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Highlights

DHAKA, June 12 : Following are the highlights of the proposed National Budget for the financial year 1991-92, reports BSS.

Revenue receipts—Taka 8503.25 crore.

Revenue expenditure—Taka 8083.09 crore.

Foreign grant—Taka 2969.89 crore.

Foreign loan—Taka 4326.72 crore.

Annual Development Programme (ADP)—Taka 7500 crore.

Revenue budget surplus—Taka 419.83 crore.

External resources for the Annual Development Programme have been estimated at Taka 6435 crore which include project aid of Taka 4380 crore and commodity aid of Taka 1730 crore. The domestic resources would provide 14 per cent of the total development outlay.

Additional domestic resources
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Budget at a glance

(In crores of Taka)

Heads	Budget 1991-92	Revised 1990-91	Budget 1990-91
A—REVENUE BUDGET			
Receipt—Statement—II ..	8503.09	7822.03	8050.46
Expenditure—Statement—III ..	8083.25	7310.24	7300.00
Revenue Surplus (a) ..	419.84	511.79	750.46
B—FOREIGN GRANT—Statement—IV (b)	2969.89	2575.34	2908.81
C—CAPITAL BUDGET			
Foreign Loan—Statement—IV(c) ..	4326.72	3528.15	3327.54
D—DOMESTIC CAPITAL NET :			
Domestic Loans and Advances and Capital Expenditure excluding Food outlay and ADP (Net)—Statement—V ..	(-)575.47	(-)557.05	(-)811.73
Public Account of the Republic (Net)— Statement—VI ..	538.24	548.60	247.82
Total—Domestic Capital—Net (d) ..	(-)37.23	(-)8.45	(-)563.91
Total—Budgetary Resources (a+b+c+d) ..	7679.22	6806.83	6422.90
Extra Budgetary Resources—Statement—IX ..	314.91	382.90	325.00
Total—Resources Available X ..	7994.13	6889.73	6747.90
E—USE OF RESOURCES			
Annual Development Programme—State- ment—VIII ..	7500.00	6121.00	5668.00
Food for Works ..	505.88	309.80	458.95
Non-ADP Projects ..	180.41	80.15	85.00
Agricultural Research ..	20.00	20.00	20.00
Grainmen Bank ..	..	25.00	..
Food Budget ..	342.01	233.78	625.00
Net outlay in Food Operation—State- ment—VII ..	(772.01)	(663.78)	(1030.00)
Transfer to Public Account of the Republic ..	(-430.00)	(-430.00)	(-405.00)
Total Resources needed Y ..	8548.30	6989.73	6856.95
Additional resources required X—Y ..	(-)554.17	..	(-)109.05)

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Cost of living index rises by 9.42 p.c.

Staff Correspondent

The cost of living index of the middle class people of Dhaka increased by 9.42 per cent in the first nine months of 1990-91 (July 1990 to March 1991) over the corresponding period of the last fiscal year (1989-90). The rate of inflation during the same period in 1989-90 was 9.82 per cent, according to Bangladesh economic survey released on Wednesday.

The economic survey said that there was an upward trend in cost of living and price index during the first nine months of the fiscal year 1990-91. During the period under review, the price index of food increased by 7.32 per cent, housing and domestic spending by 9.09 percent, fuel and energy price index by 37.35 per cent, clothes and shoes by 8.15 per cent and miscellaneous 1.99 per cent.

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Revenue surplus

Tk 419.84 cr

Transparency in

all govt actions

Poverty alleviation

main objective

Our nationalism

lively, vibrant

Tk 8,503 cr revenue budget

By A Staff Reporter

Finance and Planning Minister, M. Saifur Rahman Wednesday placed before the Jatiya Sangsad a revenue budget on Tk 8,503.09 crore for the fiscal 1991-92, showing a surplus of Tk 419.84 cr.

The budget shows an estimated revenue receipt of Tk 8,503.09 crore and a revenue expenditure of Tk 8,083.25 crore.

The Finance Minister, who presented the National Budget in the Parliament 10 years back when a BNP government was in power,

proposed to meet additional resource gap of Tk 554.17 crore in the overall budget through new fiscal measures and bank borrowing.

The total revenue expenditure in the proposed budget is Tk 8,083.25 crore or about 10.5 per

cent higher than the revenue expenditure estimated in the revised budget for 1990-91. The increase in revenue receipt in the proposed budget is 8.7 per cent over that in the revised budget for 1990-91.

The Finance Minister delivered his one-hour and fifty-five minute speech in the House, which has the largest ever Opposition Members, almost without interruptions. Rather cheers and applause came in plenty from the Treasury Bench Members.

Acting President Justice Shahabuddin Ahmed, high civil and military officials, diplomats were present in the House when Mr Saifur Rahman began to deliver this budget speech.

At the outset of his budget speech, the Finance Minister said the major goal of the present BNP government was to mobilize the Bangladeshi nationalist forces towards creation of a self-reliant, just and equitable social order.

"The agenda is based on our commitment to democratic pluralism, privatization, deregulation and market-oriented competitive economic environment," he declared.

But, the Finance Minister said, BNP does not believe in an inward looking and narrow nationalism. "Our nationalism is lively and vibrant which keeps pace with the present day economic situation and acknowledge

the reality of the regional cooperation and inevitability of international interdependence.

The Finance Minister said the economic policy of the government of Shaheed President Ziaur Rahman aimed at development, self-reliance and welfare of the underprivileged rural people has undergone a colossal deterioration because of indiscipline, lawlessness and extravagance in different sectors during nine years of autocratic rule.

He said it is not the desire of the present democratic government to increase the collection of revenue by raising the rate of tax and introducing new tax measures. He said, while formulating tax

proposals special attention has been given to the introduction of new and advanced techniques for collection, simplification of payment methods and procedures, plugging loopholes, broadening of tax base, more reliable method for valuation of imported commodities and improving the efficiency of the tax collecting machinery.

Explaining the central feature of the economic programme of the BNP government, the Finance Minister emphatically said, "we are determined to bring about fiscal and monetary discipline in the macro-economic management and roll back corruption by stressing

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Tk 8,503 cr budget

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accountability and transparency in all actions of the government."

He said the government will continue to reduce regulations and controls, resist all pressures for their restoration, ensure implementation of policy decisions at all levels and make the industries competitive under market pressure.

He said the system losses of the public utilities will be brought under control and targetted programmes will be taken up for poverty alleviation. The Finance Minister said for reaching the goal of self-reliant economy, domestic resource mobilisation and tax administration will be improved.

Mr Rahman said the government intends to raise the proportion of domestic resources in development outlay which was almost nil in 1989-90, to 35 per cent by 1995 and by the turn of the century more than 50 per cent.

Turning to the macro-economic

mismanagement during the autocratic regime of last nine years, the Finance Minister said corruption was institutionalised during the last autocratic regime. The structure of rules and principles for management of government finance, budgeting and planning broke down. Licences and permits were issued for the benefit of particular individuals or groups for import of essential commodities such as sugar, salt and powder. Projects were taken up under administrative direction in complete disregard of the process of scrutiny by the Planning Commission.

The Finance Minister stressed that accountability has to be established in all areas and at all levels of the government and discipline in government financial management has to be restored and appropriate principles have to be established for planning and development.

FINANCIAL INDISCIPLINE

He said indiscipline in the fi-

nancial sector has created a crisis for the economy. He said the government will firmly pursue the measures that have already been taken firmly for recovery of defaulted loans.

CURRENT EXPENDITURE

The Finance Minister said during the period between 1983-84 and 1989-90, annual growth of revenue averaged 14 per cent while that of the current expenditure averaged 18 per cent which, he said, resulted in increased dependence on external assistance for development outlay.

MAJOR OBJECTIVE

Mr Saifur Rahman said the major objective of the economic development policy of the present BNP government is alleviation of poverty through higher and equitable economic growth. He said higher priority in development strategy will be given to agriculture, irrigation, water resources, rural infrastructure and small and medium industries located in rural areas.

He said the Jamuna bridge, the Meghna bridge and the flood action plan will feature prominently in the programme for infrastructure development.

RECESSION

Mr Saifur Rahman said contraction of broad money and credit reserves during the current fiscal year revealed a recessionary trend in the economy and the government took some corrective steps in this regard.

SALARY INCREASE

The Finance Minister said the government was cognisant of the need for appropriate levels of salary, allowances and other benefits for the government employees. He, however, said expenditure on account of enhanced salary, allowances and other benefits should be considered in the overall context of its impact on government finance.

He felt that it was more important to maintain stability of prices of essential goods than enhancement of wages and salary.

REVISED BUDGET

In the revised budget for 1990-91, the revenue receipt has been estimated at Tk 7,822.03 crore as against Tk 8,050.46 crore estimated in the original budget for the year. The revenue expenditure in the revised budget increased by only Tk 10.24 to 7,310.24 crore from the original budget estimate of Tk 7,300 crore.

The Finance Minister said the government had incurred an additional expenditure of Tk 175 crore from its own resources for the relief and rehabilitation in the cyclone affected areas till May last.

ADP

The estimated outlay on the annual development plan for 1991-92 stands at Tk 7,500 crore, an increase by Tk 1,832 crore over the original annual development programme for 1990-91 and Tk 1,379 crore over the revised ADP for the current fiscal. The Finance Minister said allocation has been increased considerably for the sectors like agriculture, rural development, irrigation and flood control, education and health in the next year's ADP.