.

RECEIPTS AND EXPENDITURE OF THE FEDERAL

TABLE

Head	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66
REVENUE RECEIPTS							
Principal Heads of Revenue	1,39,89	1,57,16	1,71,70	1,68,09	1,87,74	2,40,44	2,54,66
Customs	56,17	58,77	66,90	73,58	70,37	1,03,02	1,05,10
Central Excise Duties	28,55	34,35	36,76	41,28	60,56	69,70	82,28
Income Tax & Corporation Tax	31,97	32,06	38,52	27,96	30,95	34,23	28,02
Sales Tax	17,04	24,74	25,52	24,43	25,66	26,86	34,55
Salt	10	62	26				
Other Heads	6,06	6,62	3,74	84	20	6,63	4,71
Railways (net)	12,74	5,02					
Post Office (net)				1,31	20	19	
Telegraph and Telephone (net)	2,95	3,06	3,14	3,36	4,86	4,84	7,03
Debt Services	7,16	9,12	11,36	7,07	48,59	45,22	57,46
Civil Administration	3,53	4,79	11,24	7,95	10,46	14,23	31,61
Currency and Mint	3,62	5,46	5,55	23	10,73	5,99	6,02
Miscellaneous	4,15	4,16	5,47	5,38	8,59	8,70	10,97
Defence Services	10,14	10,45	10,31	10,52	10,79	9,94	9,68
Extraordinary Items	12,13	12,09	12,11	5	23	5	1,36
Other Heads	1,44	94	81	64	77	88	1,00
Total—Revenue Receipts	1,97,75	2,12,25	2,31,69	2,04,60	2,82,96	3,30,10	3,79,79
EXPENDITURE MET FROM REVENUE							
Direct Demands on Revenue	3,54	4,04	4,05	4,03	4,59	4,88	4,97
Debt Services	20,69	19,10	21,65	24,51	31,41	43,20	46,01
Civil Administration	37,49	39,23	41,71	36,06	44,13	44,74	46,54
General Administration	8,03	6,74	6,85	7,99	9,29	11,11	10,73
Frontier Regions	6,05	6,73	7,61	7,44	8,15	9,05	9,75
Foreign Affairs	3,21	2,82	2,90	2,75	3,05	3,39	3,60
Education	3,64	3,58	1,79	1,18	1,35	1,66	1,04
Medical and Public Health	2,33	1,90	1,88	1,20	1,39	1,92	1,97
Other Beneficent and Social Service Departments	6,98	8,79	7,36	6,17	7,40	9,65	9,45
Other Administrative Departments	7,27	8,67	13,32	9,33	13,50	7,96	10,00
Currency and Mint	57	63	90	95	98	1,04	1,07
Civil Works and Central Road Fund	4,06	4,25	4,18	2,50	3,06	3,62	5,44
Miscellaneous	8,23	7,93	7,92	4,61	6,15	12,65	17,93
Pensions, Stationery and Printing	2,29	1,90	2,60	1,77	2,17	2,74	3,30
Contribution to the Central and Special Funds for Rehabilitation	2,88	3,14	3,48	60	27	5,29	4,08
Other Miscellaneous Expenditure	3,06	2,89	1,84	2,24	3,71	4,62	10,55
Defence Services	1,04,35	1,11,24	1,10,86	95,43	1,15,65	1,26,23	2,85,50
Contribution and Miscellaneous Adjustments between the Federal and Provincial Governments	4,23	2,69	2,37	4,85	4,49	3,48	4,56
Development Expenditure		1	5,01	6,56	12,13	21,50	29,68
Other Heads		1,49	30	3	11,13	12,28	8,17
Total—Expenditure met from Revenue	1,84,65	1,89,42	1,98,68	1,79,53	2,33,72	2,73,62	4,49,81
Surplus/Deficit	13,10	22,83	33,01	25,07	49,24	56,48	70,02

*Included in Telegraph and Telephone (net).

@Includes receipts from Surcharges.

**Includes Associated Cemeot.

Includes Grants and subsidies worth Rs. 2,18,54 Lakh (for 1973-74).
and Rs. 1,19,07 Lakh (for 1974-75).

TABLE 1

ERAD GOVERNMENT ON REVENUE ACCOUNT

(Rupees in lakh)

1965-66	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 Revised Budget	1974-75 Budget	Head
REVENUE RECEIPTS									
2,54.44	3,35.79	4,19.99	4,79.88	4,24.64	4,31.85	5,89.31	7,92.91	3,92.88	Principal Heads of Revenue
1,05.10	1,26.62	1,69.13	1,67.66	1,73.69	1,29.06	2,46.91	3,87.20	4,72.37	Customs
82.28	1,55.82	1,77.44	2,19.22	2,09.99	1,95.02	2,33.49	2,52.80	2,75.00	Central Excise Duties
28.02	26.81	32.39	48.09	22.21	83.37	75.44	75.72	67.80	Income Tax & Corporation Tax
34.55	22.52	35.52	39.41	16.47	21.79	30.43	42.74	45.32	Sales Tax
4.71	4.02	5.51	5.50	2.28	2.61	26.99	33.77	32.39	Other Heads
						25			Railways (net)
						48	1.04	1.34	Post Office (net)
7.03	8.91	10.25	12.37	8.46	15.50	15.29	14.75	15.11	Telegraph and Telephone (net)
57.46	74.53	89.67	1,05.73	1,03.51	69.89	70.57	66.50	1,06.46	Debt Services
31.61	13.61	14.05	18.26	21.18	34.92	5.03	18.43	7.01	Civil Administration
6.02	7.26	7.81	8.43	9.59	10.28	10.81	15.94	18.07	Currency and Mint
10.97	11.03	17.34	24.00	13.61	11.58	19.77	21.54	22.28	Miscellaneous
9.68	12.77	13.63	14.57	15.98	13.88	22.24	20.61	19.96	Defence Services
1.36	5.21	4.18	2.78	7	16.75	118.29	1,11.25	1,22.14	Extraordinary Items
1.00	1.52	1.60	1.57	1.86	1.35	1.20	1.58	1.65	Other Heads
3,79.79	4,70.42	5,77.41	6,66.53	6,02.06	606.48	7,53.29	10,61.80	12,09.20	Total—Revenue Receipts
EXPENDITURE MET FROM REVENUE									
4.97	5.83	6.33	7.02	8.98	4.87	5.02	6.44	7.50	Direct Demands on Revenue
46.01	62.19	77.19	92.66	92.35	1,48.02	1,29.86	2,12.40	2,06.09	Debt Services
46.54	49.30	52.58	65.84	80.65	67.53	81.94	1,21.71	1,27.05	Civil Administration
10.73	11.80	12.69	15.99	19.17	15.30	24.81	23.84	27.46	General Administration
9.75	9.36	9.49	11.26	13.84	14.08	17.73	26.19	29.51	Frontier Regions
3.60	3.83	4.05	4.47	4.90	5.86	10.22	12.26	14.71	Foreign Affairs
1.04	1.76	1.96	2.12	2.11	1.16	1.94	3.98	5.88	Education
1.97	1.88	2.16	2.43	2.67	2.97	3.46	4.90	6.47	Medical and Public Health
9.45	11.95	12.78	18.87	23.03	19.64	14.09	32.80	21.40	Other Beneficent and Social Service Departments
10.00	8.72	9.45	10.70	14.93	8.52	9.70	17.74	21.62	Other Administrative Departments
1.07	1.12	1.13	1.37	1.24	1.22	1.34	2.40	2.76	Currency and Mint
15.44	6.81	8.04	9.65	6.90	6.65	8.78	5.20	6.17	Civil Works and Central Road Fund
17.93	12.04	18.27	17.35	14.69	15.33	33.65	2,40.13	1,46.35	Miscellaneous
3.30	4.27	4.70	4.31	3.21	4.93	4.38	3.84	3.83	Pensions, Stationery and Printing, Contribution to the Central and Special Funds for Rehabilitation.
4.08	3.03	3.80	3.46						Other Miscellaneous Expenditure
10.33	4.74	9.77	9.58	11.48	10.40	29.27	2,36.29	1,42.52	Defence Services
2,85.54	2,18.65	2,42.58	2,74.91	3,20.15	3,72.55	4,43.93	4,74.15	5,57.90	Contribution and Miscellaneous Adjustments between the Federal and Provincial Governments.
4.50	18.77	5.11	4.37	24.47	2.04	5.03	2537	30.40	Development Expenditure
29.61	29.28	25.12	37.37	25.30	11.70	28.56	53.47	95.40	Other Heads
8.17	3.72	65	40	40	47	2.77	1.41	1.44	Total—Expenditure met from Revenue
4,49.81	4,07.71	4,37.10	5,10.94	5,75.13	6,30.38	7,40.93	11,42.58	11,81.05	Surplus/Deficit (—)
76.01	62.71	1,40.31	1,55.59	26.93	(—)23.90	(—)12.36	(—)80.88	28.15	

Source : Finance Account (upto 1969-70) and Annual Budget Statement.

TABLE
CAPITAL RECEIPTS OR

Head	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	953
I—INTERNAL RESOURCES :							
Revenue Surplus/Deficit—	-3,17	2,06	2,94	70	61	1,42	
Public Debt—Debt raised in Pakistan	31,83	56,67	63,13	28,72	37,32	0,69	1
Permanent Debt (net)	31,83	41,81	12,20	9,30	—	15,04	2
Floating Debt (net)	—	14,86	50,93	19,42	37,32	15,63	-1
Unfunded Debt (net)	-4,99	1,74	2,82	2,23	3,02	1,49	
Recoveries of Loans and Advances	2,36	2,65	7,69	3,86	3,19	2,71	1
Provincial Governments	—	1,26	6,43	3,40	2,38	2,07	1
Semi-Independent Bodies, local Funds etc.	2,36	27	31	31	51	28	
Other Debtors	—	1,12	95	15	30	36	
Accretions to Reserve Funds	2,07	2,17	3,04	33,49	34,65	14,76	
Other Deposits and Remittances (net)	-27,96	7,24	-8,87	-5,88	-10,82	-2,23	
State Trading (net)	—	—	33	6,99	26	26	31
Other Capital Receipts	—	—	—	—	—	—	
Total—Internal Resources	-40	72,53	71,08	70,11	68,23	49,10	7
II.—EXTERNAL RESOURCES							
A.—Public Sector							
Public Debt—Debt raised abroad	—	—	—	—	—	7,11	
Loans	—	—	—	—	—	7,11	
Project Loans (Foreign Exchange)	—	—	—	—	—	7,11	
Non-Project Loans (Rupee)	—	—	—	—	—	—	
Commodity Loans	—	—	—	—	23	23	
Grants	—	—	—	—	23	23	
Project Grants (Foreign Exchange)	—	—	—	—	—	—	
Non-Project Grants (Rupee releases out of Counterpart Funds)	—	—	—	—	—	—	
Commodity Grants	—	—	—	—	—	—	
Total Public Sector	—	—	—	—	—	—	
B.—Non-Plan							
C.—Private Sector							
Total—External Resources	—	—	—	—	23	7,34	
Less: Foreign Grants transferred to Revenue Account and likely shortfall in resources	—	—	—	—	—	—	
Net External Resources	—	—	—	—	23	7,34	
Total—Capital Resources	-40	72,53	71,08	70,11	68,46	56,44	
III—USE OF CASH BALANCE							
	12,45	—	35,33	—	22,16	29,97	
TOTAL—RECEIPTS	12,05	72,53	1,06,41	70,11	90,62	86,41	

TABLE
IS OF FEDERAL GOVERNMENT—Contd.

(Rupees in lakh)

1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59 (15 months)	Head
I.—EXTERNAL RESOURCES							
1,42	18	1	24	7	32	22	Revenue Surplus/Deficit(—)
0,69	14,50	24,10	—2,01	77,99	85,37	28,36	Public Debt—Debt raised in Pakistan
							Permanent Debt (net)
15,04	24,87	15,76	15,53	18,31	17,57	9,80	Floating Debt (net)
15,65	10,37	8,34	—17,54	59,68	67,80	18,56	Unfunded Debt (net)
1,49	4,89	6,58	8,03	9,73	5,84	14,01	Recoveries of Loans and Advances
2,71	11,15	7,04	7,29	7,23	13,06	11,26	Provincial Governments
2,07	10,64	6,02	5,97	4,49	11,85	9,45	Semi-Independent Bodies, Local Funds, etc.
	3	50	81	2,17	57	85	Other Debtors
28							Accretions to Reserve Funds
36	48	52	51	57	64	96	Other Deposits and Remittances (net)
14,76	8,85	12,25	12,97	13,63	13,22	35,00	State Trading (net)
—2,23	4,15	12,00	—5,31	—1,73	—7,29	7,44	Other Capital Receipts
26	31,77	3,32	32,92	54	1,20	26,39	Total—Internal Resources
49,10	75,49	65,30	54,13	1,07,46	1,11,72	1,22,68	
II.—EXTERNAL RESOURCES							
A.—Public Sector							
							Public Debt—Debt raised abroad
7,11	1,74	3,88	1,45	3,42	3,67	51,44	Loans
7,11	1,74	3,88	1,45	3,42	3,67	51,44	Project Loans (Foreign Exchange)
7,11	1,74	3,88	1,45	3,42	3,67	29,28	Non-Project Loans (Rupee)
						22,16	Commodity Loans
23	23	35	2,85	6,77	17,52	44,93	Grants
23	23	35	2,85	48	2,80	44,93	Project Grants (Foreign Exchange)
				6,29	14,72		Non-Project Grants (Rupee re-leases out of Counterpart Funds).
							Commodity Grants
							Total Public Sector
							B.—Non-Plan
							C.—Private Sector
7,34	1,97	4,23	4,30	10,19	21,19	96,37	Total—External Resources
			—2,01	—6,29	—1,72	—12,07	Less : Foreign Grants transferred to Revenue Account and likely Shortfall in resources
7,34	1,97	4,23	2,29	3,90	19,47	84,30	Net External Resources
56,44	77,46	69,53	56,42	1,11,36	1,31,19	2,06,98	Total—Capital Resources
III.—USE OF CASH BALANCE							
29,97	13,86		14,24		27,06		
86,41	91,32	69,53	70,66	1,11,36	1,58,25	2,06,98	TOTAL—RECEIPTS

Source : Finance Account

CAPITAL RECEIPTS

Head	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966
I.—INTERNAL RESOURCES :								
Revenue Surplus/Deficit—	13.10	22.83	33.01	25.07	49.24	5.64	—70.02	
Public Debt—Debt raised in Pakistan	29.37	27.10	4.02	23.45	38.91	27.64	1,10.00	
Permanent Debt (net)	21.20	17.74	2.47	2.89	58.35	10.07	15.13	
Floating Debt (net)	8.17	9.36	1.55	20.56	—19.44	17.57	94.87	
Unfunded Debt (net)	11.43	7.76	11.15	12.01	15.78	17.82	12.69	
Recoveries of Loans and Advances	10.74	4.10	15.17	17.98	15.46	8.99	5.48	
Provincial Governments	6.08	1	13.05	16.99	14.39	7.49	2.53	
Semi-Independent Bodies, Local Funds etc.	3.92	3.45	1.49	34	43	81	2.21	
Other Debtors	75	64	63	65	64	69	74	
Accretions to Reserve Funds	15.51	21.67	34.71	7.62	7.38	17.91	30.31	
Other Deposits and Remittances (net)	8.28	3.97	—1.25	—1.34	5.20	8.41	10.88	
State Trading (net)	42	31	31	1.11	13.03	5.43	20.20	
Other Capital Receipts								
Total—Internal Resources	88.85	87.74	97.12	85.90	1,45.00	1,42.68	1,19.54	
II.—EXTERNAL RESOURCES :								
A.—Public Sector :								
Public Debt—Debt raised abroad	27.15	17.35	35.72	1,10.77	88.28	3,01.76	1,09.17	
Loans	27.15	17.35	35.72	1,01.77	88.28	1,01.76	1,09.17	
Project Loans (Foreign Exchange)	9.85	7.76	14.97	62.33	18.70	35.59	28.59	
Non Project Loans (Rupee)	12.13	7.88	12.68	19.42	15.55	14.00	12.59	
Commodity Loans	5.17	1.71	8.07	29.02	54.03	52.17	67.99	
Grants	54.86	90.74	97.94	70.26	67.36	52.70	70.42	
Project Grants (Foreign Exchange)	8.77	12.92	7.61	12.15	18.03	11.30	43.23	
Non-Project Grants (Rupee released out of Counterpart Funds)	41.26	71.42	86.55	53.08	47.50	32.30	25.58	
Commodity Grants	4.83	6.58	3.78	5.03	1.83	9.10	1.61	
Total—Public Sector								
B.—Non-Plan								
C.—Private Sector								
Total—External Resources	82.01	1,08.09	1,33.66	1,81.03	1,55.64	1,54.46	1,79.99	
Less : Foreign Grants transferred to Revenue Account and likely shortfall in resources	—13.70	—19.69	—17.74	—19.18	—24.33	—28.44	—12.92	
Net External Resources	68.31	88.40	1,15.92	1,61.85	1,31.31	1,26.02	1,66.67	
Total—Capital Resources	1,57.16	1,76.14	2,13.04	2,47.75	2,76.31	2,68.70	2,86.21	
III—USE OF CASH BALANCE	20.20	7.44		1.32	38		1.85	
TOTAL—RECEIPTS	1,77.36	1,83.58	2,13.04	2,49.07	2,76.69	2,68.70	1,88.06	

FEDERAL GOVERNMENT

(Rupees in lakh)

1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 Revised	1974-75 Budget	Head
I.—INTERNAL RESOURCES							
65.66	1,40,31	1,55,59	26,93	—23,90	5,22	—1,01,76	Revenue Surplus/Deficit (—)
17	83,65	1,55,44	1,54,82	3,81,06	1,10,26	6,00	Public Debt—Debt raised in Pakistan.
11	51,11	24,15	3,25,45	29,79	—19,80	10,99	Permanent Debt (net)
—70,82	32,54	1,31,29	—1,70,63	3,51,27	1,30,06	—4,99	Floating Debt (net)
10,00	17,56	26,84	33,41	40,34	45,42	77,23	Unfunded Debt (net)
15,13	43,19	65,64	40,00	31,63	42,81	50,29	Recoveries of Loans and Advances
94,87	34,73	54,56	34,53	18,06	4,46	1,15	Provincial Governments
12,69	7,59	10,11	4,53	12,64	37,37	47,29	Semi-Independent Bodies, Local Funds etc.
5,48	87	97	94	93	98	1,85	Other Debtors
2,53	29,76	45,96	34,57	75,90	57,54	1,15,75	Accretions to Reserve Funds
2,21	—10,64	45,75	—19,91	—81,83	—78,50	—20,18	Other Deposits and Remittances (net).
74	2,70	12,38	10,89	8,45	9,09	50,84	State Trading (net)
30,31						1,66	Other Capital Receipts
10,88							
20,20	3,06,53	5,07,60	2,80,71	4,40,74	1,83,62	1,79,82	Total—Internal Resources
1,19,54							II.—EXTERNAL RESOURCES
							A.—Public Sector :
	2,10,44	1,54,46	1,86,92	74,63	3,21,76	4,04,52	Public Debt—Debt raised abroad
	1,08,60	1,54,46	1,86,92	74,63	3,21,76	4,04,52	Loans
	81,29	45,63	71,80	36,60	49,36	55,73	Project Loans (Foreign Exchange).
	27,31	47,11	29,81	10,14	1,04,38	1,11,19	Non-Project Loans (Rupees)
1,09,17	1,01,84	61,72	85,31	27,89	1,68,02	2,37,60	Commodity Loans
28,39	23,68	20,76	22,03	2,85	6,51	24,30	Grants
12,59	11,49	9,49	3,58	1,26	5,24	14,18	Project Grants (Foreign Exchange).
67,99	10,65	5,37	16,12	95	..	3,03	Non-Project Grants (Rupee releases out of Counterpart Funds)
70,42	1,54	5,90	2,33	64	1,27	7,09	Commodity Grants
43,23	2,34,12	1,75,22	2,08,95	77,48	3,28,27	4,28,82	Total—Public Sector
25,58			8,50	20,82	10,01	1,87	B.—Non-Plan
1,61	19,82	42,60	21,06	15,38	40,16	11,63	C.—Private Sector
	2,53,94	2,17,82	2,38,51	92,86	3,89,25	4,50,46	Total—External Resources
							Less : Foreign Grants transferred to Revenue Account and likely shortfall in resources
1,79,99	—15,97	—1,75	..	..	..	..	Net External Resources
	2,37,97	2,00,07	2,38,51	92,86	3,89,25	4,50,46	Total—Capital Resources
12,92	5,44,50	7,07,67	5,19,22	5,33,60	5,72,87	6,30,28	10,46,89
1,66,67			34,82	..	18,06	11,71	16,15
2,86,21	5,44,50	7,07,67	5,54,04	5,33,60	5,90,93	6,41,99	10,63,04
1,85							III.—USE OF CASH BALANCE
2,88,06							TOTAL—RECEIPTS

Source : Finance Accounts (upto 1969-70) and Annual Budget Statement

TABLE CAPITAL EXPENDITURE OF

Head	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
I—DEVELOPMENT EXPENDITURE						
A.—Plan Expenditure :						
1.—Direct Expenditure on Central Projects :	75	4,95	10,09	7,01	18,46	22,8
Railways	—89	3,27	5,36	3,37	12,57	11,9
Irrigation	13	23	50	41	1,03	2,5
Post Office, Telegraph and Telephone Department	..	3	10	3	4	..
Agricultural Improvement and Research	..	3	1,03	63	1,20	..
Industrial Development	5	4	21	40	68	..
Civil Aviation	..	..	..	..	..	..
New Federal Capitals	1,29	1,00	2,65	1,71	80	..
Civil Works	..	..	..	..	..	..
Other Works	..	..	..	..	60	..
Miscellaneous Investments	17	35	24	46	54	..
Other Heads	..	..	..	..	..	..
2.—Loans to Semi-Independent Bodies, Local Funds, Government Servants etc.	33	54	1,51	58	1,42	1,4
3.—Expenditure on Federal Autonomous Organisations	..	..	..	..	..	..
4.—Expenditure met from Foreign Aid and Reserve Fund	..	..	..	..	..	..
5.—Unallocable Loans	..	..	..	..	..	..
6.—Development Assistance to Provinces :	3,67	14,40	20,81	13,96	14,58	11,1
Cash Loans	8,57	12,90	19,76	13,38	11,61	10,1
Foreign Loan (Equipment, Services, etc.)	10	1,50	1,05	13	2,97	..
Cash Grants	..	..	..	..	..	..
Reserve Funds	..	..	..	13	2,96	..
Counterpart Funds of Foreign Aid	..	..	..	..	1	..
Other Grants	..	..	..	..	..	..
Foreign Grants (Equipment, Services, etc.)	..	..	..	..	..	..
Total—Capital Account Development Assistance	8,67	14,40	20,81	13,96	14,58	11,1
Less :—Likely Shortfall	..	..	..	..	..	..
Total—Plan Expenditure	9,75	19,89	32,41	21,53	34,46	46,1
B.—Non-Plan Expenditure						
Irrigation (net)	..	..	..	..	..	..
Electricity Scheme	..	..	..	..	..	..
Expenditure from Reserve Funds	6	1	..	5	2,20	..
Total—Non-Plan Expenditure	6	1	..	5	2,20	1,1
Total—Development Expenditure	9,81	19,90	32,41	21,60	36,66	47,2
C.—Foreign loans to Semi-Independent Bodies, Local Funds etc., for Private Sector	..	..	..	..	..	..
II.—NON-DEVELOPMENT EXPENDITURE :						
1. Direct Expenditure of Central Government	2,24	29,82	73,82	28,03	53,61	..
Currency	..	4,77	54,29	22,64	31,99	..
Other Works	..	10,43	4	8	11	..
Commuted Value of Pensions	3	11,61	12,68	5,31	12,28	..
Defence Services	2,21	3,01	6,81	..	9,23	..
State Trading Schemes (net)	..	..	..	..	..	..
Miscellaneous Investments	..	..	..	..	..	..
Expenditure from Reserve Fund	..	..	..	..	..	..
Repayment of Foreign Loans	..	..	..	..	..	..
Repayment of Food Credits	..	..	..	..	..	..
Other Investments	..	..	..	..	..	..
Electricity Schemes	..	..	..	..	..	..
Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc.	..	13	18	32	35	..
Cash Assistance to Provinces	..	..	..	..	..	..
Total—Non-Development Expenditure	2,24	29,95	74,00	28,35	53,96	47,2
Total—Capital Expenditure	12,05	49,85	1,06,41	49,95	90,62	94,4
III.—CASH BALANCE IMPROVEMENT	..	22,68	..	20,16	..	..
TOTAL—DISBURSEMENTS	12,05	72,53	1,06,41	70,11	90,62	94,4

	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59 (15 months)	Head
I.—DEVELOPMENT EXPENDITURE :							
A.—Plan Expenditure :							
	25.47	25.03	34.50	35.58	60.83	69.28	1. Direct Expenditure on Central Projects :
	9.48	8.58	11.55	9.44	16.85	22.02	Railways
	1	5	29	48	73	1.99	Irrigation
	2.28	2.52	3.79	4.83	6.15	5.60	Post Office, Telegraph and Telephone Department
	50	24	2.00	35	99	1.09	Agricultural Improvement and Research
	8.72	9.79	10.86	12.43	26.91	24.68	Industrial Development
	1.57	68	35	98	2.06	1.16	Civil Aviation
	2.03	2.77	2.07	3.26	2.48	4.88	New Federal Capitals
	58	..	60	5	11	22	Civil Works
	30	40	3.07	3.21	3.29	3.17	Other Works
	2.53	3.44	3.47	3.03	7.80	8.81	Miscellaneous Investments
	..	..	..	..	..	..	Other Heads
	..	..	..	..	..	..	2. Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc.
	..	..	..	..	..	..	3. Expenditure on Federal Autonomous Organisations
	..	..	..	..	..	..	4. Expenditure met from Foreign Aid and Reserve Fund
	..	..	..	..	..	..	Unallocable Loans
	43.91	26.84	37.71	34.00	72.82	70.06	6. Development Assistance to Provinces :
	40.40	22.09	33.49	28.49	58.62	43.79	Cash Loans
	3.51	4.75	4.22	5.51	14.20	11.48	Foreign Loans (Equipment, Services, etc.)
	3.50	4.74	4.21	5.50	2.66	14.79	Cash Grants
	1	1	1	1	11.53	2.10	Reserve Funds
	..	..	..	..	1	11.83	Counterpart Funds of Foreign Aid
	..	..	..	..	..	1	Other Grants
	..	..	..	..	..	..	Foreign Grants (Equipment Services, etc.)
	43.91	26.84	37.71	34.00	72.82	70.06	Total—Capital Account Development Assistance
	..	..	..	..	..	..	Less—Likely Shortfall
	71.91	55.31	75.70	72.66	1,40.65	1,48.15	Total—Plan Expenditure
B.—Non Plan Expenditure :							
	..	..	..	..	..	..	Irrigation (net)
	..	..	2.10	2.85	3.47	3.21	Electricity Scheme
	6	79	1.33	2.29	1.60	88	Expenditure from Reserve Funds
	6	79	3.43	5.14	5.07	4.09	Total—Non-Plan Expenditure
	71.97	56.10	79.13	77.80	1,45.72	1,52.24	Total—Development Expenditure
C.—Foreign loans to Semi-Independent Bodies, Local Funds etc. for Private Sector.							
II.—NON-DEVELOPMENT EXPENDITURE :							
	15.22	8.75	8.84	17.33	12.00	9.61	1. Direct Expenditure of Central Government :
	3	1	2	..	..	..	Currency
	19	22	33	26	36	45	Other Works
	14.92	7.83	—10.34	—2.32	—11.05	5.00	Commuted Value of Pensions
	..	..	..	17.26	19.65	..	Defence Services
	..	..	..	..	..	..	State Trading Schemes (act)
	..	..	..	..	..	..	Miscellaneous Investments
	..	..	..	..	..	..	Expenditure from Reserve Funds
	8	69	1.15	2.13	3.04	4.66	Repayment of Foreign Loans
	..	..	..	..	..	..	Repayment of Food Credits
	..	..	..	..	..	..	Other Investments
	..	..	..	..	..	..	Electricity Schemes
	4.13	1.58	37	41	53	79	2. Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc.
	19.35	10.33	—8.47	17.74	12.53	10.40	3.—Cash Assistance to Provinces
	91.32	66.43	70.66	95.54	1,58.25	1,62.64	Total—Non-Development Expenditure
	..	3.10	..	15.82	..	44.34	Total—Capital Expenditure
	91.32	69.53	70.66	1,11.36	1,58.25	2,06.98	III.—CASH BALANCE IMPROVEMENT
	..	..	..	..	..	..	Total—DISBURSEMENTS

Source : Finance Accounts.

TABLE
CAPITAL EXPENDITURE OF

Head	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
I.—DEVELOPMENT EXPENDITURE :								
A.—Plan Expenditure :								
1. Direct Expenditure on Central Projects :	67,15	59,31	78,15	35,32	46,88	49,77	47,63	56,89
Railways	25,62	17,30	34,84	2,76	2,47	..	..	..
Irrigation	2,32	6,22*	1,38*	..	41	..	54	..
Post Office Department	..	..	..	26	..	..	..	88
Telegraph and Telephone Department	4,71	5,76	6,19	8,37	10,33	12,68	5,31	14,17
Agricultural Improvement and Research	4,49	2,43	3,10	11	2,23	..	2,48	2,39
Industrial Development	15,98	14,82	14,66	1,86	1,37	4,81	4,82	9,98
Civil Aviation	5,45	3,49	1,13	1,77	11,12	11,93	12,98	11,46
New Federal Capitals	5	1,50	4,81	7,10	8,05	3,92	3,03	3,95
Civil Works	4,00	2,42	4,18	3,02	4,98	5,69	5,44	4,00
Other Works	77	2,85	2,42	4,87	5,17	6,97	10,65	6,72
Miscellaneous Investments	2,95	1,85	4,60	3,94	75	3,05	1,88	3,34
Other Heads	81	67	82	1,26	..	..	..	..
2.—Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc. ..	10,26	6,74	7,30	2,94	4,62	8,56	18,40	77,14
3.—Expenditure on Federal Autonomous Organisations ..	..	..	..	..	..	..	..	..
4.—Expenditure met from Foreign Aid and Reserve Fund ..	..	..	..	..	..	..	..	..
5.—Unallocable Loans ..	..	..	..	..	..	..	..	..
6.—Development Assistance to Provinces ..	66,86	92,09	1,03,80	2,12,33	2,46,41	2,13,97	1,54,51	3,10,84
Cash Loans	49,78	59,33	66,72	1,25,17	1,58,37	1,33,89	71,23	1,58,29
Foreign Loans (Equipment, Services, etc.) ..	8,84	8,27	9,77	30,96	28,57	30,34	39,10	1,30,01
Cash Grants	8,24	16,14	26,51	53,73	57,21	46,63	40,71	18,15
Reserve Funds	1,17	1,47	1,41	67	1,60	68	6,21	2,10
Counterpart Funds of Foreign Aid	4,60	13,92	20,94	50,56	48,02	45,95	34,50	11,04
Other Grants	2,47	75	4,16	2,50	7,59	..	..	5,10
Foreign Grants (Equipment, Services, etc.) ..	..	8,35	80	2,47	2,26	2,19	3,47	4,39
Less : Assistance included in Revenue Account ..	..	..	..	-11,47	-37,58	-40,39	-10,00	-7,91
Less—Due to increase in Share of Taxes ..	..	..	..	..	..	..	..	..
Total—Capital Account Development Assistance ..	66,86	92,09	1,03,80	2,00,86	2,08,83	1,73,58	1,44,51	3,02,93
Less : Likely Shortfall ..	..	..	..	..	..	..	..	..
Total—Plan Expenditure ..	1,44,27	1,58,14	1,89,25	2,39,12	2,60,33	2,26,91	2,10,45	4,36,96
B.—Other Plan Expenditure :								
Irrigation (net) ..	..	..	..	..	..	15,48	23,63	40,71
Electricity Schemes ..	3,35	8,99	10,19	5	..	..	..	..
Expenditure from Reserve Funds ..	97	34	20	17	42	21	11	..
Total—Plan Expenditure ..	4,32	9,33	10,39	22	42	15,69	23,74	40,72
Total—Development Expenditure ..	1,48,59	1,67,47	1,99,64	2,39,34	2,60,75	2,42,60	2,34,28	4,77,68
C.—Foreign Loans to Semi-Independent Bodies, Local Funds etc. for Private Sector ..								
II.—NON-DEVELOPMENT EXPENDITURE :								
1.—Direct Expenditure of Central Government :	28,18	15,37	9,02	8,98	14,98	24,38	53,31	24,50
Currency	16,77	1,06	..	1,68	91	7	27,16	..
Other Capital Works	..	..	..	..	..	..	..	1,43
Commuted Value of Pensions	28	35	44	46	52	28	..	..
Defence Services	3,46	-6,29	-8,32	64	5,42	..	..	..
State Trading Schemes (net)	3,60	16,27	11,46	..	..	9,18	..	1,74
Miscellaneous Investments	..	..	5	44	..	..	16	..
Expenditure from Reserve Funds	..	69	..	..	80	6,70	14,32	8,38
Repayment of Foreign Loans	10,99	3,29	5,39	5,76	7,43	8,15	11,67	11,29
Repayment of Food Credits	..	..	..	..	..	..	..	..
Other Investments	..	..	..	..	..	..	..	..
Electricity Schemes ..	..	..	..	..	..	..	..	..
2.—Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc. ..	59	74	67	75	96	1,07	47	6,76
3.—Cash Assistance to Provinces : ..	..	..	..	..	..	..	..	..
Total—Non-Development Expenditure ..	28,77	16,11	9,69	9,73	15,94	25,45	53,78	31,26
Total—Capital Expenditure ..	1,77,36	1,83,58	2,09,33	2,49,07	2,76,69	2,68,05	2,88,06	5,08,94
III.—CASH BALANCE IMPROVEMENT								
TOTAL—DISBURSEMENT ..	1,77,36	1,83,58	2,13,04	2,49,07	2,76,69	2,68,70	2,88,06	5,12,92

Note—*Includes Telegraph and Telephone Department.
@Iudua Basin Expenditure

THE FEDERAL GOVERNMENT.

(Rupees in lakh)

	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74 Revised	1974-75 Budget	Head
	I.—DEVELOPMENT EXPENDITURE :								
	A.—Plan Expenditure :								
									1.—Direct Expenditure on Central Project :
									Railways
									Irrigation
									Post Office Department
									Telegraph and Telephone Department
									Agricultural Improvement and Research
									Industrial Development
									Civil Aviation
									New Federal Capitals
									Civil Works
									Other Works
									Miscellaneous Investments
									Other Heads
									2.—Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc.
									3.—Expenditure on Federal Autonomous Organi- sations.
									4.—Expenditure met from Foreign Aid and Reserve Fund
									5.—Unallocable Loans
									6.—Development Assistance to Provinces :
									Cash Loans
									Foreign Loans (Equipment, Service, etc).
									Cash Grants
									Reserve Funds
									Counterpart Funds of Foreign Aid
									Other Grants
									Foreign Grants (Equipment, Service, etc).
									Less : Assistance included in Revenue Account
									Less—Due to increase in Share of Taxes
									Total—Capital Account Development Assistance
									Less : Likely Shortfall
									Total—Plan Expenditure
									II.—Other Plan Expenditure :
									Irrigation (net)
									Electricity Schemes
									Expenditure from Reserve Funds
									Total—Plan Expenditure
									Total—Development Expenditure
									Foreign loans to semi-Independent Bodies, Local Funds etc, for Privals Sector
									II.—NON-DEVELOPMENT EXPENDITURE :
									1.—Direct Expenditure on Central Government
									Currency
									Other Capital Works
									Commutated Value of Pensions
									Defence Services
									State Trading Schemes (net)
									Miscellaneous Investments
									Expenditure from Reserve Funds
									Repayment of Foreign Loans
									Repayment of Food Credits
									Other Investments
									Electricity Scheme
									Other heads
									2.—Loans to Semi-Independent Bodies, Local Funds, Government Servants, etc.
									3.—Cash Assistance to Provinces
									Total—Non-Development Expenditure
									Total—Capital Expenditure
									III.—CASH BALANCE IMPROVEMENT
									TOTAL—DISBURSEMENTS

Source : Finance Accounts and Annual Budget
Statements.

TABLE No. 55

REVENUE RECEIPTS OF THE GOVERNMENT OF PUNJAB

(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts Revised 1972-73	Accounts Revised 1973-74	Budget 1974-75
REVENUE RECEIPTS					
Principal Heads of Revenue					
Customs	—	1,22	6,64	1,98	21,01
Central Excise Duties	3,77	9,54	10,18	13,43	14,12
Corporation Tax	1,69	7,03	4,94	5,10	5,10
Taxes on Income other than Corporation Tax	6,19	13,86	15,64	16,46	16,46
Sales Tax	4,96	14,89	10,19	12,58	13,83
Land Revenue	10,03	10,85	11,69	11,59	12,11
Stamps	6,90	4,69	7,35	8,50	8,90
Other Heads	16,96	25,97	23,29	34,33	36,75
Total Principal Heads	50,50	88,05	89,92	1,03,97	1,28,28
Other Heads of Revenue					
Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are Kept	6,82	6,42	23,46	24,28	25,53
Irrigation etc Works for which Capital Accounts are not kept	11	12	13	13	14
Debt Services	1,14	96	3,47	4,73	2,90
Civil Administration	1,28	1,36	2,06	2,13	2,56
Beneficent Departments	6,65	8,03	15,95	16,16	17,98
Civil Works	1,04	1,42	1,82	1,81	1,84
Receipts from Electricity Schemes	—	—	—	—	—
Miscellaneous	2,72	4,87	4,27	13,33	10,04
Grants-in-Aid from Federal Government	2,26	88	75	25,71	8,46
Extraordinary Items	4,72	3,76	4,71	8,43	5,67
Total-Other Heads	26,74	27,64	57,07	96,71	75,12
Total-Revenue Receipts	77,24	1,15,87	1,46,99	2,00,68	2,03,40

Sources : Government of Punjab, Finance Department.

TABLE NO. 56

EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF PUNJAB

(Rupees in lakh)

	Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
	EXPENDITURE MET FROM REVENUE					
	Direct Demand on Revenue	5,17	8,44	3,35	3,69	4,29
11	Irrigation (Excluding Interest)	10,00	1,12	19,51	23,81	28,48
2	Debt Services (inclusive of Interest on Capital Outlay of Commercial Departments)	8,23	8,96	17,95	10,15	18,59
0	.. .. .	—	—	—	—	—
16	Civil Administration	15,62	15,76	18,91	23,68	26,04
33	General Administration	4,07	5,22	5,57	6,38	7,03
11	Police	7,75	6,74	9,51	12,14	13,33
30	Frontier Regions	—	—	—	—	—
75	Other Heads	3,17	3,80	3,83	5,16	5,68
28	Beneficent Departments, Civil Works etc, on Revenue Account	41,42	44,52	67,67	87,93	1,05,35
	Education	22,16	27,42	32,52	47,28	55,71
53	Health Services	7,60	5,62	7,46	8,38	11,15
14	Agriculture	3,43	3,74	6,64	6,82	8,21
	Veterinary	1,04	1,05	1,12	1,67	2,22
90	Industries	75	87	1,18	1,29	1,50
56	Civil Works and Miscellaneous Public Improvement	5,89	4,87	8,47	9,79	12,00
98	Other Heads	55	95	10,28	12,70	14,56
84	Miscellaneous	9,27	13,79	12,01	18,36	15,37
	Development Expenditure	17,91	14,51	50,06	58,69	51,11
04	Less.—Operational shortfall in Development Ex- penditure	—	—	—	—	(—)6,13
46	Total-Expenditure met from Revenue	1,07,62	1,07,10	1,89,46	2,26,31	2,42,93
67	Surplus/Deficit (—)	(—)30,38	8,77	(—)42,47	(—)25,63	(—)39,53
12						
40	Total	77,24	1,15,87	1,46,99	2,00,68	2,03,40

Source : Government of Punjab, Finance Department.

TABLE NO. 57

CAPITAL RECEIPTS OF THE GOVERNMENT OF PUNJAB

(Rupees in lakh)

	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75	
CAPITAL RECEIPTS						
Revenue Surplus/Deficit (—)	(—)30,38	8,77	(—)42,47	(—)25,63	(—)39,53	L—
Permanent Debt (net)	3,41	2,22	37	—	—	A—
Floating Debt (net)	8,45	(—)18,68	18,78	35,00	5,00	6 6
Loans from the Federal Government	15,62	11,27	79,27	90,04	1,15,20	6 6
Debt Raised Abroad	—	—	—	2,71	—	7 7
Unfunded Debt (State Provident Fund—net)	1,98	3,19	4,10	2,92	3,37	7 7
Recoveries of loans and Advances	2,03	4,20	5,41	3,63	3,14	8 8
Accretions to Reserve Funds [including Appropriation for Reduction or Avoidance of Debt and Deposits and Remittances (net)]	32,00	1,73	32,02	(—)1,98	(—)1,33	8 8
Total—Capital Receipts	33,11	12,70	97,48	1,06,69	85,85	Total
Cash Balance Utilization	3	(—)6,16	11,94	22,14	80	B—L
Total—Resources	33,14	6,54	1,09,42	1,28,83	86,65	L

Source : Government of Punjab, Finance Department.

TABLE No. 58

CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF PUNJAB

(Rupees in lakh)

in lakh)

Budget
1974-75

Head

Accounts
1970-71Accounts
1971-72Accounts
1972-73Revised
1973-74Budget
1974-75

I.—DEVELOPMENT EXPENDITURE

(—)39,53

A.—Direct Expenditure

5,00	65.—Forests	—	—	—	—	—
1,15,20	65.—A.—Salt Works	—	—	—	—	—
—	68.—Irrigation Works	3,56	3,22	4,09	13,67	8,26
—	70.—Public Health	1,62	63	1,42	—	—
—	71.—Agricultural Improvement and Research	62	1,82	26	5,71	1,67
3,37	72.—Industrial Development	—	—	—	12,47	6,88
3,14	80.—Town Development Schemes	(—) 21	33	1,97	4,85	7,15
—	80.—A.—Capital Account of Communication Works	9,30	8,26	10,77	23,03	27,72
—	81.—Civil Works	7,10	5,35	9,23	10,83	23,18
—	81.—A.—Electricity Scheme	—	—	—	—	—
—	82.—Other Provincial Works	—	—	—	21	85
(—)1,33	90.—Provincial Miscellaneous Investment	—	—	—	—	—
85,85	Total—Direct Expenditure	21,99	19,61	27,74	70,77	75,71

B.—Loans and Advances

80	Loans and Advances by the Provincial Government	2,37	1,66	26,74	12,43	10,17
86,65	Total—Loans	2,37	1,66	26,74	12,43	10,17
—	Total—Development Expenditure	24,36	21,27	54,48	83,20	85,88
—	Less—Likely shortfall in Development Expenditure	—	—	—	—	(—)10,70
—	Net—Development Expenditure	24,36	21,27	54,48	83,20	75,18

II.—NON-DEVELOPMENT EXPENDITURE

—	68.—Irrigation Works	—	—	—	(—)17	—
—	71.—Agricultural Improvement Research	—	—	—	—	—
—	80.—Town Development Schemes	—	—	—	1,50	2,55
—	80.—A.—Capital Account of Communication Works	—	—	—	(—)1,03	—
—	81.—Civil Works	1,93	2,73	—	—	—
—	83.—Commuted Value of Pensions	3,31	(—)22,88	50,27	35,75	4,75
—	85 & 85. A.—Schemes of State Trading	16	18	15	6,34	1,22
—	Loans and Advances	3,05	4,57	3,41	90	1,25
—	Repayment of Loans from Federal Government	33	67	1,11	2,34	1,70
—	Debt Raised Abroad	—	—	—	—	—
—	Industrial Development	—	—	—	—	—
—	Agricultural Development	—	—	—	—	—
—	Total—Non-Development Expenditure	8,78	(—)14,73	54,94	45,63	11,47
—	Total—Capital Expenditure	33,14	6,54	1,09,42	1,28,83	86,65
—	Total—Disbursements	33,14	6,54	1,09,42	1,28,83	86,65

Source : Government of Punjab, Finance Department.

TABLE No. 59
REVENUE RECEIPTS OF THE GOVERNMENT OF SIND

(Rs. in Lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
REVENUE RECEIPTS					
Principal Heads of Revenue					
Customs	—	51	4,11	82	8,76
Central Excise Duties	4,84	3,97	3,44	6,01	6,35
Corporation Tax	2,10	2,92	2,37	2,00	2,00
Taxes on Income other than Corporation Tax	6,34	6,59	6,35	6,76	6,76
Sales Tax	7,77	6,19	3,66	5,23	5,75
Land Revenue	2,53	3,49	4,28	5,00	5,00
Stamps	3,77	3,61	4,40	4,00	4,12
Other Heads	13,68	14,93	17,67	21,82	23,40
Total—Principal Heads	41,03	42,21	46,28	51,64	62,14
Other Heads of Revenue					
Railway	—	—	—	—	—
Irrigation, Navigation, Embankment and Drainage works for which Capital Accounts are kept	2,05	2,45	1,53	7,00	7,16
Irrigation etc. Works for which Capital A/cs are not kept	1	7	—	5	5
Debt Services	75	96	1,87	2,75	2,85
Civil Administration	87	93	2,64	2,23	2,37
Beneficent Departments	2,04	2,34	4,62	4,70	5,10
Civil Works	87	60	92	56	57
Receipts from Electricity Schemes	—	—	—	—	—
Miscellaneous	92	2,13	1,10	2,99	2,25
Grants-in-Aid from Federal Govt	86	45	2,77	12,84	3,10
Extraordinary Items	2,31	2,06	3,44	4,50	3,00
Total—Other Heads	10,68	11,99	18,89	37,62	27,87
Total—Revenue Receipts	51,71	54,20	65,17	89,26	89,99

Source : Government of Sind, Finance Department

TABLE No. 60
EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF
SIND

(Rupees in lakh)

Lakh)	Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
1975						
	EXPENDITURE MET FROM REVENUE					
	Direct Demand on Revenue	2,06	2,19	2,50	2,06	2,31
8,76	Irrigation (Excluding Interest)	1,94	1,48	1,81	8,55	8,14
6,35	Debt Services (inclusive of Interest on Capital Outlay of Commercial Departments)	6,61	5,74	11,19	5,07	8,67
2,00	.. .. .	—	—	—	—	—
6,76	Civil Administration	7,82	8,75	11,67	14,97	17,49
5,75	General Administration	1,90	2,24	2,86	3,45	3,78
5,00	Police	4,34	4,73	6,86	8,94	10,78
4,12	Frontier Regions	—	—	—	—	—
23,40	Other Heads	1,58	1,78	1,95	2,58	2,93
62,14	Beneficent Departments, Civil Works etc., on Revenue Account	18,93	19,03	26,02	37,57	44,77
—	Education	11,00	12,17	16,92	24,87	29,38
7,16	Health Services	2,68	2,69	3,24	3,68	4,58
—	Agriculture	1,67	1,36	1,69	1,91	1,85
5	Veterinary	24	22	25	45	48
2,85	Industries	14	16	18	20	24
2,37	Civil Works and Miscellaneous Public Improvements	2,84	2,05	3,51	3,56	3,85
5,10	Other Heads	36	38	23	2,90	4,39
32	Miscellaneous	3,02	4,00	4,65	6,51	8,86
—	Extraordinary Items including Contingency Item	1	71	3	—	—
3,25	Total	3,03	4,71	57,87	74,73	90,24
3,10	Development Expenditure	5,15	4,43	18,06	19,33	10,82
3,00	Total—Expenditure met from Revenue	45,54	46,33	75,93	94,06	1,10,06
27,04	Surplus/Deficit (—)	6,17	7,87	(—)10,76	(—)4,80	(—)11,52
89,54	Total	51,71	54,20	65,17	89,26	98,54
ment.						

Source : Government of Sind, Finance Department.

TABLE NO. 61
CAPITAL RECEIPTS OF THE GOVERNMENT OF SIND
(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
CAPITAL RECEIPTS					
Revenue Surplus/Deficit—	6,17	7,87	(—)10,76	(—)4,80	(—)11,52
Permanent Debt (net)	39	1,82	3,70	2,00	—
Floating Debt (net)	— 2,62	(—)1,84	12,77	19,19	8,26
Loans from the Federal Government	12,60	4,58	28,56	35,49	43,54
Unfunded Debt [State Provident Fund (net)]	76	47	1,05	78	78
Recoveries of Loans and Advances	62	33	66	69	78
Accretions to Reserve Funds [including Appropriation for Reduction or Avoidance of Debt and Deposits and Remittances (net)]	42	(—)7	14,59	(—)29	(—)8
Total—Capital Receipts	18,34	13,16	50,57	53,78	41,76
Cash Balance Utilization	(—)2,08	— 15	—	15,06	9,69
Total—Resources	16,26	13,01	50,57	68,84	51,45

Source : Government of Sind, Finance Department.

TABLE No. 62

CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF SIND

(Rupees in lakh)

	Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
	1.—DEVELOPMENT EXPENDITURE					
	A.—Direct Expenditure	—	—	—	—	—
1,52	65.—Forest	—	—	—	—	—
—	65.—A. Salt Works	—	—	—	—	—
8,26	68.—Irrigation Works	1,74	1,41	5,71	13,12	6,39
3,54	70.—Public Health	1,05	64	1,86	84	1,87
78	71.—Agricultural Improvement and Research ..	32	21	4	21	73
78	72.—Industrial Development	—	—	12	3	8
	80.—Town Development Scheme	30	13	62	2,31	23
—)8	80.—A. Capital Account of Communication works	1,73	1,35	4,94	12,65	16,39
76	81.—Civil Works	4,88	3,09	4,08	4,22	8,45
9,69	81.—A. Electricity Scheme	—	—	1	—	—
1,45	82.—Other Provincial Works	—	—	—	—	—
	90.—Provincial Miscellaneous Investment ..	—	—	—	—	—
ent.	Total-Direct Expenditure	10,02	6,83	17,38	33,38	34,14
	B.—Loans and Advances					
	Loan and advances by the Provincial Government	2,65	83	8,54	9,05	6,86
	Total—loans	2,65	83	8,54	9,05	6,86
	Total Development Expenditure	12,67	7,66	25,92	42,43	41,00
	Less Likely shortfall in Development Expenditure	—	—	—	—	—
	Net Development Expenditure	12,67	7,66	25,92	42,43	41,00
	11.—NON-DEVELOPMENT EXPENDITURE					
	80.—Town Development Schemes	—	—	—	1,00	—
	81.—Civil Works	—	—	—	75	1,20
	83.—Commuted value of pensions	55	59	23	1,15	—
	85.—and 85. A.—Schemes of State Trading ..	16	2,04	17,90	19,91	8,26
	Loans and Advances	35	9	7	2,75	41
	Repayment of Loans from Federal Government	2,85	2,63	6,45	27	40
	Debt Raised Abroad	—	—	—	58	18
	Industrial Development	—	—	—	—	—
	Agricultural Development	—	—	—	—	—
	Total—Non-Development Expenditure	3,59	5,35	24,65	26,41	10,45
	Total—Capital Expenditure	16,26	13,01	50,57	68,84	51,45
	Total—Disbursement	16,26	13,01	50,57	68,84	51,45

Source : Government of Sind, Finance Department.

TABLE NO. 63

REVENUE RECEIPTS OF THE GOVERNMENT OF N.W.F.P.

(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
REVENUE RECEIPTS					
Principal Heads of Revenue					
Customs	—	33	2,70	54	5,76
Central Excise Duties	2,36	2,62	2,79	3,68	3,87
Corporation Tax	1,20	1,93	1,36	1,32	1,32
Taxes on Income other than Corporation Tax	3,26	4,32	4,17	4,42	4,42
Sales Tax	3,81	4,09	2,42	3,45	3,72
Land Revenue	48	53	51	60	70
Stamps	72	1,63	1,99	68	68
Other Heads	2,72	3,97	2,13	4,38	4,40
Total—Principal Heads	14,55	19,42	18,07	19,07	24,94
Other Heads of Revenue Receipts					
Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept	6	(—)16	11	13	35
Irrigation etc. Works for which Capital Accounts are not kept	2	33	3	2	3
Debt Services	12	20	15	24	40
Civil Administration	1,42	2,36	2,35	2,59	1,08
Beneficent Department	1,02	97	3,63	3,53	5,08
Civil Works	19	24	38	29	28
Receipts from Electricity Schemes	—	—	—	—	—
Miscellaneous	48	1,57	40	1,35	1,35
Grants-in-Aid from Federal Government	3,44	2,81	3,49	4,68	4,66
Extraordinary Items	5	2	1	—	—
Total—Other Heads	6,80	8,34	10,55	12,83	13,23
Total—Revenue Receipts	21,35	27,76	28,62	31,90	38,17

Source : Government of N.W.F.P., Finance Department.

TABLE No. 64
EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF
N.W.F.P.

(Rupees in lakhs)

	Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
	EXPENDITURE MET FROM REVENUE :					
,76	Direct Demand on Revenue	1,24	1,11	53	56	81
,87	Irrigation (Excluding Interest)	63	75	84	1,69	1,81
,32	Debt Services (inclusive of Interest on Capital Outlay of Commercial Departments)	1,55	1,11	80	1,57	4,08
,42	Civil Administration	5,95	7,49	9,01	11,41	8,30
,72	General Administration	1,11	1,35	1,55	2,39	1,95
70	Police	1,87	2,03	2,53	3,20	3,98
68	Frontier Regions	1,47	3,33	4,10	4,89	1,29
,40	Other Heads	1,50	78	83	93	1,08
,94	Beneficent Departments, Civil Works etc., on Revenue account	9,50	10,17	13,04	14,93	19,26
	Education	5,22	5,94	6,63	8,23	10,64
35	Health Services	1,28	1,44	1,44	1,84	2,60
3	Agriculture	83	86	97	1,00	1,16
40	Veterinary	20	22	25	27	36
,08	Industries	6	6	6	8	9
,08	Civil Works and Miscellaneous Public Improvements	1,81	1,54	1,84	1,22	1,66
28	Other Heads	10	11	1,85	2,29	2,75
	Miscellaneous	3,14	4,34	4,06	5,26	8,88
,35	Extraordinary Items including Contingency Items.	—	—	—	—	—
,66	Total	—	—	28,28	35,42	43,14
	Development Expenditure	8,04	5,47	7,60	12,26	14,37
1,23	Less : Operational Shortfall in Development Expenditure	—	—	—	—	(—)1,79
3,17	Total—Expenditure met from Revenue	30,05	30,44	35,88	47,68	55,72
ent.	Surplus/Deficit(—)	(—)8,70	(—)2,68	(—)7,26	(—)15,78	(—)17,55
	Total	21,35	27,76	28,62	31,90	38,17

Source : Government of N.W.F.P., Finance Department.

TABLE No. 65
CAPITAL RECEIPTS OF THE GOVERNMENT OF N.W.F.P.
(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
CAPITAL RECEIPTS					
Revenue Surplus/Deficit—	(—)8,70	(—)2,68	(—)7,26	(—)15,78	(—)17,55
Permanent Debt (net)	1,16	(—)12	78	7,76	(—)10
Floating Debt (net) ..	(—)4,28	4,01	(—)47	—	—
Loans from the Federal Government ..	12,64	7,93	19,82	18,22	37,61
Unfunded Debt [State Provident Fund (net)] ..	57	22	69	66	70
Recoveries of Loans and Advances ..	18	22	15	21	34
Accruals to Reserve Funds [including Appropriation for Reduction or Avoidance of Debt and Deposits and Remittances (net) ..	(—)1,06	(—)3,04	(—)99	8,47	9,95
Total—Capital Receipts	51	6,54	12,72	19,54	30,95
Cash Balance Utilizations	—	—	1,35	(—)1,64	3,61
Total—Resources	51	6,54	14,07	17,90	34,56

Source : Government of N.W.F.P., Finance Department.

TABLE No. 66
CAPITAL DISBURSEMENT OF THE GOVERNMENT OF N.W.F.P.
(Rupees in lakh)

in lakh)	Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
Budget 1974-75	—DEVELOPMENT EXPENDITURE					
	A.—Direct Expenditure					
	65.—Forests	—	—	—	—	—
—17.55	65.—A. Salt Works	—	—	—	—	—
(—)10	68.—Irrigation Works	86	35	1,25	1,27	2,89
	70.—Public Health	22	42	1,74	1,79	3,07
	71.—Agricultural Improvement and research	17	9	5	35	30
37.61	72.—Industrial Development	—	1	—	—	—
70	80.—Town Development Scheme	—	—	—	—	—
34	80.—A. Capital Accounts of Communication Works	1,81	1,32	2,95	5,08	7,27
	81.—Civil Works	2,62	1,54	2,90	4,66	8,01
9.95	81.—A. Electricity Scheme	—	—	—	—	—
30.95	82.—Other Provincial Work	—	—	—	—	—
3.61	90.— Provincial Miscellaneous Investment	—	—	46	—	—
34.56	Total—Direct Expenditure	5,68	3,73	9,35	13,15	21,74
	B.— Loans and Advances					
partment 8	Loans and Advances by the Provincial Govern- ment	32	1	2,53	3,16	9,77
	Total-Loans	32	1	2,53	3,16	9,77
	Total Development Expenditure	6,00	3,74	11,88	16,31	31,51
	Less : likely shortfall in Development Expenditure					(—)3,97
	Net Development Expenditure	6,00	3,74	11,88	16,31	27,54
	11.—NON-DEVELOPMENT EXPENDITURE					
	68.—Irrigation Works	—	—	—	(—)3	13
	70.—Capital Outlay on Improvement of Public Health	—	—	—	—	4
	80.—A Capital Account of Communication Works	—	—	—	—	30
	81.—Civil Works	—	—	—	—	7
	83.—Committed Value of pensions	43	62	57	49	52
	85 and 85 A.—Schemes of State Trading	(—)6,06	1,67	24	5	5,09
	Loans and Advances	6	5	91	42	39
	Repayment of Loans from Federal Government	8	46	41	4	7
	Debt Raised Abroad	—	—	—	6	13
	Industrial Development	—	—	—	—	—
	Agricultural Development	—	—	—	—	—
	Total Non-Development Expenditure	(—)5,49	2,80	2,19	1,59	7,62
	Total-Capital Expenditure	51	6,54	14,07	17,90	34,56
	Total Disbursements	51	6,54	14,07	17,90	34,56

TABLE No. 67
REVENUE RECEIPTS OF THE GOVERNMENT OF BALUCHISTAN

(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
REVENUE RECEIPTS					
Principal Heads of Revenue					
Customs	—	10	79	16	1,24
Central Excise Duties	93	76	81	1,07	1,13
Corporation Tax	40	56	39	39	38
Taxes on Income other than Corporation Tax ..	1,20	1,22	1,21	1,28	1,28
Sales Tax	1,51	1,19	70	1,00	1,10
Land Revenue	37	33	34	38	41
Stamps	10	9	10	10	12
Other Heads	35	59	59	59	64
Total-Principal Heads	4,86	4,84	4,93	4,97	6,30
Other Heads of Revenue					
Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept..	(—)18	2	29	31	31
Irrigation etc. Works for which Capital A/cs are kept	1	—	—	—	—
Debt Services	4	3	5	5	4
Civil Administration.. .. .	14	24	22	22	23
Beneficent Departments	29	38	56	76	1,40
Civil Works	10	10	9	11	11
Receipts from Electricity Schemes	—	—	—	—	—
Miscellaneous	32	49	57	58	61
Grants-in-Aid from Federal Govt.	4,64	96	2,94	22,37	22,62
Extraordinary Items	3	—	33	—	—
Total-Other Heads	5,39	2,22	5,05	24,40	25,32
Total Revenue Receipts.. .. .	10,25	7,06	9,98	29,37	31,62

Source : Government of Baluchistan, Finance Department.

TABLE NO. 68
EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF
BALUCHISTAN

(Rupees in lakh)

lakh)

udget
4-75

Head					Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
EXPENDITURE MET FROM REVENUE									
	Direct Demand on Revenue				42	43	47	28	37
1,24	Irrigation (Excluding Interest)				45	52	93	1,06	1,26
1,13	Debt Services (inclusive of Interest on Capital Out- lay of Commercial Departments)				45	1,58	1,85	1,95	3,53
38	Civil Administration				2,88	3,27	4,26	4,91	6,22
1,28	General Administration				1,10	1,25	1,51	1,83	2,21
1,10	Police				1,52	1,70	2,35	2,59	3,42
41	Frontier Regions				—	—	—	—	—
12	Other Heads				26	32	40	49	59
64	Beneficent Departments Civil Works etc., on Revenue Account				6,18	6,78	8,34	13,16	15,76
6,30	Education				1,74	2,30	2,69	3,57	5,27
	Health Services				68	80	1,01	1,45	2,12
31	Agriculture				58	1,15	1,18	2,59	1,43
—	Veterinary				23	31	36	42	52
4	Industries				9	4	7	28	29
23	Civil Works and Miscellaneous Public Improve- ments				2,60	2,06	2,66	4,18	5,26
1,40	Other Heads				26	12	37	67	8
11	Miscellaneous				98	2,13	2,28	3,60	6,18
—	Extraordinary Items including Contingency Items.				1	—	—	—	—
61	TOTAL				—	—	18,13	24,96	33,32
2,62	Development Expenditure				2,16	88	3,27	5,38	4,72
5,32	Total-Expenditure met from Revenue				13,53	15,59	21,40	30,34	38,04
1,62	Surplus/Deficit—				—3,28	—8,53	(—)11,42	(—)97	(—)6,42
ment.	Total				10,25	7,06	9,98	29,37	31,62

Source : Government of Baluchistan, Finance Department.

TABLE No. 69
CAPITAL RECEIPTS OF THE GOVERNMENT OF BALUCHISTAN
(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
CAPITAL RECEIPTS :					
Revenue Surplus/Deficit—	(—)3,28	(—)8,53	(—)11,42	(—)97	(—)6,42
Permanent Debt (net)	95	—	—	4,05	—
Floating Debt (net)	—	—	—	2,00	—
Loans from the Federal Government	4,78	6	20,82	13,37	19,41
Unfunded Debt—State Provident Fund-(net)	14	11	6	14	14
Recoveries of loans and Advances	22	17	20	49	65
Accretions to Reserve funds (including Appropriation for Reduction or Avoidance of Debt and Deposits and Remittances (net)	(—)1,70	10,00	2,34	(—)19,30	(—)22
Total-Capital Receipts	1,11	1,81	12,00	(—)22	(—)13,56
Cash Balance Utilization	2,61	2,05	—	23,71	7,14
Total-Resources	3,72	3,86	12,00	23,49	20,70

Source : Government of Baluchistan, Finance Department

TABLE No. 70

CAPITAL DISBURSEMENT OF THE GOVERNMENT OF BALUCHISTAN

(Rupees in lakh)

Head	Accounts 1970-71	Accounts 1971-72	Accounts 1972-73	Revised 1973-74	Budget 1974-75
I.—DEVELOPMENT EXPENDITURE					
A.—Direct Expenditure					
65.—Forests	90	57	2,39	5,22	5,19
68.—Irrigation Works	81	19	46	1,11	1,53
70.—Public Health	2	3	89	31	1,65
71.—Agricultural Improvement and Research	1	—	—	—	—
72.—Industrial Developments... .. .	—	—	—	—	—
80.—Town Development Scheme	3,24	1,46	2,52	5,14	4,90
80.—A-Capital Account of Communication Works	2,38	79	2,82	5,91	5,94
81.—Civil Works	—	—	—	—	—
81.—A-Electricity Scheme	—	—	—	—	—
82.—Other Provincial Works	—	—	—	—	—
90.—Provincial Miscellaneous Investment	7,36	3,04	9,08	17,69	19,21
Total-Direct Expenditure					
B.—Loans and Advances					
Loans and Advances by the Provincial Govern- ment	21	36	42	—	—
Total-Loans	21	36	42	—	—
Total Development Expenditure	7,57	3,40	9,80	17,69	19,21
Loss : Likely shortfall in Development Expendi- ture	—	—	—	—	—
Net Development Expenditure	7,57	3,40	9,80	17,69	19,21
II.—NON-DEVELOPMENT EXPENDITURE					
83.—Commutated Value of Pensions	5	7	—	—	—
85 and 85.A.—Schemes of State Trading	(—) 3,92	9	2,37	4,86	30
Loans and Advances	2	—	3	71	100
Repayment of Loans from Federal Government	3	30	9	—	1
Debt Raised Abroad	—3	—	1	23	18
Industrial Development	—	—	—	—	—
Agricultural Development	—	—	—	—	—
Total-Non-Development Expenditure	(—) 3,85	46	2,50	5,80	1,49
Total-Capital Expenditure	3,72	3,86	12,00	23,49	20,70
Total-Disbursements	3,72	3,86	12,00	23,49	20,70

Source : Government of Baluchistan, Finance Department

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GLOSSARY

One lakh = One hundred thousand = 100,000

Ten lakh = One million = 1,000,000

One crore = Ten million = 10,000,000

Units of Measurement

One seer = 2.057 lbs. = 0.9331 Kg.

One maund = 82.286 lbs. = 37.324 Kg.

2.68 maunds = 100 Kg. = 1 Quintal

One long ton = 2,240 lbs. = 1.016 Metric Ton.

One CWT = 50.802 Kg. = 112 lbs.

One Acre = 4,840 Sq. Yds = 0.4047 Hectare

One Hectare = 2.47 Acre

One Mile = 1760 Yards = 1.609 Kilometer.

One Yard = 0.914 Meter.

One Imp. Gallon = 4.546 Litre

One Barrel = 36 Imp Gallons = 63.659 Litre.

BTU = British Thermal Units

Currency Equivalents

Pre-devaluation

One Rupee = US \$ 0.21

One US \$ = Rs. 4.76

Post-devaluation

Upto February 1973

One Rupee = US \$ 0.09

One US \$ = Rs. 11.00

After February 1973

One US Dollar = Rs. 9.90

Year

Calendar Year—January 1 to December 31.

Fiscal Year } 1st July to 30th June (example : 1974-75
Trade Year } means July 1974 to June 1975).
Agriculture Year }

Before 1959-60, the fiscal year was from April 1 to March 31.

Cropping Seasons

Kharif—Crops sown in late spring or in the beginning of summer and harvested in autumn.

Rabi—Crops sown in autumn and harvested in the following spring.



ERRATA

Text

Page	Para	Line	Read	For
118	Table 10.3	3 Col 2	1,016.12	1,016.75
135	5	2	= 767.7	267.7
147	5	2	March 1975	March 1974
164	2	2	Omit 7208	
180	3	5	National	Pakistan

Statistics

	Column	Line	Read	For
2	8	1	34,463	34,643
3	10	3	13	80
3	11	3	0.52	0.32
4	3	3	296	96
7	17	2	715.5	17.5
"	"	4	379.9	79.
"	"	5	11.8	11.
"	"	9	472.3	427.3
"	"	11	171.4	71.4
"	6	10	95.3	94.3
"	7	18	173.2	172.2
8	5	5	9.8	8.9
"	9	8	469.6	459.6
"	14	8	755.7	7.557
"	13	17	296.3	296.7
16	14	4	217	21
17	3	14	182.1	218.1
"	13	7	N.A.	10,604
"	"	15	N.A.	21,989
27	16	9	19.0	—
"	"	10	73.8	—
"	"	11	6.7	—
41	10	1	217.04	217.40
81	3	27	—340.84	—331.84
83	8	13	945	994
85	8	7	98,92	08,92
89	12	1	70,146	70,196
89	11	10	12,50	10,50
"	8	12	46,35	46,53
91	12	3	11,50	11, 0
"	9	7	—1596	—1569
93	14	18	201	210
93	18	22	392	492
95	12	5	—884	—844
"	11	8	745	795
134	1	5	"	July-June
"	1	13	July-June	"
"	4	22	1.2	1.6