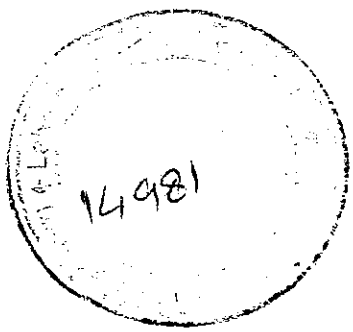
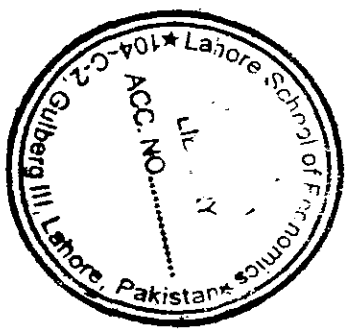
PAKISTAN ECONOMIC SURVEY

1977-78





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

CONTENTS

		Page
Tables in the Text	.. ..	i
Preface	.. ..	v
State of the Economy	.. ..	vii
Chapter		
1.	Human Resources	1
2.	National Income	7
3.	Agriculture	15
4.	Manufacturing and Mining	35
5.	Money and Banking	69
6.	Investment and Capital Market	81
7.	Price Situation	93
8.	Trade and Balance of Payments	103
9.	Foreign Economic Assistance	117
10.	Transport and Communications	133
11.	Energy Situation	147
12.	Education	161
13.	Health	169
14.	Population Planning	175
15.	Physical Planning and Housing	181
16.	Rural Development	189
17.	Planning	197
Statistics	.. ..	1—178
Glossary	.. ..	179

104-C-2 ★ Lahore School of Economics ★ Gulberg III, Lahore, Pakistan
LIBRARY
ACC. NO. C 24

CONTENTS

	PAGE
Tables in he Text	i
Preface	v
State of te Economy	vii

CHAPTER

1. Human Resources	1
2. National Income	7
3. Agriculture	15
4. Manufacturingand Mining	35
5. Moneyand Barking	69
6. Investment and Capital Mark..	81
7. Price Situation	93
8. Trade and Balance of Payments..	103
9. Foreign Economic Assistance	117
10. Transport and Communications	133
11. Energy Situation	147
12. Educaton	161
13. Health	169
14. Populaion Planning	175
15. Physical Planning and Housing	181
16. Rural Development	189
17. Planning	197
STATISTICS	1—178
Glossary	179

Lahore School of Economics ★ 104-C-2 Gulberg III, Lahore, Pakistan ★ LIBRARY ACC. NO. OK C 24

TABLES IN THE TEXT

		PAGE
Human Resources		
.1	Population in Pakistan	2
.2	Population by Urban-Rural Areas	3
.3	Literacy Ratio by Sex and Urban/Rural Areas	4
.4	Employed Persons (Ten Years and Above)	5
.5	Industrial Classification of Employed Persons by Urban/ Rural Areas	6
National Income :		
2.1	Growth of GNP from 1969-70 to 1977-78	8
2.2	*Per Capita* Income	9
2.3	Sectoral Changes in Gross National Product at Constant Factor Cost	10
2.4	Gross National Product at Current Factor Cost	11
2.5	Sources and Uses	12
Agriculture :		
3.1	Area, Production and Yield Per acre of Wheat	16
3.2	Area, Production and Per acre Yield of Rice	17
3.3	Variety wise Production of Rice	18
3.4	Rice and Paddy Prices	18
3.5	Area, Production and Per acre Yield of Cotton	20
3.6	Area, Production and Yield Per acre of Sugarcane ..	21
3.7	Despatches of Wheat to Provinces, Procurement, Releases and Stocks	22
3.8	Crop-wise Usage of Fertilizer	24
3.9	Prices of different varieties of Fertilizer	24
3.10	Area Covered by Plant Protection Measures	25
3.11	Rates of Subsidy and Premium Purchases of Improved Seeds	26
3.12	Insttutional Credit Agencies	27
3.13	Commodities Graded	28
3.14	Livestock Population of Pakistan	31

3.15 Production of Dairy, Livestock Products and Poultry .. 31
3.16 Area Covered by Afforestation.. 32

Manufacturing and Mining :
4.1 Trend of Industrial Production 36
4.2 Gross Fixed Capital Formation in Industrial Sector .. 38
4.3 Industrial Investment, Sanctions in the Private Sector .. 41
4.4 Stocks, Production and Exports 48
4.5 Production of Sugar.. 51
4.6 Existing Installed Capacity 53
4.7 Public Sector Investment on Mineral Development .. 59
4.8 Production of Minerals 60

Money and Banking :
5.1 Causative Factors of Changes in Monetary Assets .. 71
5.2 Change in Components of Monetary Assets 72
5.3 Scheduled Banks Deposits 73
5.4 Cash Financing for Commodity Procurement 74
5.5 Scheduled Bank Credit 74
5.6 Credit Allocation to Priority Sector 76
5.7 Credit Limit Sanctioned by SBP 76
5.8 Credit Limit Sanctioned by SBP to Agencies 79

Investment and Capital Market :
6.1 Dividends Declared by Companies/Corporations.. .. 84
6.2 Applications Received 85
6.3 The Position of Investors' Account 86
6.4 Gross and Net Sales.. 87
6.5 Outstanding Units and Their Value 87
6.6 Dividend Per Unit 88
6.7 Sale and Purchase Price 88
6.8 Currency-wise Break up of PICIC Loans 89
6.9 IDBP Currency-wise Approval/Disbursement of Loans .. 90

6.10 IDFC Currency - wise loans Approved/Disbursed .. 90

Price Stuation :

7.1 Vholesae Price Index 101

7.2 Combined Consumer Price Index 101

7.3 Consumer Price Index 102

7.4 Sensitive Price Indicators 102

7.5 AverageRetail Prices of Essential Items 103

Trade aid Balance of Payments :

8.1 Overall Balance of Payments 106

8.2 Merchaidise Account 107

8.3 Unrequited Transfers 107

8.4 Balance of Trade 108

8.5 Growth of Exports 109

8.6 Growth of Exports of Major Commodities 109

8.7 Average Unit Prices of Major Exports.. 110

8.8 Economc Classification of Exports 111

8.9 Direction of Trade-Exports 113

8.10 Growth of Imports by Major Commodities 114

8.11 Economc Classification of Imports 115

8.12 Direction of Trade Imports 116

Foreign Economic Assistance :

9.1 Commitnents of External Assistance 117

9.2 Debt Service Ratio 118

9.3 Net Inflow of Aid 119

9.4 Aid Pledges from All Sources.. 120

9.5 Commitnents of Foreign Economic Assistance 121

9.6 Disbursements of Foreign Economic Assistance.. .. 121

Energy Situation :

11.1 Pattern of Energy Supply 148

11.2 Development Expenditure in the Energy Sector 148

11.3 Production of Oil 150
11.4 Total Supply, Production and Imports of Oil 151
11.5 Export of Surplus Products 151
11.6 Production and Reserves at Existing Gas Fields 152
11.7 Production of Gas in Pakistan.. 152
11.8 Consumption of Gas by Sectors 153
11.9 Production Capacity of LPG.. 153
11.10 Progress of O.G.D.C. Survey Parties 154
11.11 Installed Capacity of WAPDA Power System 157
11.12 Length of Transmission Lines.. 158
11.13 Electricity Generation by Source 158
11.14 Use of Electricity by Economic Sectors.. 159
11.15 Generation of Electricity 159

Education :

12.1 Development Expenditure on Education & Training .. 163
12.2 Expected Progress in the field of Primary Education .. 164
12.3 Amount of Scholarships 165
12.4 Output of Educated Persons 167

Population Planning :

14.1 Programme Performance 177
14.2 Yearly and Monthly Average of Contraceptives Performance 178

Physical Planning and Housing :

15.1 Loans Sanctioned by House Building Finance Corporation 183
15.2 Physical Targets and Achievements 184

Rural Development :

16.1 Province-wise Village Cooperatives Organised 191
16.2 Financial Allocation and Expenditure under IRDP .. 192
16.3 Financial Allocation and Expenditure under PWP .. 193

Planning :

17.1 Public Sector Development Expenditure 200
17.2 Sectoral Allocation of ADP 202

PREFACE

The Pakistn Ecoiomic Survey for 1977-78 portrays the performance f the economy during the first three quarters of the current fiscal year. The analysis o various sectors of the economy stems from factual data vailable to-date.

The focus of the narrative part of the Survey is on the current year but its analysis has been made in the perspective of the last few years. To facilitate an in-depth study of various aspects of the economy, a statistical appendix with detailed information has been given.

AFTAB AHMAD KHAN,
Secretary
to the Government of Pakistan.

FINANCE DIVISION
Islamabad, June 1978.

STATE OF THE ECONOMY

The current year witnessed a sharp reversal in the trends of main economic indicators after a languid performance during the past few years. The GNP growth recorded at 2.8 per cent entailing a 0.2 per cent loss in *per capita* income last year climbed to 9.2 per cent in the current year, a record in the seventies thus far. Significant advances in both the commodity and servies producing sectors at 4.5 and 8.6 per cent respectively contributed to this commendable performance of the economy.

2. Agricultural output more than doubled at 4.3 per cent over last year's growth of 2.1 per cent. In sharp contrast to the dip of 1.0 per cent, the industrial sector achieved a growth rate of 4.7 per cent; the major items contributing to this advance are vegetable ghee (15.9 per cent), sugar (2.9 per cent), cement (3.4 per cent) and cigarettes (12.4 per cent).

3. The encouraging growth rate recorded in the agriculture sector is largely reflective of substantial gains in the output of cotton, rice and maize. The sluggish wheat crop marred by unfavourable weather and nominal decline in sugarcane due to borer attack notwithstanding, the cotton crop staged a recovery from the disappointing output of 2.45 million bales in 1976-77 to 3.20 million bales in 1977-78. The production of rice and maize reached an all time high at 2.86 million tons and 818 thousand tons respectively. Government policies of subsidising fertilizer, plant protection and tubewells as well as ensuring remunerative prices for growers contributed significantly to these output gains.

4. The manufacturing sector long harried by uncertain investment climate, disturbed industrial relations, lagging productivity and international stagflation responded positively to government assurances about its role in the economic development of the country and the new fiscal and credit incentives announced by the Government. The new policy package includes tax-holidays for less developed areas, concessionary interest rates and import and excise duty rebates. As a result, private investment climbed by 17.2 per cent and industrial investment in both private and public sectors by 15.6 per cent.

5. The cotton textile industry which accounts for 27 per cent of large scale manufacturing output in the country continued to experience recession and was, therefore, given particular attention. The price of lint cotton for mills was reduced from Rs. 415 to Rs. 325 per maund. Nationalised banks were directed to provide adequate credit facilities to the textile sector. As a result, the industry on the whole showed some recovery. The production of yarn in the first three quarters improved by 1.7 per cent though cloth still lags behind.

6. The performance of public sector enterprises has been quite commendable. They have recorded an increase of 9.3 per cent in the production index during the first three quarters of 1977-78 over the corresponding period last year. Their sales totalled Rs. 4,956.8 million in the period compared with Rs. 6,008.2 million for the whole of the preceding year.

7. Reflecting the improved investment milieu in the country, the stock exchange displayed a bullish note. The general index of share prices rose from 105.56 in June 1977 to 135.75 in May 1978 showing a rise of 28.6 per cent while the aggregate market capitalization of ordinary shares which was Rs. 5,288 million in June 1977 increased to Rs. 6,189.7 million in April 1978, showing a rise of 18.6 per cent.

8. Rising imports for meeting development requirements and to offset deficit in domestic production of essential consumer goods combined with relatively lower exportable surpluses widened the balance of trade deficit. The exports for the entire fiscal year are expected at around $ 1,306 million, showing an increase of 14.5 per cent over the level of 1976-77 whereas imports are expected at around $ 2809 million showing an advance of 20.8 per cent. The terms of trade exhibited no marked improvement. The unit value of major export items like rice, cotton yarn and cotton cloth did show some slight improvement but domestic production constraints did not facilitate their full exploitation.

9. Massive support to the balance of payments position was provided by home remittances of Pakistani workers abroad, which recorded an unprecedented climb during the year, from $ 578 million in 1976-77 to around $ 1,130 million narrowing down the deficit in the current account from $ 902.4 million last year to $ 661.0 milllion during 1977-78.

10. Monetary policy was subjected to discipline and geared to the realisation of national developmental goals. The growth in monetary assets was contained to 156 per cent during the first eleven months (till 25th May) of the year compared with 19.2 per cent during the corresponding period of last year. Under Export Finance Scheme, the rate of interest was reduced twice : initially from 10 to 8 per cent on 7th July 1977 and later from 8 to 6 per cent on 30th March, 1978. Similarly, the rate of interest on bank financing for the export of locally manufactured machinery was reduced twice from 9 to 7 per cent and again to 5 per cent. On domestic sale of locally manufactured machinery, the interest rate was fixed at 2 per cent below the rate at which foreign currency loans are to be given for the same machinery.

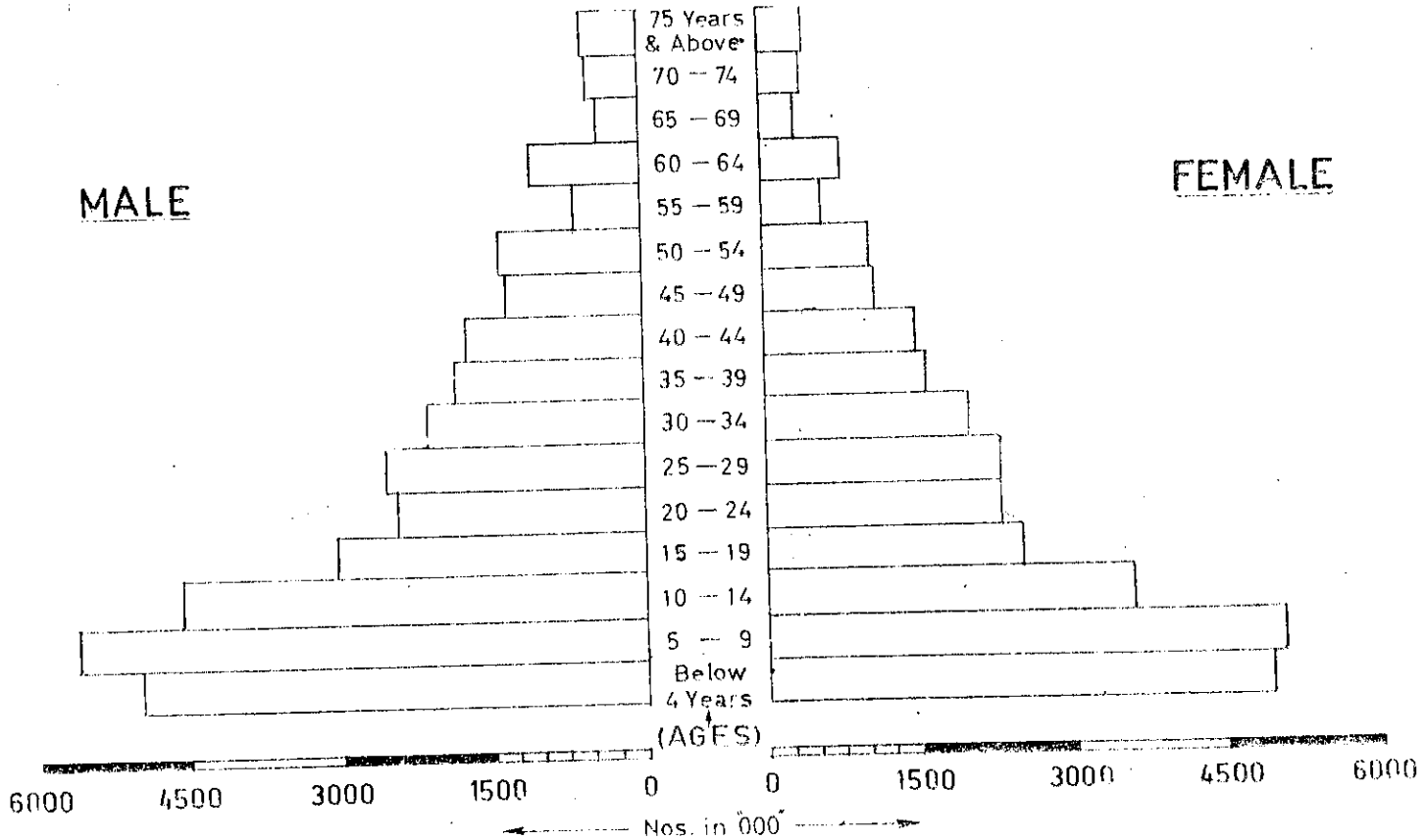
11. **The year 1977-78 was a year of brisk oil and gas exploration** activity. It witnessed the discovery of a huge gas-field at Pirkoh in Baluchistan in December 1977 and another discovery of oil and gas at Adhi near Gujar Khan in March 1978. For intensifying the exploration activity, Government has entered into joint ventures with leading world oil companies.

12. **One of the major achievements of the economy during the year has** been the containment of inflation to a single digit rate. It was made possible by better performance in commodity producing sectors, liberal imports and restraint on monetary expansion. The Consumer Price Index covering over 200 items of daily use rose by 8.0 per cent during the first ten months of the year compared to 13.9 per cent in the corresponding period of 1976-77. The Wholesale Price Index recorded an increase of 5.0 per cent compared to 8.3 per cent last year. The Sensitive Price Indicator covering 28 essential items rose by only 3.3 per cent compared to 13.6 per cent last year.

13. The performance of the economy during the current year is indicative of its resilience and great potential in an appropriate policy and planning framework. This year of recovery provides a promising background for the new Five Year Plan which will be launched on first July 1978. The new Plan articulates the development strategy for the next five years and furnishes a consistent and integrated design for optimal, equity premised growth in the next five years.

POPULATION OF PAKISTAN - 1972

(AGE GROUPS)



1

HUMAN RESOURCES

Human esources are at the root of all productive processes. The composition characteristic and optimal utilisation of human resources have direct bearing on the socio-economic performance of the economy. Given the universal objective of maximising social welfare, human factor is the fundamental determinant of all social and economic policies. The population of Pakistan is characterised by a high birth rate, a high dependency ratio, a low rate of literacy, and a high rate of unemployment. The Government policies to provide more medical facilities and improve hygienic conditions led to a lower death rate but on the other hand, the birth rate, though it has registered a nominal fall, still remains high. Consequently the trend of population growth has slightly increased. The manpower absorption capacity of the economy is not expanding fast enough to offset the increasing labour force and reduce the existing unemployment. Nonetheless the increase in population itself puts a premium on demand for more social services and higher production for consumption and other purposes.

2. The present demographic situation calls for concerted effort to check rapid population growth, to enhance efficiency of human capital and to utilise more effectively vast human resources for increasing national productivity and maximising social welfare. The Government have taken a large number of measures which have been explained elsewhere in the Survey. The present chaper focuses on demographic characteristics of the economy leaving the analysis of implications and other aspects of human resources to relevant chapters.

3. The population of Pakistan has more than doubled during the past three decades. The growth rate, as the past decennial censuses reveal, has assumed a rising trend. This is primarily due to the widening of gap between birth and death rates. The crude birth rate which was estimated at about 50 per thousand during the decade 1961—70 is believed to have fallen to around 40 per thousand during 1972 to 197.

4. The three decennial censuses, one in 1951, the other in 1961 and the latest in 1972 were conducted in Pakistan for evaluation of the size, composition and growth of the population. Table 1.1 below highlights the trend of population in Pakistan since the beginning of this century.

Table 1.1

POPULATION IN PAKISTAN

(In Thousand)

Census Year	Population	Average intercensal rate of growth per annum
1901	16,576a	0.6
1911	19,382	0.7b
1921	21,109	0.9
1931	23,542	1.1
1941	28,282	1.8
1951	33,740c	1.7
1961	42,880d	2.4
1972	65,309	3.0
1977	73,430*	3.0
1978	75,620*	3.0

Source.—Census and Registration Organisation.

Note.—a. Excluding population of frontier regions.

b. Based on population excluding 1622 thousand persons of frontier region in 1911.

c. Including 13 thousand persons (estimated) of Gawadar, not part of Pakistan in 1951 and 24 thousand persons (estimated) in frontier regions who were not included in the 1951 census published data.

d. The Planning Commission has estimated that there was underenumeration in the 1961 census to the tune of 7.50 percent. As such the 1961 population figures used for various economic indicators is taken to be 46,200 thousand.

e. The intercensal population growth rate between 1961 and 1972 is 3.6 percent if the population is taken without adjustment and 2.9 percent after adjustment for 7.5 per cent underenumeration in the 1961 census.

*Estimated as on January 1.

5. The total population of Pakistan according to 1972 census report was 65,309,000 persons. Out of the total population, 25.4 per cent were living in urban areas and 74.6 per cent in the rural areas. According to reliable estimates the population has increased to 73.43 million on 1st January, 1977.

6. The density of population in Pakistan according to 1972 census was 212 persons per sq. mile. Amongst the different regions of the country, the Punjab province is most densely populated and shows a density of 475 persons per sq. mile, followed by NWFP (296), Sind (260) and Federally Administered Tribal Areas (237). Baluchistan province with the largest area has the lowest density of 18 persons per sq. mile.

Rural-Urban Population

7. The proportion of population living in rural areas is continuously declining. Rising growth rate of urban population is mainly due to rural-urban migration. Urban population as proportion of total population increased from 22.5 in 1961 to 25.4 in 1972, whereas the rural population declined from 77.5 to 74.6 during the same period. Table 1.2 gives trend of rural-urban population growth since 1951 to 1972.

Table 1.2

POPULATION BY URBAN-RURAL AREAS

(In Thousand)

	1951	Percent Share	1961	Percent Share	1972	Percent Share
Pakistan ..	33,740	100.0	42,880	100.0	65,309	100.0
Urban ...	5,955	17.7	9,655	22.5	16,593	25.4
Rural ...	27,785	82.3	33,225	77.5	48,716	74.6

Source.—Census and Registration Organisation.

8 The rsing tendency of urban population is explained by the economic development nd structural changes taking place in the country. Concentration of industries i some big cities, better health and educational facilities and better job opportunities in the urban areas have resulted in a shift of population from rural areas.

9 Regional distribution of the urban population shows that 40.5 per cent of the populatio of Sind is in urban areas, whereas, in the Punjab it is 24.5 per cent, NWFP 14.2 per cent and Baluchistan 16.4 per cent.

10. The ten big cities of Pakistan accounted for 55.9 per cent of urban population in 1972. Of these cities, Karachi registered the highest growth rate of 5.2 per cent followed by other provincial capitals—Lahore, Quetta and Peshawar, which registred growth rates of 4.5, 3.8 and 1.9 per cent respectively. The popuation o Karachi had risen to 3.47 million in 1972 compared to 1.06 million in 1951 shoving a phenomenal increase of 227 per cent in a period of two decades.

Age and Sex Composition

11. The 1972 census results showed that 44.04 per cent of the population was under 15 years of age, 51.84 per cent in the age group of 15 to 64 years and 4.12 per cent in the age group of 65 years and above.

12. The age composition has changed over the period as the proportion of the populaton below 15 years was 43.1 per cent in 1951, 42.4 per cent in 1961 and 44.0 per cent in 1972.

13. Both the rural and urban areas differ from each other in so far as the demographic conditions are concerned. The dependency ratio is higher in rural areas than in urban areas and there is a perpetual tendency of falling rate in urbin area compared to the reverse situation in rural areas.

14. With gradual expansion in medical facilities, increasing care for maternity and gradua emancipation of women, the female population has a tendency to grov at a rate higher than that of the male population. Against 100 males, the number of femules was 86 in 1951, 87 in 1961 and 88 in 1972. The female—male ratio was 46.24 : 53.76 in Punjab including Islamabad, 46.49 : 53.51 in Sind, 47.99: 52.01 in NWFP and 46.89 : 53.11 in Baluchistan in 1972.

Literacy

15. With general development of the economy and expansion in educational facilities the literacy rate is continuously rising. The literacy rate for 10 years and above population has gone up from 15.97 per cent in 1951 to 26.7 per cent in 1973. The highest literacy was in age group 15—19 years which was 32.2 per cent.

16. The female population is much behind the male population in education as only 13.35 per cent of 10 years and above female population was literate compared to 37.76 per cent of male population. This wide disparity is spread over all the age groups.

Table 1.3

LITERACY RATIO BY SEX AND URBAN/AREAS—1973

(Population 10 years and above)

(Percentage)

	Pakistan	Urban	Rural
Total	26.72	46.08	19.20
Male	37.76	57.29	30.16
Female	13.35	32.44	5.96

Source : Housing, Economic and Demographic Survey 1973

17. The literacy ratio differs widely between urban and rural areas. The urban areas have a ratio of 46.08 per cent, whereas it is only 19.20 per cent in rural areas. The ratio is as low as 5.96 per cent for the female population of the rural areas compared to 32.44 per cent for the urban areas. The low ratio in the rural areas is due to comparatively less educational facilities and also because the children start helping the head of the family at a very early age and are thus deprived of education.

Labour Force

18. The estimates for labour force were made in the Housing, Economic and Demographic Survey, 1973 which was part of the 1972 census. The total population in the age group 10 years and above, was 42.37 million, out of which 19.76 million comprised the labour force. The rural areas claimed 74.4 per cent and urban areas 25.6 per cent of the total labour force. Various studies indicate that the labour force is increasing at a rate of about 3 per cent per annum.

19. The employment generation programmes started by the Government and the emphasis on rural development and the building of infrastructure in the rural areas could be instrumental in absorbing a large part of the existing under-employed and unemployed labour as well as new entrants. According to the Labour Force Survey of the Statistics Division conducted in 1974-75, the crude participation rate (proportion of labour force in population ten years and above) is estimated at 43.8 per cent. The male participation rate is higher than the female participation rate. The low participation rate for females is attributed to the exclusion of women engaged in economic activity as helpers. However, traditionally, the women-folk in the rural areas of Pakistan actively participate in agricultural work at the sowing and harvesting seasons. It is equally true in case of families engaged in small-scale and cottage industries.

20. According to the Housing, Economic and Demographic Survey, 1973 the total civilian labour force employed was 86.9 per cent. The implied unemployment rate of 13.06 per cent is very high compared to 1.74 per cent obtained from 1961 census and 1.71 per cent from the Labour Force Survey, 1974-75.

21. The difference in unemployment rates yielded by the HED Survey and the Labour Force Survey are due to variation in coverage as well as the time. The HED Survey was conducted in August—October 1973. At this time of the year, a major part of the labour force in the rural areas is unemployed due to seasonal factors. This is the time when the agricultural labour force is neither busy in sowing nor in harvesting. The corresponding effects in the urban area, particularly the small towns, also influence the employment situation in the urban areas. Another factor affecting the employment rates for the HED Survey were the drastic floods in September 1973 which disrupted the economic life of the country both in the rural and urban areas. As compared to this, the labour force surveys of the Statistics Division are spread over the whole year as such absorbing seasonal unemployment.

22. The actual situation should, however, be somewhere between the two figures depending upon the seasonal factors, the quality of enumeration, time of coverage and the effect of floods on the HED survey which requires a thorough study to reach the truth.

23. The unemployment ratio obtained from the HED Survey is higher in urban area *i.e.* 17.7 per cent compared to 11.5 per cent in rural areas. Lower unemployment in the rural areas can be due to disguised unemployment and underemployment which are not easily quantifiable.

24. Unemployment ratio amongst the female population is 52 per cent for the country as a whole. The urban/rural differentials show a comparatively lower unemployment ratio in the rural areas due to greater participation of female population in the cropping work and cottage industries.

Employmeit by Economic Activities

25. Acording to the 1973 Housing, Economic and Demographic Survey clasification, the employed labour force in the occupation group of agriculture, animal husbandry, forestry workers etc., comprises 56.6 per cent of total employed persons, poduction and related workers, transport equipment operators and labourers 20.7 per cent, sale workers 8.4 per cent, professional, technical and relaed wokers 5.1 per cent, service workers 4.3 per cent, clerical and related workers 3.3per cert and administrative and managerial workers 0.6 per cent. One per cent wrkers vere not classified by occupation.

Table 1.4

EMPLOYED PERSONS (10 YEARS AND ABOVE)—1973 BY MAJOR OCCUPATION GROUP

Code No.	Major Occupation Group	All Areas	Urban	Rural
Toal Pakistn ..	.. ..	100.0	100.0	100.0
0—1.	Profesional, technical and related workers ..	5.1	8.6	4.0
2.	Administrative& managerial workers ..	0.6	1.8	0.2
3.	Clerial and reated workers	3.3	9.6	1.4
4.	Sales workers	8.4	20.8	4.5
5.	Servic workers	4.3	9.2	2.7
6.	Agricltural, animal husbandry and forestry workers, fishermen and hunters.	56.6	9.1	71.7
7—9.	Production & related workers & transport equipment operators & labourers	20.7	39.5	14.7
10.	Workers not classified by occupation ..	1.0	1.4	0.8

Source.—Housing, Economic and Demographic Survey 1973.

26. The occupation structure differs widely in rural and urban areas. In the rural areas, agriculture, animal husbandry, forestry, hunting and fishing claimed the highest share of 71.7 per cent followed by production and related workers, transport equipment operators and labourers claiming 14.7 per cent. In the urban areas, production and related workers, transport equipment operators and labourers have the highest share in total employed labour force *i.e.* 39.5 per cent followed by sale workers, 20.8 per cent.

Industrial Classification of Employed Persons

27. According to the Housing, Economic and Demographic Survey, 1973, the ratio of total employed persons in agriculture, forestry, hunting and fishing is 58.60 per cent, mining and quarrying 0.96 per cent, manufacturing 8.27 per cent, electricity, gas and water 0.10 per cent, construction 4.52 per cent, wholesale and retail trade and restaurants and hotels 9.27 per cent, transport, storage and communication 3.92 per cent, finance, insurance, real estate and business services 0.74 per cent, community, social and personal services 12.69 per cent and activities not adequately defined 0.93 per cent.

28. In the rural areas agriculture, forestry, hunting and fishing account for 74.02 per cent of the total employed labour, followed by community, social and personal services which account for 7.94 per cent. In urban areas the share of community, social and personal services account for 27.53 per cent of the total urban employed labour force which is the highest followed by wholesale and retail trade and restaurants and hotels which account for 22.71 per cent. Table 1.5 given below highlights the detailed distribution of labour employed.

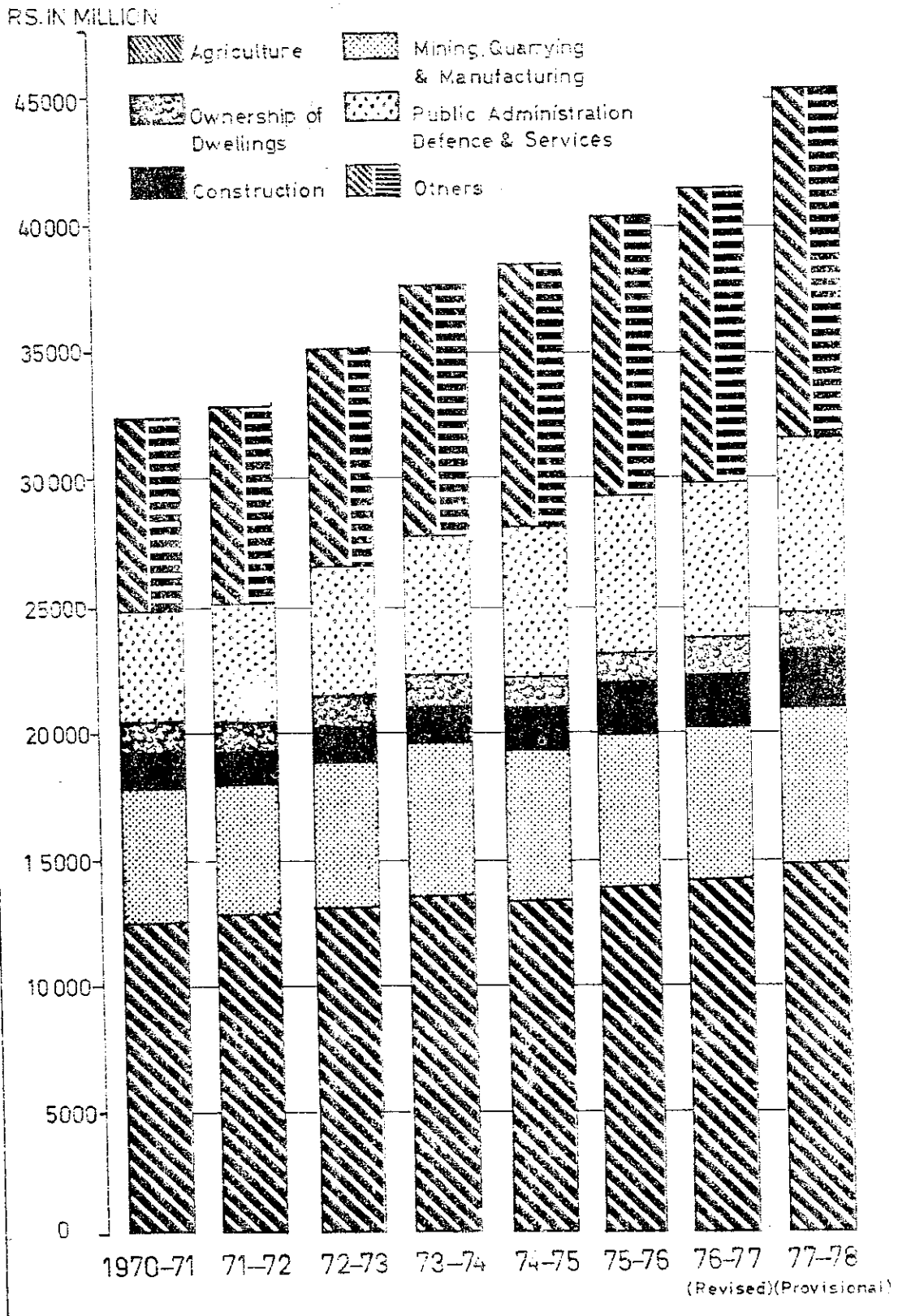
Table 1.5

INDUSTRIAL CLASSIFICATION OF EMPLOYED PERSONS BY URBAN/RURAL AREAS (PAKISTAN)—1973

Industries	All Areas	Urban	Rural
TOTAL	100.00	100.00	100.00
1. Agriculture, forestry, hunting and fishing ..	58.60	10.41	74.02
2. Mining & quarrying	0.96	1.59	0.76
3. Manufacturing	8.27	18.25	5.09
4. Electricity, gas & water	0.10	1.15	0.09
5. Construction	4.52	6.89	3.77
6. Whole sale & retail trade & restaurants and hotels ..	9.27	22.71	4.96
7. Transport, storage and communication	3.92	8.29	2.53
8. Finance, insurance ,real estate and business services.	0.74	2.32	0.22
9. Community, social & personal services	12.69	27.53	7.94
10. Activities not adequately defined	0.93	1.86	0.62

Source.—Housing, Economic and Demographic Survey—1973.

GROSS NATIONAL PRODUCT
AT CONSTANT FACTOR COST
BASE: 1959-60=100



Source: Statistics Division

2

NATIONAL INCOME

During 1977-78, the aggregate indicators displayed a reversal of economic activities from stagnation to recovery. This shift reflects in some measure the quick impact of recent domestic policies and some stabilizing trends abroad. A growth rate of 6.5 per cent in GDP and 9.2 per cent in GNP offers a bold contrast to the dismal 2.8 per cent GNP growth rate last year that trailed behind the population growth rate entailing a 0.2 per cent dip in *per capita* income. Last year's falling trend of value added in manufacturing, construction, wholesale and retail trade and services sectors, reversed to a considerable extent during the year. Besides these sectors, agriculture and transport, storage and communication recorded a climb in their respective growth rates of last year. Home remittances by Pakistani workers abroad reached an all-time high and net factor income from/to rest of the world recorded an increase of 92 per cent over the last year. Consequently, the GNP growth rate is estimated to have exceeded GDP growth rate by 2.7 per cent.

2. The encouraging improvement in the performance of the economy owes largely to good harvests reaped during the year and revival of robust activity in business and industry. Notwithstanding a static wheat crop, the growth rate in agriculture sector doubled during the year. Cotton, the biggest cash crop recorded an upswing of 30.8 per cent in its production while other crops like rice, maze, and gram also crossed the last year's level. In the manufacturing sector, a growth rate of 4.7 per cent was recorded (5.3 per cent in large scale manufacures and 3 per cent in small scale manufactures). Of 15 large items accounting for major share of industrial production, 13 items recorded a rise in production. Most of the services directly linked with production registered corresponding increases. Pakistan Railways, PIA, Banks and Insurance made better incomes as a result of business revival after last year's grave setbacks.

Trend of GNP and GDP

3. The growth rate of GNP recorded during 1977-78 is the highest in the 70's, though slightly less than the growth rate achieved in 1969-70. After touching the lowest ebb in 1970-71 when it was minus 0.1 per cent it rose to 1.4 per cent in 1971-72. It was recorded at 7.4 per cent in 1972-73 and 6.8 per cent in 1973-74. The subsequent three years marked by natural calamities, international stagflation and some other adverse factors had an average growth rate of 3.3 per cent.

4. The two main components of GNP are GDP and net income from the 'rest of the world' sector; GDP constitutes the larger segment of GNP and therefore, on the whole both GNP and GDP have been following a similar trend. Nevertheless with the increasing importance of home remittances by Pakistani workers abroad, the difference between GNP and GDP has increased. The figures of GNP and GDP at constant factor cost and the growth rates during the period from 1969-70 to 1977-78 are given in the following table:

Table 2.1

GROWTH OF GNP FROM 1969-70 TO 1977-78

(Constant Factor Cost 1959-60=100)

Year	GDP (million Rs.)	Growth %	GNP (million Rs.)	Growth %
1969-70	32,336	+ 9.8	32,338	+ 9.9
1970-71	32,368	+ 0.1	32,296	− 0.1
1971-72	32,674	+ 1.0	32,745	+ 1.4
1972-73	34,972	+ 7.0	35,153	+ 7.4
1973-74	37,364	+ 6.8	37,548	+ 6.8
1974-75	38,088	+ 1.9	38,346	+ 2.1
1975-76	39,505	+ 3.7	40,216	+ 4.9
1976-77 (Revised)	40,062	+ 1.4	41,357	+ 2.8
1977-78 (Provisional)	42,659	+ 6.5	45,145	+ 9.2

Source: Statistics Division.

Per Capita Income

5. With a constant growth rate of population, the *per capita* income has been following the general trend of GNP. It has been estimated at Rs. 597 in constant prices of 1959-60 showing a rise of 6.0 per cent compared to a decline of 0.2 per cent last year. The current year is the fourth in the 70's when it has shown an increase. In current prices it has been estimated at Rs. 2,165 and

shows an increase of 14.9 per cent or Rs. 281 over Rs. 1,884 last year. The trends in *per capita* income are given in table 2.2

Table 2.2

Per Capita INCOME

(In Rupees)

Year	At Constant factor cost 1959-60=100	Growth %	At Current Prices	Growth %
1969-70	542	+ 6.9	726	+11.0
1970-71	525	— 3.1	740	+ 1.9
1971-72	517	— 1.5	774	+ 4.6
1972-73	539	+ 4.3	933	+20.5
1973-74	559	+ 3.7	1,197	+28.3
1974-75	554	— 0.9	1,512	+26.3
1975-76	564	+ 1.8	1,720	+13.7
1976-77 (Revised)	563	— 0.2	1,884	+ 9.5
1977-78 (Provisional)	597	+ 6.0	2,165	+14.9

Source : Statistics Division.

SECTORAL PERFORMANCE OF THE ECONOMY

6. For estimating national income, the economy has been divided into 12 domestic production sectors and "net factor income from/to rest of the world" sector. Further, these sectors, excluding "net factor income from/to rest of the world', have been grouped as commodity and services producing sectors. The former include agriculture, mining and quarrying, and manufacturing while the latter includes the rest. The commodity producing sector recorded a growth rate of 4.5 per cent and the services producing sectors 8.6 per cent. The inter-sectoral comparison reveals that "net income from/to rest of the world" recorded the highest increase *i.e.*, about 92 per cent followed by 'services' sector : 15.4 per cent and transport and communications sector : 12.1 per cent. The lowest growth rate of 1.9 per cent was recorded in electricity and gas distribution services, while mining and quarrying showed a decline of 1.9 per cent.

Agriculture

7. Gradual re-structuring of the economy notwithstanding, agriculture remains by far the largest sector of the economy. Although its share in GNP has slightly declined from 33.7 per cent in 1976-77 to 32.2 per cent in 1977-78, the total value-added in the sector has been estimated at Rs. 14,552 million compared to Rs. 13,951 million last year while its growth rate has since doubled.

8. In agriculture the fishery sub-sector has recorded the highest increase of 5.6 per cent followed by 'major crops' registering a rise of 5.5 per cent Their respective growth rates last year were 3.5 per cent and 1.4 per cent.

Fish prices have gone much higher

Manufacturing

9. The second largest commodity producing sector is manufacturing. Major contribution in this sector comes from large-scale manufacturing which recorded a growth rate of 5.3 per cent after successive negative growth rates experienced in the last three years. The share of this sector in GNP has been continuously declining since 1970-71 and was recorded at 13.4 per cent during 1977-78. The generally depressed investment environment characterizing the last few

years has had a dampening impact on large-scale manufactures. The present industrial policy of encouraging private sector has helped in large measure in reviving industrial production. The number of man-days lost due to strikes and lock-outs have also declined.

Mining and Quarrying

10. The sector makes a minor contribution towards national income as its value-added constitutes less than half per cent of GNP. It is the only sector which showed a decline of 1.9 per cent compared to last year.

Construction

11. The contribution of construction services has been growing gradually. In the last few years expanding construction activities have led to an increase in contribution of this sector, from 4.2 per cent in 1969-70 to about 5.0 per cent in 1977-78. Compared to a negative growth during last year it has shown a significant increase of 8.5 per cent this year.

Transport, Storage and Communication

12. The developments in this sector have closely followed the economic upsurge of the year. The sector has shown an increase of 12.1 per cent during 1977-78 compared to a marginal increase of 0.4 per cent last year.

Other Services Sectors

13. Performance in the other services sector has been positive during the year under review. The value-added in wholesale and retail trade, public administration and defence, and 'services' has particularly increased at a faster rate. Nevertheless, the share of these sectors in GNP has shrunk slightly compared to the previous year.

14. Sectoral changes in GNP at constant factor cost are given in table 2.3.

Table 2.3

SECTORAL CHANGES IN GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST OF 1959-60

Sectors	1976-77 (Revised)			1977-78 (Provisional)		
	Value in Million Rs.	% Share	Growth %	Value in Million Rs.	% Share	Growth %
1. Agriculture	13,951	33.73	+ 2.1	14,552	32.23	+ 4.3
(*i*) Major Crops ..	7,944	19.21	+ 1.4	8,377	18.55	+ 5.5
(*ii*) Minor Crops ..	1,920	4.64	+ 4.4	2,004	4.44	+ 4.4
(*iii*) Others ..	4,087	9.88	+ 2.5	4,171	9.24	+ 2.1
2. Mining and Quarrying.	215	0.52	+22.9	211	0.47	—1.9
3. Manufacturing ..	5,791	14.00	— 1.0	6,065	13.43	+ 4.7
(*i*) Large Scale ..	4,385	10.60	— 2.3	4,617	10.23	+ 5.3
(*ii*) Small Scale ..	1,406	3.40	+ 3.0	1,448	3.20	+ 3.0
4. Construction Services.	2,076	5.02	— 0.9	2,252	4.99	+ 8.5
5. Other Services ..	18,029	43.60	+ 1.7	19,579	43.37	+ 8.6
6. Gross Domestic Product	40,062	96.87	+ 1.4	42,659	94.49	+ 6.5
7. Net Factor Income from/to rest of the world	+1,295	+3.13	+82.1	+2,486	+5.51	+92.0
8. Gross National Product	41,357	100.00	+ 2.8	45,145	100.00	+ 9.2

Source : Statistics Division.

GNP at current factor cost

1.. The GNP a current factor cost is the product of the current prices and quantities of goods and services produced in the country. A change in GNP at curent facor cost reflects combined changes in price level and GNP at constant prices. The GNP at current prices increased by 18.4 per cent compared to 12.8 per cent last year. The difference between real and nominal GNP comes to 9.2 per cen point and is an estimator of implicit " National Income Deflator ". The deflator i also sometimes used as a measure of general inflation and is generally different from other price indices due to differences in coverage, timings and sectoral weights.

1(. The sectoral break-up of GNP at current factor cost reveals that the growth rate is more than 10 per cent for all sectors with the exception of mining and quarrying showing a decline. The agriculture sector which has the largest share in national income increased by 13.6 per cent making a contribution of Rs. 49,422 milion compared to Rs. 43,512 million in 1976-77. The value added in sub-sectors of agriculture showed an increase of 20.4 per cent in major crops, 12.8 per cent in minor crops and 32.8 per cent in fisheries. Manufacturing sector grew at a rate of 10.5 per cent contributing Rs. 22,735 million to the GNP as compared to Rs. 20,574 million during 1976-77. The value added in large scale manufacturing increased from Rs. 15,579 million to Rs. 17,307 million showing a growth rate of 11.1 per cent. In the case of small scale manufacturing, the value added increased to Rs. 5,428 million at a growth rate of 8.7 per cent. The growth rate was 14.5 per cent for construction, 21.5 per cent for electricity and gas distribution services, 20.4 per cent for transport ,storage and communications, 14.4 per cent for wholesale and retail trade, 13.7 per cent for banking and insurance, 11.2 per cent for ownership of dwellings. Sectoral composition of GNP at current factor cost is given in table 2.4.

Table 2.4

GROSS NATIONAL PRODUCT AT CURRENT FACTOR COST

(Value added in Million Rupees)

Sector	1974-75	1975-76	Growth	1976-77 (Revised)	Growth	1977-78 (Provisional)	Growth
	Value added	Value-added	%	Value-added	%	Value-added	%
1	2	3	4	5	6	7	8
1. Agricultur	33,533	38,338	14.3	43,512	13.50	49,422	13.6
Major cops	18,268	20,572	12.6	22,484	9.29	27,064	20.4
Minor cops	5,003	6,030	20.5	6,963	15.47	7,856	12.8
Livestoc	9,629	11,130	15.6	13,261	19.15	13,518	1.9
Fishing	383	447	16.7	512	14.54	680	32.8
Forestr	250	159	— 36.4	292	83.65	304	4.1
2. Mining ard Quarrying ..	793	968	22.1	1,250	29.13	1,232	— 1.4
3. Manufactring	16,618	18,831	13.3	20,574	9.26	22,735	10.5
Large sale	12,844	14,438	12.4	15,579	7.90	17,307	11.1
Small sale	3,774	4,393	16.4	4,995	13.70	5,428	8.7
4. Construction	4,996	6,739	34.9	7,376	9.45	8,442	14.5
5. Electricity and Gas Distribution Sevices	1,264	1,713	35.5	2,061	20.32	2,504	21.5

1	2	3	4	5	6	7	8
6. Transport, Storage and Communication ..	7,402	8,329	12.5	9,119	9.48	10,983	20.4
7. Wholesale and Retail Trade.	15,893	17,940	12.9	19,472	8.54	22,277	14.4
8. Banking and Insurance ..	2,612	3,021	15.7	3,571	18.21	4,060	13.7
9. Ownership of Dwellings ..	3,766	4,356	15.7	4,930	13.18	5,434	11.2
10. Public Administration and Defence	8,113	9,322	14.9	10,271	10.18	12,091	17.7
11. Services	8,514	10,085	18.4	10,702	6.12	13,342	24.7
12. Gross Domestic Product ..	1,03,504	1,19,642	15.6	1,32,838	11.03	1,52,572	14.9
13. Net Factor Income from/to rest of the world ..	1,147	2,992	160.8	5,480	83.16	11,190	104.2
14. Gross National Product ..	1,04,651	1,22,634	17.3	1,38,318	12.79	1,63,762	18.4
15. Population (in Million) ..	69.21	71.29	3.0	73.43	3.00	75.63	3.0
16. Per Capita Income (in Rupees)	1,512	1,720	13.8	1,884	9.53	2,165	14.9

Source : Statistics Division.

The estimates of net factor income from/to rest of the world for the years 1975-76, 1976-77 and 1977-78 include remittances in cash and kind.

SOURCES AND USES

17. In order to arrive at the total availability of goods and services in the country, one must add to the GDP (at market prices), value of goods and services that are imported into the country and substract value of exports of goods and services. The export of goods and services has been estimated at Rs. 15,590 million during 1977-78 and the import of goods and services at Rs. 30,281 million, thus the total availability of goods and services at current prices is valued at Rs. 183,475 million. The total resources are utilized for (i) fixed investment, (ii) changes in stocks, (iii) Government consumption and (iv) private consumption. The exercise in table 2.5 shows the sources and uses of resources and their components at current prices.

Table 2.5

Sources and Uses

(Million Rupees)

Sources	1976-77 (R)	1977-78 (P)	Growth %	Uses	1976-77 (R)	1977-78 (P)	Growth %
GDP at current factor cost.	1,32,838	1,52,572	14.9	Fixed Investment.	26,830	28,836	7.5
Indirect Taxes less subsidies.	13,237	16,212	22.5	Changes in stock.	1,000	1,000	—
GDP at market prices.	1,46,075	1,68,784	15.5	Public consumption.	15,591	16,806	7.8
				Private consumption.	1,13,702	1,36,833	20.3
Import of goods and services.	25,042	30,281	20.9	Export of goods and services.	13,994	15,590	11.4
Total sources ..	1,71,117	1,99,065	16.3	Total uses ..	1,71,117	1,99,065	16.3

R—Revised.
P—Provisional.

Source : (1) Planning Division.
(2) Statistics Division.

18 The otal availability of goods and services increased by 16.8 per cent during 1977-7: but a significant proportion of this increase is attributable to higher prices. It will be seen from table 2.5 that the indirect taxes less subsidies have ncreased by 22.5 per cent and imports of goods and services by 20.9 per ceit on tle sources side At constant factor cost the increase is 150 per cent aid 13.6 per cent respectively. Thus the ne: price change comes to 7.5 per ceit and 7.3 per cent respectively. On the uses side, the highest increase is witnessed i privae consumption followed by exports of goods and services and public consumption, while the lower increase is witnessed in fixed Investment. At coistant fctors cost, the growth is estimated at 11.4 per cent for private consunption, ninus 2.1 per cent for exports of goods and services, 0.1 per cent for fixed invetment and 0.7 per cent for public consumption.

19. The nalysis of the components of 'uses' side indicates the largest increase in prvate consumption while the lowest increase has been recorded in fixed nvestment followed by Government consumption. Exports of goods and services have ictually declined in real terms.

20. The nethoddogy of national income estimation as used in Pakistan is given n Annexure 'A'.

Annexure 'A

METHODOLOGY OF 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 rest of the world.

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

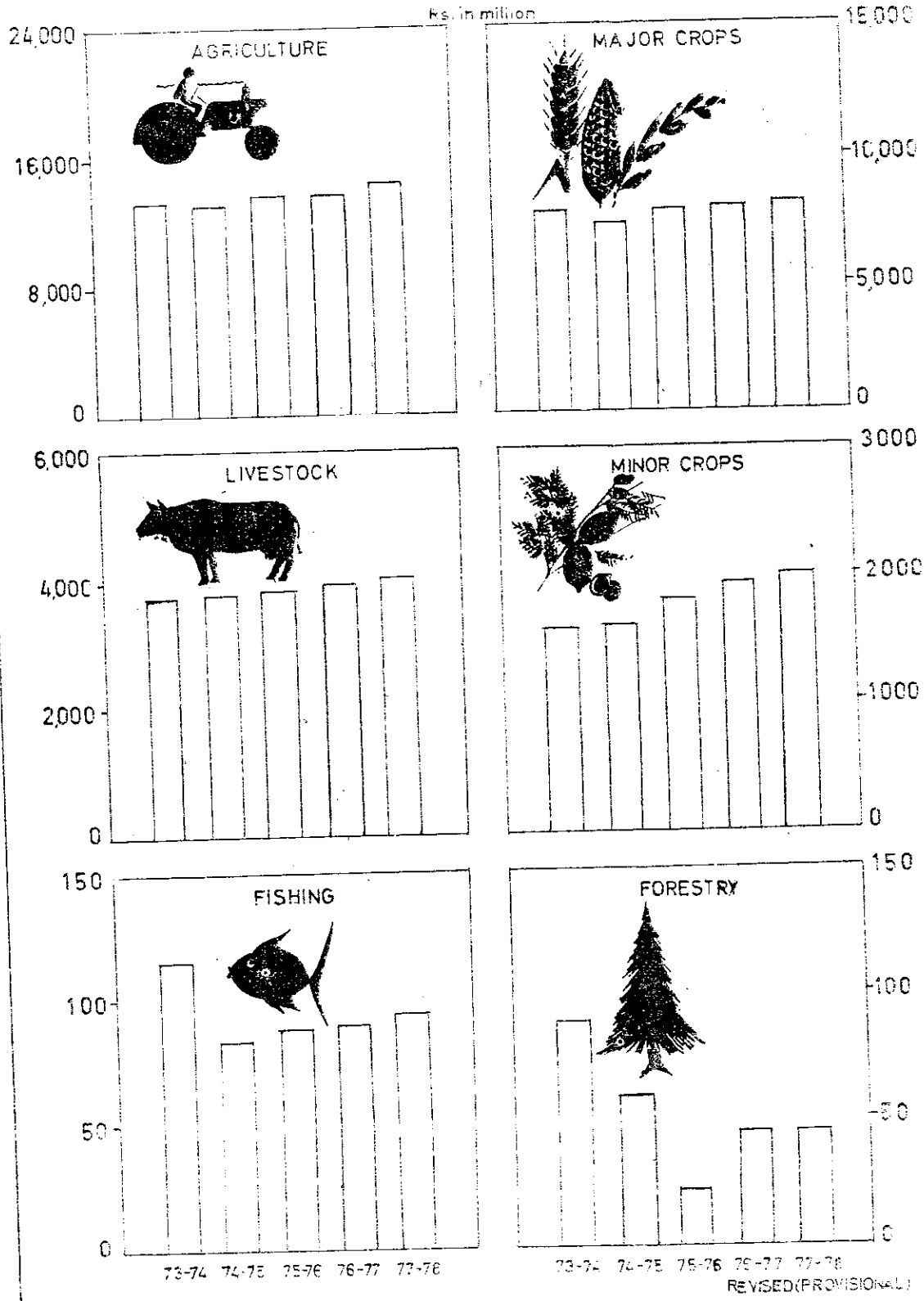
Product, income and expenditure form a circular flow, as such, it is necessary to measure national income at three different points and by three different approaches namely a sum of value added by the various producing factors in the country adjusted for factor income payments to and from abroad, a sum 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 correction 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 dewellings, 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.

VALUE ADDED IN AGRICULTURE BY SECTORS

CONSTANT PRICE (1959-60=100)



source: statistics Division

3

AGRICULTURE

Over the last thirty years, the economy has undergone vital structural changes but agricultue still continues to occupy a prominent position in the national economy. Its shae in GNP is around 32.2 per cent; it provides directly and indirectly livelihood to about 70 per cent of population and jobs to 57 per cent of labour force A major proportion of exports (about 35 per cent) directly comes from agriculture. Advancement of agriculture and the rural masses is regarded as the fulcrum of national progress and given priority accordingly.

2. Over the years a number of programmes have been designed and implemented to accelerate growth in this sector and improve the living conditions of the farming community. The sale of fertilizers, plant protection materials and instalation of tubevells are being heavily subsidized. Adequate support procurenent prices have been fixed for some important crops such as wheat, rice, cotton, sugacane and maize. Recently, the procurement prices of some varieties of ice and paddy have been raised for the 1978-79 crop. In addition to ths, the upplies of fertilizers and improved seeds have been increased, credit facilities hav been expanded, water availa bility enhanced and efforts have been made to provide quility seed of different crops to the farmers.

3. The index of agricultural production is estimated to rise to 214 during the current year compared to 203 in 1976-77, thus showing an increase of 5.4 per cnt over the previous year. The index for food crops rose by 2.4 per cent to 217 and fibre crops by 30.9 per cent to 195 during 1977-78 over 197677. However, the index for non-food crops declined marginally by 0.4 per cent to 223 durng the same period. The growth rate in agriculture during the year has been estimated at 4.3 per cent compared to 2.1 per cent in the previous year. The growth rate would have been much higher if the wheat crop had not been affected by lower rains during *Rabi* season, canal water shortages at tail-ends and ~~the late frost in some parts of Punjab~~.

Poor seed and shortages of fertilizers has not been mentioned

CROP POSITION

4. The weather conditions during *Kharif* season remained more or less normal. As a result, the production of rice, cotton and maize showed appreciable increase during 1977-78. The rice production is higher by 6.1 per cent to 2.86 million tons, cotton by 30.8 per cent to 3.2 million bales and maize by 8 per cent to 0.81 million tons during the current year over the preceding year. However, weather was not congenial during *Rabi*. Lower rains, canal water shortage at tail ends, incidence of late frost, and hail storm are reported to have adversely affected the winter crops, specially wheat. The production of wheat, therefore, is estimated at 8.8 million tons during the year under review. Production of sugar-cane registered a nominal decrease of 0.3 per cent to 28.97 million tons during 1977-78 compared to the last year's level.

Wheat

5. Top priority is being accorded to wheat production in order to be self-sufficient in foodgrains production, to eliminate dependence on imported wheat and to save huge amounts of foreign exchange. There is a vast scope for improvement in wheat production as its yield is still quite low when compared with the leading countries of the world. Nevertheless both acreage and production of wheat have shown a rising trend during the last few years. However, area under the crop is likely to be lower this year particularly due to lower rains and absence of inundation in the sailaba tracts. Production is, therefore, expected to be about 8.8 million tons during 1977-78. The same level of production was achieved during the previous year. The yield had slightly improved to 15.3 maunds per acre during 1977-78 compared to 15.1 maunds per acre last year. Nevertheless it is still higher than the average of last five years *(i.e.* 1972-73 to 1976-77).

Table 3.1

AREA, PRODUCTION AND YIELD PER ACRE OF WHEAT

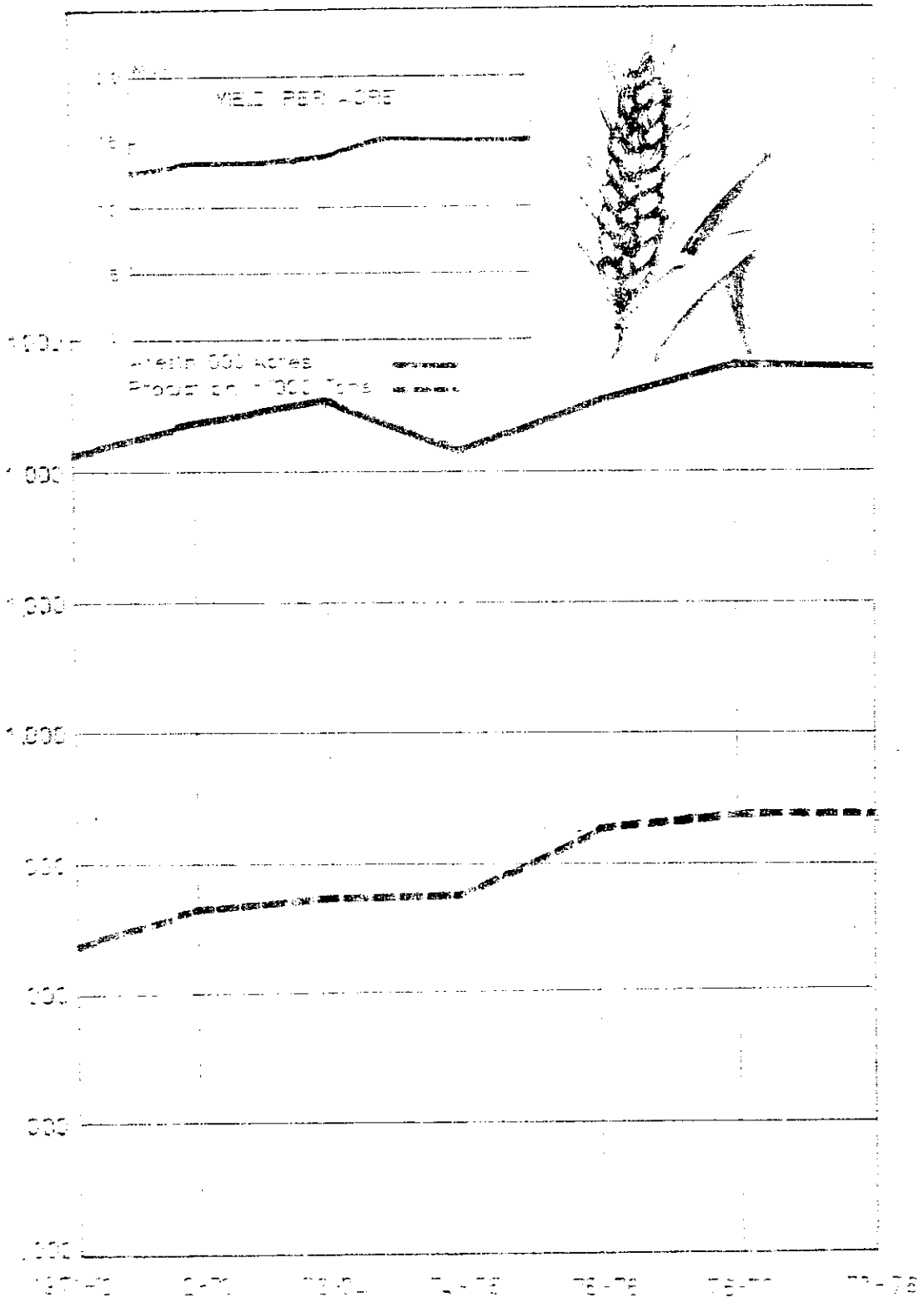
Year	Area (000 acres)	Production (000 tons)	Yield per acre (maunds)	Percentage change in production
1972-73	14,754	7,324	13.5	—
1973-74	15,105	7,508	13.5	(+)2.5
1974-75	14,363	7,552	14.3	(+)0.6
1975-76	15,100	8,554	15.4	(+)13.3
1976-77	15,790	8,800	15.1	(+)2.9
Average (1972-73 to 1976-77)	15,022	7,990	14.5	—
1977-78 (P)	15,692	8,800	15.3	0.0

(P) Provisional.

Source : Ministry of Food, Agriculture and Cooperatives.

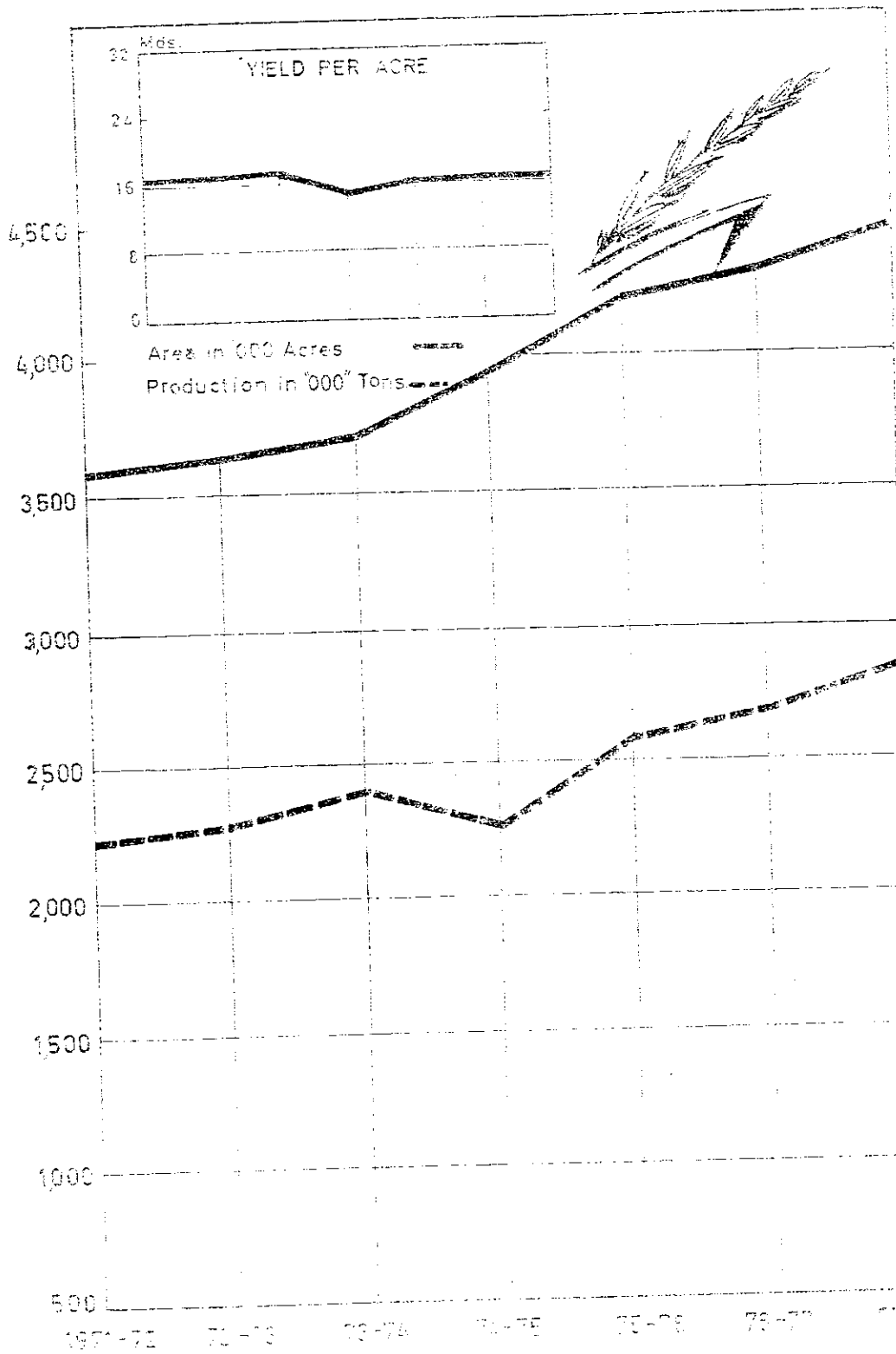
WHEAT

AREA, PRODUCTION AND YIELD



RICE

AREA, PRODUCTION AND YIELD



6. The procurement price of wheat was maintained at Rs. 37.00 per maund during the curren year and at the same time fertilizer prices were also kept at the last year's level which helped in stabilising the cost of wheat production to some exteit.

Rie

7. Rice is the second largest staple food crop after wheat. It occupies a very impotant plce in the economy of the country. In recent years it has beome a major ource of foreign exchange earnings. In view of its great imortance all out effort are being made to raise the output of rice crop by adpting a variet measures such as provision of incentives to the growers thrugh pice support plicy, provision of subsidised inputs, availability of credit on easy tems. Al these measures have brought about desirable results in he forn of improvement of rice output during the last few years. Rice prodution recorded an increise of 4.5 per cent in 1976-77 and reached 2.69 million tos and increase further by 6.1 per cent to 2.86 million tons in 1977-78 over the preceding yea

8. A continuously rising trend has been noticed in the area under rice crop sine 197475. The area increased from 3.96 million acres in 1974-75 to 4.23 milion acies in 1975-76 and to 4.32 million acres in 1976-77. It further rose by 3.9 per cent to 4.49 million acres during 1977-78. There has been a gradual incease in per ace yield of rice since 1974-75. It went up by 6.4 per cent to 16 maunds in 1975-76 and 2.4 per cent to 17.0 maunds in 1976-77 over the previous year. The yield is estimated to rise by 1.8 per cent to 17.3 maunds duing the current year. The trends of area, production and yield per acre of rice since 1972-73 are indicated in the table given below :—

Table 3.2

AREA, PRODUCTION AND PER ACRE YIELD OF RICE

Year	Area (000 acres)	Production (000 tons)	Yield per acre (maunds)	Percentage change in production
1972-73	3,656	2,293	17.1	—
1973-74	3,736	2,416	17.6	(+)5.4
1974-75	3,964	2,277	15.6	(—)5.8
1975-76	4,225	2,576	16.6	(+)13.1
1976-77	4,323	2,694	17.0	(+)4.5
Average (1972-73 to 1976-77)	3,981	2,451	16.8	—
1977-78 (P)	4,485	2,858	17.3	(+)6.1

(P) Provisional.

Source : Ministry of Food, Agriculture and Cooperatives.

Variety wise production of rice during the last few years is given in the table given below:—

Table 3.3

VARIETY-WISE PRODUCTION OF RICE

(000 tons)

Year	Basmati	Irri	Others	Total
1974-75	593	1,089	595	2,277
1975-76	632	1,269	675	2,576
1976-77	650	1,295	749	2,694

Source : Ministry of Food, Agriculture and Cooperatives.

9. The government took an important decision to hand over the control of rice husking mills to their owners since the performance of the nationalised units was not up to the mark. Most of these mills have started functioning properly and their performance is also reported to be satisfactory. The Government fixed the procurement support prices of rice and paddy for 1977-78 which are as follows :

Table 3.4

RICE AND PADDY PRICES

(Price Rs. per maund)

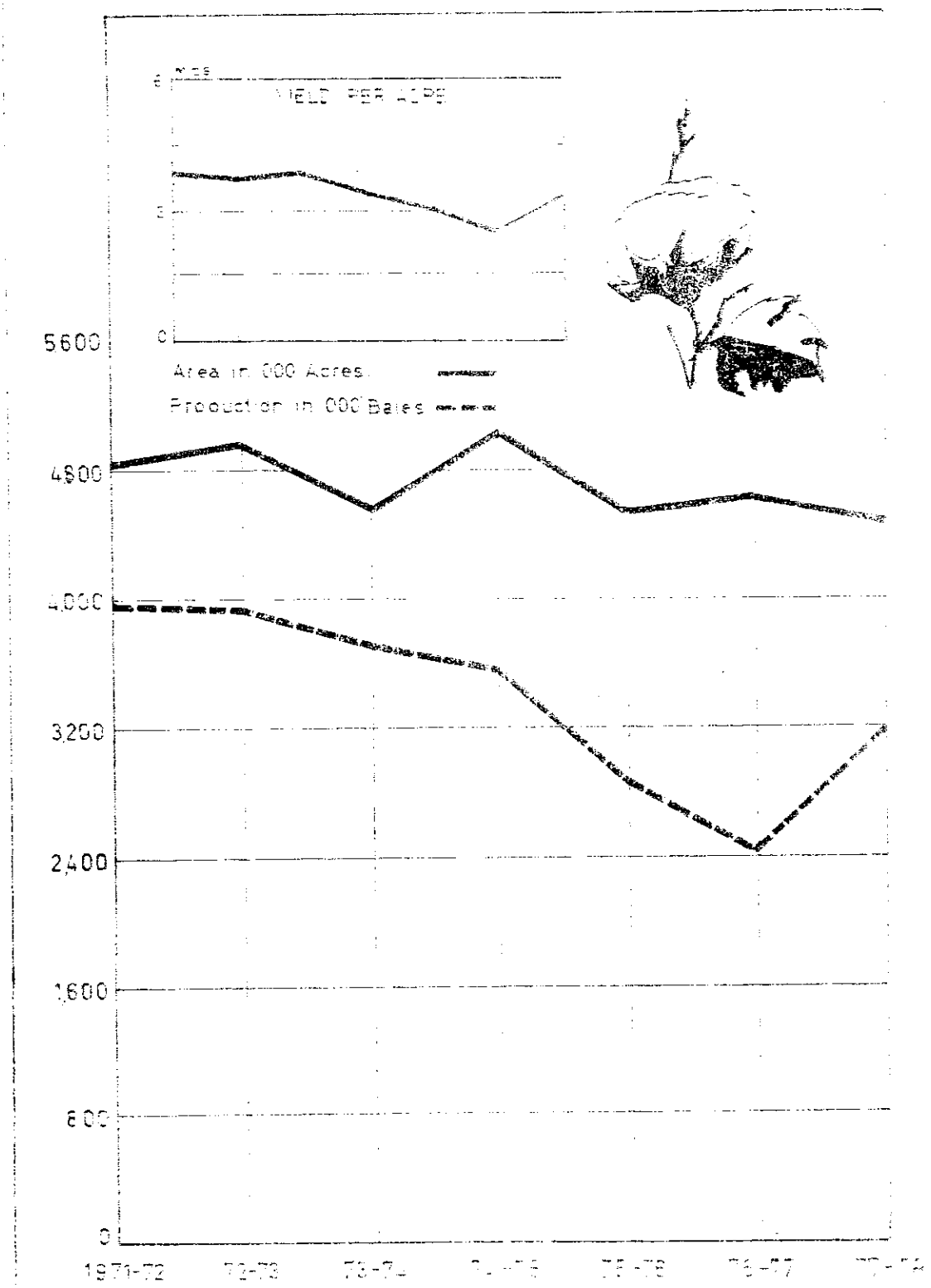
Variety	Rice	Variety	Paddy
Basmati (superior)	105.00	Basmati	52.00
Basmati (F.A.Q.)	95.00	Sugdasi	33.50
Irri-6 (superior)	54.00	Irri-6	30.00
Irri-6 (F.A.Q.)	46.00	Permal	25.00
Kangni (parboiled) — —..	40.00	Kangni	21.50
Kangni (F.A.Q.)	39.00	Begmi	21.50
Irri-8 (parboiled) ... — ...	39.00	Irri-8	20.50
Irri-8 (F.A.Q.)	38.00	Red Rice	18.50

Source: Ministry of Food, Agriculture and Cooperatives

10. On April 5 1978, the Government decided to raise procurement prices of some varieties of paddy and rice for the next Kharif crop 1978-79. The new

COTTON

AREA, PRODUCTION AND YIELD



prices would be as under : Basmati (paddy) Rs. 60 per maund ; Basmati (rice) Rs. 110.00 per maund ; Irri-6 (F.A.Q) rice Rs. 49.00 per maund and Irri-6 rice o superior grade Rs. 46.00 per maund. The prices of all other varieties of paddy and rice will remain unchanged.

11. The Government fixed a procurement target of 0.9 million metric tons o rice from the 1977-78 crop. Of this, 0.6 million metric tons would be coarse rie and he balance of 0.3 million metric tons basmati rice. Both Punjab and Sid have been given a procurement target of 0.45 million metric tons each. The procurement started in November 1977 and by the end of March 1978, 0.63 million metric tons of rice had been procured. Of this 5,00,900 metric tons was coarse rice and 133,758 metric tons basmati. A quantity of 0.50 million metric tons were procued during the corresponding period last year.

12. Rice export during the first 9 months of the financial year stood at 0.52 million metric tons valuing Rs. 1,423.8 million as against 0.69 million metric tons vluing Rs. 1,82.7 million during the same period last year. The Rice Export Corporation had a physcal stock of 0.53 million metric tons of rice on 15th April 1978, of which 0.28 million metric tons are already committed for export laving 025 milion meric tons as uncommitted stock.

13. The price of both basmati and coarse rice recorded an increase in the international market during 1977-78 compared with the preceding year. The average price of basmati was $ 391.52 per metric ton during the year under review compared to $ 340.27 per metric ton last year. Similarly, the average price o coarse rice was $ 22.38 per metric ton compared to $ 176.76 per metric ton during 1976-77.

Cotton

14. Cotton occupies an equally vital position in the economy of the country a it is one of the major sources of raw materials for domestic industry and export. Unfortunately cotton production suffered a great deal after reaching the peak level of 4 million bales in 1971-72. However, the declining trend was reversed in 1977-78 when the production rose by 30.8 per cent to about 3.2 million bales. The marked improvement during 1977-78 was the result of strenuous efforts largely made by the Government. Cotton seed of good quality was made available to the growers to meet their entire requirements. Similarly, pesticides were provided at 50% subsidized rates. The plant-protection strategy was also changed with shifting of emphasis on ground operations rather than arial spraying on the demand of the growers. On the whole plant protection coverage has expanded substantially. Sprayers have been made available at 50% subsidy and the cost is payable on deferred payment basis. All these measures alongwith favourable weather conditions have helped in obtaining a good crop this year in spite of the fact that acreage under cotton has declined by 2.6 per cent to 4.49 million acres in 1977-78 compared to 4.61 million acres in the preceding year. The would wide recession in cotton prices during 1975-77 had forced the domestic growers to shift to other crops, and this had led to a comparatively low acreage under the crop during the current year.

15. Per acre yield of cotton has picked up during 1977-78 as it has risen by about 36 per cent to 3.4 maunds compared to 2.5 maunds in 1976-77. The increase in yield has been achieved mainly by favourable weather, improvement in seed supply system, effective plant protection coverage, use of increased

quantities of fertilizers and better extension services. The trend in area, production and yield per acre of cotton during the last few years is indicated in the table below :—

Table 3.5

AREA, PRODUCTION AND PER ACRE YIELD OF COTTON

Years	Area (000 acres)	Production (000 bales)	Yield per Acre (maunds)	Percentage change in production
1972-73	4,967	3,947	3.8	—
1973-74	4,559	3,704	3.9	(—)6.2
1974-75	5,019	3,567	3.4	(—)3.7
1975-76	4,576	2,890	3.0	(—)19.0
1976-77	4,608	2,446	2.5	(—)15.4
Average (1972-73 to 1976-77)	4,746	3,311	3.3	—
1977-78 (P)]	4,490	3,200	3.4	(+)30.8

(P) Provisional.

Source : Ministry of Food, Agriculture and Cooperatives.

16. With a view to providing incentives to the growers, the prices of seed cotton (phutti) for the 1977-78 crop were revised in April 1977 and enhanced by 10 per cent over the last year's level. Thus the per maund price for seed cotton was fixed at Rs. 138.00 for AC-134, NT, BS-1, Rs. 149.00 for B-557 and 149-F, Rs. 160.00 for Sarmast, Qallandri, Deltapine MS-39, MS-40 and Rs. 132.00 for desi varieties. New prices were also fixed for lint cotton during 1977-78 and are as under :

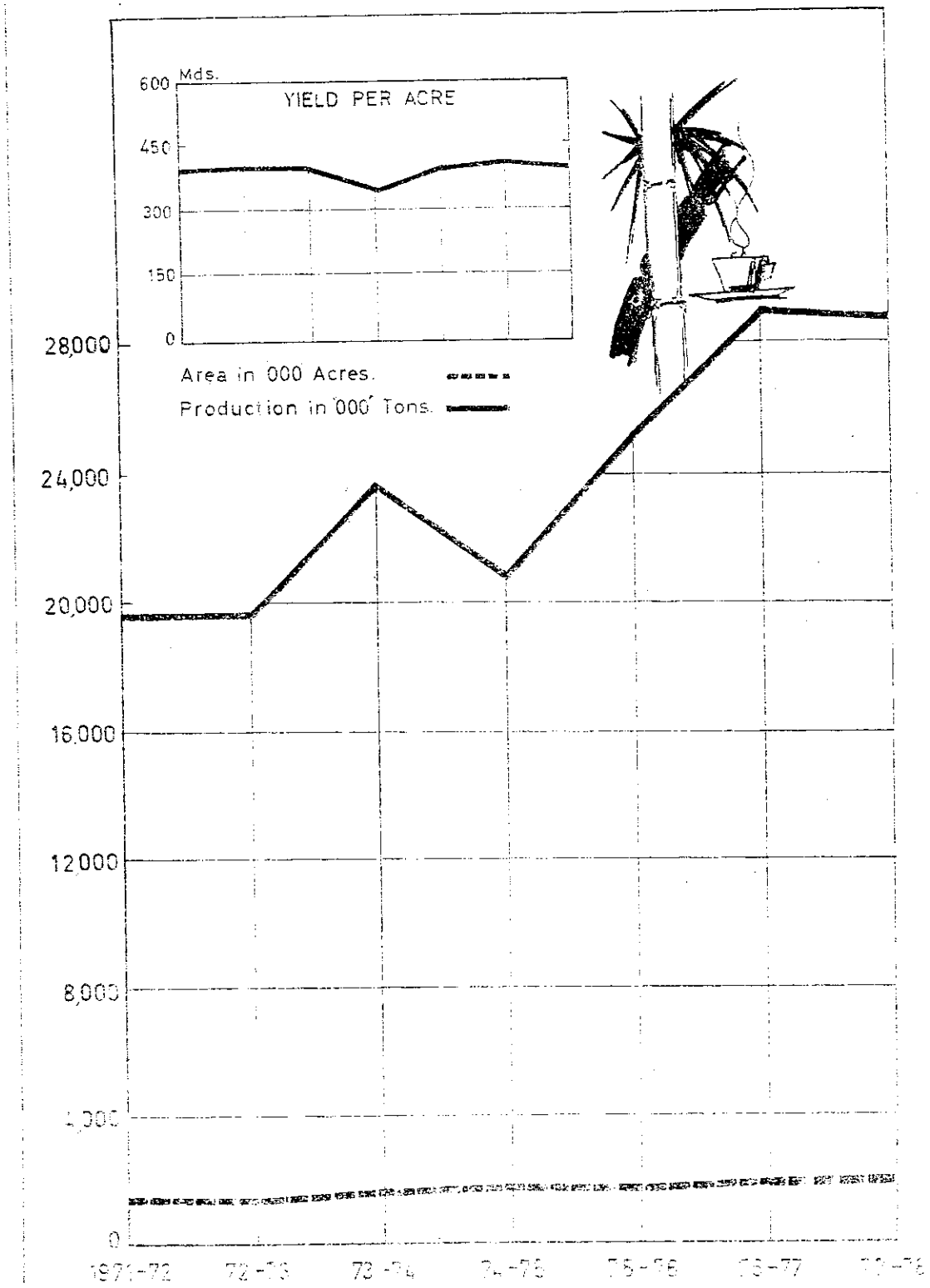
Varieties	Rs. per maund
Desi-	335.00
AC-134, BSI-NT, SG	370.00
KB-49-F, B-557, Sarmast, Qallandri	403.00
Deltapine, MS-39 and MS-40	436.00

17. These prices necessitated a subsidy of Rs. 45 per maund to be paid to the textile mills, for all varieties except desi and extra long staple varieties.

18. The cotton prices in the international market since late March 1977 registered a steep decline because of good crop prospects in 1977-78 and a noticeable slackening in textile activity in most of the industrialized countries. The price of Pakistani cotton was quoted at 81.75 cents per pound in March 1977. However, it came down to 55.25 cents per pound in October 1977 and further to 52 cents in December 1977.

SUGARCANE

AREA, PRODUCTION AND YIELD



19. A a result of increase in cotton production this year, it is estimated that there would be around 750,000 bales of cotton including desi variety left surplus for export It has been decided that the Cotton Export Corporation of Pakistan wil purchase coton over and above the quantity required for exports. This decision was prompted by the fact that the bulk of cotton was lying either with the growes or the ginners due to low cotton off-take by the textile mills. The Corporation by the end of March 1978 purchased 1.08 million bales of cotton. The expor of cotton from 1977-78 crop has also started and 0.2 million bales worth Rs. 383.3 million had been exported by the end of March 1978.

Sugarcane

20. Sugarcane is the major source of sugar production in the country. Substantia increase has taken place in the production of sugar-cane in the recent years. The production touched an all time record during 1976-77 and reached 2.06 million tons. This gives a rise of 15.6 per cent over 1975-76. It is, however, estimated to have declined by 0.3 per cent to 28.97 million tons during the current year mainly because of wide spread borer attack inspite of an increase in area by 2.0 per cent to 1.99 million acres in 1977-78 compared to 1.95 million acres in the preceding year. Yield per acre is estimated to be 397 maunds during the current year as against 406 maunds in 1976-77. The table below shows the acreage, production and yield per acre of sugar-cane during the last few years.

Table 3.6

AREA, PRODUCTION AND YIELD PER ACRE OF SUGARCANE

Year	Area (000 acres)	Production (000 tons)	Yield per acre (maunds)	Percentage change in production
1972-73	1,318	19,632	405.4	—
1973-74	1,595	23,533	401.6	(+)19.9
1974-75	1,663	20,906	342.2	(—)11.2
1975-76	1,729	25,143	395.8	(+)20.3
1976-77	1,947	29,057	406.2	(+)15.6
Average (1972-73 to 1976-77)	1,650	23,654	390.2	—
1977-78 (P)	1,986	28,972	397.1	(—)0.3

(P) Provisional

Source : Ministry of Food, Agriculture and Cooperatives.

21. The support prices of sugarcane were maintained at the last year's level in all the provinces. The prices for one maund of sugarcane at mill-gate were Rs. 5.50 for NWFP, Rs. 5.75 for Punjab and Rs. 5.90 for Sind.

Other Major Crops

22. Other major crops include jowar, bajra, maize, sesamum, tabocco, mustard and rape seed. Of these, the figures of acreage of bajra, jowar and maize are available. According to the first estimate for 1977-78 the area sown under bajra, jowar and maize has recorded an increase of 5.3 per cent, 15.4 per cent and 2.4 per cent respectively over the final estimates of 1976-77.

FOOD SITUATION

23. There were some increases in wheat price from December 1977 to March 1978 otherwise a satisfactory food situation was maintained in the country during 1977-78. Sufficient foodgrain stock was available with the Government for releases to the roller flour mills for distribution among the consumers through ration depots. The Government released 2.58 million tons of wheat during May—March 1977-78 as against 2.23 million tons released in the corresponding period last year.

24. The stocks during the year remained below the level of last year. The government has decided to import over one million tons of wheat during the current year to maintain enough wheat reserves and also to keep wheat prices at a reasonable level. A quantity of 0.59 million tons of wheat had already arrived in the country by March, 1978. Arrangements have been made to import about 0.2 million tons of wheat every month till May 1978 when the new crop would be ready. The wheat stock on 1st April 1978 was 2,55,000 tons. These stocks and imported wheat would be sufficient to meet rationing requirements.

25. The wheat procurement from the 1977 crop was recorded at 1.84 million tons compared to 2.34 million tons procured from the 1976 crop. The decline in the procurement from the 1977 crop can be attributed to comparatively higher prices of wheat in the open market on the one hand and the lifting of ban on inter district wheat movement on the other. Wheat procurement price was kept at Rs. 37.00 per maund during the year. The table below indicates end-March 1978 position of despatches of wheat by the Federal Government to the Provinces, import, procurement, releases to flour mills and stock.

Table 3.7

DESPATCHES OF WHEAT TO PROVINCES, PROCUREMENT, RELEASES TO FLOUR MILLS AND STOCKS DURING MAY 1977 TO MARCH 1978

(tons)

Federal Government/ Provinces	Despatches by Federal Government to the Provinces May 1977 to March 1978	Imports Cumulative	Cumulative procurement from 1977 crop.	Releases to flour mills May 77 March 78	Stock on 1-4-1978
Federal Government ..	—	5,88,220	—	—	82,000
Punjab	1,51,973	—	—	11,28,000	89,000
Sind	1,09,230	—	—	4,79,000	32,000
N.W.F.P.	1,27,627	—	—	5,17,000	23,000
Baluchistan	89,822	—	—	2,08,000	29,000
Azad Kashmir	19,847	—	—	91,000	—
Defence..	75,218	—	—	1,58,000	—
Total ..	5,73,717	5,88,220	18,42,639	25,81,000	2,55,000

Source : Ministry of Food, Agriculture and Cooperatives

AGRICULTURAL INPUTS

26. Agricultural inputs such as irrigation water, fertilizers, insecticides and improved varities of seeds are necessary for obtaining higher yields per acre. Since the use of these inputs in Pakistan is still below the required standard, the availability and use of the various inputs have increased significantly in the recent years. The latest development with regard to the use of various inputs are discussed below.

Irrigaton Waer

27. Irrigaion water shortage has hit crop yields in the past and still poses a problem. Government efforts are directed towards generating additional water supplies to extend the area under cultivation, increasing the cropping intensity, improving the land productivity and shifting the cropping pattern from less to high valuec crops. Special attention is being given to reverain areas, land outside the canal boundaies, barani areas and under-developed areas outside the Indus Basin.

28. There are about 18.0 million acres of barani land in the country at present, of which only 7.9 million acres are under cultivation and the remaining are lying baren. Measures have been taken to bring 0.1 million acres of barren land under cultivation in the barani areas of Punjab. Similar programmes will also be taken up in the other provinces.

29. Irrigation water availability is expected to improve during 1977-78. Water availability at farm gate is estimated to be 103.24 MAF in 1977-78 compared to 94.4 MAF in the preceding year. Of this, 68.75 MAF would be available from canals and the rest from the tubewells. The estimated supply from Tarbela Dam is projected at 9.3 MAF during the current year as against 8.1 MAF in the previous year. It is estimated that 9,928 tubewells would be instaled upto the end of June 1978, compared to 8,350 tubewells installed during 1976-77.

30. An integrated project planning for building water storages and remodelling of canals with a view to meeting future requirements of water for agriculture crops in the country by 2000 A.D. is to be completed during the next year. Planning in his regard has been undertaken by WAPDA with the assistance of UNDP. In the Punjab, major emphasis has been given to investigating the feasibility of increasing water storage facilities at Thal, new dam at Kalabagh and tapping ground water for irrigation purposes. At present, irrigation water is stored at Tarbela, Mangla and Chasma.

31. In Sind, the major work includes remodelling of canals and developing link canals with a view to increasing their in-take capacity. This will help ensure availbility of water to tail enders in Rohri canal by diverting the water from Nara canal. A big reservoir at Chotiari in Sanghar district has also been planned for investigation. In addition to this, a scheme to build water reservoir at Manchar lake by raising its protective bunds to store Indus water in high flow is also under consideration.

32. The Goverment is providing a large amount of subsidy for encouraging the installaton of private tubewells to have more irrigation water on the one hand and to reduce water logging and salinity on the other. An amount of Rs. 26.0 milion has been earmarked for the current year against Rs. 24.4 million in the preceding year. The subsidy on the tubewells has been maintained at the last year's level of Rs. 12,000 for barani areas, Rs. 10,000 for riverain areas, Rs. 8,000 for non-perennial areas and Rs. 4,000 for perennial areas.

Fertilizers

33. The timely use of chemical fertilizers in appropriate doses is the single most effective measures for boosting crop production in the shortest possible time. With the introduction of high yielding varieties of seeds, the need for the use of fertilizers has become all the more important. There has been a sharp rise in fertilizers consumption in the past few years. Consumption went up from 382,000 nutrient tons in 1971-72 to 631,300 nutrient tons in 1976-77 and is estimated to be 680 thousand nutrient tons in 1977-78.

34. Although the application per cropped acre of fertilizer has been estimated at 33 nutrient lbs. during the current year as against 32 nutrient lbs. in the previous year, still it is much below the optimum level of 150 nutrient lbs. per acre. Efforts are, therefore, being made to further accelerate the application of fertilizers, to achieve the desired level. The estimated crop-wise use of fertilizer during 1977-78 and actual use during 1976-77 is given below :—

Table 3.8

CROP-WISE USAGE OF FERTILIZERS

(000 nutrient tons)

Crop	1976-77	1977-78
Wheat	303	326
Rice	76	82
Maize	44	48
Cotton	101	109
Sugarcane	69	75
Others	38	40
Total ..	631	680

Source : Planning Division.

35. Since local production of fertilizers of about 330,000 nutrient tons is not sufficient to meet total requirements, large imports of various varieties of fertilizers have to be arranged from abroad. A quantity of 1,58,880 nutrient tons worth Rs. 538.2 million were imported during the first 9 months of the current year. A quantity of 274,460 nutrient tons of fertilizer, valuing Rs. 624 million had been imported during 1976-77. In order to encourage the consumption of fertilizer, the sale prices of different varieties of fertilizer were reduced w.e.f. April 15, 1976 and since then are being maintained at that level given in table 3.9.

Table 3.9

PRICES OF DIFFERENT VARIETIES OF FERTILIZERS

(Rs. per bag of 110 lbs.)

Variety	1975-76	1976-77	1977-78
Urea	75.00	68.00	68.00
DAP	75.00	72.00	72.00
Am. Nitrate	43.00	39.00	39.00
Am. Sulphate	34.00	31.00	31.00
SSP	22.00	18.00	18.00
TSP	55.00	46.00	46.00
Nitro -Phosphate (2424)	57.00	52.00	52.00

Source : Ministry of Food, Agriculture and Cooperatives.

36. The sale of fertilizer is being subsidized to keep its price within the reach of small growers particularly. A sum of Rs. 664.6 million has been provided for subsidy on fertilizer distribution during 1977-78 against Rs. 321.1 million actually utilized in 1976-77. In order to reduce dependence on imported fertilizer the Government initiated a programme for achieving self-sufficiency in chemical fertilizers. New factories *viz* (a) Pak Arab Fertilizers Limited at Multan, (b) Pak Saudi Fertilizers Limited at Mirpur Mathelo, (c) Hazara Fertilizer Complex at Haripur, and (d) Fauji Fertilizer Complex at Machi Goth with a total producion capacity of 783,700 nutrient tons of nitrogenous and 158,800 nutrient ton of phosphatic fertilizers are likely to be completed by 1982-83.

Plan Protection

37. A sizeable damage is caused to crops by pests and diseases both in stores and fields. The Government has taken both curative and preventive measures to protect crops, yet these efforts are greatly handicapped by lack of organization as well as paucity of funds. Plant protection efforts are being expanded during 1977-78. An area of 12.37 million spray acres is likely to be covered during the year both under aerial and ground operations, against 11.67 million spray acres covered during the preceding year. The details of aerial and ground opeations during the last five years are given below :—

Table 3.10

AREA COVERED BY PLANT PROTECTION MEASURES

(Million spray acres)

Year	Aerial Operation	Ground Operations	Total
1973-74	3.09	3.31	6.40
1974-75	3.95	3.62	7.57
1975-76	4.51	4.05	8.56
1976-77	5.46	6.21	11.67
1977-78 (estmated)	3.35	9.02	12.37

Source : Ministry of Food, Agriculture and Cooperatives.

38. It will be observed from the above table that the area estimated to be covered under aerial operations during 1977-78 has declined from 5.46 million spray acres in 1976-77 to 3.35 million spray acres during the current year. This is due to shift in emphasis from aerial coverage to ground coverage. Funds have also been diverted from aerial to ground operations. Special campaigns have been launched for control of the cotton pests and diseases in the Punjab and Sind. These steps have helped in raising cotton production this year.

Improved Seeds

39. Agricultural Research Institutes have been set up at Faisalabad, Tandojam Peshavar, Risalpur, Rawalpindi and Kala Shah Kaku to evolve pest and disease resistant seeds and introduce new and improved varieties for important crops. Seed multiplication and production activities have been expanded at a number of agricultural farms in the country.

40. The distribution of improved seeds of major crops is likely to increase to 1910 thousand maunds during 1977-78 compared to 1850 thousand maunds in the previous year. In order to popularise the application of improved seeds, the Government is subsidising the sale of seeds to the farmers. The rates of subsidy and premium for various crops in the four provinces are as follows :—

Table 3.11

RATES OF SUBSIDY AND PREMIUM PURCHASES OF IMPROVED SEEDS

(Rates in Rs. per maund)

Crop	Punjab		Sind		N.W.F.P.		Baluchistan	
	Subsidy	Premium	Subsidy	Premium	Subsidy	Premium	Subsidy	Premium
Cotton	10.00	5.00 to 7.00	—	—	—	—	—	—
Paddy	6.50	2.00	—	—	—	—	—	—
Maize	6.50	2.00	—	—	14.50	2.00	—	—
Wheat	8.50	2.00 to 4.00	*	3.00	15.00	8.00	3.75	3.00
Gram	6.50	2.00	—	—	—	—	—	—
Others	6.50	2.00	—	—	14.50	—	—	—

Source : Planning Division.

*An amount of Rs. 3.66 per maund on the last year unsold wheat seed.

Mechanization

41. The mechanization programme covers land development through tractors and bulldozers and irrigation through tubewells and lift pumps. However, the use of machinery is limited to progressive land owners having large holdings. During the last two years the Government has allowed liberal import of tractors and the distribution system has also been improved. During 1976-77, 15,098 tractors were imported against the target of 15,000 tractors. For the current year, against the import target of 15,000 tractors 10,239 tractors were imported up to March 1978. Besides this, 2000 power tillers have been imported from China and 200 rice transplanters have been imported from DPR Korea for popularising their use among the farmers.

42. An area of 198 thousand acres was developed through bulldozers during 1976-77 and another 240 thousand acres are programmed to be developed during the current year. The Pakistan Tractor Corporation in collaboration with M|S. Massey Ferguson of UK is planning to set up a Rs. 1,217 million tractor manufacturing plant. The unit will start manufacturing 10,000 tractors annually. The production will be increased to 15,000 after two years and further to 20,000 a year later.

AGRICULTURAL CREDIT

43. Since *per capita* income in the rural areas is much lower than that calculated on all Pakistan average basis, the use of modern technology and better inputs is beyond the reach of a common farmer, without the availability of agricultural credit on easy terms. Different agencies|institutions are advancing loans to farmers for the purchase of seed fertilizers, pesticides, cattle, implements, installation of tubewells, farm machinery and land development. These loans are short term, medium term and long term.

44. Measures taken by the Government through Banking Reforms such as induction of commercial banks in the field of agricultural credit, introduction of Pass Book system and increased allocation for farm credit in the Annual Credit Plan have improved the credit situation appreciably during the past few years.

45. Credit faclities vorth Rs. 1769.4 million were provided by different agencies during 1976-77. These facilities have been further expanded during the year under review and credit worth Rs. 2035.0 million is proposed to be disbursed among the farmers by the end of June 1978. The table below gives the details regarding disbursement of loans to farmers through various institutional credit agences durng 1976-77 and likely disbursement during 1977-78.

Table 3.12

INSTITUTIONAL CREDIT AGENCIES

(million Rupees)

Year	ADBP	Agricultural Cooperatives	Taccavi	Commercial Banks	Total
1976-77	638.3	147.2	13.3	970.1	1769.4
1977-78 (T)	735.0	200.0	10 0	1,090.0	2,035.0

(T) Target *Source :* Planning Division, ADBP and State Bank of Pakistan.

46. The data available indicate that the commercial banks have exceeded the credit targets for the first six months of the current year. Actual gross disbursements of small loans for seasonal agricultural production amounted to Rs 347.8 million during the first half of 1977-78, against the target of Rs. 288 million. Similarly, the loans for the purchase of tractors, tubewells and land improvement also exceeded by 78.1 per cent to Rs. 114.3 million against the taget of Rs. 64 million during the first six months of the current year.

47. Out of Rs. 638.3 million disbursed by the ADBP during 1976-77, the short, melium and long term loans were of the order of Rs. 177.8 million, Rs 45.6 million and Rs. 415.4 million respectively. During the first six months of the curent year, credit worth Rs. 208.6 million was disbursed, which included Rs. 21.8 million short-term loans, Rs. 181.0 million long-term and Rs. 5.8 million medium-term loans. A uniform rate of interest at 12 per cent is charged on all types of loans at present. The number of bank branches/sub-branches was raised from 174 in 1976-77 to 176 by the end of December 1977. The recently established Federal Bank for Cooperatives had also allocated Rs. 140 million to various Cooperative Agencies for the Rabi crops.

OTHER FACILITIES

Government Foodgrain Storage

48. With increasing production of foodgrains the demand for storage facilities is consantly on the increase. Total storage capacity available with the Government by the end of June 1977 was 2.37 million tons besides temporary storage facilities of 0.93 million tons. A capacity of 0.32 million tons is expected to be added by the 30th June, 1978 which will bring the total storage capacity to 3.62 million tons. Of this 2.10 million tons will be with provincial governments and 1.52 million tons with the Federal Government.

Agricultural Marketing and Grading

49. The present marketing structure suffers from a number of inefficiencies in physical facilities, supplementary services like transport, communications, storage, warehousing and processing. The Government has already taken many more initiatives to help establish an efficient marketing system. The Pakistan Agricultural Storage and Services Corporation (PASSCO) which was established in 1973 was scheduled to procure 200 thousand tons of wheat from the 1976-77 crop for supply to the NWFP Government of which 160 thousand tons had been procured by June 1977. The Corporation also procured 3,200 tons of moong and mash, 3,000 tons of gram, 1750 tons of masoor and 13,521 bags of potatoes during 1976-77.

50. The Corporation also undertook the construction of *dal* (pulses) factories at various places in the Punjab during 1976-77. Two such factories are nearing completion at Lahore and Sargodha. The estimated procurement during 1977-78 is as follows ; wheat (500 thousand tons), pulses (18 thousand tons) potatoes (2,000 tons) and onions (2,000 tons).

51. A citrus grading plant which was established at Peshawar will provide 4,000 tons of graded citrus for export.

52. In order to improve the quality of agricultural commodities as well as to establish their export trade on scientific lines, the Department of Marketing Intelligence continued its efforts to introduce compulsory grading of agricultural commodities and livestock products under the Agricultural Produce (Grading and Marketing) Act of 1937. During 1976-77 and the first nine months of 1977-78 the quantities of different commodities graded and tested for export are given in the following table.

Table 3.13

COMMODITIES GRADED

Commodity	Unit	1976-77	Quantity Graded 1977-78 (July-March)
Wool	Kg	27,505	31,12,193
Animal Hair	Kg.	14,992	17,63,039
Animal Casings	Hunds	7,09,799	5,76,950
	PCS	4,75,096	3,35,190
Lamb Skins	PCS	7,82,520	5,15,530
Dry Fish	MT	2,02,063	34,609
Shell Fish	CWT	—	6,614
Fish Meal	MT	14,400	1,01,277
Oil Cakes	MT	8,23,684	13,14,417
Citrus Fruits	Crates	40,12,692	5,61,453
Chillies	Kg.	10,47,242	41,41 966
Potatoes	MT	8,991	16,579
Eggs	Number	—	3,27,720

Source : Department of Marketing and Intelligence.

Agricutural Elucatio, Research, Extensiom Services

53 Intensve efforts have been made tto expand educational facilities at various farming institutes and colleges during 1977-78. Work on the establishment o' agricutural taining institute in Azad Kashmir is progressing. Similarly work on the upgradation of the Agricultural College, Tandojam, also continued. Educatonal facilities at Rahimyar Khan, Sargodha are also being expanded under he Thid Education Project. Agricultural training and educational programmes are lso gong on satisfactorily at Diamir in the Northern Areas. Scholarships ae also awarded to students from Tribal areas for studies in agriculure. Sholarships are also awarded to students of Malakand Division of NWFP for studies at Agricultural College Peshawar. Educational facilities at the Agricultural Institute, Peshawar are being further improved and expanded under the IDA-aided Third Education Project. Similarly facilities at the Agricutural Training Institute, Sakrand have been improved and expanded during the year.

54 Effort were concentrated on developing high yielding, salt tolerant, fertilizer responsive and disease resistant varieties of seeds of major crops.

55. The new high yielding varieties which were evolved and released|approved or selected forgeneral cultivation during 1976-77 include Punjab : Rice Pak. 177 ; Wheat Punjat 76, LU 26 and SA 75 ; Sorghum Pak SSI ; Millet 18 By (all released). Sind : Rice IR 156 (selected) ; cotton Kordiji 68|9 (approved). NWFI : Cotton BSI; Sugarcane C.O 44|101 (released). Extensive cultivation of legume foders inported from Australia and which give high yield under rainfed conditons is under-way. Four potato varieties AJAX, Red Rad, USA Clone 6987-6, and La Chipper give 30 to 40 per cent higher yield than the varieties now being cultivated. An early maturing banana variety, " Whillum hybrid" whicl is capible of giving 50 per cent higher yield, has been introduced.

56. The Agricultural Research Council has launched a programme for Integrated Pet Management on cotton, paddy, sugarcane and maize. Under IRRI|ABC Aricultural Machinery Project, an axial thresher has been developed this year.

57. Work on the introduction|promotion of tea, coffee, jute, and other special crops in various ecological zones is continuing.

58. Unde agricutural extension programme, 15 centres had been established in Azad Kashmir during 1975-77 and another 16 centres are being set up during the current year. Programmes of production of vegetables and potatoes also continued during the year in Azad Kashmir. Under the Barani Agriculture Development Project 2,000, demonstration plots and 150 trial plots are being laid out during 1977-78 against 124 trial plots and 20 research plots laid out in NWFI in the preceding year. In the Punjab, 18,823 demonstration plots are proposed to be laid out during 1977-78 compared to 13,445 in the previous year. The number of field assistants is expected to increase to 4,635 during the current year compared to 4,335 in the preceding year. Similarly, number of Agricultural Assistants are estimated to be 875 at the end of June 1978 as against 834 by June, 1977.

SOIL CONSERVATION

59. In Bluchistan, soil conservation activities remained in progress during the year under review particularly in Chagai District and in Maur-Jigh Hill Ranges of Kchhi District. An on-going project for sand dune stabilization

along the RCD Highway near Wingoi is being continued, while a new project for sand dune stabilization is being implemented along the coastal areas of Baluchistan. A new project entitled soil and water conservation for increased agricultural production in Barani area of Punjab is under process. It is proposed to carry out soil conservation activities on about 48 thousand acres in Punjab. These operations will be carried out at 50 per cent subsidy. It is also proposed to reclaim nearly 39 thousand acres of eroded land.

WATER LOGGING AND SALINITY CONTROL

60. Water logging and salinity is destroying the fertility of the irrigated area of the Indus Plain and rendering huge tracts of land uncultivable every year. The alarming proporation by which the agricultural lands are deteriorating puts a basic constraint on realising optimum agricultural productivity. According to results of the evaluation made by different agencies including foreign firms and Government agencies the area affected by water logging and salinity stands at 34.49 million acres of which 14.91 million acres are water logged and 19.58 million acres are salined. Of the total salined area of 19.58 million acres, 6.31 million acres is slightly salined, 4.98 million acres moderately salined and 8.29 million acres highly salined.

61. The Government has already launched a massive accelerated programme to combat the dual menace of water logging and salinity and the programme is being implemented under different schemes in all provinces under the supervision of WAPDA. The target for installation of tubewells during 1977-78 has been fixed at 1428 ; the same number of tubewells were installed under different schemes of the programme during 1976-77. In addition to this, 621 miles of surface drains were dug during 1976-77 and the estimated achievement during the current year would be about 575 miles of surface drains. An area of 1 million acres was reclaimed from water logging and salinity during 1976-77 and another 1 million acres are likely to be reclaimed during the year.

LAND REFORMS

62. The land reforms introduced in 1972 were intended to break up the concentration of landed wealth and to establish a just and healthy relationship between the landlords and the tenants by slashing down the ceilings of agricultural land. Subsequent package of land reforms introduced on January 5, 1977 further slashed down the land holdings from 150 irrigated acres or 300 un-irrigated acres (14,000 produce index units including 2,000 produce index units for maintaining a tractor|tubewells) to 100 irrigated acres or 200 un-irrigated acres (800 produce index units).

63. The area resumed so far under various reforms upto December 31, 1977 was 3.48 million acres. Area distributed during this period was 1,441,138 acres to 136,598 farmers. The total number of landlords who surrendered their land was 2,555.

64. Number of land owners to benefit from land revenue exemption was 1,02,97,932 and the amount of land revenue to be exempted stood at Rs. 119.3 million.

ANIMAL HUSBANDRY

65. The animal husbandry sub-sector makes a valuable contribution by providing draught power to majority of the rural population ; its produc| like

milk, eggs meat etc., are the main sources of proteins. It contributes about 9 per cent to the total national income. The livestock census conducted in 1972 and again in 1976 reflects some improvement; there is, however, still a long way ahead to meet the increasing demands of the economy. Table below indicates livestock population during 1972 and 1976.

Table 3.14

LIVESTOCK POPULATION OF PAKISTAN

(million heads)

Species	1972	1976	Percentage Increase/ Decrease
Cattle	14.67	14.86	(+)1.3
Buffaloes	9.75	10.61	(+)8.8
Sheep	13.67	18.94	(+)38.6
Goat	15.58	21.69	(+)39.2
Poultry	17.72	32.03	(+)80.8
Other animals	3.08	3.45	(+)12.0

Source : Live stock Division.

66. The increase in buffalo population can be attributed to the better grazing conditions of Indus Basin, which also provides coarse grazing on its 4 million acres of flood plains and 46 million acres crop stubbles as well as about one million acres of roadside and canal bank grazing. The increase in the buffalo population is most beneficial because it provides about 9.45 million metric tons or 74 per cent of the milk produced annually. The policy of allowing the export of eggs has pushed up the poultry population. The increase in livestock population has resulted in an increased production of dairy products and poultry during recent years. Table below gives the production of dairy and livestock products and poultry.

Table 3.15

PRODUCTION OF DAIRY PRODUCTS, LIVESTOCK PRODUCTS AND POULTRY

Products	Units	Production		Percentage Change in 1976-77 over 1972-73
		1972-73	1976-77	
Milk	'000' metric tons	8,081	8,716	(+)7.9
Beef	000 metric tons	346	362	(+)4.6
Mutton	000 metric tons	208	288	(+)38.5
Poultry meat	000 metric tons	14	25	(+)78.6
Eggs	million dos ..	513	1,042	(+)103.1

Source : Livestock Division.

67. Government has launched several programmes to make the country self-sufficient in livestock. A new cattle farm at Quetta was established, where 100 foreign cows and two bulls imported from Denmark are being maintained. Similar farm at Khushab is near completion. Construction of one new poultry research institute and a new test laboratory is nearing completion. Nine hatcheries were set up in the private sector to increase the total to 23, which are supplying day-old chicks for better poultry production.

68. Three milk plants in the public and six in the private sectors continued to provide wholesome hygienic milk to the public. One idle milk plant at Lahore was commissioned during 1976-77. The production capacity of Islamabad milk plant was increased from 2,500 litres per day to 6 thousand litres per day with the installation of new machine, ice water plant and refrigeration unit. An agreement has been signed with World Bank for assistance to the project for development of milk and beef industry in Sheikhupura.

69. It is estimated that artificial insemination coverage is to be provided to about 90 thousand cows|buffaloes during 1977-78 against 69 thousand inseminated during 1976-77.

70. It is estimated that about 3.0 million eggs, 20 thousand layers, and 18 thousand broilers were provided in Baluchistan; 0.204 million eggs in NWFP, 6.65 million broilers and 2.59 million layers in Sind, 1.50 million layers and 3.8 million broilers in Punjab are estimated to be provided during the year under review.

FORESTRY

71. Pakistan has only 3.7 per cent of its total area under forests. Average annual production for the last six years comes to about 30.6 million cu. feet against the estimated annual requirement of 52 million cu. feet. To help meet the wood deficit, the pace of afforestation is being accelerated and streamlining of forest management is underway. Afforestation programme comprises compact afforestation and afforestation along canals, roads and rail roads. Emphasis has been laid on fast growing tree species such as robinia, poplar, mulberry, eucalyptus etc; instead of conventional tree species. Programme of scientific exploitation of the forests and introduction of industrial forest plantation is underway. The area covered by afforestation during 1976-77 and estimates for 1977-78 are given in the following table:

Table 3.16

AREA COVERED BY AFFORESTATION DURING 1976-77 AND TARGET FOR 1977-78

Provinces	Compat Plantation			Linear Plantation		
	Targets 1976-77	Achievements 1976-77	Targets 1977-78	Targets 1976-77	Achievements 1976-77	Targets 1977-78
	Acres			Avenue Miles		
Baluchistan ..	220	148	—	38	38	—
N.W.F.P. ..	8,105	5,295	15,011	573	375	317
Sind ..	2,200	1,860	1,290	—	—	—
Punjab ..	19,671	4,430	3,795	2,231	2,240	1,525
Total ..	30,196	11,733	20,096	2,842	2,653	1,842

Source : Planning Division.

72. The achevement of 93 percent under linear plantation was quite encouraging durig 1976-77 as indicated in the table. However, achievement under conpact pantation was 38 percent only during the same period.

73. In order to meet requirements of planting stock for afforestation, intensive management of forest, and grow more trees campaign, forest nurseries were raised over abou 1,166 acres during 1976-77 of which 950 acres were in Punjab. 16 acres in NWFP, 22 acres in Sind and 38 acres in Baluchistan. In addition to the maintenance of the nurseries, it is proposed to raise nurseries over 1,256 ares during 1977-78 of which 960 acres are proposed in Punjab, 228 acres in NWFP, 30 acres in Sind and 38 acres in Baluchistan.

74. Work reating to survey and demarcation of forests continued in NWFP and 531,000 acres were demarcated during 1976-77 and the coverage during 1977-78 s estimted to be abcut 41,000 acres.

FISHERIES

75. Fish industry ranks high among those areas of the national economy which have grea potential. It is one of the important export items and fetches considerable foreign exchange for the country. Fisheries sub-sector provides one of the cheapest and basic sources of protein. This sub-sector accounts for more than 2 per cent of the total exports. It is interesting to note that fish industry was the only industry which exceeded its export target during 1976-77. The export of fish has gone up from Rs. 111.1 million in 1971-72 to Rs. 278.8 million in 1975-76, to Rs. 381.3 million in 1976-77 and is Rs. 278.8 million in the first 9 monhs of 1977-78.

76. The production of fish was 169 thousand metric tons in 1974 which rose to 174,100 metric tons in 1975-76. The production is expected to increase from 181,769 metric tons in 1976-77 to about 197,550 metric tons in 1977-78. The *per capita* consumption in Pakistan is estimated slightly above 2.5 pounds per annum. Pakistan is rich both in the marine as well as inland fisheries resources; while the marine fishing is done in the coastal areas of Sind and Baluchistan, the inland resources consist of rivers, canals, lakes, reservoirs, village ponds, etc. Marine fisheries account for about 87 per cent of total production.

77. The fish industry provides employment opportunities to more than 0.2 million people. About 13 per cent of the total fish catch is exported abroad annually. Of the total exports, shell fish accounts for 84 per cent followed by fish 10 per cen and fish products 6 per cent.

78. In Pakstan where the average diet is considerably deficient in protein contents increae in fish consumption can ease the pressure on meat. Government have not only continued but also initiated new areas in order to boost fish production and to raise necessary infrastructure to make it a profitable enterprise. The development projects, both in marine and inland fisheries aim at proper assessement of fish stock, conservation and scientific exploitation of new fishing grounds, better marketing and distribution network, establishment of fish harbour landing jetties, ice plants and cold storages.

79. About 50 per cent of construction work on the Karagh Trout farm was completed durig 1976-77. Work on landing jetty at Sonmiani is expected to start during 1977-78 and layout plan is expected to be completed for a jetty at

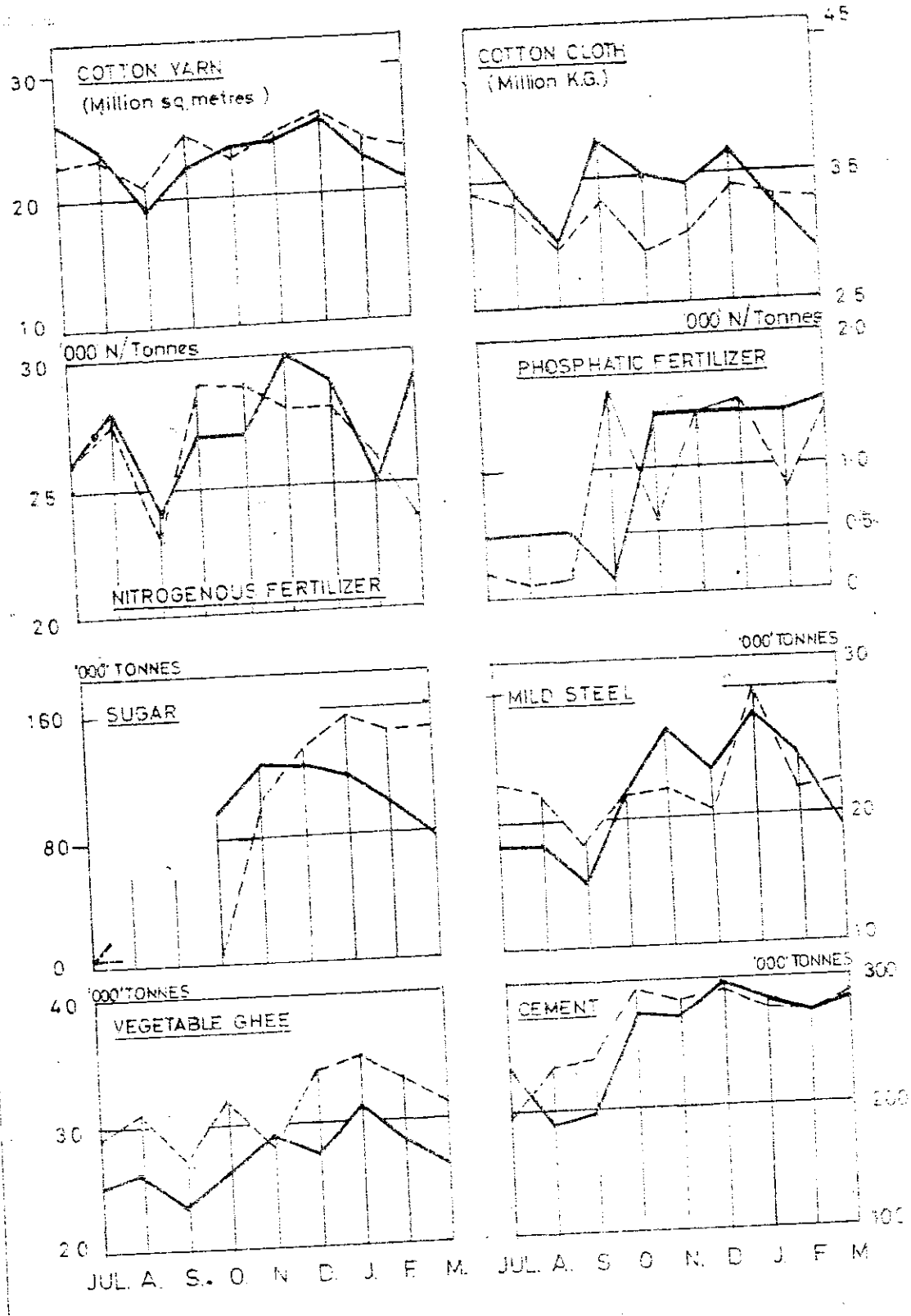
Pasni in Baluchistan. In N.W.F.P. trout eggs are being produced and about 87 thousand fries of trout were stocked during 1976-77. About 770 thousand eggs of trout and about 250 thousand fries of common carp are estimated for 1977-78. About 135,000 fish fries are expected to be stocked in dams and reservoirs during 1977-78.

80. Similarly in Sind, the scheme of carp fry collections and distribution facilities is in progress. Designing and cost estimation of fish harbour and Tuna Complex at Phitti Creek is also in hand. In Punjab development of small dams, reservoirs, lakes, waterlogged areas and village ponds was intensified during 1976-77. Work on two new fish hatcheries and four fish seed nursery units remained in progress. Renovation of 200 village ponds was carried out and fish farms over an area of about 350 acres were established during 1976-77.

81. The programme for 1977-78 includes development of fish at private level on 200 village ponds, development work over 600 acres of waterlogged areas, 150 acres of small dams, 534 acres of flood channels, and abandoned canals in the Punjab.

INDUSTRIAL PRODUCTION
(SELECTED ITEMS)

1976-77 —— --- 1977-78



4

MANUFACTURING AND MINING

The manufacturing sector, which has been under constant pressure of numerous factors and experiencing recession during the last few years, has revived considerably during 1977-78. It is estimated to have recorded a growth rate of 4.7 per cent against a decline of 1.0 per cent during the preceding year. This encouraging recovery has directly stemmed from the industrial policy of the present Government. Demarcation between the role of public and private sectors, denationalization of some nationalized industries, fiscal and monetary incentives and tax holidays for less developed areas are some of the important measures taken during 1977-78 to boost the industrial sector. Given an appropriate time dimension, the continuation of the present industrial policy is expected not only to cushion the adverse effects of international factors but also ensure a rising trend in industrial production.

2. The large scale manufacturing sector which accounts for nearly 76 per cent of total industrial production is estimated to record a rise of 5.3 per cent in output during 1977-78 compared to a negative growth rate of 2.3 per cent during 1976-77. Among the major items contributing towards this growth are : art silk and rayon cloth (9.0%), vegetable ghee (15.9%), sugar (22.9 %) and cigarettes (12.4%). The decline in the production of cotton cloth brought down the overall contribution made by the above industries. But for the continued recession in the cotton textile industry, the growth rate would have been even higher during 1977-78.

TREND OF INDUSTRIAL PRODUCTION

3. The followng table shows the trend of production of principal items :

Table 4.1
TREND OF INDUSTRIAL PRODUCTION

Item	Weightage in total industrial production (1969-70=100)*	Unit	1977-78 (estimate) (b)	1975-76	1976-77	1976-77 July—March	1977-78 July—March (P)	% change in 1977-78 (July—March) over 1976-77 (July—March)
Cotton yarn	13.9	Mil. Kgs.	295	349.7	282.6	211.5	215.2	+1.7
Cotton Cloth (excluding hosiery, ready-made garments etc).	13.0	Mil. Sq. Metre	400	520.3	408.3	309.7	289.7	—6.5
Art Silk & Rayon Cloth	1.7	Mil. Metre	N.A.	9.9	17.5	12.2	13.3	+9.0
Vegetable Ghee	2.7	000 tonnes	396(a)	277.0	322.2	242.7	281.4	+15.9
Sugar	7.4	000 tonnes	770	630.0	736.3	576.1	708.0(F)	+22.9
Cigarettes	4.5	Billion Nos.	32	27.5	28.4	20.9	23.5	+12.4
Nitrogenous Fertilizer (a) ..	2.8	000 N/tonnes	320	314.9	312.3	247.2	241.8	−2.2
Phosphatic Fertilizer (a) ..		000 N/tonnes	14	11.8	13.4	9.7	9.8	+1.0
Sulphuric Acid	0.2	000 tonnes	N.A.	46.2	45.2	34.5	37.8	+9.6
Caustic Soda	0.4	000 tonnes	32	38.3	23.6	17.5(P)	22.0	+25.7
Soda Ash	0.4	000 tonnes	74	78.6	55.3	36.9	49.9	+35.2
Cement	2.6	000 tonnes	3150	3196.0	3090.0	2286.0	2364.0(F)	+3.4
M. S. Products	2.7	000 tonnes	280	230.7	269.6	197.0	202.5	+2.8
Cycle Tyres and Tubes	0.5	000 Nos.	N.A.	7399.0	7592.0	5566.0	5808.0	+4.3
Safety Matches	0.1	Mil. Boxes	N.A.	589.6	769.0	512.9	846.9	+65.1

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

Source : Statistics Division.
(*a*) Ministry of Industries.
(*b*) Planning Division.

4. As can le seen from table No. 4.1, during 1977-78 (July—March), out c 15 items as nany as 13 items have shown rise in production while 2 have rcorded a comjaratively small fall.

Cotton Textiles

5. The decline of 0.5 per cent in the production of cloth is a follow-up, in he main, of tle long spell of unabated recession in the international textile narket.

6. During he period July 1977—March 1978, exports of yarn declined to 6.0 milion kgs from 50.6 million kgs. exported in the corresponding period of 976-77. In thecase of cloth, notwithstanding a production decline of 6.5 per cent n 1977-78 (Jul—March), export during the period July 1977—March 1978 rose o 327.96 million sq. metres from 267.48 million sq. metres in the comparable eriod of 1976-77. The increase is partly due to the revival in foreign demand nd partly to he mills' anxiety to clear piling stocks. It is estimated that at he end of December 1977, over 0.8 million spindles were either totally or partially dle.

Art-Silk & Rayon Cloth

7. The increase of 9.0 per cent in the production of art silk and rayon cloth during 1977-78 July—March) over the comparable period of 1976-77 is largely due to rising domestic demand and increased availability of synthetic fibre. The diversion of about 9,000 cotton looms to art silk and synthetic yarn weaving also explains the rise. To check this unhealthy trend, it was decided to disalow import of man-made art silk yarn by units registered after June 30, 1977. The import duty on man-made fibres was also raised from January, 1978.

Vegetable Ghe

8. The production of vegetable ghee has been increasing during the last few years. The increase of 15.9 per cent in its production during July 1977—March 1978 over the corresponding period of 1976-77 is due to continued high imports of edible oil, better availability of domestic cotton seed oil from a larger cotton crop this year and coming into production of the ghee plant at Bara in January, 1977. The production target of vegetable ghee for 1977-78 is 396,000 tonnes

Sugar

9. The sizeable increase of 22.9 per cent in the production of sugar can be attributed to better availability of sugarcane to the mills despite some fall in its production A new sugar mill went into production at Dadu (Sind) in February, 1978. The target of sugar production for 1977-78 is 0.77 million tonnes Tota production during the current year is expected to be over 0.8 million tonne.

Fertilizers

10. The small decline of 2.2 per cent in the production of nitrogenous fertilizers has been partly offset by an increase of 1.0 per cent in the output of phosphatic fetilizers. The fertilizer plants have been working for the last several years at almost full capacity and have little scope for further production gains from the preent capacity. The small increase or decrease which occurs is due to longer or shorter periods of closure for annual repairs etc.

11. The improvement in overall production is also due to a sharp decline in work-hours lost in factories on account of strikes and lockouts. During 1977-78 (July—March), only 1.308 million work-hours were lost as against 4.043 million work-hours lost during the comparable period of 1976-77, showing a decline of 67.6 per cent.

CAPITAL FORMATION

12. Gross fixed capital formation in the industrial sector has increased sharply during the last few years. It rose from Rs. 1,129.6 million in 1972-73 to Rs. 6,307.5 million in 1976-77. For 1977-78, it is estimated at Rs. 7,295.1 million showing an increase of Rs. 987.6 million over the last year. Despite price escalation, gross fixed capital formation in real terms has also increased substantially.

13. In the private sector, the gross fixed capital formation is estimated at Rs. 1,831.2 million in 1977-78 as compared with Rs. 1,747.2 million during the preceding year. In the public sector it is estimated at Rs. 5,463.9 million during 1977-78 as against Rs. 4,560.3 million during 1976-77, showing an increase of 19.8 per cent. The following table shows the trend of fixed industrial capital formation, both in the private and public sectors.

Table 4.2

GROSS FIXED CAPITAL FORMATION IN INDUSTRIAL SECTOR

(Current Prices)

(Million Rs.)

Year	Private Sector			Public Sector	Total Gross Fixed Capital Formation
	Large/ Medium	Small	Total	Total	
1969-70	1,208.2	187.7	1,395.9	179.2	1,575.1
1970-71	1,224.0	201.7	1,425.7	68.2	1,493.9
1971-72	1,016.3	219.1	1,235.4	98.5	1,333.9
1972-73	763.1(a)	255.9	1,019.0	110.6	1,129.6
1973-74	697.3 a)	325.5	1,022.8	382.3	1,405.1
1974-75	990.4(a)	446.5	1,436.9	1,064.9	2,501.8
1975-76	1,309.0(a)	509.5	1,818.5	3,181.6	5,000.1
1976-77	1,161.9	585.3	1,747.2	4570.3	6,317.5
1977-78 (Provisional) ...	1,188.9	642.3	1,831.2	5,463.9	7,295.1

Source : Statistics Division.

(a) Excludes Rs. 25.8 million for the year 1972-73, Rs. 35.4 million for 1973-74, Rs. 78.6 million for 1974-75 and Rs. 100.7 million for 1975-76 as investment in BIM industries but includes investment in ghee establishments upto 1972-73 only.

PUBLIC SECTOR

14. In 1972, the Federal Government took over the management of 32 industrial units falling under 10 categories of basic industries under the Economic Reforms Order, 1972. These units, along with the units under the control of the Pakistan Industrial Development Corporation (PIDC), already a public sector organization, were regrouped industry-wise into the following 10 corporations under the overall supervision of the Board of Industrial Management (BIM): (i) Federal Chemical and Ceramics Corporation (FCCCL), (ii) Federal Light Engineering Corporation (FLEC), (iii) National Fertilizer Corporation (NFC), (iv) Pakistan Automobile Corporation (PACO), (v) Pakistan Industrial

Development Corporation (FIDC), (vi) State Cement Corporation of Pakistan (SCCP), (vii) State Heavy Engineering and Machine Tool Corporation (SHE & MTC) (viii) State Petroleum Refining and Petrochemical Corporation (PERAC), (ix) National Design and Industrial Services Corporation (NDISC), and (x) Pakistan Stee Mills Corporation (PASMIC). While Nos. (i) to (viii) are controlling manuacturing units, the NDISC is a non-manufacturing organisation and the PASMIC is responsible for setting up the Karachi Steel Mills.

15. Public sector investment is made both by the Federal and the Provincia governments. While investment at the Provincial level has also been increasing, buk of the increase is accounted for by the Federal public sector which is controlling the BIM enterprises through the Ministry of Production.

16. Invesment in BIM corporations is estimated to have increased from Rs. 853.8 million in 1974-75 to Rs. 3,087.2 million in 1976-77 and is programmed at Rs 4,409.0 million in 1977-78.

Perfomance of BIM Enterprises

17. The performance of State enterprises can be objectively examined only in the background of the overall economic situation. The enterprises have been adversely affected by slow recovery of the world economy, rising import costs, electricity shortage, heavy rains and floods during the first quarter of 1976-77 and the disturbed conditions in the country before and after the March, 1977 elections.

Production

18. During the first nine months of 1977-78 (July—March), overall production index (at constant prices of 1972-73) of all the state enterprises shows an improvement of 5.3 per cent over the production of the corresponding period last year. The highest increase was observed in PERAC mainly due to the inclusion of some new products. Production for the nine months period at FCCCL, NFC, PACO and SHE&MTC fell short on account of raw material shortages, paucity of funds, non-availability of foreign exchange and slackness in demand for certain items.

19. During 1976-77, in the first three quarters, production had increased by 2.4% when compared with the production in the corresponding period of 1975-76. Political situation of the last quarter of the financial year adversely affected production activity with the result that overall production during 1976-77 (at constant prices of 1972-73) went down by 1.9% compared with 1975-76. Major declines in production were observed in FCCCL (21.9%) and PACO (15.3%). However, the main growth sector during the year was SHE&MTC whose production (at current costs) registered an increase of 60.0% during 1976-77. It was followed by increase of 18.7% in PERAC and 15.5% in FLEC. Production in Karachi area was also affected by shortage of electricity due to frequent breakdowns of KANUPP and KESC's power stations.

Sales

20. Total sales of all the corporations for the nine months (July—March) 1977-78 amounted to Rs. 4,956.8 million as compared to the sales of Rs 6,008.2 million during the whole of 1976-77.

21. During 1976-77, total sales of all state enterprises registered an increase of Rs. 795.6 million (15.3%) to Rs. 6,008.2 million from Rs. 5,212.6 million in 1975-76 All the corporations recorded an upward trend except FCCCL which showed a decline of Rs. 23.3 million (6.2%) over the previous year. The largest increase in sales amounting to Rs. 301.5 million (15.4%) was recorded by PACO, followed by SHE & MTC which increased its sales by Rs. 182.4 million (139.4%) from Rs. 130.8 million in 1975-76 to Rs. 313.2 million in 1976-77. Other major increases of Rs. 106.2 million (13.8%) and Rs. 80.4 million (11.5%) were recorded by FLEC and PERAC respectively.

Net Profit|(Loss) Before Tax

22. All the BIM state enterprises taken as a whole earned a net profit before tax of Rs. 7.2 million during the period July—March, 1977-78. Except for FLEC, SCCP and PERAC, all other corporations suffered losses during the period. NFC showed losses due to non-receipt of subsidy|compensation from the Government. FCCCL suffered loss mainly because of lower production, low prices of caustic soda and soda ash and increases in raw material cost. PACO suffered losses mainly because of lower production.

23. During 1976-77, state enterprises showed profits of Rs. 47.5 million as compared to previous year's profits of Rs. 181.5 million. The profits of FLEC, PACO, SCCP, PIDC and PERAC work out to Rs. 194.8 million which were reduced by the losses of FCCCL, NFC and SHE & MTC amounting to Rs. 150.9 million. PACO earned the highest profits amounting to Rs. 104.4 million, while the maximum loss of Rs. 51.4 million was incurred by NFC mainly due to non-inclusion of price equilization claims receivable from the Government amounting to Rs. 88.4 million. FCCCL's losses were caused by inability to sell its products due to the large scale imports of caustic soda, soda ash, PVC, polyethlene etc., at dumping prices. The anomalies in import policies have been partly removed. SHE & MTC, due to long gestation period, will take time to come into profitable operation.

Taxes and Duties

24. During 1976-77, taxes and duties to be paid to the Government are calculated at Rs. 1,392.8 million which show an increase of Rs. 236.6 million (20.5%) over the taxes and duties of Rs. 1,156.2 million paid during 1975-76. The largest amount of taxes and duties totalling Rs. 704.2 million (about 50% of total) has been paid by PACO.

Employment

25. At the end of December 1977, total number of employees with state enterprises was 64,643 as compared with 58,725 at the end of December 1976. The largest employer was FLEC (12,030), followed by PASMIC (10,186), SCCP (8,816), PACO (8,233), SHE & MTC (7,776) etc. The employment rose to 65,961* at the end of March, 1978.

PRIVATE SECTOR

26. Government's policy of evolving a mixed economic order in which both public and private sectors could contribute to the industrial development of the country received a set back after the takeover of basic industries in 1972. This action shied away private investment which remained at a low level upto 1976-77. However, the measures and incentives provided to the private sector since

* PASMIC figures are for January, 1978.

September 1977, have considerably revived the interest of the investors as is evident from the sharp increase in investment sanctions given during the current year.

27. A sizable package of fiscal concessions, financial benefits and corrective measures have been taken to boost industrial production and meet some major demands of the private sector. These measures include reduction in interest charged by banks to 12.5% on all fixed investment, reduction in margin requirements for opening LCs for the import of industrial raw materials, removal of tax on the issue of bonus shares, increase in tax credit from 10 to 15% of the cost of machinery and equipment meant for balancing and modernization, and fixing standard rebate of excise duty on an additional 17 items. Furthermore, the rate of interest on bank advances for financing the export of items covered by the Export Finance Scheme was reduced from 10% to 6% during 1977-78. These measures are expected to go a long way in accelerating the pace of investment and production.

28. The crucial policy decision taken by Government in October 1977 was the demarcation between public and private sector operations in the industrial field. Ever since the takeover of industrial units under the 10 categories of basic industries in 1972 and of the vegetable ghee industry in September, 1973, the private sector had been living in scare of further encroachments and was persistent in its demand for clear-cut delineation of industries between the two sectors. In March 1978, the Government announced a 5-year tax holiday and remission of import duty on machinery for industries set up in D. I. Khan and Malakand divisions. Earlier, a 5-year tax holiday was announced for Baluchistan. Besides, formulation of the Fifth Five-Year Plan (1978—83) is underway which would indicate the size and direction for private sector investment.

Table 4.3

INDUSTRIAL INVESTMENT SANCTIONS IN THE PRIVATE SECTOR

(million Rs)

Agency	1975-76	1976-77	1977-78 (July—March)
(i) PICIC	313.274	392.879	235.407
(ii) IDBP	452.268	139.755	129.634
(iii) IPB/Textile Commissioner	1,015.992	378.014	1,097.135
(i) Repatrable investment sanctions	112.839	70.212	361.935
(i) Foreign Private loans etc	354.906	87.465	401.391
(i) Non-repatriable investment sanctions	69.383	62.146	164.132
(i) PAYE investment sanctions	446.706	96.823	126.409
(i) (i) BM & R	7.641	61.368	43.268
(ii) Others	24.467		
	1,015.992	378.014	1,097.135
GRAND TOTAL	1,781.534	910.648	1,462.176

29. The trends tabulated above indicate that the Government measures are showing positive results. Investment sanctioned during 1977-78 (July—March) is 60 per cent higher than in the whole of 1976-77. Investment sanctions are a fair index of the way the entrepreneurs feel the shape the economy will take in the foreseeable future. Viewed thus, the present trend of investment sanctions is very encouraging and justifies expectations of a happier position when the full impact of the recent measures is felt.

30. Of the investment sanctioned during 1976-77, Rs. 190.0 million was for cotton textiles, Rs. 75.0 million for building industry, Rs. 596.0 million for hotels and motels, Rs. 41.0 million for glass and glass products, Rs. 53.0 million for sugar, Rs. 31.0 million for paints and varnishes etc.

Disbursements by PICIC|IDBP

31. Total disbursements made by both PICIC and IDBP during 1977-78 (July—March) amounted to Rs. 146.31 million as against Rs. 192.42 million during the comparable period of 1976-77. These disbursements are mostly in respect of sanctions issued earlier. Total disbursements had amounted to Rs. 263.51 million in 1976-77 and Rs. 590.06 million in 1975-76.

Implementation of IPB projects

32. It is estimated that during July 1977—March 1978, utilisation of sanctions issued by the Investment Promotion Bureau amounted to Rs. 215.0 million as against Rs. 157.0 million in 1976-77.

PROVINCIAL DEVELOPMENT PROGRAMME 1977-78

33. The ADP of the four Provincial governments for the manufacturing sector during 1977-78 amounts to Rs. 163.224 million. In addition, the Provincial governments plan to invest in industry Rs. 499.332 million from sources outside the ADP.

Baluchistan

34. The ADP allocation for 1977-78 for the development of industrial sector in Baluchistan amounts to Rs. 6.972 million. Besides the allocations for promotional and training schemes, provision has been made for (i) Industrial Estate, Uthal, (ii) Automatic Brick Plant, (iii) Stone Decoration Project, and (iv) Flourite Project.

N.W.F.P.

35. The ADP provision for the industrial sector of NWFP for 1977-78 amounts to Rs. 19.359 million. Out of this allocation, Rs. 6.859 million will be spent on the implementation of different promotional and training schemes sponsored by the Small Industries Corporation. The main feature of the ADP is the provision of Rs. 12.6 million for Sarhad Development Authority to set up a brick kiln plant, a cattle feed plant and an industrial estate at Jamrud. The investment programme outside ADP stands at Rs. 39.50 million. A number of on-going projects of SDA are expected to be completed in 1977-78. These include four cold storage plants at Mardan, Haripur, Swat and Peshawar and one corn complex at Jehangira.

Sind

36. The ADP provision for industries made by the Government of Sind amounts to Rs. 59.45 million. The allocation will be spent on the implementation of various projects of Sind Small Industries and Handicraft Development Corpration and on three sugar mills at Dadu, Thatta and Sanghar. The Dadu sugar mill was completed during the year and went into production in February, 1978. Work on Thatta sugar mill is progressing on scaedule and the mill is expeted to start cane crushing in 1978-79.

Punjab

37. The Government of Punjab's ADP provision for the development of indutries during 1977-78 is Rs. 77.448 million. Out of this, Rs. 16.991 million is poposed to be spent on various promotional, training and research schemes sponored by the Drectorate of Industries, the Punjab Small Industries Development Corpoation and the Printing and Stationery Department, while Rs. 60.529 million are allocated for sugar mills to be located at Sammundri, Ahmed Pur East D. G. Khan and Kamalia. The investment programme outside the ADP stands at Rs. 398.6 million. The status of some of the major projects being implmented by the Punjab Industrial Development Board is given below :

38. The PIDB is setting up six sugar mills in the province. Two sugar mills are being set up at Pattoki and Pasrur, each with a cane crushing capacity of 1500 tonnes per day. The cost of each project is Rs. 147.8 million. These mills are in advaned stage of completion.

39. Two sugar mills are being set up at D. G. Khan and Kamalia, each with a cane crushing capacity of 2,000 tonnes per day. The capital cost of each projec is Rs 188.8 million with an FEC of Rs. 77.6 million. The D. G. Khan sugar mill will be located near Jampur and the supply of machinery by the Heavy Mecanical Complex, Taxila is expected to start in the first half of 978. In the case of Kamalia sugar mill, a contract for the import of machinery has been signed with M|s Tate and Lyle and the deliveries of machinery are expected to be completed by October, 1978.

40. Two sugar mills are being set up at Sammundri and Ahmad Pur East. The capital cost of the projects is Rs. 292.9 million and Rs. 279.6 million respecively. Machinery for the Sammundri sugar mill has started arriving at Kaachi and orders for the supply of machinery for Ahmed Pur East sugar mill have been placed with the HMC, Taxila.

41. Three textile mills are being set up at Bahawalpur, Dera Ghazi Khan and Sahiwal. Each mill has a capacity of 25,000 spindles and 355 looms. The spining section of the People's Textile Mills, Bahawalpur, has been completed. Civil works on main factory building of Ghazi Textile Mill is in progress and the machinery for the spanning section has arrived at site. Orders for the import of complee plant for Harappa Textile Mill have been placed with M|s C. Itoh & Co, and delivery is expected to start shortly.

SMALL SCALE INDUSTRY

42. Small industry is now widely recognised as a powerful instrument for economic growth, balanced sectoral development and employment generation, paticularly in developing countries. Even in developed countries, like Japan,

there is widespread recognition of the important role of small scale industry in economic advancement. This industry needs smaller capital investment, provides more job opportunities and gives quick returns. It also does not create the socio-economic problem of concentration of economic power in few hands as large scale industry tends to do. Furthermore, by setting up such industries in smaller towns, the influx of population into bigger towns can be checked, a problem which is being faced by developing countries, including Pakistan.

43. Investment in small scale industry has been increasing at a fairly fast pace during the last few years. From Rs. 255.9 million in 1972-73 it has gone up to Rs. 585.3 million in 1976-77. This sub-sector has been growing at the rate of 3 per cent during recent years, but its growth potential is considerably more.

44. The large number of small units it comprises and their wide dispersal makes it difficult to estimate the production and progress of this sub-sector with any degree of certainty. Available data, however, suggest that nearly 30% of the value added in small scale industry is by the unorganized textile sub-sector, 15—20% by the engineering industry and another 15—20% by food industries.

45. However, from the fragmentary data that is available, it appears that its overall contribution to the economy is substantial The contribution of this sub-sector to GDP has been estimated at 3.4 per cent in 1977-78. The Labour Force Survey of 1971-72 indicated that employment in this sub-sector was about 2.0 million against only 0.3 million in the large scale industry.

46. The exports of some items produced by small scale industry, such as carpets, handicrafts and sports goods, have been fast increasing which is indicative of the rapid growth of this sub-sector. From Rs. 773.4 million in 1974-75, the export of these three items rose to Rs. 1,213.8 million in 1976-77 and amounted to Rs. 1,060.1 million in the first nine months of 1977-78.

47. A number of measures have been taken for the promotion of small scale industry. These include raising of fixed assets ceiling from Rs. 0.5 million to Rs. 2.0 million (Rs. 3.0 million for NWFP and Punjab). In addition, the commercial banks provide credit to small units at concessional rates of interest. Besides, in each province, Small Scale Industries Corporations/Boards have been set up for the promotion of small scale industry. A brief description of the activities of these organizations is given below.

Baluchistan

48. The Department of Small Industries has set up a large number of industrial centres in different districts for imparting training in different trades and for their development. At the end of June, 1976, as many as 94 such centres were functioning as given below :—

1. Wool Spinning Centre, Mastung ..	1	2. Carpet Centres	35
3. Embroidery Sub-Centres ..	43	4. Handicrafts Development Centres.	4
5. Leather Embroidery Centre ..	2	6. Wood work Centre, Sibi	1
7. Marble Handicrafts Development Centre, Quetta	1	8. Handloom Centres	2
9. Pottery Development Centre, Dhadar.	1	10. Carpet Teachers Training Institute, Quetta ..	1
11. Sales and Display Depot, Quetta..	1	12. Service Centre, Quetta	1
13. Small Industrial Estate, Quetta ..	1		

49. At the close of 1976-77, these carpet centres had arrangements to train 2,961 tainees, against which 1,106 trainees were under training at the end of December, 197'. Eacl trainee is paid a monthly stipend of Rs. 50. Besides, 48 teacier trainees were under training in the Carpet Teacher's Training Institute, of whon each is paid a monthly stipend of Rs. 150. Similarly, 75 trainees were completing their training in embroidery work in the 4 Handicrafts Development Centres. A large number of workers trained at the carpet centres were employd either by the carpet centres or were running their own business.

NWFP

50 During 1977-78, the Small Industries Development Board was allocated Rs. 6.0 millior for the promotion of small scale industries of which Rs. 0.484 million had been utilised upto December, 1977.

51 The Board is setting up eight industrial estates at Peshawar, Khalabat, D. I. Khan, Mardan, Abbottabad, Swat, Kohat and Bannu. In the industrial estate at Peshawar, 259 plots have been allotted and 55 industrial units have started operation. In Khalabat also, allotments are being made and some units have gone into production.

52 Four cotton textile sizing units are being established at small industries estates Peshawar, Mardan, Khalabat and D. I. Khan. While the unit at Peshawar has gone into production, work on the others is in progress.

53 The Pak-German Wood Working Centre, Peshawar is imparting training to 24 young boys in modern wood technology. The Centre manufactured and sold furniture worth Rs. 3.08 million and Rs. 2.88 million respectively during the first nine months of 1977-78. The wood processing project at Havellian has also started commercial production and produced and sold goods worth Rs. 1.8 million and Rs. 1.36 million respectively during the first half of 1977-78.

54 The Wool Spinning Centre, Mansehra, continued to produce and supply carpet yarn to carpet units, while the Wool Spinning Centre, Batkhela, has recently gone into commercial production.

55 The Scheme of Light Engineering Centre at Mardan has been approved at a total cost of Rs. 4.53 million and request for technical and financial assistance is under consideration of the Federal Republic of Germany.

56 13 carpet development-*cum*-training centres located at different places of the province are equipped to impart training to 260 boys.

57 Eight textile, patti, blanket and drugget weaving centres located at different places are imparting training to 150 boys in various trades.

58 Six enbroidery and knitting centres are imparting training to 110 female trainee in hand, machine embroidery, knitting, sewing, tailloring, etc.

59 Five students from the province have completed their training at the Institue of Leather Technology, Gujranwala, and two students at the Institute of Ceramics, Gujrat.

Punjab

60. As a result of the increasing number of promotional schemes undertaken by the Punjab Small Industries Corporation, the development outlay has increased from Rs. 0.29 million in 1972-73 to Rs. 17.247 million in 1976-77. For 1977-78, due to financial constraints, the ADP allocation has been reduced to Rs. 9.568 million, bulk of which is for the on-going schemes.

61. The corporation manages five Small Industrial Estates located at Gujrauwala, Gujrat, Sialkot, Lahore and Bahawalpur where developed plots are provided on deferred payment basis. Nine service centres in the fields of ceramics, leather, metallurgy, light engineering, cutlery, sports goods and rubber and plastics are also being run to render technical advice, common facilities and technical training to the private entrepreneurs. To improve the skill of the rural labour, the corporation has also established 10 Dehi Mazdoor Workshops at the IRDP Marakez where training is imparted in the fields of welding, wood working, tractor repairs, etc.

62. The corporation has also set up seven handicrafts development centres where training is imparted to local artisans. A design centre operates in Lahore to provide new designs to the artisans. Besides, seven sales shops have been set up at Rawalpindi, Islamabad (Airport), Lahore, Sargodha, Faisalabad, Multan and Bahawalpur.

63. The corporation has also set up 77 carpet training-*cum*-development centres which are equipped to train over 2,000 carpet weavers per year. A carpet training institute has also been established to train supervisory staff for the carpet industry. A loan of Rs. 2,500 on personal guarantee to each carpet trainee desirious of setting up his own carpet unit is also arranged.

64. To induce private investment, the corporation also provides pre-investment counselling and guidance to the prospective entrepreneurs through the Small Industries Advisory Service and financial assistance is also arranged.

Sind

65. During 1977-78, an ADP allocation of Rs. 4.0 million was made to the Sind Small Industries & Handicrafts Development Corporation of which Rs. 2.07 million had been utilised during July—December, 1977.

66. During the period July—December 1977, the corporation sponsored 10 cases to the consortium of commercial banks for advancing loans worth Rs. 42.0 million for working capital and improvement of the existing units.

67. The corporation established two new carpet centres at Jacobabad and Badin. These centres train craftsmen in carpet weaving, introduce new designs and help establish such units. In the 24 handicrafts development carpet centres, 185 trainees are under training during 1977-78 in lacquer, wood turning, carpentary, shoe making, embroidery etc. During the first half of 1977-78, these centres produced goods worth Rs. 0.53 million.

68. The corporation inherited two small industrial estates at Sukkur and Larkana. One-third area of these estates has already been colonized. The corporation has also established three industrial parks in the rural areas of the province at Mirpurkhas, Sehwan and Bhiria. Each park comprises 33 open plots of which allotment has started.

69. The five shops—3 at Karachi and one each at Hyderabad and Moenjodaro aiport—sold out articles worth Rs. 1.2 million during the period July—December, 197'.

70. During the first half of 1977-78, the corporation distributed 270 tonnes of bidi leaves to its 4,437 registered units which employ some 10,000 workers on flat rate quota basis.

INSTITUTIONS FOR PROMOTING INDUSTRIAL DEVELOPMENT

71. A number of financial and other institutions continued to render assistance to the industrial sector. Among non-financial institutions are included Investment Advisory Centre of Pakistan (IACP), Pakistan Industrial and Technical Assistance Centre (PITAC), Pakistan Standards Institute (PSI), Central Testing Laboratories (CTL), Cotton Textile Industrial Research ant Development Centre (CTIRDC), Leather Industry Development Project (LIDP), Patent and Designs Department and the Small Industries Corporations|Departments at the provincial level.

PROGRESS OF SOME LARGE SCALE INDUSTRIES

Cotton Textile

72. The installed capacity in the mill sector at the end of December, 1977 was 3.52 million spindles and 1,200 open-end spinning rotors. The total number of looms in the mill sector at the end of 1977 had declined to 26,627 from 29,000 looms a year earlier. This capacity is capable of producing about 450 million kgs. of yarn and 658 million metres of cloth annually (at the rate of 127 kgs. per spindle per year and 24,700 metres per loom per year respectively)

73. While the number of looms in the mill sector has not risen during the past few years, the increase in the non-mill sector has been rapid. The number of power looms in the non-mill sector are estimated at 55,000 with production capacity of 1,353 million metres. The existing production capacity, both in the mill and non-mill sectors therefore, works out to about 2,000 million metres of cloth annually. The haphazard growth of the non-mill sector has, however, created problems of quality and efficiency.

74. Cotton textiles is the premier industry of the country and accounts for over 2½ per cent of the value added in the industrial sector. As such, any increase or decrease in the production of cotton textiles significantly affects the overall growth of the industrial sector. Besides, this industry is highly export oriented and nearly 45 per cent of its products must be exported to ensure full utilisaton of the existing installed capacity.

75. The textile industry has been faced with crisis during the last three years due to national and international factors. In the international market, the fall in demand for cotton textiles adversely affected this industry. Within the country, the high prices of cotton during the preceding two years, rise in wages and reported fall in the productivity of labour further contributed to the crisis. As a result, unsold stocks, particularly of cloth, have been piling up with the mills. This has adversely affected the liquidity position of the mills and tended to discourage production.

The following table shows the position of stocks, production and export of yarn and cloth.

Table 4.4

STOCKS, PRODUCTION AND EXPORTS

	Cotton yarn (Mil. Kgs)			Cotton cloth (Million Sq. Mts.)		
	Stocks as on 30th June	Production	Export (mill & non-mill sector)	Stocks as on 30th June	Production	Exports (mill & non-mill sector)
1972-73 ..	11.1	376.1	182.3	36.5	588.6	516.3
1973-74 ..	35.4	379.5	98.2	88.9	592.2	347.7
1974-75 ..	20.5	351.2	75.8	112.9	555.9	397.1
1975-76 ..	13.2	349.7	110.4	74.9	520.3	463.8
1976-77 ..	12.2	282.6	66.6	81.9	408.3	416.8
1977-78 (July—March) ..	13.6	215.2	36.0	85.0	289.7	328.0

Source : Statistics Division
Central Board of Revenue for stocks of yarn & cloth.

77. The crisis has also affected the liquidity of the mills and made balancing and modernisation difficult. It is estimated that 0.8 million spindles were either totally or partially closed at the end of December, 1977. Besides, 9,000 cotton looms are estimated to have been diverted to art silk and synthetic yarn weaving in Punjab alone.

78. To enable this industry tide over the crisis, the interim Government fixed the prices of lint cotton (except of extra long staple varieties) for sale to textile mills at Rs. 325 per maund in September, 1977. This involved a subsidy @Rs. 45 per maund. In addition, a number of fiscal concessions and credit facilities were given to industries in general, including the textile industry.

79. As the causes of the crisis are deep rooted, the Government is considering other short and long term measures to revitalise this major industry. To assist the industry financially, a Technical Committeee for Financial Assistance was set up by the Federal Government to consider providing financial assistance through commercial banks to such sick|closed mills as were facing financial crisis. Since its inception, the Committee has examined the cases of 25 mills of which 11 were recommended financial assistance to the extent of Rs. 36.5 million. Thirteen cases were not considered fit for financial assistance, while one was deferred.

80. The World Bank, under an agreement with the Government of Pakistan, appointed M|s : Werners (International) as consultants to undertake a study of the textile industry and suggest measures to put it on an even keel. The report will be submitted to the Government shortly.

Art Silk and Synthetic Textiles

81. At the end of December, 1977, the installed capacity in this industry was 35,000 looms (including about 9,000 cotton looms converted into art silk and synthetic yarn weaving in the Punjab). Of these, 17,700 looms were in

Punjab, 11,600 n Sind 100 in NWFP and 5,600 in the Tribal Area|Dir and Swat.

82. With a view to discouraging this large scale conversion of cotton weaving looms, the 977-78 Import Policy allowed import licences for man-made|art silk yarn to only such units which were registered prior to July 1973. However, because of large number of representations, the policy was revised to allow import licences to units registered prior to 1st July, 1977. This, to some extent, has put a check on increased conversion of looms. Subsequently, with effect from 1st January, 1978 the Government raised the rate of duty on synthetic and man-made yarn

83. It is being represented by the industry that because of the latest increase in impot duty, not only small art silk weaving units but also medium sized and even medium-large units, will be unable to compete with the cloth produced in unsettled areas Swat & Tribal Areas). This is because of smuggling of man-made yarn from Afghanistan to tribal areas at cheaper rate as compared with the prices in other parts of the country.

84. It is esimated that *per capita* consumption of this class of fabrics would increase from the present level of 4.1 metres to 6.4 metres annually by 1982-83, necessitating rasing of the capacity to 48,200 looms.

85. The machinery installed in the industry has become rather old as balancing and modernisation has not been done during the last many years. With the introduction of polyester yarn, new technique for weaving, finishing and processing of yarn and fabric and also design technology have undergone a tremendous change. There is, therefore, urgent need for the modernisation of this industry.

86. The export prospect of man-made fibre cloth are bright, but export performance of the country would depend on how quickly the industry can rationalize its structure, balance and modernize its existing units and increase indigenous production of suitable raw materials at a reasonable cost. The import of modern machinery and balancing|modernisation is being encouraged under Non-Repatriable Investment Scheme.

Woollen and Vorsted Textiles

87. The total sanctioned capacity in this industry at the end of March, 1978 was 82818 spindles and 741 looms.

88 The existing number of woollen semi-worsted spindles installed is 40,830 which are capable of producing 26 million kgs. of yarn. The number of working spindles is 30,000 but the production is only 1 million kgs. which is very low. The number of worsted spindles installed is about 45,220 (including 7,200 spindles sanctioned recently), of which 30,560 are reported to be working. Worsted spinning industry is basically import oriented for its raw material requirements. No addition in the number of installed spindles is presently envisaged as the projected production of worsted and semi-worsted yarn in 1982-83 is 19 million kgs. only. However, as part of the existing capacity is quite old, balancing and modernisation will be encouraged. The installed capacity of 741 looms is capable of producing 3.9 million metres of cloth.

89 Despite the unsatisfactory situation of this industry, it is fully meeting the requirements of carpet manufacturing industry—a major export oriented industry—and also of other industries like blankets, hosiery goods etc. The export

of carpets and rugs has increased sharply from Rs. 108.7 million in 1971-72 to Rs. 911.9 million in 1976-77.

Jute Industry

90. At the end of June 1977, the installed capacity of the four jute mills in the country was 1,509 looms and 22,224 spindles capable of producing 60,000 tonnes of jute goods. The production of jute goods during 1975-76 was 42,000 tonnes which declined to 33,900 tonnes in 1976-77. The current demand for jute goods is around 75,000 tonnes. The demand-supply gap is being met through imports of jute goods and by using such substitutes as cotton cloth and paper and synthetic packing material. The main constraint in increasing the production of jute manufactures is the inadequate availability of raw jute which has to be imported, low productivity of workers and liberal imports of jute goods. By 1982-83, the requirements of jute goods are expected to rise to 120,000 tonnes or 3,150 looms.

91. In view of the short fall of supplies in meeting the country's requirements, three units of 271 looms (including 62 shuttleless and 23 broad looms) and 7,176 spindles stand sanctioned with a total foreign exchange cost of Rs. 57.50 million for a production capacity of 25,000 tonnes of jute goods per annum. Out of this newly sanctioned capacity, the machinery of one unit has already been installed. Commercial production of this unit is expected to start by the middle of 1978 for 10,000 tonnes of jute goods per annum. Another project in the private sector having eight sets of spinning frames, 40 broad looms and 60 ordinary sacking looms for a capacity of 2,300 tonnes hessien, 4,100 tonnes sacking is under consideration of the Government.

Vegetable Ghee

92. The vegetable ghee industry was nationalized on September 2, 1973 when, out of the total number of 26 vegetable ghee manufacturing units, 23 units were taken over. The total production capacity of the industry in September 1973 was 223,500 tonnes per annum which increased to 391,000 tonnes per annum during 1977-78—345,500 tonnes in nationalized units and 45,500 tonnes in the private.

93. In January 1978, Mirpur Ghee Factory (Azad Kashmir) with a capacity of 9,000 tonnes came into operation. Besides, a factory at Dargai (NWFP) with a capacity of 9,000 tonnes is likely to come into operation by the end of 1977-78. Another unit with a capacity of 9,000 tonnes is under installation at Haripur (NWFP). By the end of 1978-79 the installed capacity is likely to go up to about 429,000 tonnes. Including the balancing and modernisation programme in hand, the production capacity will go up to 497,000 tonnes per annum by 1981-82.

94. The main constraint in increasing the production of vegetable ghee is the uncertain and inadequate availability of edible oil from domestic sources which necessitate huge foreign exchange expenditure on its import. For instance, out of the total requirement of 385,000 tonnes of edible oil during 1977-78, it was originally planned to import only 227,000 tonnes of edible oil, but due to downward revision of the cotton crop, the principal source of domestic oil, 288,878 tonnes of edible oil is being imported. Besides increasing the production of traditional sources of edible oils, *i.e.*, cotton and rapeseed, plans are underway for encouraging the cultivation of such oil seeds as soyabean, sunflower, safflower and groundnut.

95. The production of vegetable ghee has increased substantially during the last few years. From 187,000 tonnes in 1972-73, it rose to 277,000 tonnes in 1975-76 and further to 322,200 tonnes in 1976-77. The target for vegetable ghee production during 1977-78 is 396,000 tonnes. The production during 1977-78 (July—March) was 281,400 tonnes. The target is expected to be achieved.

96. The demand for vegetable ghee has been increasing at a rapid pace during the last few years due to increased monetization of the agricultural sector and greater urbansation. Besides, there has been a shift from the consumption of animal fat (desi ghee) to vegetable ghee due to the steep rise in the prices of desi ghee.

97. With a view to providing cheaper and healthier cooking media, the Ghee Corporation of Pakistan has introduced a new brand of cooking oil 'PAKWAN'. The retail prices of 16, 4.5 and 2.5 kg. tins are Rs. 125, Rs. 38 and Rs. 19.50 per tin respectivey. These prices are 17—18.3 per cent lower than those for corresponding packs of vegetable ghee.

Sugar

98. There are in all 28 sugar mills in the country, including the Dadu Sugar Mill (Sind) having a capacity of 30,600 tonnes set up in February 1978. The annual production capacity is now 816,000 tonnes based on 160 working days: 345,000 tonnes in Punjab, 283,000 tonnes in Sind and 188,000 tonnes in NWFP.

99. Production of sugar has shown wide fluctuations due to changes in availability of sugarcane, improvement or deterioration in its sucrose content, Government's price fixation policy, distribution control and the prices of 'gur'.

100. The following table gives the production of sugar during the last few years.

Table 4.5

PRODUCTION OF SUGAR

(000 tonnes)

Year	Production	Year	Production
1972-73	429	1975-76	630
1973-74	608	1976-77	736
1974-75	502	1977-78 (July-March)	708

Source : Statistics Divison.

101. Of the 28 sugar mills in the country, 5 sugar mills located in the NWFP. also produce sugar from beet. These mills have a beet slicing capacity of about 7,300 tonnes per day and produce between 30 to 35 thousand tonnes of sugar with average 19 per cent recovery and a slicing period of 45 days.

102. The main problem in capacity utilisation of the industry is the availability of quality sugarcane in adequate quantities. The availability of sugarcane is dependent, apart from natural factors, upon the ex-mill delivery price fixed for sugarcane, income expected from its conversion into 'gur' or from cultivation of alternative cops.

103. The yield per acre in Pakistan is low compared to the yield in other countries where sugarcane is one of the major crops. For example, yield per acre in Hawaii is about 90 tonnes, in Peru it is 75 tonnes and in the Philippines 30 tonnes, compared to only about 16 tonnes in Pakistan. There is need, therefore, for raising the per acre yield of sugarcane in Pakistan, both by adopting better agricultural practices and evolving better varieties of sugarcane.

104. It is estimated that only about 30 per cent of the sugarcane produced in the country is crushed by mills, while the rest is either used for making 'gur' or eaten raw. This is largely due to difficulties in transporting cane to the mills. Supply to mills can improve considerably if the mills are located in cane growing areas or better transport facilities are provided between the cane-growing areas and the sugar mills. The supply can also be improved by fixing ex-factory price of sugarcane well before the sowing time and reviewing the price of sugar to ensure that sugarcane prices are not uneconomic.

105. The new capacity plan consists of 16 new sugar mills out of which nine will be installed in Punjab, five in Sind and two in NWFP. It is reported that out of the 16 sugar mills, seven will be of 1,500 tonnes daily crushing capacity and the remaining nine of 2,000 tonnes daily crushing capacity.

106. Taking the consumption of sugar at 630,000 tonnes during 1975-76 as the base and assuming an annual growth rate of 10 per cent, the demand would reach 1.2 million tonnes by 1982-83. If the cane supply to mills is regulated as in 1976-77 crushing season, it is anticipated that the existing crushing capacity and the new capacity being installed, can raise production to about 1.2 million tonnes by 1982-83.

Cigarettes

107. The production capacity of the cigarette industry in its 20 units is estimated at 40 billion cigarettes per annum on a two-shift basis. There has been a small increase in the production of cigarettes in recent years from 27.62 billion in 1972-73 to 28.38 billion in 1976-77 or by only 2.8 per cent. As the imports of cigarettes are negligible, the trend of production shows that the *per capita* consumption of cigarettes is on the decline. A small quantity of superior brand cigarettes are, however, smuggled into the country. The slow *per capita* increase in consumption is partly due to the rise in the price of cigarettes, and increase in the price of essential items which has tended to reduce the expenditure on cigarettes. The re-introduction of 'bidi' and its increased consumption has also tended to reduce the demand for cigarettes.

108. Keeping in view the trend towards increase in population, greater urbanisation and increase in money incomes, the cigarette industry estimates that the demand will grow at a compound rate of 7 per cent per annum and would rise to 42 billion cigarettes by the end of 1982-83. If the present permissive policy towards smoking and its wide publicity continues, growth in demand projected by the cigarette industry is likely to materialise. In that event the existing capacity in the country would need to be enhanced.

109. At present there is no cigarette filter tow manufacturing facility in the country and the total demand is being met through imports. Cigarette filters are being imported both in the form of cigarette filter tow and also cigarette filter rods by cigarette manufacturers. Average import of both cigarette filter tow and cigarette filter rods during the past six years has been in the region of 600 tonnes per annum.

110. A present some 12—15 per cent of main superior quality cigarettes are filter tipped and it is estimated that by 1982-83 some 30—35 per cent of the cigarettes produced would be of filter tipped quality. There is need, therefore, to set up a capacity of 1,000 tonnes per annum for manufacturing cigarette filter tow and filter rods. Major basic imports would be cellulose acetate flakes and packaging material like laminated aluminium foil. Acetate flakes of filter tow spinning quality are available locally from M|s. Ravi Rayon Ltd., a state enterprise. M|s Rhodiaceta, one of the leading manufacturers of acetate tow, after testing the acetate flakes being manufactured by M|s. Ravi Rayon and finding them suitable for cigarette filter manufacture, have agreed in principle to provide know-how and indicated their willingness to 20% equity participation.

Fertilizers

111. To attain self-sufficiency in food and produce more of non-food crops, increase in the application of chemical fertilizer is essential. At present, inadequate use of fertilizers, as compared to other advanced countries, is the main constraint in achieving this objective.

112. Against the estimated demand of 516,000 N|tonnes of nitrogeneous and 128,000 N|tonnes of phosphatic fertilizers, the domestic production in 1976-77 was only 312,300 N|tonnes and 13,400 N|tonnes respectively. The deficit of about 318,000 N|tonnes was partly met by importing 274,500 N|tonnes of fertilizers valued at Rs. 624 million during the year. As the installed capacity of the five fertilizer plants, producing both nitrogenous and phosphatic fertilizers, was 26,312 N|tonnes per annum, the capacity utilisation in 1975-77 was 100 per cent. There is, therefore, no scope for increasing fertilizer production from the existing capacity. The following table shows the existing installed capacity :

Table 4.6

EXISTING INSTALLED CAPACITY

Name of the Factory	Product	Capacity	
		tonnes	N/tonnes
Eso Pakistan Fertilizer Company, Daharki.	Urea	173,000	79,000
Dawood Hercules Chemicals Ltd., Shaikhupura.	Urea.	345,000	158,000
National Fertilizer Factory, Daudkhel ..	Ammonium Sulphate.	90,000	19,000
National Fertilizer Factory, Multan ..	(*i*) Ammonium Nitrate.	103,000	26,780
	(*ii*) Urea.	59,200	27,232
National Fertilizer Factory :			
(*i*) Faisalabad .. —	Single super phosphate.	90,000	16,200
(*i*) Jaranvala			
TOTAL EXISTING CAPACITY —	Nitrogenous.	770,200 tonnes or 310,012 N/tonnes.	
	Phosphatic.	90,000 tonnes or 16,200 N/tonnes.	

Source : Ministry of Industries.

113. As the demand for fertilizers is estimated to increase to 919,000 N|tonnes of nitrogenous and 324,000 N|tonnes of phosphatic fertilizer by 1982-83, high priority is being accorded to the setting up of fertilizer plants to meet future demand. As the country possesses adequate reserves of natural gas which is an ideal feed-stock for the production of nitrogenous fertilizer, no serious difficulty is likely to be encountered on this score. With the completion of the new projects envisaging production of 783,700 N|tonnes of nitrogenous fertilizers, coupled with the existing capacity of 310,012 N|tonnes, the country will become self-sufficient in this type of fertilizer by 1982-83. As regards phosphatic fertilizers, the total capacity of 175,000 N|tonnes (existing and so far sanctioned) would fall far short of the estimated demand of 324,000 N|tonnes by 1982-83. To reduce the demand-supply gap, a proposal to set up four S.S.P. plants, each having a capacity of 16,200 N|tonnes has been submitted by the National Fertilizer Corporation to the Government.

114. In the past there has been very little emphasis on potassic fertilizers, but their demand is now being felt and will continue to grow. From about 200 N|tonnes in 1967-68 the consumption is estimated to have increased to 2,460 N|tonnes in 1976-77 and is projected to go up to 16,615 N|tonnes by 1982-83. At present, these fertilizers are not being produced in the country.

115. A brief description of the fertilizer plants being set up in the public sector is given below :—

(i) *Pak-Arab Fertilizer (Multan)*

The project envisages a major expansion of the existing facilities located at Multan. The total estimated cost of the project is Rs. 1,926.0 million of which Rs. 1,080.0 million is in foreign exchange. The expansion is being carried out with the participation of Abu Dhabi (through Abu Dhabi National Oil Company) to the extent of 48 per cent in the share capital of the company. The annual production capacity of the project will be : Ammonium Nitrate (450,000 tonnes), Nitrophosphate (305,000 tonnes) and Urea (72,000 tonnes). The project is expected to be completed by September 1978.

(ii) *Pak-Saudi Fertilizer (Sukkur)*

The project, located at Mirpur Mathelo (Sind), will have an annual production capacity of 557,000 tonnes of Urea. The approved total cost of the project is Rs. 1,912.0 million of which Rs. 1,377.0 million would be the foreign exchange component. The project is scheduled for completion in December 1978.

(iii) *Hazara Fertilizer Complex (Hazara)*

The project is located at Haripur (NWFP) and will be completed in two phases. The estimated cost of phase I of the project is Rs. 360.0 million with a foreign exchange component of Rs. 175.0 million.

In phase I of the project, 95,000 tonnes of Urea will be produced annually with the installation of the first plant. Phase I of the project is expected to be completed by April, 1980.

(iv) *Fauji Foundation Fertilizer Project*

The project is proposed to be set up at Machi Goth near Sadiqabad in District Rahimyarkhan by the Fauji Foundation. The total cost of the project is estimated at $ 272.0 million, including foreign exchange. The production capacity of the plant is estimated at 250,000 N|tonnes of nitrogenous fertilizer.

Cement

116. The existing installed capacity of the ten cement plants, all in the public sector, is 3.45 million tonnes. While the demand for cement has been growing

at a fast rae during the last few years, there has been practically no increase in the installed capacty during the last decade. It is estimated that the deficit of 0.5 million tonnes in 1975-76 would widen to 1.09 million tonnes in 1977-78. This deficit is expected to narrow down in 1978-79 when new projects will start coming into operaton.

117. The volume of unsatisfied demand for cement has been growing since spurt of construction activity in the recent past. The sharp increase in the prices of iron and steel products, bricks and other construction material for which cement can be used as a substitute, has further reinforced the demand for cement.

118. The demand for cement is estimated to increase to 6.0 million tonnes by 1982-83 To meet future demand, 6 cement projects (excluding the 0.6 millon tonne D. G. Khan project which is still in planning stage) having a tota capacity of 1.80 million tonnes are under various stages of implementation. With the completion of these projects, the existing capacity of 3.45 million tonnes would increase to 5.3 million tonnes by 1982-83, but in the meantime the demand would have risen to 6.7 million tonnes, leaving a gap of 1.4 million tonnes. In case the 0.6 million tonnes Dera Ghazi Khan project also comes up, the deficit would be narrowed down to 0.8 million tonnes. A brief description of the projects under implenentation is given below:

(i) *Lavedan Cement (exparsion) Project*

State Cement Corporation of Pakistan (SCCP) is establishing a new cement factory with an annual capacity of 0.3 million tonnes at the existing premises of Lavedan Cement Plant, Karachi. The project would be using dry process of manufacturing and is based on imported machinery. The total cost of the project is Rs. 312.0 million with an FEC of Rs. 172.0 million. A Saudi Arabian loan of US$ 16.5 million is available for foreign exchange requirements.

An expenditure of Rs. 176.5 million had been incurred on the project upto December, 1977 of which FEC was Rs. 121.6 million. Major portion of civil works on the main building has been completed and 60% of the machinery has arrived. The plant is expected to start trial production in the early part of 1978-79.

(i) *Mustehkam Cement (expension) project*

SCCP is establishing a new cement factory with an annual capacity of 0.3 million tonnes at the existing premises of Mustehkam Cement Plant, Hattar, District Haara. The project would be using dry process of manufacturing and will be based on imported machinery. The total cost of the project is Rs. 310.0 million with an FEC of Rs. 172.0 million.

An expenditure of Rs. 97.85 million had been incurred on the project upto December, 1977. Orders for local fabrication of machinery have been placed with Heavy Mechanical Complex and over 40 per cent of the imported machinery for the main plant has arrived. The plant is expected to start trial production in 1978-79.

(iii) *Pak-Iran Cement Project*

This poject, being set up in Baluchistan, is a joint venture between the SCCP and DRO of Iran. It will have a capacity of 0.3 million tonnes annually and will be based on the dry process of manufacturing. The total cost of the project is estimated at Rs 361.0 million with an FEC of Rs. 282.0 million.

An expenditure of Rs. 6.96 million had been incurred on the project upto December, 1977. An allocation of Rs. 50.0 million with an FEC of Rs. 35.0 million has been made for the project in the ADP 1977-78.

(iv) *Kohat Cement Project*

SCCP is setting up a cement factory at Babri Banda, Kohat district, with an annual capacity of 0.3 million tonnes. The plant is proposed to be based on dry process of manufacturing. The estimated cost of the project is Rs. 324 million with an FEC of Rs. 261 million.

An expenditure of Rs. 21.5 million with an FEC of Rs. 3.85 million has been incurred on the project upto December, 1977. Contract for the main plant has been awarded to a Romanian firm and the payment will be made in local currency out of Romanian credit.

(v) *Dandot Cement Project*

SCCP is setting up a new cement factory with an annual capacity of 0.3 million tonnes at Dandot, Jhelum district. The project would be based on dry process of manufacturing and is estimated to cost Rs. 321.0 million with an FEC of Rs. 208 million. An agreement has been signed with OECF Japan to provide yen credit to cover the foreign exchange cost of the project. Negotiations for the supply of plant and machinery are in progress. The plant is expected to be commissioned by February, 1981.

(vi) *Thatta Cement Project*

SCCP is setting up a cement plant at Thatta (Sind). The plant is designed to produce 330,000 tonnes of cement per annum. The project is based on the dry process of manufacturing and is estimated to cost Rs. 334.17 million with an FEC of Rs. 216.00 million. Negotiations for awarding the contract to M|s Mitsubushi of Japan are in progress. By the end of December 1977, an expenditure of Rs. 0.3 million had been incurred on the project which is expected to be commissioned by February 1981.

(vii) *Dera Ghazi Khan Cement Project*

This project, which is proposed to be set up by the SCCP at a capital cost of Rs. 814.15 million, with an FEC of Rs. 431.39 million, will have a capacity of 0.6 million tonnes per annum. The feasibility report has been sent to the Asian Development Bank which is the expected source of foreign loan.

Heavy Foundry and Forge, Taxila

119. This project, which has been set up with the technical and financial assistance of the People's Republic of China, is the biggest project of its kind in Pakistan providing a metallurgical base to the heavy engineering sector.

120. The factory has an annual steel melting capacity of 60,000 tonnes and production capacity of 46,000 tonnes of castings and forgings.

121. Quality castings and forgings are the life blood of engineering industry. By producing these items in the country, a vital need of the capital goods industry will be met. The project, when in full production, will be able to fully meet the requirements of heavy castings and forgings of the engineering units, including those of railways, defence, automobile and capital goods manufacturing industries. Additionally, it is designed to substitute import of grinding media for cement factories.

The project is now in trial production period which will last till June, 1978. The housing colony is presently under construction. The total expenditure incurred on the project upto December, 1977 was Rs. 432.36 million (FEC Rs. 151.47 million).

Karachi Steel Mills

123. Recognising the key role which the steel industry plays in the overall development of a country, the foundation of the first integrated steel mill was laid on 30th December, 1973 at Pipri near Karachi. The mill is being set up by the Pakistan Steel Mills Corporation (PASMIC) in the public sector, with the financal and technical assistance of USSR. The capital cost of the project as per PC-I proforma is estimated at Rs. 13,422 million, inclusive of foreign exchange componen of Rs. 7,050 million. The latest capital cost is estimated at Rs. 17,561 million (foreign exchange Rs. 7,696 million).

124. Emphass has now shifed from civil works to mechanical and electrical works. Erection of works connected with Stage-I of the project have been awarded. Total value of civil, mechanical and electrical works awarded upto March 1978 stood at Rs. 3,441 million. Utilization of Soviet/French credits upto March 1978 amounted to Rs. 1,094.94 million (Soviet Rs. 806.21 million, French Rs. 288.73 million).

125. The project is expected to start partial production in 1980-81, while full cycle of product-mix will be achieved in 1983-84 as given below :—

(Quantity in Tonnes)

Item	Partial Production	Full cycle of product-mix
1. Coke	197,500	215,000
2. Pig Iron	70,000/ 80,000	135,000
3. Billets	117,000/ 400,000	260,000/ 400,000
4. H. R.Sheets	-	445,000/ 305,000
5. C. R.Sheets	-	90,000
6. Galvanized Shets	-	100,000
7. Formed Sections	-	120,000
	117,000/ 400,000	1,105,000

The above product-mix is flexible and can be adjusted according to market demand.

Infrastructure Facilities

126. These facilities comprise such items as fresh water supply, industrial and sea water, electric power, natural gas pipeline, railway sidings, road network, unloader and conveyor system, tele-communication system, office accommodation etc., which are outside the scope of Soviet technical assistance.

Metallurgical Training Centre.

127. A Metallurgical Training Centre has been established with a view to training and creating skilled and semi-skilled cadres of production and construction workers required during construction phase of the mill. The centre is functioning from December, 1975 and 1,015 trainees were undergoing training in 31 trades at the end of March, 1978. A total of 921 workers have so far been trained

Township

128. The township meant for factory's management, staff and workers is being developed. Out of 2,961 units under construction, 483 units for Soviets and 191 units for Pakistanis had been completed by March, 1978.

Raw Materials

129. The production programme of Karachi Steel Mills is based on high grade imported coking coal and iron ore and domestic raw materials. As the supply of coal, limestone, dolomite, fireclay, flourspar|bauxite etc. will be met from domestic sources, the mining industry will get a big boost.

Training

130. About 1,500 technical personnel will be trained abroad: 810 engineers and operatives have already been trained abroad—450 in USSR, 174 in Iran, 49 in Egypt, 28 in Turkey, 6 in Australia and 13 in France. In addition, 296 engineers and operatives are presently undergoing training—369 in USSR, 25 in Turkey and 2 in West Germany.

Shipment from USSR

131. Against Soviet supplies of about 475,000 tonnes of equipment and materials, the shipment received upto March 1978 was 194,591 tonnes.

Physical progress

132. By the end of March 1978, the progress achieved in setting up of the production units of the mill was as under :—

	Item	Progress Achieved
1.	Levelling & Grading..	92%
2.	Essential Production Units :	
	(*i*) Coke-oven & By-product Plant	94%
	(*ii*) Raw material preparation plant	49%
	(*iii*) Iron making plant (plant furnace No. 1)	49%
	(*iv*) Steel making plant (with bloom caster)	22%
3.	Auxiliary Production units :	
	(*i*) Refractories & Lime production plant	55%
	(*ii*) Repair shops & Storage Facilities	62%
	(*iii*) Central Laboratories & Instrumentation buildings	46%
4.	Utilities :	
	(*i*) Thermal power plant & Turbo Blower Station	45%
	(*ii*) Transport & Communication facilities	15%
	(*iii*) Water supply, sewerage pipeline	19%

Expenditure

133. The cumulative expenditure incurred on the project till March 1978 amounted to Rs. 5,256.74 million (F. E. Rs. 2,299.75 million including credit utilisation of Rs. 1,094.94 million).

MINING

134. In Pakistan significant deposits of important minerals have been identified, but their exploration has been limited. As a result, the contribution of minerals to the GNP is less than one per cent.

135. Lately, the Government has been attaching greater importance to the development of this sector. Main bottlenecks in the way of its development have been financial constraints, deficiencies of institutional set-up, inadequacies of trained

personel and lack o modem scientific and laboratory equipment. Other reasons for is slow growth have been the failure to integrate the development of mineals with their utilization, with the result that the demand for minerals has not only been inadequate but also sporadic.

36. To step up the development of this sector, investment in it has been substntially increased as indicated in the following table :—

Table 4.7

PUBLIC SECTOR INVESTMENT ON MINERAL DEVELOPMENT

(Rs. in million)

Year	Expenditure
1972-73	15.8
1973-74	62.6
1974-75	49.0
1975-76	73.2
1976-77	109.3
1977-78 (Estimated)	155.9

Note : Excluding allocations to OGDC. *Source* : Planning Division

137. Following the steep rise in the import bill of crude oil, efforts to strike oil/gas have been intensified. The allocation to Oil & Gas Development Corporation (OGDC) was increased from Rs. 278.1 million in 1975-76 to Rs. 419.8 million in 1976-77 or by about 50 per cent. For 1977-78, the allocation has been further increased to Rs. 450.0 million. This has enabled the OGDC to modernise its equipment base and undertake deeper drilling.

138. The institutional framework has been considerably strengthened by the establishment of Pakistan Mineral Development Corporation (PMDC) in July, 1974, and the Resource Development Corporation (RDC) in April 1974, at the Federal level. The responsibility of PMDC extends from the survey and discovery of minerals to their marketing. The RDC was set up with the sole object of exploring and developing copper deposit at Saindak in Baluchistan. At the Provincial level, agencies entrusted with the responsibilities of mineral development have been set up. To coordinate the activities of different agencies and corporations, a broad for mineral co-ordination has been set up at the Federal level.

139. Lately, substantial progress has been made in integrating the mineral development programme with the utilisation of minerals.

140. A baryte grinding plant with an initial capacity of 20,000 tonnes, which will be raised to 0,000 tonnes by 1980, went into production at Khuzdar (Baluchistan) in the middle of 1976. In addition, a ceramics complex based on china clay of Swat was set up near Nowshera in January, 1977 and is producing a wide range of sanitary wares. A marble processing plant, capable of cutting 12,500 tonnes of marble per annum according to international standards, went into production in early 1977. Other mineral-based projects under implementation or in the planning stage are the ferro-chrome manufacturing plant at Muslimbagh in Baluchistan, the fertilizer factory based on rock phosphate deposits of Hazara and sulphur refining plant in Baluchistan. The PMDC is setting up a coal washing plant at its Sharigh coalfields to supply 75,000 tonnes of washed coal per annum to Karachi Steel Mills, while 250 MW thermal power plant at Jamshoro will be based on Lakhra coal deposits etc.

141. With the setting up of the Karachi Steel Mills, scheduled to start partial production in 1980-81 and full production in 1982-83 the mineral sector will get a big boost. Except for iron ore, manganese and coking coal which will be imported, the requirements of all other raw materials such as dolomite, fireclay, limestone, flourite, buxite etc., will be met locally. It is estimated that the mill

will annually require 430,000 tonnes of limestone, 242,500 tonnes of dolomite, 11,000 tonnes of bauxite and 44,100 tonnes of refractory clay, besides large quantities of silica sand and flourite.

MINERAL PRODUCTION

142. The following table shows the trend of production of principal minerals.

Table 4.8

PRODUCTION OF MINERALS

Name of Mineral	Unit	1975-76	1976-77 (P)	1976-77 (July—March) (P)	1977-78 (July—March) (P)	% increase /decrease July—March 1977-78 over July—March 1976-77
Natural Gas (i) ..	Billion cubic metre.	4.98	5.56	4.121(F)	4.334(F)	+5.2
Crude Oil (i) ..	Million barrels	2.03	3.58	2.69(F)	2.70(F)	+0.4
Coal	000 tonnes	1,106	1,113	822	783	—4.7
Limestone	000 tonnes	3,249	3,288	2,382	2,662	+11.8
Barytes	000 tonnes	8.3	15.6	12	13	+8.3
Chromite	000 tonnes	12	8	7	7	—
Rock Salt	000 tonnes	427	336	241	309	+28.2
Gypsum	000 tonnes	300	287	215	201	—6.5
Silica Sand	000 tonnes	43	58	42	43	+2.4

P : Provisional
F : Final.

Source : Statistics Division
(i) Ministry of Petroleum & Natural Resources.

143. Table 4.8 shows that during the period July 1977 to March 1978, out of 9 principal minerals 6 showed an increase while 2 recorded a decline and one showed no change as compared with the corresponding period of 1976-77. A brief analysis of production trend is given below.

Natural Gas

144. The increase of 5.2 per cent in the production of natural gas is due to the rising demand for gas, both for domestic and commercial purposes. Production of gas has been on the increase right from the beginning as new gas lines are being laid to meet the rising demand. So far, about 8 per cent of the total recoverable gas reserves (excluding Pirkoh) have been consumed. In the meantime, discovery of new gasfields is expected to further increase gas reserves.

Crude Oil

145. The nominal increase of 0.4 per cent in the production of crude oil is largely accounted for by the Meyal oilfield, though the production of Joyamir and Toot oilfields declined.

Coal

146. The decline in the production of coal is largely due to lesser demand from brick kilns which consume nearly 90 per cent of the total production. Besides, coal production has received a serious setback due to increasing use of natural gas in industry and power sectors. At present, about 18 per cent of the coal production is in the public sector and 82 per cent in the private sector.

147. The operating coalfields have a potential for atleast double the existing production but the output keeps pace with demand.

Limesone

1.8. The increase in the production of limestone is due to its rising demand in the construction sector where it is mainly used.

Baryts

1.9. The increase of 8.3 per cent is due to the fact that a regular demand for this item has developed with the setting up of a baryte grinding plant at Khuzdar in Bauchistan. Its production will further rise in coming years as the capacity of the grinding plant will be increased from the present 20,000 to 60,000 tonnes annualy by 1980.

Chronite

1.10. Chromite ore is presently being mined for export only. Its production has declined from about 28,000 tonnes annually between 1965-66 and 1972-73 to only 2,000 tonnes in 1975-76, mainly due to lesser foreign demand and tougher competition from other chromite exporting countries.

Rock Salt

1.11. The increase of 28.2 per cent in the production of rock salt this year is due to the fact that its production last year was low on account of heavy rains in the first quarter of 1976-77 and strike of miners in February and March, 1977.

1.12. A brief description of the mineral development programmes undertaken by the various institutions during 1977-78 is given below:

PAKISTAN MINERAL DEVELOPMENT CORPORATION

1.13. The Pakistan Mineral Development Corporation (PMDC), was established in July, 1974 to fill in the gap which existed earlier between mineral discovery and mineral development. The Corporation is responsible for the development of all minerals (except those under specialised agencies like OGDC, RDC and PAEC), right from the stage of survey and discovery to their marketing.

1.14. During 1977-78, the investment programme of PMDC amounts to Rs. 56.99 million of which Rs. 19.90 million will be self-financing. The Corporation will be implementing 11 schemes during 1977-78 which include (1) Exploration of Hunza Ruby, (2) Exploration of China Clay at Nagar Parker, (3) Exploration of Flourite (Dilband), (4) Exploration of Malakand Chromite, (5) Lakhra Coal Mining Project, (6) Expansion of Makerwal Collieries, (7) Expansion of Rock Salt Mines, (8) Expansion of Sharigh Collieries, (9) Coal washing plant, Sharigh (10) Upgradation beneficiation of indigenous iron ore, and (11) Technical and Management Study of Coal and Salt Mines.

1.15. A brief description of the main projects under implementation is given below:—

(i) *Expansion of Makerwal Collieries*: The scheme costing Rs. 44.642 million is aimed at raising the coal production from 120,000 tonnes at present to 300,000 tonnes per annum by the end of 1982-83. The scheme is being implemented on self finance basis and foreign exchange loan has been obtained from the National Development Finance Corporation. The machinery and equipment required for the project has started arriving.

(ii) *Development of Sharigh Collieries:* The scheme involves an expenditure of Rs. 31.167 million and envisages the development of the coal deposits for a susained production of 100,000 tonnes of coal per annum. PMDC has arranged foeign exchange loan from National Development Finance Corporation for the impot of mining machinery and equipment.

(iii) *Coal Washing Plant Sharigh*: PMDC is setting up a coal washing plant at Sharigh at a total cost of Rs. 24.025 million. The entire production of coal from Sharigh Collieries will be washed in order to bring down the ash content of the coal. The washed coking coal will be supplied to Karachi Steel Mills where it will be blended with high grade imported coking coal for the manufacture of metallurgical coke. An allocation of 1.65 million Canadian dollars has been made to this project under Baluchistan Line of Credit. All the preliminary investigations and surveys have been completed and PMDC has signed an agreement with M|s. Cyclone Engineering Sales Ltd., Canada, for the supply and erection of the coal washing plant.

(iv) *Expansion of Rock Salt Mines*: The development works under the approved PC-I scheme costing Rs. 19.986 million are in progress. The machinery and equipment have been received. The scheme aims at raising the production capacity of the mine from 0.317 million tonnes of salt to 0.560 million tonnes and is expected to be completed by June, 1978.

Projects completed during the last three years: The PMDC has completed eleven projects of (1) Exploration of Lakhra coal field, (2) Exploration of Khushab Bauxite, (3) Exploration of Talc and Flourite in NWFP, (4) Exploration of Indus Sand Gold, (5) Exploration and evaluation of raw material resources for PASMIC, (6) Exploration of Kohi-Sultan Sulphur, (7) Lapidary and Purchase Centre, (8) Mineral Testing Laboratory, (9) Exploration of D. G. Khan Iron Ore, (10) Feasibility for desulphurisation and upgradation of lignite coal and (11) Feasibility study for production of beehive coke and coal washing.

RESOURCE DEVELOPMENT CORPORATION

156. In 1974 the Government decided to have a commercial evaluation of the Saindak copper deposits near Pak-Iran border in Chagai District, Baluchistan. For this purpose, a new public sector agency, the Resource Development Corporation, was established. The RDC, after completing more than 30,480 metres of drilling and 125,000 chemical analyses, proved three copper ore bodies with total ore reserves of 412 million tonnes at Saindak.

157. Seltrust Engineering Limited, the technical consultants selected by UNDP, carried out detailed pre-investment feasibility study of the project. They recommended mining of the South ore body (ore reserves of 111 million tonnes) in the first instance primarily because of its relatively high grade and by-product values like those of gold, silver, pyrite and magnetite. They recommended a mine and mill of 12,500 tonnes per day capacity which would mean a life of 17-year operations of the South ore body alone. The study indicates that three products, namely, blister copper, mild steel billets and sulphuric acid will be obtained from Saindak ore. The project is proposed to be started in 1979 and completed by 1981.

158. The feasibility study was scrutinized in detail jointly by Seltrust Engineering Limited, Mountain States Research and Development of Tucson, Arizona (USA), the client's consultants, and the Resource Development Corporation, who endorsed the report in all its details.

159. About 15,000 tonnes of blister copper, 17,000 tonnes of steel billets and 148,000 tonnes of sulphuric acid will be extracted from the deposits annually.

160. The investment in this project is estimated at US $ 200 million of which $ 116 million will be in foreign exchange. It is estimated that the project will generate a total annual revenue of US $ 73.8 million.

16. The foreign exchange earnings/savings, after deducting the operating expenses, will amount to US $ 723 million over 17 years at an average yearly rate of US $ 42.5 million. In addition to the above financial benefits, many social benefits will accrue for the people living in this backward area.

OIL AND GAS DEVELOPMENT CORPORATION (OGDC)

162. Exploration for oil and gas is being undertaken by the OGDC in the public sector and by 10 international oil companies in the private sector.

163. To step up the activities of OGDC in the field of oil and gas exploration and development, the financial allocations to this Corporation have been considerably increased since the hike in oil prices. From only Rs. 58.3 million in 1972-73, the ADP allocation rose to Rs. 419.8 million in 1976-77 and further to Rs. 450.0 milion (FEC Rs. 30.0 million) in 1977-78.

164. During the first half of 1977-78, the most significant achievement was the gas find at Pirkoh which is of high quality. Besides, the Corporation undertook gravity and seismic surveys and drilling at several places.

165. The Corporation has lately considerably strengthened its equipment base by importing a number of high class rigs for deep drilling. The production of gas by OGDC during 1977-78 (July—March) was 70.055 million cu. metre. Oil production was 368,553 barrels during 1977-78 (July—March) as against 343,897 barrels during the corresponding period last year.

GEOLOGICAL SURVEY OF PAKISTAN

166. Geological Survey of Pakistan is primarily responsible for collecting and providing geological information about the country through systematic geological mapping and other associated basic geo-scientific research programmes. The Department also carries out exploration and appraisal for solid mineral resources of the country which often include the application of the techniques of geophysical surveys, geochemical investigations and test drilling operations.

167. During 1977-78, the Federal Government provided Rs. 16.64 million for various technical activities of the Department. This included Rs. 10.73 million for the regular activties of the GSP and Rs. 5.91 million for meeting the expenses of the three ongoing schemes, namely, the Chagai Mineral Exploration Project, the Lasbela-Khuzdar Mineral Exploration Project, and the Aeromagnetic Survey Project in parts of Baluchistan. While the target set for Aeromagnetic Survey Project was fully achieved, the technical activities under the Chagai and Lasbela-Khudar Mineral Exploration Projects suffered serious shortfall, mainly because of an acute shortage of technical personnel.

Regional Surveys

168. The aeromagnetic survey in Baluchistan was carried out with Canadian assistance and covered an area of 108,000 sq. kms. Aeromagnetic survey is the quickest means for locating magnetic iron ore bodies (magnetite) and for delineating basement configuration and subsurface structural trend. This survey would also provide information useful for oil search and exploration of those ore deposits which are associated with magnetically susceptible minerals. During 1977-78, GSP has mapped about 6,000 sq. kms., mostly on 1 : 50,000 scale, in different pats of the country.

Mineral Exploration

169. The important mineral exploration projects implemented during 1977-78 related to the survey of cement raw materials in Dera Ghazi Khan district, Punjab; exploration for building materials in Sind and investigation of carbonatite rocks for phosphate and rare earths in Khyber Agency, NWFP.

170. A brief description of the present status of exploration and development of important solid mineral resources is given in the following paragraphs:

Barite (Barytes)

171. It is mainly used as a weighting agent in oil-well drilling muds. It is also used in the manufacture of paints and insecticides, as filler for paper and textiles and for the preparation of various barium compounds.

172. Sufficiently large deposits of good quality barite have been found in Khuzdar and Lasbela districts in Baluchistan and in Hazara district, NWFP. Total available reserves are estimated by the GSP at over 2.2 million tonnes. Out of these, more than 1.3 million tonnes are located in Gango-Shekran-Khuzdar area of Baluchistan. A barite grinding plant was set up at Khuzdar town in 1976 as a joint venture between the Baluchistan Government and the Pakistan Petroleum Ltd. The plant will initially produce about 20,000 tonnes of ground barite annually, which will be raised to 60,000 tonnes per annum by the year 1980. The project is basically export oriented with bulk of the produce being exported to the Middle East market.

173. Production of baryte in 1976-77 was recorded at 15,606 tonnes with over 3|4th of the quantity coming from Khuzdar area and the remaining from Hazara District.

China Clay (Kaolin)

174. China clay is used in the manufacture of ceramics, refractories and paper. It also has many other small scale industrial applications.

175. An economically workable deposit of china clay occurs at Shah Dheri in Swat District, NWFP. Reserves of over 160,000 tonnes of clay are expected to be available in this area. Other small occurences of china clay have been found at Nagar Parker in Tharparkar District in Sind and in some parts of Hazara and Dir districts in NWFP. In 1977, a ceramics complex at Nowshera started utilizing the Swat clay for the manufacture of sanitary and china wares, tiles etc. Production of china clay was 7,400 tonnes in 1976-77.

Chromite

176. It is the only commercial mineral for obtaining chromium metal and is also the lone metallic mineral that Pakistan produces and exports. The entire production is presently exported. The most important use of chromite lies in the production of ferro-chrome and stainless steel. Other industrial uses include manufacture of refractory chrome bricks and furnace linings, dyes, pigments etc.

177. The main deposits of chromite are located near Muslimbagh in Zhob District, Baluchistan. These deposits contain ore with a chromium-iron ratio of 3 : 1 to 2.6 : 1. Small deposits of chromite have also been found in the Ras Koh region of Chagai and Kharan District, Baluchistan and in Malakand, Mohmand and North Waziristan Agencies in NWFP. Annual production of chromite for the last 3 years is averaging around 10,000 tonnes.

Coal

178. The Coal deposits may be classified as lignite to sub-bituminous showing non-coking or weakly coking properties. They have low contents of fixed carbon, high sulphur and ash and low to moderate calorific values which range between 7,00 to 2,400 BTUs per pound. Total available reserves of coal are estimated at 442 million tonnes and occur in Punjab, Sind and Baluchistan. At present about 80 per cent of the coal production is consumedn by brick-kil industry. Other major consumers are railways, small-scale industries, defence services and dometic user.

179. The Pakstan Mineral Development Corporation is establishing a coal washing plant at Sharigh in Sibi district, Baluchistan with Canadian assistance. On completion, the plant will produce 75,000 tonnes of washed coal annually for use in the Kaachi Steel Mills. The Lakhra coalfield in Dadu district, Sind is also proposed to be developed for power generation. Development of Makarwal and the Salt Range coalfields in the Punjab will also be undertaken by the PMDC.

Copper Ore

180. Large deposits of copper ore have been found at Saindak near Pak-Iran border. Further details regarding copper ore are given in the section on Resouce Development Corporation.

Fire Clay

181. Large deposits of fire clay running into several hundred million tonnes are located in the Salt Range and Kala Chitta Range area in the Punjab, in parts of Thatta and Dadu district, Sind and Dera Ismail Khan, NWFP.

182. In 1976-7, the production of fire clay was 39,000 tonnes with bulk of the production coming from Musakhel, Mianwali district and Chhoi, Attock district. The Muskhel fire clay is classed as heavy duty refractory clay.

Dolomite

183. It is mainly used as a fuxing and refractory material in iron and steel and other metallurgical inlustries. Large deposits of dolomite occur in different areas of Pakistan. The major accessible deposits are in the Salt Range and Kala Chitta Range areas in the Punjab ; near Jhimpir in Thatta district, Sind ; at Sherwan in Hazara district, NWFP, and near Spezand in Kalat district, Baluchistan. Present annual production of dolomite is about 2,700 tonnes which is expected to rise to 250000 by 1981 to meet the requirements of the Karachi Steel Mills.

Flourite

184. Also called flourspar, flourite is an important mineral and is used as fluxing material in steel industry. It is also used for the production of hydrofluoric acid and synthetic cryolite. In Pakistan, flourite mineralization of economic significance is found only in Kohi-Maran and Dilband-Moro areas of Kalat district, Baluchistan. Its demand will increase considerably when the Karachi Steel Mills goes into production.

Fuller's Earth

185. This mineral is mainly used in oil refining and as a cleaning agent. Fairly large deposits of Fuller's earth occur in parts of Dera Ghazi Khan district, Punjab; Khairpur district, Sind and Dera Ismail Khan district, NWFP. Its production in 1976-77 was 12,000 tonnes.

Glass Sand (Silica Sand)

186. This is the basic raw material for glass industry. It is also used in iron and steel industry as a fluxing material.

187. Fairly large deposits of low to medium grade glass sand occur in different parts of Pakistan *i.e.* Salt Range, Punjab, Thano Bula Khan, Dadu district, Sind; and Hazara and Dera Ismail Khan districts, NWFP.

188. The present requirement of glass sand is mainly met from the local production which was about 58,000 tonnes in 1976-77. The production will increase manifold with the setting up of the Karachi Steel Mills.

Gypsum and Anhydrite

189. It is used as a basic feed for ammonium sulphate fertilizer and as a retarder in the production of Portland cement. It is also used in the manufacture of pre-fabricated construction material. Ground rock gypsum is used to a limited extent as direct fertilizer in the salinised soils. Anhydrite is mainly used in the production of fertilizer, sulphuric acid and cement.

190. Extensive deposits of gypsum are found in different regions in the Punjab, NWFP and Baluchistan. Main producing areas at present are Daudkhel and Khewra in the Punjab. Production in 1976-77 was 287,000 tonnes. Considerable scope exists in Pakistan for the development and production of gypsum and anhydrite. The demand for these minerals will considerably increase with the expansion of construction activity and cement and fertilizer industries.

Iron Ore

191. Total reserves of iron ore in the country are estimated at over 500 million tonnes of which about 475 million tonnes are of sedimentary type, about 9 million tonnes of metamorphic hydrothermal type and about 16 million tonnes of lateritic type.The largest reserves of over 300 million tonnes have been located in the Kalabagh-Makerwal region in Mianwali district, Punjab. In this region the ore contains complex carbonate, silicate and oxide minerals with an average of 32 per cent iron. About 100 million tonnes of ore reserves of similar composition are reported to occur in Pezu-Sheikh Budin hills in Dera Ismail Khan district, NWFP. The Langrial deposit in Hazara district, NWFP contains about 30 million tonnes of complex ore with iron content varying from 34 to 47 per cent. About 10 million tonnes of magnetite reserves with an average of 40 per cent iron are estimated to be available near Khuzdar in Khuzdar district, Baluchistan. The remotely placed Chitral deposits of 3.7 million tonnes are of magnetite type with an iron content of 45 to 65 per cent.

192. Due to poor quality and small reserves, the presently known iron ore deposits of Pakistan are not considered suitable for use in medium or large size integrated steel mills. Therefore, the Karachi Steel Mills is being based on imported ore.

193. Recently coordinated efforts have been started under the auspices of UNIDO by a team of geologists, mining engineers and metallurgists from the GSP, PMDC, & PASMIC to re-appraise the technical feasibility of utilizing Kalabagh iron ores.

Limestone

194. Limstone is perhaps the most widely used industrial rock. Besides being the base raw material for Portland and other types of cements, it is also the most extensively used construction and building material both in the form of rawstone and lime and lime mortar. In steel industry, it is an important component of the flux charge. Limestone is also used in sugar, paper, chemical and other metallurgical industries.

195. In Pakistan, the reserves of limestone are almost inexhaustible. Present production is over 3 million tonnes per year, which is expected to increase to 10 million tonnes by 1983 with the setting up/expansion of cement factories and the commissioning of the Karachi Steel Mills.

Marble

196. Large deposits of marble in different varieties and colours are located in Chagai District in Baluchistan and in the Tribal Areas of NWFP. The green shaded travertine of the Chagai District is commercially known as onyx marble.

197. Production of marble in 1976-77 was over 35,000 tonnes. Out of this onyx marble was 25,000 tonnes. Onyx is an export item and in 1976-77 about 15,000 tonnes were exported, mainly to Italy.

Ochres

198. Small to modest size pockets of low to medium grade ochres have been located in the Punjab, Sind and Baluchistan. These deposits are being exploited on small scale and the product is mainly used in paint industry. Production of ochres in 1976-77 was over 12,100 tonnes.

Rock Phosphate

199. The deposits of rock phosphate have attained great importance due to rapidly increasing world-wide tendency to apply greater amounts of phosphatic fertilizer to soils to boost agricultural production. Rock phosphate is the basic raw material for the production of phosphatic fertilizers, phosphoric acid and elemental phophorous.

200. Rock phosphate deposits of possible economic value have been found in Hazara District, NWFP. The Sarhad Development Authority is presently engaged in development studies of these deposits in collaboration with British consultants. Tentatively, the reserves are estimated at about 13 million tonnes.

Rock Salt

201. Large deposits of excellent rock salt occur in the Salt Range area in Jhelum and Mianwali district, Punjab and near Bahadur Khel in Kohat district, NWFP. Rock Salt mining is a Government monopoly (through PMDC) and private companies are only alowed to extract sea salt.

202. There are six major mines and quarries in Pakistan, including the famous Khewra mine in Jhelum district, Punjab. The Pakistan Mineral Development Corporation is affecting some major improvements in the existing mines including electrification, mechanical haulage, construction of roads and workshop and housing for miners. A project of solution mining at Khewra is under execution jointly by the PMDC and ICI.

203. The present production capacity of about 400,000 tonnes per annum is planned to be raised to about 650,000 tonnes by the end of the Fifth Plan period.

Soapstone

204. Ground soapstone is used in the manufacture of paints, roofing tiles, rubber and ceramics. It is also used in foundary facings, bleaching fillers for textiles, cosmetics, soaps, insecticides linoleum, shoe polishes, and for polishing rice, barley and corn.

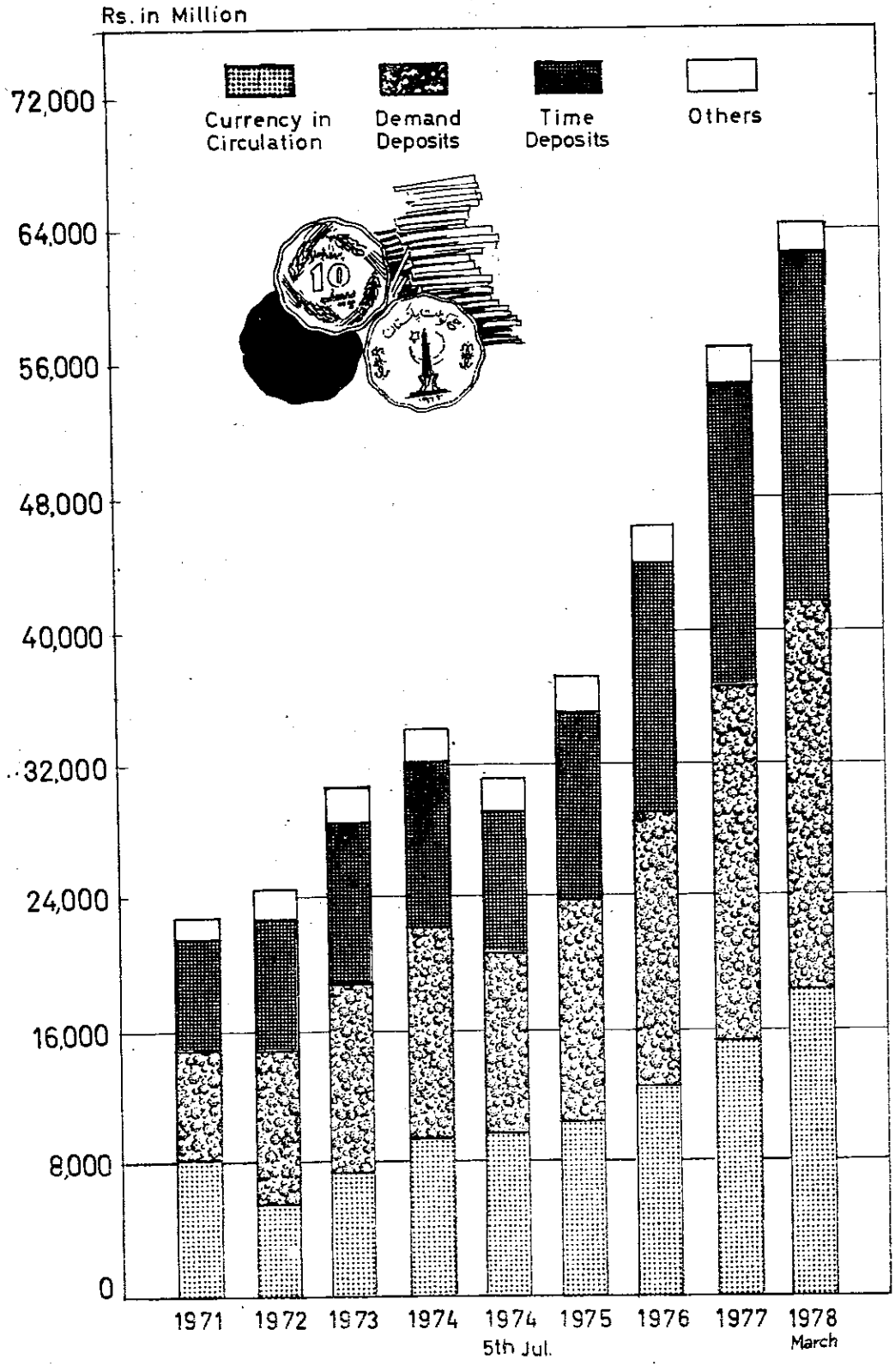
205. Commercial deposits of soapstone are presently found only in NWFP where it occurs in parts of Hazara District and in Khyber and Kurram Agencies. Total reserves are estimated at 400,000 tonnes. Its production in 1976-77 was 7,596 tonnes.

Sulphur

206. This is an important industrial mineral. It is mainly used in the manufacture of sulphuric acid, fertilizers, pesticides, explosives, chemicals etc.

207. Small reserves of sulphur are found in Koh-i-Sultan near Nok Kundi in Baluchistan. In 1976-77, production of about 1,167 tonnes has been reported from this area. Because of low reserves and their complex distribution in the host rock, large scale mechanized expansion is not feasible.

MONETARY ASSETS



5

MONEY AND BANKING

The monetary policy pursued during 1977-78 aimed at promoting the overall national economic goals and therefore certain changes in the monetary policy were made to supplement the fiscal and other economic policies to revive investment and encourage production and exports. These changes aimed at rationalizing credit expansion to enhance the availability of commodities in the market and to contain the rising trend in prices through a check on purchasing power. The interest structure, an important factor in determining the demand for money, has undergone selective revision with the object of increasing investment in the productive avenues and further mobilizing private savings.

2. On June 7, 1977 the Bank Rate was raised from 9 to 10 per cent and the minimum and maximum advance rates charged by the commercial banks were accordingly revised. To further encourage savings, the minimum rate of interest on the various categories of deposits were raised by 0.5 to 1.00 percentage point Under the Export Finance Scheme, the rate of interest was lowered twice from 10 to 8 per cent on July 7, 1977 and later to 6 per cent on March 30, 1978 Similarly, the rate of interest on bank finances for the export of locally manufactured machinery was reduced twice from 9 to 7 per cent and again to 5 per cent. On domestic sale of locally manufactured machinery the interest rate was fixed at 2 per cent below the rate at which foreign currency loans are to be given for the same machinery. The policy of credit allocation with a tilt towards productive sectors through credit ceiling of individual banks and mandatory targets for banks for their lending to specific priority sectors was continued.

Monetary Assets*

3. During the period from July 1977 to March 1978, the growth rate of monetary assets decelerated and was recorded at 13.2 per cent. Total monetary

*Monetary assets are defined to include currency in circulation, demand and time deposits of the Public with scheduled banks, " other deposits " with the State Bank (excluding IMF A/c No. 1 Countrpart Funds and other loan accounts etc.), Post Office Savings Bank deposits and deposits of non-scheduled and cooperative banks with the State Bank.

assets stood at Rs. 56,868.0 million on June 30, 1977 and rose to Rs. 64,390.1 million on March 30, 1978, registering an expansion of Rs. 7,522.1 million. Against this the corresponding period** of last year experienced an expansion of Rs. 8,316.4 million or 18.0 per cent and the whole preceding year closed with a 23.3 per cent rise. The increase during July 1977—March 1978 was the result of combined expansionary impact of government sector, private sector and foreign sector, which was reflected in a substantial growth in currency-in-circulation and scheduled banks' deposits

Components of Monetary Assets

4. Various components of monetary assets depicted different growth rates. The currency-in-circulation increased by Rs. 2979.8 million or 19.1 per cent compared to Rs. 2583.0 million or 20.2 per cent during the corresponding period of last year. Its share in the increase in total monetary assets rose to 39.6 per cent as against 31.1 per cent over the same period.

5. Total deposits of the scheduled banks increased by Rs. 4812.0 million as compared with the increase of Rs. 5761.4 million during the corresponding period last year, showing a fall of 16.5 per cent in the expansion. These accounted for about 64 per cent of the total monetary expansion against 69.3 per cent last year. Bulk of the increase in deposits of the scheduled banks was however in time deposits which accounted for about 60.0 per cent of total deposits increase during the period under survey, compared with 32.5 per cent increase during the corresponding period last year. This shows that time deposits of the scheduled banks have a growth rate faster than the last year. The growth in demand deposits during the period under review is only 9.0 per cent as against 16.0 per cent in time deposits. During the corresponding period last year the respective growth rates were 23.6 per cent and 12.4 per cent. Larger increase in time deposits relative to demand deposits has some positive correlation with upward revision in the interest rate on time deposits announced in June, 1977.

6. Among various other categories of deposits, the "other deposits" with State Bank (excluding Counterpart Funds etc.) showed a decline of Rs. 266.7 million as against an increase of Rs. 46.4 million during the same period last year. Deposits of non-scheduled and cooperative banks with State Bank declined by Rs. 0.1 million against a decline of Rs. 2.1 million last year, while post office savings bank deposits registered a fall of Rs 2.9 million* compared with a fall of Rs. 72.3 million in the corresponding period last year.

7. Higher rate of growth of currency-in-circulation relative to that of the deposits of scheduled banks during the period under survey as compared to the trends obtaining during the corresponding period last year shows a significant change in financial portfolio of individuals. This shift in montary assets could perhaps be best explained by monetization of some non-menetized sectors of the economy, increase in income level in rural population and large amount of remittance received in rural areas where preference is still for cash.

**Wherever referred to in the chapter relates to the period 26-6-1976 to 1-4-1977.

*Provisional.

8. The following table gives changes in components of Monetary Assets :—

Table 5.1

CAUSATIVE FACTORS OF CHANGES IN MONETARY ASSETS

(Million Rs.)

	Change of 30-3-78 over 30-6-77	Change of 1-4-77 over 25-6-76
Currency in ciculation	2979.8	2583.0
Demand liabilities of scheduled banks (excluding inter-bank items).	1934.3	3889.7
Time liabilities of scheduled banks (excluding inter-bank items) ..	2877.7	1871.7
Othe depositswith SBP (excluding Counterpart Funds etc.) ..	—266.7	46.4
Deposits of non-schedued and cooperative banks with SBP ..	—0.1	—2.1
Post office savings bank deposits	—2.9	—72.3
	7522.1	8316.4

Causatve Facors

9. The causative analysis of factors affecting change in monetary assets revealed that, except for the contractionary influence emanating from miscellaneous facors, all sectors of the economy contributed to monetary expansion during July 1977—March 1978.

10 Credit expansion in the private sector amounted to Rs. 4254.6 million during July 1977—March 1978 compared with the rise of Rs. 5658.0 million during the corresponding period last year. The increase in credit to private sector was considerably short of the scope of Rs. 6470 million available under the Credit Plan for the first nine months of 1977-78. This was attributable to several factors *i.e.*, reduced seasonal requirement of funds by the private sector mainly for financing of rice following denationalisation of rice mills, lower rate of increase in the general price level, net retirement in local currency loans of ADBP due to improved recoveries, and smaller increase in State Bank's loans to non-bank financial institutions. Public sector enterprises increased their borrowings from banks by Rs. 1403.4 million during July 1977—March 1978, as compared with the rise of Rs. 1509.7 million during the corresponding period last year.

11. The net increase in Government borrowings for budgetary support and commodity operations during July 1977—March 1978 amounted to Rs. 1482.9 million compared with the ceiling of Rs. 800 million and the actual net increase of Rs 3191.9 million in the corresponding period last year. Government borrowings from the banking system to meet shortfall in budgetary resources amounted to Rs. 2357.7 million against the ceiling of Rs. 750 million for July 1977—March 1978. Nevertheless, it was lower than deficit financing of Rs. 3444.4 million during the corresponding period last year. Larger Government recours to the banking system for budgetary support during the first three quarters of 1977-78 than provided for in the credit plan for the year was attributable to a number of factors. The shortfall in Government resources occurred due to factors like (a) additional demand for Tarbela repairs,

(b) larger subsidy to textile mills, (c) increase in subsidy of imported wheat, (d) decline in revenue through loss of export duty and trading profits due to fall in international cotton prices, and (e) increase in the import cost of petroleum.

12. During July 1977—March 1978, the government has retired an amount of Rs. 874.8 million of its advances from banks for commodity operations as compared to projected increase of Rs. 50 million for the period and a retirement of Rs. 252.5 million during the corresponding period last year.

13. The government have taken many fiscal measures during the year to mobilise additional resources (mentioned in other Chapters) and as a result it is expected that government's own expansionary force on monetary assets through deficit finance would be confined within the allowed safe limits.

14. The foreign sector contributed to monetary expansion by an amount of Rs. 1707.5 million during July, 1977—March, 1978 as against the contractionary impact of Rs. 2320.1 million in the corresponding period last year. An important contributory factor was the enlarged home remittances from Pakistanis working abroad. Miscellaneous factors exercised contractionary influence of Rs. 1326.3 million as against the expansionary impact of Rs. 276.9 million in the corresponding period last year.

15. The table below shows the change in causative factors of monetary assets :

Table 5.2

CHANGE IN COMPONENTS OF MONETARY ASSETS

(Million Rs.)

	Change of 30-3-1978 over 30-6-1977	Change of 1-4-1977 over 25-6-1976
Change in Monetary Assets	7,522.1	8,316.4
1. Private Sector	5,658.0	7,167.7
(a) Proper	4,254.6	5,658.0
(b) Public Enterprises	1,403.4	1,509.7
2. Government Sector	1,482.9	3,191.9
(a) Budgetary Support	2,357.7	3,444.4
(b) Commodity Operations	(—)874.8	(—)252.5
3. Foreign Sector	1,707.5	(—)2,320.1
4. Miscellaneous Factors	(—)1,326.3	276.9

BANKING TRENDS*

Bank Deposits

16. Deposits of the scheduled banks (excluding inter-bank deposits) rose by Rs. 4,812.0 million or 12.2 per cent from Rs. 39,311.5 million on June 30, 1977 to Rs. 44,123.5 million on March 30, 1978 compared to the increase of Rs. 5,761.4 million or 18.2 per cent during the corresponding period last year. Bulk of the increase in deposits was in time deposits which rose by Rs. 2,877.7 million or 16.0 per cent from Rs. 18,001.2 million on June 30, 1977 to Rs. 20,878.9 million on March 30, 1978, while demand deposits recorded comparatively smaller increase of Rs. 1,934.3 million or 9.0 per cent (from Rs. 21,310.3 million on June 30, 1977 to Rs. 23,244.6 million on March 30, 1978). During the corresponding period last year the demand deposits had grown faster than time deposits recording an increase of Rs. 3,889.7 million

*Figures used in the section may not tally with those given in Table 21 because of difference in timing and coverage.

compared to an increase of Rs. 1,871.7 million in time deposits. Growth in total deposit during the period under review is attributable to expansion in banking coverage, greater deposits mobilisation efforts of the banks and larger home remittances as well as better return offered now on term deposits. Quarerly trends in deposits revealed that during the first quarter (July--September 1977) there was an overall decrease of Rs. 116.8 million which was accounted fo by a large decrease of Rs. 501.6 million in demand deposits and an increase of Rs. 384.8 million in time deposits. The growth tempo of deposits accelerated in the second quarter ended December 1977 and recorded an increase of Rs. 5,038.3 million. During the third quarter, however, the total deposits dropped by Rs. 109.5 million owing to a substantial fall of Rs. 592.1 million in demand deposits, partly offset by the increase of Rs. 482.6 million in time deposits.

7. During the corresponding quarters last year deposits had recorded comparatively larger rise. Total deposits rose by Rs. 1,132.6 million during the first quarter (July—September 1976) which increased substantially by Rs. 6528.5 million during the second quarter ended December 1976 but declined by Rs. 1899.7 million in the third quarter ended March 1977. Demand deposits which had recorded an expansion of Rs. 965.7 million in the first quarter rose substantially by Rs 4263.4 million in the second quarter but declined by Rs. 1339.4 million in the third quarter. Time deposits which had increased by Rs. 166.9 million in the first quarter went up further by Rs. 2265.1 million during the second quarter but declined by Rs. 560.3 million in the third quarter.

Table 5.3

SCHEDULED BANKS DEPOSITS

(Million Rs.)

	1977-78			1976-77		
	1st Qrt.	2nd Qrt.	3rd Qrt.	1st Qrt.	2nd Qrt.	3rd Qrt.
Total	(—)116.8	5038.3	(—)109.5	1132.6	6528.5	(—)1899.7
Demand	(—)501.6	3028.0	(—)592.1	965.7	4263.4	(—)1339.4
Time	384.8	2010.3	482.6	166.9	2265.1	(—)560.3

Bank Credit

8. Total bank credit* increased by Rs. 2974.4 million or 9.8 per cent from Rs. 30,284.8 million on June 30, 1977 to Rs. 33,259.2 million on March 30, 1978 compared to the increase of Rs. 5686.0 million or 23.1 per cent during the corresponding period last year. Sectoral break up showed that credit to the private sector (including public enterprises) recorded an increase of Rs. 3849.2 million or 15.3 per cent from Rs. 25,117.0 million on June 30, 1977 to Rs. 28,966.2 million on March 30, 1978. Scheduled banks advances to the government for financing commodity operations declined by Rs. 874.8 million from Rs. 5167.8 million on June 30, 1977 to Rs. 4293.0 million on March 30, 1978. This is compared with an increase of Rs. 5938.5 million or 30.0 per cent in the bank credit to the private sector (including public sector enterprises) and decrease of Rs. 252.5 million in bank advances to the government sector during the corresponding period last year.

9. Larger reduction in scheduled banks advances to the government compared to last year was on account of substantial decline in advances against wheat, fertilser, edible oil and newsprint. On the other hand there was a substantial increase in bank advances against sugar and smaller increase in the case of rice

*Total bank advances (excluding inter-bank advances and foreign currency loans of ADBP and DBP) and inland and foreign bills purchased and discounted by banks.

and seed. Decline in advances against these commodities is on account of lower procurement, fall in the imported price and decline in stocks held. Trend in cash financing is given as under :

Table 5.4

CASH FINANCING FOR COMMODITY PROCUREMENT

(Million Rs.)

	Change of 30-3-1978 over 30-6-1977	Change of 1-4-1977 over 25-6-1976
Wheat	(—)462.2	(—)86.9
Sugar	406.5	377.1
Rice	19.5	(—)621.4
Fertiliser	(—)541.0	224.3
Seed	1.5	31.7
Edible Oil	(—)255.7	(—)139.7
Newsprint	(—)43.4	(—)37.7
Total ..	(—)874.8	(—)252.6

20. Quarterly trends in total bank credit indicated that as against a small decrease of Rs. 187.7 million in the first quarter ended September 1977, there was an accelerated increase of Rs. 2813.9 million in the second quarter ended December 1977 and smaller increase of Rs. 348.2 million in the third quarter. Bank credit to private sector (including public sector enterprises) which increased by Rs. 498.3 million in the first quarter rose sharply by Rs. 3567.2 million during the second quarter and declined by Rs. 216.3 million in the third quarter, whereas bank credit to government sector for financing commodity procurement declined by Rs. 686.0 million in the first quarter and by Rs. 753 million in the second quarter. However, during the third quarter credit to Government for commodity operations increased by Rs. 564.5 million.

21. In the comparable quarters last year the combined bank credit to the private and public sector enterprises recorded an increase of Rs. 211.2 million in the first quarter. While in the second quarter ended December 1976 bank credit to the private sector and public sector enterprises taken together registered a sharp increase of Rs. 5365.4 million which among other things was attributable to the substantial rise in advances against cotton on account of commencement of the fresh season. In the third quarter *i.e.* January—March 1977 total bank credit to the private sector and public sector enterprises registered a rise of Rs. 361.9 million. The sharp rise in bank credit during the second quarter is usually the result of acceleration in the demand for bank finance for meeting busy season credit requirements.

22. Quarterly changes in scheduled bank credit are shown as follows :

Table 5.5

SCHEDULED BANK CREDIT

(Million Rs.)

	1977-78			1976-77		
	1st Qrt.	2nd Qrt.	3rd Qrt.	1st Qrt.	2nd Qrt.	3rd Qrt.
Total	(—)187.7	2813.9	348.2	452.2	4903.3	330.5
Private Sector	498.3	3567.2	(—)216.3	211.2	5365.4	361.9
Govt. Sector	(—)686.0	(—)753.3	564.5	241.0	(—)462.1	(—)31.4

Scheduled Bank's Investment

23. The investments of schedule banks in capital market increased by Rs 1817.8 million or 14.5 per cent from Rs. 12559.4 million on June 30, 1977 to Rs. 14377.2 million on March 30, 1978 compared with an increase of Rs. 2514.5 million or 28.3 per cent during the corresponding period last year. The break up of investments revealed that banks' holdings of Government securities and treasury bills increased by Rs. 407.7 million or 4.6 per cent from Rs. 8873.9 million on June 30, 1977 to Rs. 9286.6 million on March 30, 1978 as compared with an increase of Rs. 1560.2 million or 23.9 per cent during the corresponding period last year. The substantial increase in scheduled bank purchase of Government securities was to meet the liquidity requirement.

24. Scheduled banks' investments in "other securities" increased by an amount of Rs. 1410.1 million or 38.3 per cent from Rs. 3680.5 million on June 30, 1977 to Rs. 5090.6 million on March 30, 1978 as compared with the increase of Rs 954.3 million or 41.5 per cent from Rs. 2300.7 million on June 25, 1976 to Rs 3255.0 million on April 1, 1977. This appeared to be the result of higher dependence of industries on long term finance from banks.

Scheduled Bank's Balances

25. Schedule bank's balances with the State Bank decreased by Rs. 158.1 million or 5.7 per cent from Rs. 2739.1 million on June 30, 1977 to Rs. 2581.0 million on March 30, 1978 as compared with the decrease of Rs. 34.0 million during the corresponding period last year. Cash in tills of banks decreased by Rs 334.7 million to Rs. 1344.5 million on March 30, 1978 as compared with an increase of Rs 88.0 million during the corresponding period last year. The excess reserves of the banks which amounted to Rs. 692.8 million on June 30, 1977 declined by Rs. 389.2 million to Rs. 303.6 million on March 30, 1978. This compared with a decrease of Rs. 330.2 million during the corresponding period last year.

Scheduled Bank's Borrowings from the State Bank

26. Borrowings of the scheduled banks from the State Bank decreased substantially by Rs. 1073.5 million and the outstanding level of borrowing went down to Rs. 6048.7 million on March 30, 1978 from Rs. 7022.2 million on June 30, 1977 and compared with an increase of Rs. 2698.3 million during the same period in the preceding year.

CREDIT PLAN FOR 1977-78

27. The Credit Plan for 1977-78 provides for total domestic credit expansion of the order of Rs. 7190 million. Of this Government borrowings for budgetary support are estimated at Rs. 1500 million and for commodity operations at Rs. 300 million. Credit allocations for the private sector have been placed at Rs. 3990 million and for public sector enterprises at Rs. 1900 million. Foreign sector and miscelaneous items are expected to exert contractionary influences of Rs. 500 million each. Thus monetary expansion is estimated at Rs. 6690 million or 11.7 per cent during the year.

28. The entire credit need of the public sector enterprises for which provision has been made in the Credit Plan will be met by the commercial banks. As for private sector, the net credit expansion of Rs. 3490 million (inclusive of miscellaneous items) is to be financed to the extent of Rs. 2190 million by the commercial banks, Rs. 500 million and Rs. 210 million through rupee loans of ADBP and IDBP respectively and Rs. 590 million by way of State Bank loans to cooperatives and non-bank financial institutions.

Mandatory Credit Targets

29. The following mandatory credit targets have been given to the commercial banks with a view to ensuring adequate flow of credit to the priority sectors.

Table 5.6

CREDIT ALLOCATION TO PRIORITY SECTOR

(Million Rs)

	July—Dec. 77	Jan.—June, 78	July, 1977 June 1978
1, Small Loans			
(*a*) For seasonal agricultural production (disbursement basis)	288	432	720
(*b*) Housing	+44	+66	+110
(*c*) Business and Industry	+340	+510	+850
2. Loans for purchase of tractors, tubewells and for land improvements, etc.	+64	+96	+160

30. During the first half of the current financial year, the increase in bank credit to preferred sectors exceeded the targets given to the banks. Credit disbursements for seasonal agricultural production amounted to Rs. 347.8 million compared to the target of Rs. 288 million. At the same time, bank credit for housing increased by Rs. 69.8 million compared to the target of Rs. 44 million, for business and industry by Rs. 596.0 million compared to the target of Rs. 340 million. Bank credit for the purchase of tractors and tubewells and for land improvement at Rs. 114.3 million was also higher than the target of Rs. 64 million.

Table 5.7

CREDIT LIMIT SANCTIONED BY SBP

(Million Rs)

	July-Dec. 1977	July, 1977 Feb., 1978
1. Small Loans		
(*a*) For seasonal agricultural production (disbursement basis)	347.8	401.5
(*b*) Housing	+69.8	+63.9
(*c*) Business and Industry	+596.0	+851.1
2. Loans for purchase of tractors and tubewells and for land improvements etc	+114.3	+106.6

Agricultural Credit

31. During 1977-78, commercial banks have been given mandatory credit targets of Rs. 720 million for small loans for seasonal agricultural production on gross disbursement basis, and of Rs. 160 million for loans for the purchase of tractors, tubewells and for land improvements etc. on net increase basis. As usual, these targets have to be met to the extent of 40 per cent during the first six months and 60 per cent during the next six months. The half yearly targets are also mandatory in nature. The data for July—December, 1977 revealed that the commercial banks exceeded the mandatory credit targets given to them for the

irst six month: Actual gross disbursements of small loans for seasonal agricultural production amounted to Rs. 347.8 million compared to the target of Rs. 28[illegible] million while loans for purchase of tractors, tubewells and for land improvements ncreased by Rs. 114.3 million compared to the target of Rs. 64 million (on net increase basis) for July—December, 1977.

32. During the period July, 1977—February, 1978, commercial banks' gross disbursements of small loans for seasonal production amounted to Rs. 401.5 million while their loans for purchase of tractors, tubewells and for land improvements increased by R. 106.6 million. The outstanding level of commercial bank loans for seasonal agricultural production and for purchase of tractors and tubewells and for land improvements etc. was Rs. 751.5 million and Rs. 437.4 million as compared to their outstanding levels of Rs. 774.1 million and Rs. 330.8 million respectively in June, 1977.

33. No fresh loar limits were sanctioned by the State Bank of Pakistan to the Cooperatives due to the establishment of the Federal Bank for Cooperatives. However, freshloan limits sanctioned by the State Bank to the Agricultural Development Bank of Pakstan during July 1977—March 1978 aggregated Rs. 328.0 million. By end-March, 1978 the ADBP had drawn an amount of Rs. 269.8 million sanctioned to it for short-term financing. The State Bank loans to ADBP were given at a concessional rate of interest *i.e.*, 2 per cent below the Bank Rate.

Rural Credit Fund and Loans Guarantee Fund

34. The Rural Credit Fund, which is maintained by the State Bank of Pakistan for the provision of medium and long-term loans for agricultural development was augmented by Rs. 100 million raising its balance to Rs. 600 million at the end of June, 1977. The State Bank also raised the level of the Loans Guarantee Fund by Rs. 70 million to Rs. 220 million. This Fund is used to meet 50 per cent of the *bonafide* losses sustained by commercial banks in respect of their small loans to businessmen and agriculturists.

Credit Control Measures during 1977-78

35. With the emphasis on activating the productive sectors of the economy, interest rate stucture was modified during the year for facilitating enhanced bank financing at cheaper rate of interest in the priority sectors and selective reduction in minimum margin requirements for import of raw material etc. to encourage production and exports.

36. The following changes were made in the existing credit control measures during July, 1977—March, 1978.

37. In order to encourage exports, the rate of interest charged by banks on export credit for commodities covered by the Export Finance Scheme was reduced from 10 per cnt to 8 per cent, while the rate of interest on refinance from the State Bank was lowered from 7 per cent to 5 per cent on 7th July, 1977. At the same time, therate of interest on bank advances for export of locally manufactured machinery wa reduced from 9 per cent to 7 per cent and on refinance from the State Bank from 7 per cent to 5 per cent. The rate of interest on advances for domestic sales of locally manufactured machinery was fixed at 2 per cent below the rate at which foreign currency loan would have been given for the same machinery while the banks/institutions concerned were entitled to get refinance from the State Bank at 2 per cent below the rate charged by them.

38. The Export Finance Scheme was further liberalized with effect from 11th October, 1977. The revised scheme is in two parts. Under Part I export finance will continue to be provided by banks on a case by case basis against confirmed irrevocable letters of credit or firm export orders. Under Part II export finance limits will be given by the banks to exporters on the basis of their previous year's export performance. Exporters shall be eligible to obtain concessionary export finance under both parts of the scheme for all commodities except raw cotton, wool, rice, hides and skins and leather wet blue. In all cases where export finance is given under this scheme, the banks will charge from borrowers the stipulated rate of interest whether or not refinance is obtained from the State Bank. Advances given under this Scheme will be exempt from the maximum lending limit per borrower. However, such advances will be subject to all other credit restrictions presently in force and as amended|prescribed from time to time.

39. The State Bank announced further concession in interest rate on bank advances for financing of exports with effect from March 30, 1978. Interest rate on bank advances under Export Financing Scheme was reduced from 8 per cent to 6 per cent and interest on refinance from the State Bank was reduced from 5 per cent to 3 per cent. Likewise, the rate of interest on advances for export of locally manufactured machinery was reduced from 7 per cent to 5 per cent and that on refinance from the State Bank from 5 per cent to 3 per cent.

40. In order to encourage investment activity in the country the rate of interest charged by banks on accommodation provided to the industrial sector for fixed investment was subjected to a ceiling of 12.5 per cent with effect from September 5, 1977.

41. A number of selective credit control measures were taken|modified by the State Bank of Pakistan. On July 21, 1977, minimum margin requirement for opening letters of credit against "Industrial or Export Performance" import licences for the import of '*caprolactum*' was withdrawn.

42. On August 20, 1977, banks were advised to give advances against wheat and flour only to flour mills for a maximum period of six months subject to a minimum margin of 30 per cent. The existing advances to entities other than flour mills were to be regularized by September 30, 1977.

43. The minimum margin requirement for opening letters of credit for import of raw materials against import licences issued under the Export Performance (RMR) Scheme was withdrawn by the State Bank on September 10, 1977.

44. On September, 22, 1977 banks were allowed to grant advances against paddy|rice (both coarse and superior variety) to rice husking mills for a maximum period of three months subject to a minimum margin of 30 per cent.

45. The minimum margin requirement for opening letters of credit for import of raw rubber for the manufacture of tyres and tubes and for raw jute was reduced on 20th September, 1977 from 25 per cent to 10 per cent.

46. The ban on bank advances against raw cotton to ginning mills was removed on October 3, 1977. These advances were also exempted from any compulsory margin requirement. The ban on bank advances against raw cotton to balers and traders was also lifted with effect from October 6, 1977. The advances to balers were exempted from any compulsory margin requirement while those to traders were subject to a minimum margin requirement of 25 per cent. The maximum period for which advances could remain outstanding was fixed

at 3 months for balers and traders. As from the same date, the State Bank allowed the banks to give advances against paddy/rice (both coarse and superior variety) also to the authorised dealers appointed by the Provincial Governments. These advances were, however, made subject to a minimum margin requirement of 30 per cent with a maximum period of 3 months for which advances could remain outstanding.

47. The restriction that bank advances to textile mills against cotton should not exceed at any time the market value of stocks equivalent to four months production requirement was withdrawn with effect from December 6, 1977.

48. With effect from January 25, 1978 the minimum margin requirement for opening letters of credit for import of jute bags was reduced from 40 per cent to 25 per cent. On March 26, 1978, it was decided to withdraw the minimum margin requirement for opening of letters of credit for import of 'Newsprint' by the newspapers only.

I. Scheme for Financial Local Sales and Export of Locally Manufactured Mochinery.

(a) *Local Sales*

49. Under the Scheme participating financial institutions *viz.* IDBP, PICIC, and NDFC provided loans at 2 per cent below the rate at which foreign currency loans would have been given for the same machinery while refinance is given by the State Bank at 2 per cent per annum below the rate charged by the said institution

50. The position of credit limits sanctioned by the State Bank of Pakistan for financing locally manufactured machinery and utilisation thereof by the institutions since inception of the scheme upto December 31, 1977 was as under:—

Table 5.8

CREDIT LIMIT SANCTIONED BY SBP

(Million Rs.)

Institutions	Limit sanctioned	Amount sanctioned to parties	Amount drawn by the parties	Refinance obtained from SBP
IDBP	100.0	102.5	69.6	64.7
PICIC	75.0	74.0	54.5	54.2
NDFC	170.0	157.2	150.2	150.3

(b) *Export Sales*

51. On 7th July, 1977, the rate of interest on advances for exports of locally manufactured machinery was lowered from 9 per cent to 7 per cent and on refinance from the State Bank from 7 per cent to 5 per cent. Later on March 30, 1978, the rate of interest on such advances by banks was further reduced from 7 per cent to 5 per cent and on refinance from the State Bank from 5 per cent to 3 per cent An amount of Rs. 42.3 million was provided to the banks during the period July 1974 to December 31, 1977.

II. Export Finance Scheme

52. In order to encourage exports, the rate of interest charged by banks on export credit for commodities covered by the Export Finance Scheme was reduced from 10 per cent to 8 per cent on July 7, 1977 while rate of interest on refinance from the State Bank was lowered from 7 per cent to 5 per cent.

53. In October, 1977 the Export Finance Scheme was further liberalised. The revised scheme is in two parts. Under Part-I export finance will continue to be provided by banks on a case by case basis against confirmed irrevocable letters of credit or firm export orders. Under Part-II export finance limits will be given by the banks to exporters on the basis of their previous year's export performance. Exporters shall be eligible to obtain concessionary export finance under both parts of the scheme for all commodities except raw cotton, wool, rice, hides and skins and leather wet blue. In all cases where export finance is given under this scheme, the banks will charge from the borrowers the stipulated rate of interest whether or not refinance is obtained from the State Bank. Advances given under this scheme will be exempt from the maximum lending limit per borrower. However, such advances will be subject to other credit restrictions presently in force and as amended/prescribed from time to time.

54. On March 30, 1978 the rate of interest charged by banks on export credit under the Export Finance Scheme was further reduced from 8 per cent to 6 per cent and on refinance from State Bank from 5 per cent to 3 per cent.

55. Under the Export Finance Scheme refinance limits aggregating to Rs. 1100.0 million were sanctioned in favour of various banks for the year 1977-78. These limits were later raised to Rs. 1404.5 million to meet additional requirements of banks due to liberalisation of the scheme. Against these limits the banks availed an amount of Rs. 1457.4 million, under Part-I of the Scheme from July, 1977 to December 31, 1977 and Rs. 138.3 million under Part-II from October, 1977 to December 31, 1977.

6

INVESTMENT AND CAPITAL MARKET

After quite a few years of uncertainty the stock market which serves as a barometer of confidence of business community, showed a marked recovery during 1977-78. The healthy trend in investment activity stemmed largely from liberal financial and fiscal benefits allowed to the industrial sector, the demarcation of the fields of operations between the public and private sectors. This recovery is apparent from larger investment sanctions issued during the year. Significant gains were recorded both by the general index of share prices and the aggregate market capitalisation of ordinary shares.

2. The estimated fixed private investment increased by 17.2 per cent. The public sector investment registered a relatively lower growth rate because of general restraint on public expenditure. The general index of share prices rose from 105.56 in June 1977 to 135.75 in May 1978, showing a rise of 28.6 per cent. Investment trends and activities of financial institutions specialized in investment operations and performance of capital market are reviewed in the following sections :

INVESTMENT

3. The total fixed investment has been estimated at Rs. 28,836 million during 1977-78 compared to Rs. 26,830 million during 1976-77 showing a rise of 7.5 per cent. Out of this Rs. 7,295 million were invested in industrial sector, Rs. 2,129 million in agriculture, Rs. 3,143 million in transports and communications The industrial investment showed a rise of 15.6 per cent during 1977-78.

Public Sector Investment

4. The public sector investment has been estimated at Rs. 19,710 million during 1977-78 compared to Rs. 19,043 million during the preceding year showing a small increase of Rs. 667 million or 3.5 per cent over the level of 1976-77.

The slow growth of investment is primarily explained by the Government policy of consolidating investment outlays of public sector.

Private Sector Investment

5. Estimated investment in the private sector during 1977-78 is Rs. 9,127 million compared to Rs. 7,788 million in the preceding year. The share of private sector investment in the total investment has increased from 29.0 per cent during 1976-77 to 31.7 per cent in 1977-78. The increase in the magnitude as well as in the share of private sector investment shows a marked shift in the trend which was characterised by stagnation in the past few years.

Measures to Boost Private Investment

6. To encourage investment in the corporate sector, the 1977-78 budget provided for income tax concessions which are given below.

7. The tax on intercorporate dividends received by private companies was reduced from 50 to 30 per cent. The exemption was allowed to all dividend income derived by individuals from shares of Pakistani public companies issued at any time between the 1st July 1977 and the 30th June 1982 or any dividend period ending on or before the 30th June 1982. Foreign income brought into Pakistan by Pakistani companies derived from technical services rendered abroad would also be free of tax.

8. Another concession for Pakistanis living abroad was allowed by changing the definitions of the term 'resident' for purposes of Income Tax Act. Now Pakistanis abroad, who visit Pakistan for a period of upto 60 days in a year would not be treated as residents and will not be subjected to tax merely because they have maintained a house in Pakistan.

9. The income tax rate for the highest slab of income was reduced from 60 to 50 per cent. The rate on super tax on companies was also reduced by 10 per cent. The intention is to stimulate investment activity in the corporate sector and to provide incentives for entrepreneurs.

10. Some concessions were also allowed in respect of sales tax, wealth tax and estate duty. Locally manufactured iron and steel products were exempted from sales tax; production of 'no objection certificate' was waived in respect of wealth tax before the sale of property. Besides, the exemption limit of estate duty was raised from Rs. 1,00,000 to Rs. 3,00,000.

11. Some post budget measures were also taken to encourage corporate savings and investment which are given below:—

(a) The interest rate on bank loans for fixed investment has been reduced from 14 per cent to 12.5 per cent.

(b) To encourage re-investment of retained earnings, tax on issue of bonus shares has been abolished and tax credits on balancing and modernisation of machinery increased from 10 to 15 per cent.

12. On 20th October, 1977 the Government demarcated industries for investment purposes between public and private sectors. The private sector had been hesitant to invest in the last few years because of fears of nationalization.

13. To stimulate savings, rates of return on Defence Savings Certificates, Khas Deposit Cerificates, National Deposit Certificates and Post Office Savings Acounts were rased. Moreover, the limit of maximum investment in saving acounts and Khas Depost Certifcates has been totally removed. The maximum limit of holding Defence Savings Certificates and National Deposit Certificates has ben coubled.

STOCK MARKET

14. Stock Market as one of the fundamental institutions of the capital market seves as a barometer of economic situation and strength of the corpoate secor in a country. The year 1977-78 showed healthy signs of recovery inthe ecoiomic ield. The Karachi Stock Exchange which is the bigger of the two exchanges in Pakistan consequently showed a good degree of buoyancy during July, 1977—April, 1978. The overall rise in share quotations during this peiod was much more pronounced than in the corresponding period of last year. The number of companies listed at the Karachi Stock Exchange which stood at 276 at the end of December, 1976 also rose to 279 at the end of November, 1977.

15. The bullish activity was due mainly to the fiscal incentives provided in the 1977-78 budget, followed by further incentives allowed by the government to encourage investment in the private sector. Factors such as denationalisation of agro-based industries substantial subsidy provided on cotton purchased by textile mils and the demarcation between the public and private sectors for the purpose of industial investment had a favourable impact on the market sentiment. The trend in the general index of share prices, aggregate market capitalisation of ordinary shares and turnover of shares is reviewed below.

General Index of Share Prices

16. The general index of share prices showed a generally rising trend during July, 1977—April, 1978. The overall rise in the index during this period was much higher than in the comparable period of last year. From 105.56 in June, 1977, it continued rising till it touched the level of 134.26 in November, 1977 but started declining thereafter and stood at 130.60 in December, 1977. It touched the trough *i.e.* 127.04 in February, 1978. It again started rising and stood at the level of 135.49 in April, 1978. The comparative figures of last year were 87.81 in June, 1976, 88.09 in November, 1976, 90.34 in December, 1976, 94.23 in February, 1977 and 100.94 in April, 1977.

Aggregate Market Capitalisation of Ordinary Shares

17. The aggegate market capitalisation of ordinary shares showed a trend similar to that of general index of share prices. The aggregate market capitalistion of ordinay shares which amounted to Rs. 5,218.8 million in June, 1977 increased to Rs. 5,555.0 million in July, 1977 but declined to Rs. 5,487.9 million in August, 1977. Thereafter, it showed a steady upward movement upto November, 1977 when it touched the level of Rs. 6,179.3 million. It again declined to Rs. 6008.0 million in December, 1977 and further to Rs. 5,872.6 million in January, 1978 and Rs. 5,733.7 million in February, 1978 but improved to Rs. 5,971.7 millon in March, 1978 and Rs. 6,189.7 million in April, 1978. The comparaive figures for the last year were Rs. 4684.1 million in June, 1976, Rs. 4463.4 million in July, 1976, Rs. 4,508.4 million in August, 1976, Rs. 4,440.0 million in November, 1976, Rs. 4,605.3 million in December, 1976, Rs. 4,706.3 million in January, 1977 Rs. 4,730.7 million in February, 1977, Rs. 4,719.8 million in March, 1977 and Rs 5,127.9 million in April, 1977.

Turnover of Shares

18. The volume of turnover of shares also showed an upward trend. Nevertheless there were some exceptions to it. The total volume of turnover which stood at 2.73 million in June, 1977, declined to 2.66 million in July, 1977, and further to 1.71 million in September, 1977. It rose to 2.57 million in October, 1977 but receded thereafter to 2.52 million in November, 1977 and declined further to 1.89 million shares in January, 1978. After recording an appreciable rise in February, 1978 it touched the level of 3.27 million in April, 1978. The comparative figures for the corresponding months of last year were 2.43 million in June, 1976, 1.46 million in July, 1976, 0.94 million in September, 1976, 1.38 million in October, 1976, 1.02 million in November, 1976, 1.33 million in January, 1977, 1.68 million in February, 1977, and 1.24 million in April, 1977. The comparative picture of general index of share prices, aggregate market capitalisation of ordinary shares and volume of turnover of shares for the period June, 1977—April, 1978 and June, 1976—April, 1977 is given in Annexure 'A'.

Sectoral Share Prices

19. The sectoral indices of the general index of shares prices showed an overall improvement in April, 1978 over June, 1977. The highest increase was recorded in the insurance and finance sector followed by construction and engineering and miscellaneous groups. The lowest improvement was recorded in cotton and other textiles sector.

Aggregate Market Capitalisation of Ordinary Shares by Sectors

20. The sectoral analysis of the aggregate market capitalisation of ordinary shares indicated that the highest increase was recorded in miscellaneous sector followed by fuel and power, construction and engineering, paper and board and insurance and finance and the lowest in jute sector.

Dividends

21. During July, 1977—April, 1978, 110 companies declared dividends as compared to 112 companies which had declared dividends in the corresponding period of last year. Most of the dividends declared during the current year clustered in the range of 5 to 19 per cent. The declaration of dividends related to different accounting periods of 1976, 1977 and 1978. Besides declaring cash dividends, 21 companies also issued bonus shares during July 1977—April, 1978 as compared to 3 companies during the same period of last year. Dividends declared by companies|corporations are given in table 6.1.

Table 6.1

DIVIDENDS DECLARED BY COMPANIES/CORPORATIONS DURING JULY, 1977—APRIL 1978 AND JULY, 1976—APRIL, 1977.

	July 1977-April 1978	July 1976-April 1977
Dividends not declared or passed over	59	51
Dividend declared		
1—4%	1	1
5—9%	17	12
10—14%	38	37
15—19%	27	26
20—24%	12	27
25—29%	11	7
30—34%	4	2
Total companies	110	112

Source : Investment Corportion of Pakistan

INVESTMENT CORPORATION OF PAKISTAN (ICP)

22. The Investment Corporation of Pakistan was established in February 1966 as a development institution under the sponsorship of the Government with the main objectives of broadening the base of investments and developing the capital market in the country. The Corporation seeks to fulfil the objectives by i) underwriting of public issues and placement of debentures (ii) providing investment channels for individual savings and (iii) making efforts to stabilise the stock market.

Underwriting and Debenture Financing

23. During the period July 1977—March 1978, the Corporation received 51 applicatons seeking financial assistance against 83 applications last year. Out of the appications received during current year, 27 applications are for public issues and 24 for debntures.

24. The underwritng operations of the Corporation are shown in table 6.2.

Table 6.2

APPLICATIONS RECEIVED

(Million Rupees)

	1977-78 (July-Mar)		1976-77 (July-Mar)	
	No.	Total Amount	No.	Total Amount
Public isues..	27	171.9	39	159.3
Debentures	24	202.5	44	472.1
Total ..	51	374.4	83	631.4

Source : Investment Corporation of Pakistan

25. Total anction for this period amount to Rs. 86.6 million for 24 issues, as compared to Rs. 913.3 million for 50 issues during the corresponding period last year. ICPcommitments in these approved issues were Rs. 17.4 million during this period. The approved issues include 17 public issues for an amount of Rs. 61.5 millio including ICP commitments for Rs. 12.8 million and 7 debenture issues of Rs. 25.0 million of which ICP commitments amounted to Rs. 4.6 million during July 1977—March, 1978.

26. Disbursements made by the Corporation out of its own resources during July 1977—March 1978 in the form of bridging loans and debenture finance stood at Rs. 28.4 milion as against Rs. 32.5 million during July 1976—March 1977.

Investors Scheme

27 With the objective of broadening the base of equity investments the Corporation operaes its Investors Scheme through its 9 offices. Under this scheme, there were 7,570 investment accounts with net deposits of Rs. 74.2 million as on March 31, 1978 compared to 6,452 accounts with net deposits of Rs. 67.9 million as on March 31, 1977.

28 Margin loans are also provided to the investment account holders by the Corpontion. The outstanding amount of margin loans to investors amounted to Rs. 49.6 million as on March 31, 1978 as compared to Rs. 42.8 million on

March 31, 1977. The position of investors accounts under the scheme is given in table 6.3.

Table 6.3

THE POSITION OF INVESTORS' ACCOUNTS

	March, 31, 1978	March 31, 1977
No. of accounts	7,570	6,452
Investors deposits (Rs. in million)	74.2	67.0
Outstanding margin loans (Rs. in million)	49.6	42.8

Overseas Investment

29. The Corporation has also introduced "Debenture Investment Scheme". The scheme offers an attractive return 2% above bank rate payable half yearly. Under this scheme, there were 258 accounts with deposits of Rs. 22.2 million as on March 31, 1978 as compared to 176 accounts with deposits of Rs. 11.0 million as on March 31, 1977.

Mutual Funds

30. The Corporation has floated ten mutual funds with a capital of Rs. 110 million upto April 1978. The tenth ICP mutual fund was floated in May 1977 and was heavily subscribed to the tune of Rs. 54.41 million. The funds are listed on the two stock exchanges in the country and are among the widely held and actively traded secondary scrips. The Corporation has been paying regular dividends to the fund holders. The dividends for the year 1976-77 were in the range of 12½—16 per cent. An interim dividend of 10% has been declared on all the ten funds for the year ending June 30, 1978. The 11th ICP mutual fund for Rs. 10.0 million was also floated in May 1978 for public subscription and this fund has been heavily subscribed by the public to the tune of Rs. 69.7 million.

31. The performance of ICP Mutual Funds is given in annexure "D".

32. During the period July—March 1978, the Pakistan Investment Information Centre at London has sponsored 109 applications involving an amount of £ 4,487,554 compared to 90 applications for an amount of £ 1,241,331 during July 1976—March 1977. The approvals by IP&S increased considerably during July 1977—March 1978 and as many as 75 applications for an amount of £ 9,03,219 were approved as against 54 applications for an amount of £ 850,305 during July 1976—March 1977.

NATIONAL INVESTMENT (UNIT) TRUST (NIT)

33. The National Investment (Unit) Trust was set up iu 1962 for mobilising savings through the sale of units and their investment in profitable enterprises to meet the growing needs of the corporate sector and achieving broad-based share-holding to bring about a diffusion of corporate ownership.

Sale of Units

34. During the period July 1977—March 1978, the Trust mobilized net saving through sale of its Units to the extent of Rs. 11.42 million (Provisional). The table 6.4 gives the gross as well as net sale of NIT Units.

Table 6.4

GROSS AND NET SALES

(Figures in million)

	July-March 1975-76		July-March 1976-77		July-March, 1977-78 (Provisional)	
	No. of Units	Value Rs.	No. of Units	Value Rs.	No. of Units	Value Rs.
Sales	7.69	84.44	8.43	92.42	5.48	60.86
Repurchases	3.31	35.38	3.44	37.28	4.50	49.45
Net sales	4.38	49.06	4.98	55.15	0.98	11.42

Source : National Investment (Unit) Trust

35. In the period July 1977—March 1978 not only sales of Units were depressed but there were also large-scale repurchases of Units because the return on NIT Units had become wholly unattractive after the increases allowed in June 1977 in the rates of return on Defence Saving Certificates, National Deposit Certificates/Accounts, Khas Deposit Certificates/Accounts, etc. During the first half of the current year repurchases exceeded sales. In the last week of January 1978 the positon improved and the progrssive sales figures turned positive for the first time in the current year. At the end of March 1978 the value of net sales for the year was Rs. 11.42 million. It is expected that in 1977-78 mobilization of saving through sale of NIT Units would reach a level of Rs. 45 million.

36. As on 30th March 1978 there were 65.07 million Units in issue of the value of Rs. 781.79 million. The totall number of 60.27 million units valued at Rs. 739.0 million were outsanding at the end of June 1976 and 67.21 million units valued at Rs. 817.46 million at the end of June 1977.

Table 6.5

OUTSTANDING UNITS AND THEIR VALUE

(Figures in million)

Outstanding as on	No. of Units	Value Rs.
30th Jun, 1976	60.27	739.10
30th June 1977	67.21	817.46
30th JJue, 1978 (Estimated)	70.99	862.46

(The figures are inclusive of 3.11 million Units of the value of Rs. 40.09 million in Bangladesh).

Source : National Investment (Unit) Trust

Investment of the Trust Fund

37. As at the end of March 1978 the total net investment of the Trust Fund invested in shares and debentures amounted to Rs. 745.09 million at cost. This included Rs. 21728 million in nationalized and taken over industries.

Income Distribution

38. The income distribution, *i.e.* dividend to the unit-holders, has been guaranted by the Government of Pakistan since 1972-73. During the current year the Government has given a guarantee of minimum dividend of Rs. 1.25 (the highest ever dividend).

39. The table 6.6 gives the comparison of the figures of dividend per unit guaranteed by the Government and the Government subsidy per unit during the last three years :—

Table 6.6

DIVIDEND PER UNIT

(Figures in paisa)

Year ending	Dividend per unit guaranteed by Government	Income per unit from Trust Investment	Governmen subsidy per unit
30 th June, 1975	110	86.00	24.00
30 th June, 1976	115	94.20	20.80
30 th June, 1977	115	97.10	17.90

40. For the year ending 30th June 1978 the Government has guaranteed a minimum dividend of 125 paisa per unit. Its break up may possibly be 105 paisa from Trust investment and 20 paisa from Government subsidy. The total distribution made by the Trust in the year was Rs. 73.70 million. For 1977-78, it is estimated at Rs. 88.7 million at the rate of Rs. 1.25 per unit on 70.99 million outstanding units.

Unit Price

41. The ex-dividend sale and repurchase prices of Units were fixed at Rs. 10.90 and Rs. 10.60 respectively at the opening of the year 1977-78.

42. As at the end of March 1978 the sale and repurchase prices of Units were Rs. 11.70 and Rs. 11.40 respectively. The opening and closing prices since 1975-76 are given in table 6.7.

Table 6.7

SALE AND PURCHASE PRICE

	July-June, 1975-76	July-June, 1976-77	July-June, 1977-78
Opening (Rs.)	10.90	10.90	10.90
Closing (Rs.)	12.00	12.00	(to be declared)

Yield on NIT Units

43. The yield on NIT Units on the basis of the opening prices of units and the dividend paid works out to be 10.55% in 1976-77, the same as in 1975-76 On the minimum guaranteed dividend of Rs. 1.25 per Unit the yield will be 11.17% in 1977-78 for those who purchased the Units at Rs. 10.90.

PAKISTAN INDUSTRIAL CREDIT AND INVESTMENT CORPORATION (PICIC)

44. The Pakistan Industrial Credit and Investment Corporation (PICIC) was established in October 1957 to provide long term assistance to the private industrial sector in the form of loans|debentures|guarantees in local or foreign currencies, share participation and by under-writing any public issues of shares and debentures. It also arranges loans from abroad for the larger projects and encourages joint ventures with foreign parties.

Sanctions

45. During July 1977—March 1978, PICIC sanctioned loans|guarantees|debentures amounting to Rs. 235.41 million as against the sanctions of Rs. 191.97 million during the corresponding period of last year, showing a rise of Rs. 43.44 million or 22.6 per cent.

46. A subtantial part of assistance *i.e.* Rs. 195.43 million was for new units and the remaining Rs. 39.98 million for balancing, modernisation and expansion of schemes of the existing units as compared to Rs. 110.64 million and Rs. 81.35 million respectively, during the corresponding period of last year.

Disbursements

47 The disbursement of loans/guarantees/debentures aggregated to Rs. 81.05 million during July 1977—March 1978 compared with the disbursements of Rs. 143.75 milion during July 1976—March 1977, thus showing a decline of Rs. 6270 million. The decline in the disbursements was due to increase in the period of shipments of machineries for which 'L/C's had been opened earlier. The currency-wise break up of the loans sanctioned/disbursed is given in table 68.

Table 6.8

CURRENCY-WISE BREAK UP OF PICIC LOANS/GUARANTEES/DEBENTURES/ DISBURSED

(Million Rs.)

	July, 1977 March, 1978	July, 1976- March, 1977	July, 1977 June, 1978 (Estimates)
I. Sanctions			
Local currency	4.45	11.60	17.15
Foreign currency	230.96	180.37	462.86
Total ..	235.41	191.97	480.01
II. Disbursemets			
Local currency	8.82	19.82	
Foreign currency	72.23	123.93	
Total ..	81.05	143.75	

Source : PICIC.

INDUSTRIAL DEVELOPMENT BANK OF PAKISTAN (IDBP)

48. IDBP was established in 1961 to provide medium and long term credit facilites particularly to the small and medium size industries.

Loan Approvals

49. During July 1977—March 1978, the bank approved loans amounting to Rs. 129.63 million as compared to the approval of Rs. 122.29 million during the corresponding period of last year, thus, showing a rise of Rs. 7.34 million or 6.0 per cent.

Disbursements

50. IDBP disbursed loans amounting to 65.26 million during July 1977—March 1978 as against the disbursements of Rs. 48.67 million during the corres-

ponding period of last year, thus, showing a rise of Rs. 16.59 million or 34.1 per cent. The currency-wise approvals disbursements of loans are given in table 6.9.

Table 6.9

IDBP CURRENCY-WISE APPROVAL/DISBURSEMENTS OF LOANS

(Million Rs.)

	July-March, 1977-78	July-March, 1976-77	July-June, 1977-78 (estimate)
I. Approvals			
Local currency	52.67	47.30	—
Foreign currency	76.96	74.99	—
Total ..	129.63	122.29	230.00
II. Disbursements			
Local currency	20.83	22.89	—
Foreign currency	44.43	25.78	—
Total ..	65.26	48.67	100.00

Source : IDBP.

NATIONAL DEVELOPMENT FINANCE CORPORATION (NDFC)

51. NDFC was established in January 1973 with its head office at Karachi to promote industrial expansion and economic growth in the country by providing financial and technical assistance for the establishment of new enterprises as well as for balancing, modernisation and expansion of existing enterprises in the public sector. The Corporation started its operation in July, 1973.

Loans Approvals

52. During July 1977 to March 1978, the Corporation approved financial assistance to the eligible enterprises amounting to Rs. 341.1 million compared to the financial assistance of Rs. 330.5 million during the corresponding period of last year. It is estimated that financial assistance approved by the Corporation will amount to Rs. 429.1 million during 1977-78.

Disbursements

53. During the period July 1977—March 1978, the Corporation disbursed loans amounting to Rs. 307.1 million as compared with disbursements of Rs. 295.1 million during the corresponding period of last year. It is estimated that disbursements by the Corporation during the year 1977-78 will amount to Rs. 397.1 million. The currency-wise loans approved/disbursed is given in table 6.10.

Table 6.10

NDFC CURRENCY-WISE LOANS/APPROVED/DISBURSED

(Million Rs.)

	July-March, 1977-78	July-March, 1976-77	July-June, 1977-78 (Estimate)
I. Approvals			
Local currency	276.3	251.2	320.3
Foreign currency	64.8	79.3	108.8
Total ..	341.1	330.5	429.1
II. Disbursements			
Local currency	248.6	168.4	298.6
Foreign currency	58.5	126.7	98.5
Total ..	307.1	295.1	397.1

RECULATORY INSTITUTIONS

Securities and Exchange Authority of Pakistan (SEAP)

54. Securities aid Exchange Authority of Pakistan was established in 197. to aministe: the Seurities and Exchange Ordinance, 1969. Under this ordinance SEA? regulites Stck Exchanges, Investment Companies, Investment Advisers, Stoc: Exchange Brkers, companies listed on the Stock Exchanges and the statutoy insiders. Saient features about regulations in these areas are summarised below.

Regulation of Issues

55. The annua and half-yearly accounts of all the listed companies are scrutinised n this Authorty in the light of S & E Rules to ensure full disclosure of the working results to the shareholders. Similarly, the list of shareholers submitted by the listed companies are scrutinised and processed. In thisconnecion 72 show cause notices were issued to the companies for different violtions of the Rules during July 1977—April 1978. Penalties were imposed in cases o the tne of Rs. 6,500 and 13 companies were required to circulate addtional nformaion for the benefit of shareholders.

Regulation of Insiers

56. In connecion with the regulation of the insiders, namely the directors. the officers and te shareholders of 10% or more of equity security of listed company, he department scrutinised 4,300 returns of beneficial ownership. As a esult of scrutiny, 192 show cause notices were issued to the defaulting indivicuals and penalties of Rs. 12,000 were imposed for violation of Securities an Exchange Rues.

Company Law Administration

57. As manyas 437 new companies were floated during the first 10 months of the financial year 197'-78 as against 401 during the corresponding period of 196-77. The toal number of Joint Stock companies registered with the various company egistraton offices stood at 9,051 at the end of April 1978. During the fist 10 months of 1977-78, 430 charges created in favour of various financial intitution were presentec for registration as required by the Companies Act, 1913 as against 362 presented for registration during the corresponding period of the peceding year.

58. In order to further improve the effectiveness of the Company Registration Offices, proposals for strengthening and improving the set-up of those offices have been formuated. Moreover, a set of uniform regulations for the Company Registation Offices, called the Companies (Registration Offices) Regulations, 1978 have been recently enforced and measures are in hand to streamline and gear up the administrative machinery for the Companies Act.

Controlle of Capital Isues (CC&I)

59. The issue of Capital requires the sanctions of the Controller of Capital Isues in the Finance Division. The CC&I accorded sanctions aggregating to Is. 2,50.47 milion for issue of capital during July 1977—March 1978 as gainst the sanctons of Rs. 4,255.71 million given during the corresponding period of last year. Out of this Rs. 1,319.22 million were related to equity and Is. 1,18:.25 milion to debenture issues.

Annexure 'A'

TURNOVER OF SHARES, GENERAL INDEX OF *SHARE PRICES AND AGGREGATE MARKET CAPITALISATION OF ORDINARY SHARES JUNE 1977—APRIL 1978 AND JUNE 1976—APRIL 1977.

Years/Months	No. of Turnover of shares (in million)	Increase/ Decrease	General Index (Base : 1969-70—100)	Increase/ Decrease	Aggregate Market Capitalisation of ordinary shares, (Rs. in million)	Increase/ Decrease (Rs. in million)
1976-77						
June	2.43	—	89.81	—	4,684.1	—
July	1.46	—0.97	87.44	—2.37	4,463.4	— 220.7
August	1.25	—0.21	87.63	+0.19	4,508.4	+ 45.0
September	0.94	—0.31	89.65	+2.02	4,573.3	+ 64.9
October	1.38	+0.44	89.63	—0.02	4,503.7	— 69.6
November	1.02	—0.36	88.09	—1.54	4,440.0	— 63.7
December	1.12	+0.10	90.34	+2.25	4,605.3	+ 165.3
January	1.33	+0.21	92.82	+2.48	4,706.3	+ 101.0
February	1.68	+0.35	94.23	+1.41	4,730.7	+ 24.4
March	1.07	—0.61	95.17	+0.94	4,719.8	— 10.9
April	1.24	+0.17	100.94	+5.77	5,127.9	+ 408.1
1977-78						
June	2.73	—	105.56	—	5,218.8	—
July	2.66	—0.07	113.11	+7.55	5,555.0	+ 336.2
August	1.85	—0.81	113.77	+0.66	5,487.9	— 67.1
September	1.71	—0.14	118.29	+4.52	5,616.2	+ 128.3
October	2.57	+0.86	125.01	+6.72	5,977.2	+ 361.0
November	2.52	—0.05	134.26	+9.25	6,179.3	+ 202.1
December	2.20	—0.32	130.60	—3.66	6,008.0	— 171.3
January	1.89	—0.31	129.25	—1.35	5,872.6	— 135.4
Feburay	2.48	+0.59	127.04	—2.21	5,733.7	—138.9
March	2.29	—0.19	131.74	+4.70	5,974.7	+ 241. 0
April	3.27	+0.98	135.49	+3.75	6,189.7	+ 215.0

*—Last week of the month.

Source : State Bank of Pakistan.

Annexure 'B'

THE INDICES OF GENERAL INDEX OF SHARE PRICES

(BASE : 1969-70=100)

(Last Week of the Month)

Groups/Sub-groups	April, 1978	June, 1977	Change in April, 1978 over June, 1977
1. Insurance and Finance	217.28	119.08	+98.20
2. Jute	454.38	394.46	+59.92
3. Coton and other textles	83.10	76.09	+ 7.01
(*a* Cotton extiles	59.95	56.14	+ 3.81
(*b* Other txtiles	106.25	96.04	+10.21
4. Fuel and Power	125.07	97.53	+27.54
5. Coistruction and Engineering	275.38	202.68	+72.70
(*a* Cement	217.18	173.82	+43.36
(*b* Others	333.59	231.54	+102.05
6. Transport and Communications	54.97	55.55	— 0.58
7. Paper and Board	126.60	92.49	+34.11
8. Tobacco	78.85	64.01	+14.84
9. Micellaneous	173.44	115.88	+57.56
(*a* Chemicls	137.60	112.17	+25.43
(*b* Tea	186.87	90.89	+95.98
(c Sugar and Allied Industries	195.20	139.80	+55.40
(*c*) Others	174.08	120.66	+53.42
Genera Index Number	135.49	105.56	+29.93

Source : State Bank of Pakistan.

Annexure 'C'

MARKET CAPITALISATION OF ORDINARY SHARES BY SECTORS (LAST WEEK OF THE MONTH)

(Million Rs.)

Groups/Sub-groups	April, 1978	June, 1977	Change in April, 1978 over June, 1977
1. Insurance and Finance	242.7	159.9	+ 82.8
2. Jute	139.2	139.1	+ 0.1
3. Cotton and Other textiles	1,096.5	1,051.5	+ 45.0
4. (*a*) Cotton textiles	910.4	868.1	+ 42.3
(*b*) Other textiles	186.0	183.4	+ 2.6
4. Fuel and Power	1,137.2	916.1	+221.1
5. Construction and Engineering	748.3	628.6	+119.7
(*a*) Cement	261.6	214.8	+ 46.8
(*b*) Others	486.6	413.7	+ 72.9
6. Transport and Communication	373.5	346.0	+ 27.5
7. Paper and Board	224.1	140.0	+ 84.1
8. Tobacco	201.3	163.7	+ 37.6
9. Miscellaneous	2,026.9	1,673.8	+353.1
(*a*) Chemicals	856.0	853.0	+ 3.0
(*b*) Tea	128.3	65.6	+ 62.7
(*c*) Sugar and Allied Industries	695.9	508.8	+187.1
(*d*) Others	346.6	246.4	+100.2
Aggregate Market Capitalisation	6,189.7	5,218.8	+970.9

Source : State Bank of Pakistan.

Annexure 'D'

PERFORMANCE OF ICP MUTUAL FUND

Funds	Fund Capital (Rs. in million)	Par Value (Rs.)	Market Prices (Rs.) July-March, 1978 High	Market Prices (Rs.) July-March, 1978 Low	Market Prices (Rs.) July-March, 1976 High	Market Prices (Rs.) July-March, 1976 Low	Dividend % 1977-78 (Interim)	Dividend % 1976-77
1st ICP M/Fund	5.0	100	102.00	88.00	109.00	100.00	10	12.5
2nd ICP M/Fund	15.0	100	102.50	94.00	111.50	100.00	10	15.0
3rd ICP M/Fund	20.0	100	103.00	86.50	110.25	100.00	10	14.5
4th ICP M/Fund	15.0	100	102.75	87.00	102.00	99.50	10	14.5
5th ICP M/Fund	5.0	10	11.90	10.00	12.25	10.20	10	16.0
6th ICP M/Fund	10.0	10	11.15	9.30	11.50	10.00	10	14.0
7th ICP M/Fund	10.0	10	10.90	9.15	12.55	10.25	10	14.0
8th ICP M/Fund	10.0	10	12.70	10.00	12.25	10.40	10.	16.0
9th ICP M/Fund	10.0	10	11.10	9.60	11.28	10.00	10	15.0
10th ICP M/Fund	10.0	10	14.45	9.85	—	—	10	—

Source : ICP

7

PRICE SITUATION

Thee has teen a perceptible improvement in the price situatior as the rate d inflaton sloved down considerably during 1977-78. According to the Consumer Pice Index, there was an increase of 7.3 per cent between June 1977 and March 978 which was down from 12.3 per cent recorded in the corresponding period 1st yeai. Similar was the trend of the Sensitive Price Indicator for 28 essential commodities which registered a rise of 3.7 per cent as against 12.6 per cent in he same period last year. The Wholesale Price Index recorded an increase of 6.7 per cent in this period compared with 8.0 per cent in the same period last yeai

2. The improvement reflected the combined effect of better supply position and restaint oi demand through deceleration of monetary expansion. Gross Domesti Product witnessed a real growth rate of 6.5 per cent which compared favouraby with the las: year's rate of 1.4 per cent. Perhaps more relevant and significait was the improvement in commodity producing sectors which had a growth of 4.5 per cent as against 1.4 per cent in the previous year. For agriculture, which continues to be the backbone of the country, the rate more than doubled from 2.1 to 4.3 per cent. At the same time, in the manufacturing sector a negatve rate of 1 per cent marking the previous year, was converted into a positiv growth of 4.7 per cent. Domestic product continued to be supplemented by net inports which were larger by 31 per cent during July 1977—March 1978, than the level attained in the same period last year. Unit import price index during July 1977—March 1978 was, however, higher by 8.4 per cent over the corresponding period last year. At the same time, unit export price index rose by 9.1 per cent. Consequently the terms of trade (1969-70=100) improved slightly by 0.8 per cent to 80.9.

3. On demand side, the rate of monetary expansion decelerated to 13.2 per cent during July 1977—March 1978, from the corresponding rate of 18 per cent during the last year. It is significant to note, that the expansionary effect emanating from the Government and Private sectors was less by 31 per cent and there was a sharp turn around in the behaviour of foreign sector and other factors from a contractionary effect of Rs. 2,043.2 million last year to an expansion of Rs. 381.2 million. Foreign sector exerted an expansionary influence of Rs. 1,707.5 million as opposed to a contraction of Rs. 2,320.1 million in the same period last year. This was in large measure, due to enhancement of home remittances by emigrant labour to the estimated funds of around $ 1.15 billion during 1977-78. Representing their saving, the bulk of this goes into investment, of which real estate appears to top the list. Thus their effect was primarily on commodities and services which either do not form part of the indices or carry insignificant weight.

4. The price situation was also helped by continuance of subsidized sale of wheat and wheat flour, the staple food in the country, through ration depots and control on the prices of a number of essential commodities which was further reinforced through adminisrative measures.

WHOLESALE PRICE INDEX

5. The Wholesale Price Index denoted an increase of 6.7 per cent during the period from July, 1977 to March, 1978 compared with 8.0 per cent in the same period last year. The main increase was in the Food group which, at 11.4 per cent, was higher than last year's mark up of 8.9 per cent. In the Raw Materials group, prices rose from the last year record of 1.3 per cent to 6.1 per cent. In contrast, for the commodities in the Fuel, Lighting and Lubricants and Manufactures groups, there was a welcome reduction of 0.2 per cent and 1.9 per cent respectively as against a substantial increase of 3.3 per cent and 10.8 per cent respectively. The trends of wholesale price indices by commodity groups are given in table 7.1.

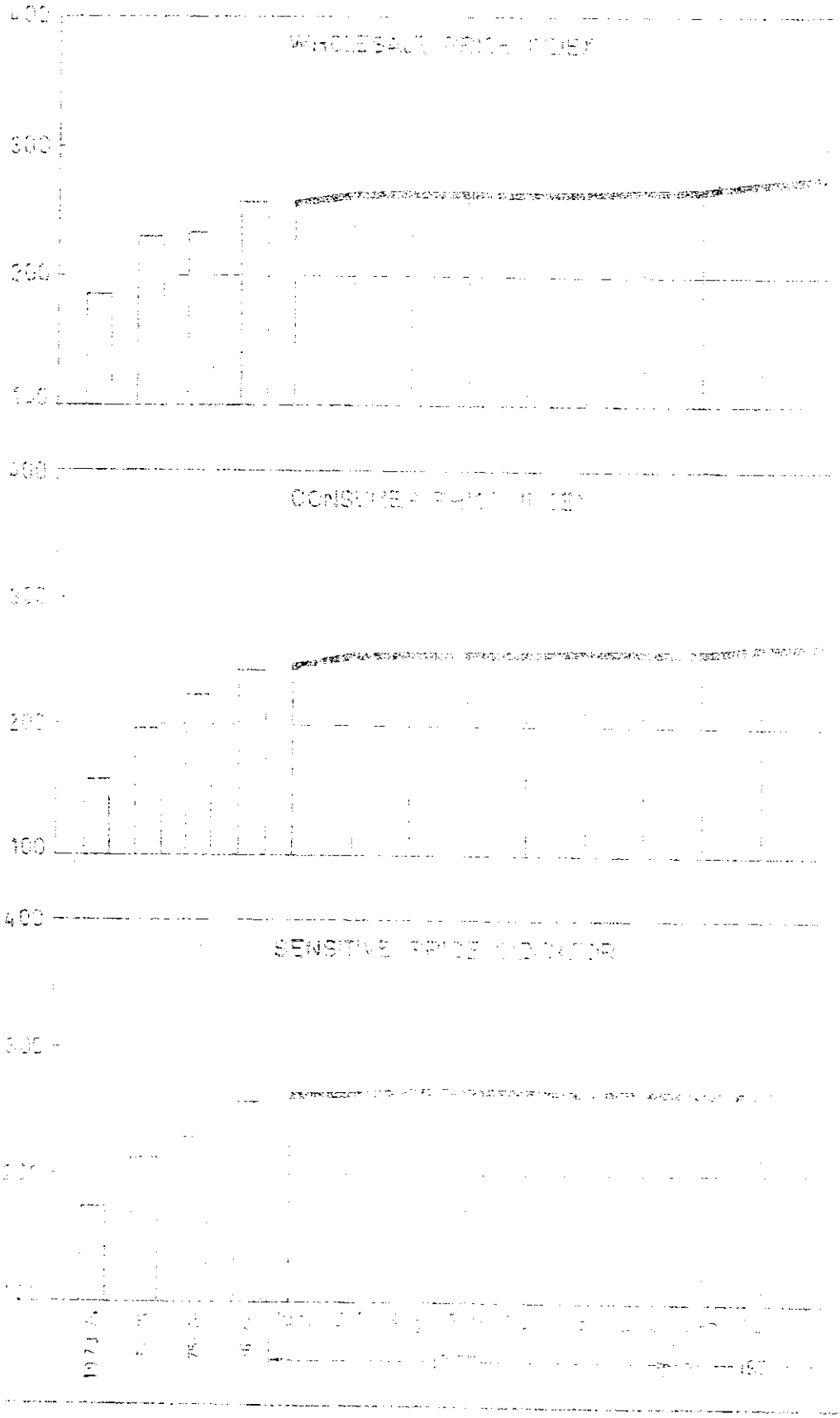
6. The individual commodities which contributed mainly to the increases in the wholesale price index in March 1978 over June 1977 were wheat (43.7 per cent), gram whole (113.6 per cent), gram split (88.3 per cent), mustard oil (11.6 per cent), fish (54.0 per cent), eggs (29.7 per cent), condiments (44.6 per cent), tobacco (12.6 per cent), timber (7.1 per cent), paints and varnishes (16.2 per cent) and cement (30.6 per cent). Some of the increases like in wheat, gram, mustard and oil were of seasonal nature.

CONSUMER PRICE INDEX

7. In the case of Consumer Price Index the increase in March, 1978 over June, 1977 was 7.3 per cent as against 12.3 per cent in the same period last year.

8. The highest reduction in the rate of increase was recorded by the Food, Beverages and Tobacco group where the increase was 8.4 per cent which was almost half of the increase of 17 per cent witnessed in the same period last year. In the Housing and Household Operations group, the rate of increase declined from 8.4 per cent to 6.1 per cent while in the commodities covered by the Miscellaneous group there was a marginal reduction of 0.2 point per cent to 6.4 per cent. In contrast, the prices of Apparel, Textile and Footwear rose by 4.6 per cent which was more than twice the rate of 2.2 per cent for the previous year. The trends of consumer price iudices by commodity and occupation groups are given in table 7.2 and 7.3.

PRICE INDICES



SENSITIVE PRICE INDICATOR

9. The Sensitive Price Indicator (28 essential items) of the income group upto Rs. 500 per month for all categories of workers has a weightage of about 53.04 per cent of the household expenditure. The indicator showed an increase of 3.7 per cent in March 1978 over June, 1977. The increase during the corresponding period last year was 12.6 per cent. The increase at 4.3 per cent was more pronounced in the group of industrial workers. The increase in the group of Government employees was, however, the lowest at 2.0 per cent. The trends of sensitive price indicators are given in table 7.4.

10. Among individual commodities, the highest increase during the period under report was witnessed in wheat and wheat flour in the open market, 'dal' gram, tea and soap, while the prices of onion, potatoes, red chillies, gur, long cloth and voil printed declined during the period.

11. The retail prices of 28 commodities included in the sensitive price indicator are discussed below.

RETAIL PRICES

Wheat and Wheat Flour

12. Retail prices of wheat and wheat flour in the open market showed an upward trend during July 1977 to March 1978. Price of wheat, which stood at Rs. 1.21 per kg in June 1977, went up to Rs. 1.79 per kg. in March 1978 showing a rise of 47.9 per cent. Price of wheat flour, however, showed a comparatively lower increase of 26.9 per cent from Rs. 1.34 per kg. to Rs. 1.70 per kg. The Government issue price for wheat flour through ration depots has remained unchanged at Rs. 0.95 per kg. The price of wheat showed higher increase than the increase in the price of wheat flour. With the result that in March 1978, the fomer, which has been traditionally lower than the latter and should be so because of cost of milling, had exceeded. Wheat was thus quoted at Rs. 1.79 per kg as against Rs. 1.70 per kg. for wheat flour. This may be ascribed to quality preference of the public for wheat over wheat flour supplied by the mills.

13. The increse in the prices of wheat and wheat flour in the open market was partly due to seasonal factors. Even so, the rate of increase was higher than last year when in the same period wheat prices had gone up by 15.9 per cent and wheat flour by 7.7 per cent.

14. In order to stabilize market prices, the Government increased the release of wheat to the roller mills and other agencies from its reserves. A quantity of 268,74 tons of wheat was released during February 1978 as against 260,771 tons and 217,98 tons during January 1978 and December 1977.

Rice

15. The price of rice Basmati (broken) which ruled at Rs. 2.80 per kg. in October, 1977, had declined to Rs. 2.76 per kg in November 1977 and ruled stable in December 1977 and January 1978 at Rs. 2.78 per kg. It, however, increased to Rs. 2.88 per kg. by March 1978 showing an increase of 10.3 per cent over the period under report compared with an increase of 19.4 per cent in the same peiod last year.

'Dal' Gram

16. Retail prices of 'dal' gram went up by 89.4 per cent from Rs. 2.17 per kg to Rs. 4.11 per kg mainly because of export of gram and other pulses. The production of gram was in fact higher at 639 thousand tons during 1977 compared to 592 thousand tons during 1976.

Mutton and Beef

17. Retail prices of mutton increased by 10.3 per cent during July 1977—March 1978 as compared with 9.3 per cent in the same period last year. The increase reflected inadequate supplies to meet the rising demand emanating from urbanisation and its income elastic nature. Beef prices also moved up by 0.9 per cent which has been less than the last year's increase of 4.1 per cent in the same period.

Salt

18. The price of salt increased by 15.1 per cent following the increase in railway freight *w.e.f.* July 1977 and its exports.

Tea

19. Tea prices recorded an increase of 32.2 per cent during July 1977—March 1978 as against a rise of 9.4 per cent last year. Import duties, which had been earlier reduced in view of increased international prices, were reimposed and subsequently enhanced.

Soap

20. Retail prices of washing soap and toilet soap increased by 15.4 per cent and 11.8 per cent respectively during the period from July 1977 to March, 1978. The corresponding increases last year were 11.1 per cent and 2.8 per cent respectively.

Milk

21. Retail prices of milk were held in check by increasing the import of milk powder from 15.3 million kgs in July 1976—March 1977 to 27.4 million kgs in July 1977—March 1978. There was, however, an increase of 0.7 per cent from Rs. 3.07 per kg to Rs. 3.09 per kg in the price of milk (indigenous). This compared favourably with a rise of 14.8 per cent in the same period last year.

Vegetable Ghee

22. The controlled price of vegetable ghee remained unchanged at Rs. 9.66 per kg during the period from July 1977—March, 1978. The supply position remained satisfactory due to increased production. The production of this essential item has been increasing during the last few years. A ghee plant at Bara also went into production. The Government has introduced a new kind of cooking medium called 'PAKWAN' *i.e.* original oil in March 1978 at a fixed price of Rs. 19.50 per 5-lb tin, or Rs. 0.80 per lb less than that of vegetable ghee price.

Sugar

23. The prices of sugar are controlled and remained at the fixed level. One more sugar mil at Dalu went into production in February, 1978.

Gur

24. Prices of gur declined by 8.3 per cent from Rs. 2.40 per kg to Rs. 2.20 per kg during July 1977—March 1978. The decline which was in keeping with the normal seasonal pattern, was however, less than last year's fall of 9.9 per cent.

Mustard Oil

25. Prices of mustard oil showed an increase of 0.5 per cent over the period.

Potatoes

26. Prices of potatoes showed a decline of 24.1 per cent from Rs. 1.95 per kg. to Rs. 1.4 per kg. The decline, which started during December 1977—March 1978, with the arrival of new crop in the market, was in sharp contrast with an increase of 2.9 per cent in the corresponding period last year.

Onions

27. Prices of onions also decreased by 43.2 per cent from Rs. 1.90 per kg to Rs. 1.08 per kg The decline in the price is attributed to better supply. During the same period last year, the price had gone up by as much as 304.7 per cent.

Red Chillies

28. Prices of red chillies came down by 28.7 per cent from Rs. 15.00 per kg to Rs. 10.69 per kg The fall in the price is attributed to better crop. Last year they had gone up by no less than 171.9 per cent.

Cloth

29. Prices of long cloth and voil printed decreased by 0.5 per cent and 1.8 per cent respecively over the period under report.

The trends of average retail prices of the above 28 commodities are given in Table 7.5.

PRICE EASING MEASURES

30. The overall performance of the economy, various economic policies and marketing institutions influence the general price level of the country. A large number of mesures, both general and specific, have been taken and the prices have also positively responded. In view of the hardships entailed by inflation and also distortions caused by it, Government has accorded high priority to the price situation and it has been keenly watched regularly.

Supply and Dstribution

31 The Essential Commodity Control Order has been replaced by the Price Control and Prevention of Profiteering Hoarding Act of 1977. Under the

Act, prices and supplies of certain commodities, having been declared as essential, would be regulated.

32. The Government has continued its policy of distributing major food items viz. wheat flour and sugar through the ration depots, and vegetable ghee and kerosene at fixed prices in the open market. The supply of these items and other essential commodities like tea, milk powder, butter, etc., was improved through increased imports/production.

33. In addition to the control of essential items, the Government paid due attention to distribution of a wide range of commodities through Government controlled Utility Stores. The number of these stores covering more than 200 items of high weightage in the household consumption was raised from 500 in June 1977 to 682 in March 1978.

34. The Provincial Governments are equally concerned about the situation and have contributed largely to control the prices of certain essential commodities.

35. Furthermore, the Government has started advance planning to control the price and supply position of the commodities and has set up a Federal Prices and Supplies Board to suggest positive corrective measures.

Administrative Measures

36. In addition to the measures discussed above, the Government adopted several administrative measures including surprise checking of the business centres, to regulate the production and distributive channels. The Government directed the shop-keepers to display the prices in the shops and submit to the Government the amount of decrease in the prices made after the reduction/exemption in the duties on certain goods like bicycles, toothpastes, shoe polish and dry battery cells. Recently Price-Review Committees have been formed at district level to bring out any price-rise in the market, so that necessary measures are taken to check such tendency.

Import of some food items

37. More than 50 per cent of monthly income of a middle class and lower class family is spent on food. As such the Government has started importing some food items to meet domestic food deficit in the country and protect the common man from adverse impact of inflation.

38. On realisation that the prices of wheat and wheat flour are rising due to seasonal and other factors, the Government arranged to import over one million tons of wheat during 1977-78. Import of tea stood at 51.1 million kilograms during July 1977—March 1978 compared to 41.9 million kilograms during the corresponding period last year. Likewise the import of milk powder rose from 15.3 million kilograms during July 1976—March 1977 to 27.4 million kilograms during July 1977—March 1978. However, the import of edible oil was lower during the period due to improved availability of cotton seeds following the better cotton crop of 1977. Pakistan received a gift of 3,500 tons of butter oil from the European Economic Community.

TABLE 7.1

WHOLESALE PRICE INDEX NUMBERS BY COMMODITY GROUPS

1969-70=100

PERIOD	General		Food		Raw Materials		Fuel, Lighting and Lubricants		Manufactures	
	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77
June	260.77	241.46	274.61	255.05	248.48	248.00	272.65	263.99	237.37	207.38
July	263.41	247.83	278.88	257.83	247.88	259.38	272.41	267.57	239.30	218.91
August	265.84	250.13	283.24	260.61	247.97	260.05	272.41	267.57	239.33	221.54
September ..	266.96	252.94	283.98	266.31	248.16	259.69	271.21	267.78	242.11	220.79
October	264.53	254.98	282.13	267.77	249.23	265.10	271.21	267.74	236.38	222.76
November ..	265.24	249.00	281.50	256.77	259.42	256.92	271.22	268.28	235.32	226.22
December ..	268.48	251.67	287.14	263.13	261.43	250.18	271.22	268.17	235.15	226.78
January	269.11	254.51	287.99	267.77	262.24	251.32	271.22	268.17	235.39	227.54
February.. ..	273.64	258.67	296.53	274.57	262.33	250.97	271.23	268.37	235.21	229.57
March	278.16	260.73	305.80	277.81	263.73	251.11	272.04	272.59	232.79	229.80
Average July—March) ..	268.37	253.38	287.47	265.84	255.82	256.09	271.58	268.47	236.74	224.87
Percent chage during Jul—March 1977-78 oer July—March last/ear ..	+5.9	+1.8	+8.1	+11.1	—0.1	+15.4	+1.2	+5.5	+5.3	+13.1
Percent chage in March over June	+7.7	+8.0	+11.4	+8.9	+6.1	+1.3	—0.2	+3.3	—1.9	+10.8

Source : Statistics Division

TABLE 7.2

COMBNED CONSUMER PRICE INDEX NUMBERS (BY COMMODITY GROUPS)

BASE 1969-70

(ALL INCOME GROUPS)

PERIOD	General		Food, Beverages & Tobacco		Apparel, Textile & Foot wear		Housing & Household Operations		Miscellaneous	
	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77
June	247.40	227.01	256.08	232.00	257.29	247.89	230.35	213.00	233.36	216.79
July	254.67	228.21	265.56	235.93	259.43	239.64	232.05	214.80	241.59	217.30
August	256.91	231.18	268.33	239.28	260.40	233.92	232.95	217.99	244.49	218.96
September ..	258.04	236.97	268.55	248.15	264.19	239.23	234.05	219.93	246.01	219.78
October	259.11	238.25	267.31	248.70	265.17	240.03	236.55	222.82	253.27	221.40
November ..	258.70	242.54	269.19	254.15	267.64	243.78	237.90	224.88	243.11	224.73
December ..	259.19	244.22	268.00	255.52	269.44	247.93	239.18	226.17	247.08	226.43
January	259.66	247.30	267.98	258.42	268.05	253.66	241.70	228.62	248.01	229.21
February.. ..	262.51	250.66	273.07	263.83	270.86	253.47	242.95	230.01	245.84	230.34
March	264.48	251.04	277.55	271.45	269.24	253.37	244.42	230.81	248.32	231.06
Average (Jul—Mar.)	259.36	241.60	269.50	252.82	266.05	245.00	238.07	224.00	246.41	224.36
Percent chnge during Jul—Mar. 1977-78 over July—March last year..	+7.4	+8.8	+6.6	+9.3	+8.6	+3.0	+6.3	+10.9	+9.8	+8.2
Percent change in March ovr June.	+7.3	+12.3	+3.4	+17.0	+4.6	+2.2	+6.1	+8.4	+6.4	+6.6

Source : Statistics Division.

Table 7.3

CONSUMER PRICE INDEX NUMBERS (BY OCCUPATION GROUPS)
(ALL INCOME GROUPS)
1969-70=100

PERIOD	Industrial		Commercial		Government		Three categories combined	
	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77	1977-78	1976-77
June	247.18	226.82	248.98	228.15	245.06	225.34	247.40	227.01
July	254.19	228.07	256.31	229.26	252.45	226.63	254.67	228.21
August	256.31	231.06	258.71	232.30	254.51	229.50	256.91	231.18
September ..	257.40	237.49	259.89	237.78	255.62	235.27	258.04	236.97
October	258.45	238.70	260.75	239.20	257.04	236.37	259.11	238.25
November ..	258.34	243.23	260.70	243.53	255.81	240.40	258.70	242.54
December ..	258.75	244.84	261.19	245.25	256.36	242.10	259.19	244.22
January	259.18	247.59	261.59	248.64	256.98	244.94	259.66	248.30
February.. ..	262.50	251.11	264.15	251.91	259.91	248.31	262.51	250.66
March	265.78	255.56	266.89	256.31	262.99	252.59	265.48	255.04
Average (July—Mar.)	258.99	241.96	261.13	242.69	256.85	239.57	259.36	241.71
Percent change during July—Mar. 1977-78 over July—Mar. last Year ..	+7.0	+8.6	+7.6	+8.8	+7.2	+8.8	+7.3	+8.8
Percent change in March over June.	+7.5	+12.7	+7.2	+12.3	+7.3	+12.1	+7.3	+12.3

Source : Statistics Division.

Table 7.4

SENSITIVE PRICE INDICATORS OF 28 ESSENTIAL COMMODITIES

(BASE 1969-70)

PERIOD	Industrial	Commercial	Government	Combined
1977-78				
June	253.35	258.14	258.36	255.75
July	258.50	264.18	259.54	261.58
August	260.92	267.32	261.37	264.22
September .. —..	261.92	267.91	263.04	265.17
October	260.30	266.66	261.69	263.80
November	261.63	268.38	262.46	265.19
December	263.15	267.40	263.30	265.31
March	264.32	266.34	263.46	265.13
Percent change in March 1978 over June 1977.	+4.3	+3.2	+2.0	+3.7
Percent change in March 1977 over June 1976 ..	+11.5	+13.1	+12.5	+12.6

Source : Statistics Division.

Table 7.5

AVERGE RETAIL PRICES OF 28 ESSENTIAL ITEMS (SIMPLE AVERAGE FOR 12 CITIES)

Commodity	Unit	Jun. 77	Jul. 77	Aug. 77	Sep. 77	Oc.. 77	Nov 77
Wheat (Av. Qlty.) ..	Kg.	1.21	1.19	1.14	1.21	1.25	1.28
Wheat Flour (Av. Qlty.)	Kg.	1.34	1.34	1.33	1.35	1.37	1.38
Wheat Flour (Ration Shop)	Kg.	0.95	0.95	0.95	0.95	0.95	0.95
Rice Basmati (Broken) ..	Kg.	2.61	2.68	2.63	2.72	2.80	2.76
Gram Pulse (Av. Qlty)	Kg.	2.17	2.22	2.27	2.42	2.68	2.89
Beef CowBuff (Wth Bone)	Kg.	6.80	6.81	6.63	6.71	5.70	6.72
Mutton Goat (Av. Qlty.)	Kg.	14.11	14.39	13.90	14.21	14.53	14.63
Potato White (Av. Qlty)	Kg.	1.95	2.29	2.35	2.37	2.46	2.59
Onion Dry (Av. Qty.) ..	Kg.	1.90	2.03	3.00	3.15	2.79	2.71
MustardOil (mill) ..	Kg.	6.63	6.69	6.72	6.62	6.54	6.45
Ghee Veetable (Loose) ..	Kg.	9.66	9.66	9.66	9.66	9.66	9.66
Salt Roc (Powde) ..	Kg.	0.86	0.90	0.92	0.93	0.93	0.94
Red Chilies (Av. Qlty) ..	Kg.	15.00	13.82	12.54	11.69	9.48	8.88
Sugar (Ration Shop) ..	Kg.	4.30	4.30	4.30	4.30	4.30	4.30
Gur (Su Qlty) ..	Kg.	2.40	2.43	2.40	2.39	2.43	2.35
Milk Bufalo (Unboiled) ..	Litre	3.07	3.16	3.12	3.13	3.08	3.07
Tea Broke Bone (W. Rose) ..	250 Grm.	6.58	8.27	8.70	8.70	8.70	8.70
Cigarett King Stork Pkt. ..	10's	0.72	0.72	0.71	0.71	0.74	0.75
Tea Preared	Cup	0.52	0.55	0.56	0.56	0.53	0.54
Long Cloth 1500	Metre	6.17	6.19	6.19	6.20	6.16	6.17
Mulls (Hussain/Kohinoor) ..	Metre	5.32	5.45	5.52	5.53	5.50	5.51
Voil Prited (Kohinoor) ..	Metre	12.56	12.73	12.75	12.80	12.60	12.35
Markin54-in. Khaddi ..	Metre	5.72	5.79	5.81	5.80	5.79	5.78
Kerosee Oil Blue	1/2 Ltr.	0.62	0.62	0.62	0.62	0.60	0.60
Firewod Kikar/Babul ..	40 Kg.	15.71	15.70	15.67	15.75	16.04	16.22
Match Box (40/50 Sticks) ..	Each	0.22	0.22	0.22	0.22	0.22	0.22
Washing Soap ('07/555) ..	Cake	1.17	1.28	1.32	1.34	1.34	1.36
Lifebuy	Cake	1.44	1.51	1.52	1.53	1.53	1.56

(Contd).

Table 7.5—Continued

AVERAGE RETAIL PRICES OF 28 ESSENTIAL ITEMS (SIMPLE AVERAGE FOR 12 CITIES)

Commodity	Unit	Dec. 1977	Jan. 1978	Feb. 1978	March 1978	% change in Mar. 1978 over June 1977	% change in Mar. 1978 over March 1977
Wheat (Av. Q'ty.)	.. Kg.	1.42	1.48	1.61	1.79	+47.9	+36.6
Wheat Flour (Av. Qlty)	.. Kg.	1.47	1.50	1.62	1.70	+26.9	+21.4
Wheat Flour (Ration Shop)	Kg.	0.95	0.95	0.95	0.95	—	—
Rice Basmati (Broken)	.. Kg.	2.78	2.78	2.83	2.88	+10.3	+11.6
Gram Pulse (Av. Qlty)	.. Kg.	3.40	3.55	3.74	4.11	+89.4	+85.1
Beef Cow/Buff (With Bone)	Kg.	6.75	6.78	6.85	6.86	+0.9	+0.3
Mutton Goat (Av. Qlty)	.. Kg.	15.04	15.24	15.38	15.57	+10.3	+9.6
Potato White (Av. Qlty)	Kg.	1.09	1.35	1.37	1.48	(-)24.1	—25.3
Onion dry (Av. Qlty)	.. Kg.	2.43	1.40	1.24	1.08	(-)43.2	—69.0
Mustard Oil (Mill)	.. Kg.	6.44	6.51	6.60	6.66	+0.5	—2.6
Ghee Vegetable (Loose)	.. Kg.	9.66	9.66	9.66	9.66	—	—
Salt Rock (Powder)	.. Kg.	0.96	0.96	0.99	0.99	+15.1	+22.2
Red Chillies (Av. Qlty)	.. Kg.	10.37	11.05	10.86	10.69	(-)28.7	—26.8
Sugar (Ration Shop)	.. Kg.	4.30	4.30	4.30	4.30	—	—
Gur (Sup. Qlty)	.. Kg.	2.39	2.31	2.22	2.20	(—)8.3	—10.2
Milk Buffalo (Unboiled)	.. Litre	3.09	3.09	3.09	3.09	+0.7	—0.3
Tea Brooke Bond (W/Rose)	.. 250 Grm.	8.70	8.70	8.70	8.70	+32.2	+59.0
Cigarette King Stork ..	.. 10's	0.76	0.77	0.76	0.76	+5.6	+8.6
Tea Prepared ..	.. Cup	0.53	0.54	0.54	0.54	+3.8	+12.5
Long Cloth 15000 ..	.. Metre	6.16	6.20	6.18	6.14	(—)0.5	+2.3
Mulls (Hussain/Kohinoor)	.. Metre	5.52	5.52	5.52	5.55	+4.3	—25.4
Voil Printed/Kohinoor	.. Metre	12.35	12.35	12.33	12.33	(—)1.8	+31.4
Markin 45-in. Khaddi	.. Metre	5.80	5.83	5.80	5.72	—	+10.6
Kerosene Oil Blue	.. 1/2 Litre	0.60	0.61	0.61	0.62	—	—19.5
Firewood Kikar/Babul	.. 40 Kg.	16.55	16.57	16.66	16.69	+6.2	+4.4
Match Box (40/50 Sticks)	.. Each	0.22	0.22	0.22	0.22	—	+4.8
Washing Soap 707/555	.. Cake	1.35	1.36	1.36	1.35	+15.4	+22.7
Lifebuoy	.. Cake	1.61	1.61	1.61	1.61	+11.8	+11.0

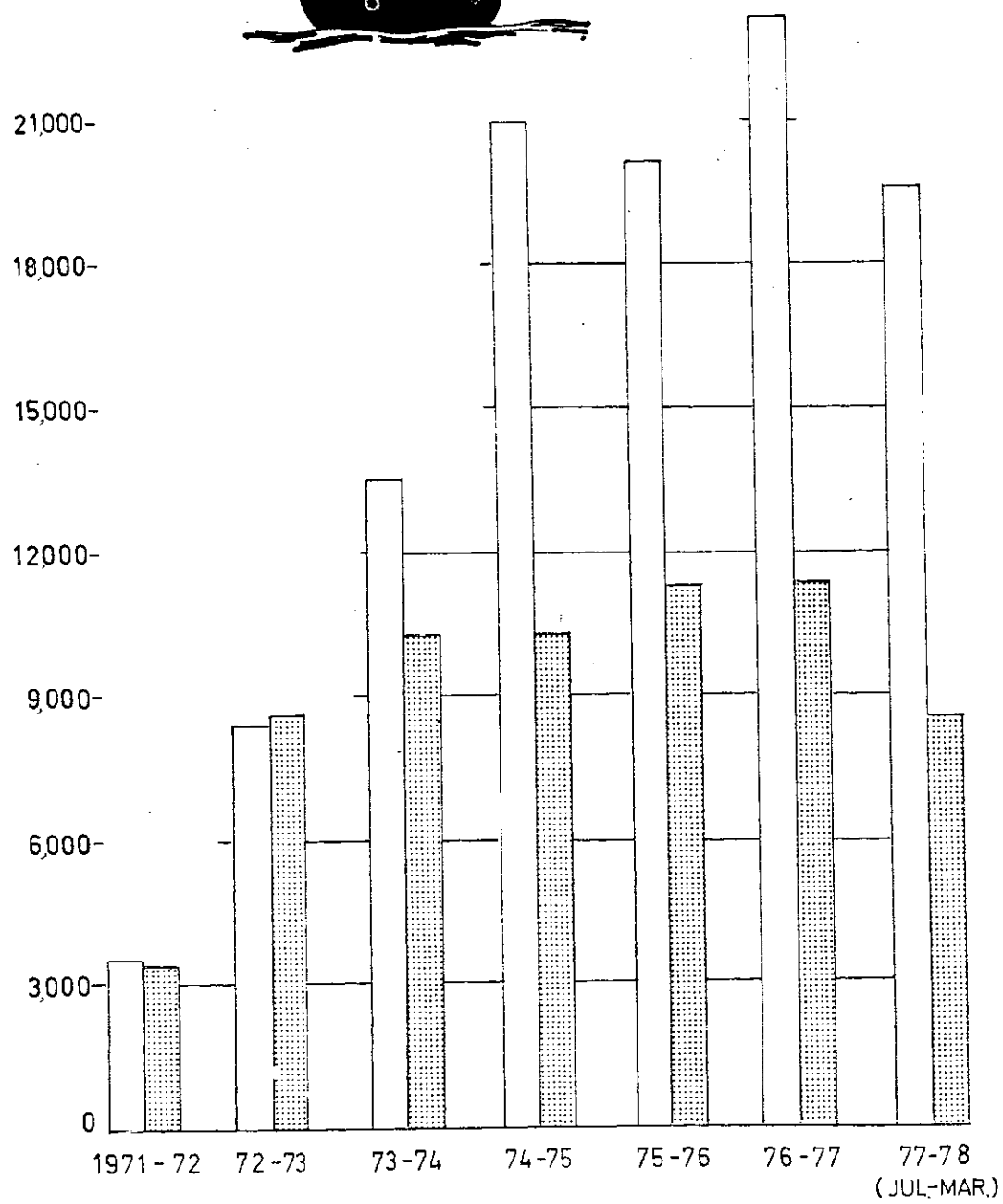
Source : Statistics Division.

FOREIGN TRADE

Rs. in Million

Imports ▭ ▨ Exports





8

TRADE AND BALANCE OF PAYMENTS

The balance of payments pressures have for long been a major constraint on growth maximization in developing countries. International economic events since 1973 have made this constraint even more critical especially for non-oil producing developing economies.

2. Pakistan's economy is more vulnerable to international developments because of its relatively higher dependence on foreign trade. During the last few years international inflation and recession, and recurring set-backs to agricultural production led to a large and persistent trade gap, notwithstanding significant export incentives offered by the Government.

3. The structural imbalances continue to persist in the overall balance of payments picture though the performance profile of the current year is showing symptoms of recovery. With the new Government at the helm of affairs, the framework of economic management has taken a new shape. The export and import policies are being brought in line with the economy's requirements of external funds for maintenance as well as development. Necessary incentives have been provided to boost exports of a large number of items. The new set of policies is likely to have a significant impact on the environment of growth and investment-production matrix. It is hoped, that it would also have a positive effect on generating exportable surpluses thereby reducing the sizable gap on the external account.

4. Over the past few years, the trade gap has remained around $ 1100 million. During the period under review, imports have been rising faster than exports and consequently the ratio of exports to imports has declined to 44 per cent.

The available data reveal that the unit value of some exports have started showing signs of recovery, but relatively higher increases in the unit values of some import items continue pressing terms of trade.

BALANCE OF PAYMENTS

5. Pakistan's Balance of Payments recorded a current account deficit of $ 902 million during 1976-77 as against $ 827 million in 1975-76. The deterioration was largely accounted for by higher trade deficit. Import payments rose by $ 278 million or 13 per cent during 1976-77 while exports receipts declined by $ 30 million or 2.6 per cent . Export receipts were adversely affected by a sharp decline in the production of raw cotton on account of heavy rains in cotton growing areas and pest infestation as well as steep fall in the prices of rice in the international market. On capital account, net inflow amounted to $ 593 million which offset 66 per cent of the deficit on current account.

6. For 1977-78, current account deficit is estimated at $ 661 million as compared to $ 902 million in 1976-77. The trade gap on merchandise account for 1977-78 is anticipated to rise by $ 217 million or 17 per cent to $ 1,503 million from $ 1286 million during 1976-77. This would to a certain extent be offset by an expected improvement of $ 458 million in invisible account. Net capital inflow would be around $ 843 million. The following table shows the overall balance of payments from 1974-75 to 1976-77 and estimates for 1977-78.

Table 8.1

OVERALL BALANCE OF PAYMENTS

(Million $)

	1974-75	1975-76	1976-77	1977-78* (Estimated)
A.—CURRENT ACCOUNT				
(*a*) Merchandise	(—)1,136.6	(—)977.3	(—)1,285.9	(—)1,503
(*b*) Non-Monetary Gold	—	(+)1.3	—	—
(*c*) Invisibles	(+)72.9	(+)149.3	(+)383.5	(+)842
(*i*) Services	(—)260.5	(—)323.5	(—)355.6	(—)408
(*ii*) Unrequited transfers ..	(+)333.4	(+)472.8	(+)739.1	(+)1,250
TOTAL.—CURRENT ACCOUNT ..	(—)1,063.7	(—)826.7	(—)902.4	(—)661
B.—CAPITAL ACCOUNT	(+)909.5	(+)815.2	(+)593.2	(+)843
C.—NET-MONETARY FLOWS, ERRORS & OMMISSIONS (—Increase)..	(+)154.2	(+)11.5	(+)309.2	(—)182

Source :—*External Finance Wing, (Finance Division).
StateBank of Pakistan.

Merchandise Account

7. The trade deficit based on export receipts and import payments during 1977-78 is estimated to enlarge by $ 217 million to $ 1503 million. Import payments are likely to increase during 1977-78 by $ 391 million or 16 per cent from $ 2418 million in 1976-77 to $ 2809 million due to increased requirements of capital goods and raw materials. Export receipts are also estimated to witness a rise

of$ 174 nillion o 15 pe cent fiom $ 1132 million in 1976-77 to $ 1306 million during 19'7-78. The folowing table shows the merchandise account position since 1973-74.

Table 8.2

MERCHANDISE ACCOUNT

(Millior $)

Years	Imports	Exports	Balance
973-74	1,493.1	1,019.7	(—)473.4
974-75	2,114.2	977.6	(—)1,135.6
975-76	2,139.4	1,162.1	(—)977.3
976-77	2,417.7	1,131.7	(—)1,285.0
977-78*(Istimated	2,809.0	1,306.0	(—)1,503.0

ource :—'Externa Finance Wing (Finance Division).
State Bak of Palistan.

Invisible Accoun

8. Invisible ccount have two broad segments, *viz* (i) services and (ii) unrequited transfers. During 1976-77 invisible account registered a marked surplus o $ 383.5 millio as conpared with $ 149.3 million in the preceding year. The inprovenent in the invsible account was due entirely to substantial increase in unrequited transers. For 1977-78, invisible account is estimated to improve by $458 milion. The unrequited transfers comprising private remittances, oficial donations and Indus Tarbela grants recorded a substantial improvement of $ 266 nillion during 976-77 to $ 739 million. The improvement under unrequited tansfers is estinated to further increase by $ 511 million or 69 per cent from $739 milion during 19'6-77 to $ 1250 million in 1977-78. The following table shows the trend of unrequited transfers separately on Government and private accounts since 974-75.

Table 8.3

UNREQUITED TRANSFERS

(Million $)

	1974-75			1975-76		
	Gov.	Private	Total	Govt.	Private	Total
Receipts . ..	108.6	229.9	338.5	138.0	353.4	491.4
Payments . ..	4.6	0.5	5.1	18.2	0.4	18.6
Balance . .	104.0	229.4	333.4	119.8	353.0	472.8

	1976-77			1977-78* (Estimated)		
	Govt.	Private	Total	Govt.	Private	Total
Receipts . ..	152.9	590.8	743.7	101	1150	1251
Payments . ..	4.2	0.4	4.6	—	1	1
Balance . ..	148.7	590.4	739.1	101	1149	1250

Source —*Extenal Finance Wing (Finance Division).
State Bank of Pakistan.

BALANCE OF TRADE

9. Pakistan is continuously having a deficit in balance of trade since 1973-74. The trade deficit in 1976-77 stood at $ 1,183.7 million as compared to $ 930.6 million in 1975-76. Exports increased nominally from $ 1,136.6 million in 1975-76 to $ 1,140.8 million in 1976-77 showing a rise of only $ 4.2 million or 0.4 per cent compared to an increase of $ 97.6 million or 9.4 per cent in 1975-76. The imports increased from $ 2,067.2 million in 1975-76 to $ 2,324.5 million in 1976-77. The deficit in the balance of trade has increased to $ 1,111.2 million during the first nine months of the current fiscal year as compared with $ 844 million during the corresponding period of 1976-77. This was due to lower increase of 7.3 per cent in exports compared to a relatively higher increase of 19.8 per cent in imports. The following table shows the balance of trade from 1972-73 to 1977-78 (July-March) :—

Table 8.4

BALANCE OF TRADE

(Million $)

Year	Exports	Imports	Balance
1972-73	817.3	797.2	(+)20.1
1973-74	1,026.4	1,361.5	(—)335.1
1974-75	1,039.0	2,113.6	(—)1,074.6
1975-76	1,136.6	2,067.2	(—)930.6
1976-77	1,140.8	2,324.5	(—)1,183.7
1976-77 (July-March)	804.5	1,648.5	(—)844.0
1977-78 (July-March)	863.3	1,974.5	(—)1,111.2

Source :—Statistics Division.

10. There has been slight improvement in the terms of trade during 1977-78 (July-March) over the corresponding period last year ; there was, however, a deterioration in this regard over the level of 1976-77. Though, both the unit value indices of imports and exports have been rising, yet the imports unit index recorded a higher growth rate relative to exports unit value index. This tendency has significantly contributed to perpetuation of deficit in the balance of trade.

Exports

11. Commodity export projections for 1977-78 were originally placed at $ 1,480 million. This reflected an increase of 30 per cent over the actual exports of $ 1,141 million in 1976-77. The projections were based on a normal cotton crop of 3.5 million bales and expected revival of demand in international market for cotton yarn and textiles and high prices for rice. In view of the less-than-anticipated production of raw cotton, weak overseas demand for cotton yarn, and decline in the quantity and prices of leather and fish and fish preparations, the export projection has been subsequently revised downward to $ 1306 million. However, it still represents 14.5 per cent increase over the level of actual exports during 1976-77.

12. Exports amounted to $ 863.3 million during the first 9 months of 1977-78, compared to $ 804.5 million during the corresponding period of 1976-77, showing a rise of 7.3 per cent. This growth rate is a remarkable improvement over the rise of 0.4 per cent last year. The following table gives the trend of exports durng the period 1972-73 to 1977-78 (July-March).

Table 8.5

GROWTH OF EXPORTS

(Million $)

Year	Value	%change
197273	817.3	—
197374	1,026.4	(+)25.6
197475	1,039.0	(+)1.2
197576	1,136.6	(+)9.4
197677	1,140.8	(+)0.4
197677 (JulyMarch)	804.5	—
197778 (JulyMarch)	863.3	(+)7.3

Source.—Statistics Division.

13. During 1977-78 (July-March) the items contributing towards higher exports include: petroleum and petroleum products ($ 54.1 million), cotton fabrics ($ 19.2 milion), raw cotton ($ 38.7 million), machinery and transport equipments $ 15.6 million), carpets, carpeting rugs and mats ($ 85.4 million), surgical instuments ($ 11.5 million) and guar and guar products ($ 15.4 million). The items whose exports declined and offset partly the increase emanating from the aforementioned items include: rice ($ 143.8 million), cotton yarn ($ 64.7 million), tobacco rav and manufactured ($ 8.8 million), fish and fish preparations ($ 28.2 million), leather ($ 42.5 million), and chemicals ($ 6.6 million).

14. The followng table indicates the trend in the exports of major commodities in the first three quarters of the current financial year and compares it with the performance in the same period of the previous financial year.

Table 8.6

GROWTH OF EXPORTS BY MAJOR COMMODITIES

(Million $)

Conmodities	1976-77 (July-March)	1977-78 (July-March)	% Change
Rice	184.2	143.8	(—)21.9
Rav Cotton	18.0	38.7	(+)115.0
Coton Yarn	87.3	64.7	(—)25.9
Coton Clotl	99.2	129.2	(+)30.2
Other Cottor Textile Iroducts	65.2	66.6	(+)2.1
Carpets, Rugs and Mats	70.0	85.4	(+)22.0
Leather	49.1	42.5	(—)13.4
Fish and Fish Preparations	30.0	28.2	(—)6.0
Petroleum and Petroleum Products	15.7	54.1	(+)244.6
Machinery &Transport Equipments	4.0	15.6	(+)290.0
Rav Wool	5.4	4.5	(—)16.7
Chemicals	8.2	6.6	(—)19.5
Guar and Guar Products	13.3	15.4	(+)15.8
Tobacco rawand manufactured	14.4	8.8	(—)38.9
Surgical instruments	9.9	11.5	(+)16.2
Spots Good (excl. toys)	14.4	14.5	(+)0.7
All other iters	116.2	133.2	(+)14.6
Total ..	804.5	863.3	(+)7.3

Source; Statistics Division.

15. Cotton fabrics which was the second largest export item during 1976-77 has maintained its position. Its share in total exports increased from 12.3 per cent in 1976-77 (July-March) to 15 per cent during 1977-78 (July-March), while its exports value rose from $ 99.2 million to $ 129.2 million. Rice which was at the top last year maintained its position as the largest foreign exchange earner. Although export earnings from rice fell from $ 184.2 million to $ 143.8 million, its share in total exports also declined from 22.9 per cent to 16.7 per cent. Carpets, carpetting rugs and mats which had fourth position last year, shifted upwards to third position at $ 85.4 million or 9.9 per cent of the total exports during 1977-78 (July—March) compared to $ 70 million or 8.7 per cent during July—March 1976-77. Cotton yarn which was the third biggest item in the descending order last year has slipped down to 4th position and its share in total exports declined to 7.5 per cent.

16. Among the major items, rice, cotton cloth, cotton yarn, carpets, rugs and mats, guar and guar products, tobacco raw and manufactured registered increases in unit values, whereas raw cotton, leather, fish and fish preparations, raw wool, petroleum and products registered declines in unit values as given in the table below :—

Table 8.7

AVERAGE UNIT PRICES OF MAJOR EXPORTS

(Value in $)

	Quantity Unit	1976-77 (July-March)	1977-78 (July-March)	%Change
1. Rice	M/tons	263.90	274.48	(+)4.0
2. Raw Cotton	M/tons	1,488.12	1,119.34	(—)24.8
3. Cotton Yarn	KG	1.37	1.80	(+)31.4
4. Cotton Cloth	Sq. M	0.37	0.39	(+)5.4
5. Carpets, Rugs & Mats	Sq. M.	53.14	62.51	(+)17.6
6, Leather	Sq. M.	7.56	7.10	(—)6.1
7. Fish & Fish Preparations.. ..	KG	2.76	2.71	(—)1.8
8. Raw Wool	KG	1.80	1.56	(—)13.3
7. Guar & Guar products	KG	0.21	0.24	(+)14.3
10. Tobacco raw & manufactured ..	KG	1.31	1.32	(+)0.8
11. Petroleum & petroleum products ..	M/tons	94.23	81.36	(—)13.7

Source:—Statistics Division/Export Promotion Bureau.

Economic Classification of Exports

17. The composition of exports by economic classification has shown significant changes during recent years. The percentage share of primary commodities in the total exports which was 39.4 per cent in 1973-74 increased to 40.9 per cent in 1976-77 and of manufactured goods rose from 38 per cent to 42.4 per cent in the same period. The share of semi-manufactures in total exports, however, declined from 22.6 per cent in 1973-74 to 16.7 per cent in 1976-77. The comparison of the first nine months of 1977-78 with the corresponding period of last year shows that the share of primary commodities and semi-manufactures has declined from 41.8 per cent to 40.6 per cent and 17.5

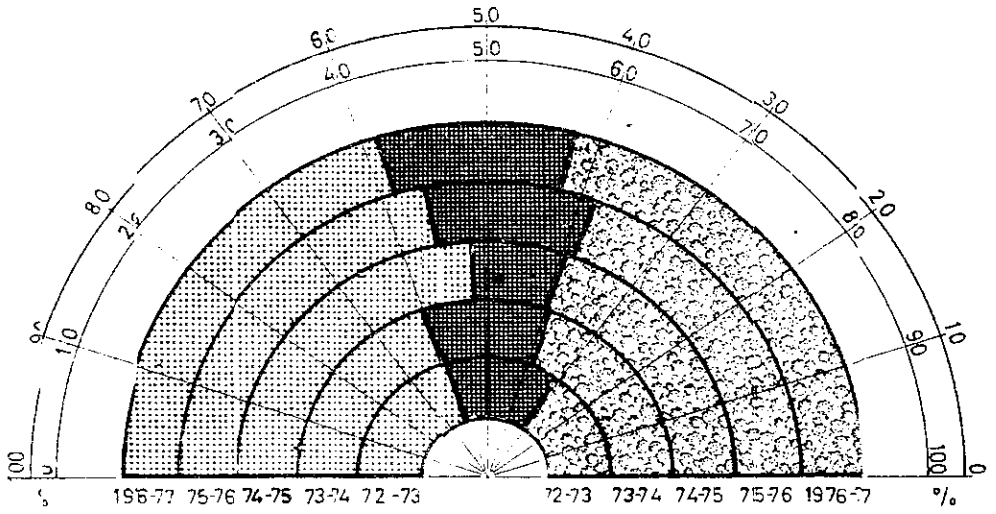
ECONOMIC CLASSIFICATION

EXPORTS

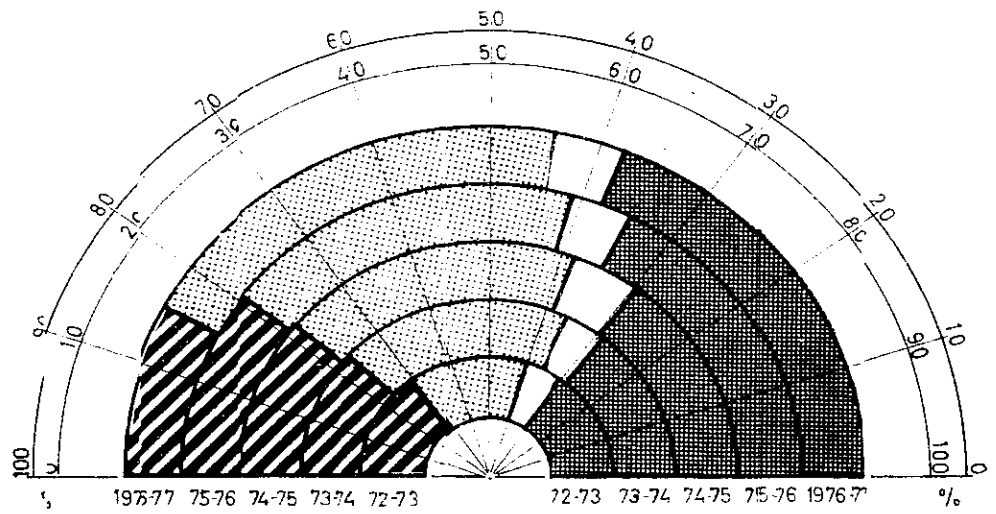
PRIMARY COMMODITIES

SEMI-MANUFACTURES

MANUFACTURED GOODS



IMPORTS



CONSUMER GOODS

INDUSTRIAL RAW MATERIAL FOR CONSUMER GOODS

INDUSTRIAL RAW MATERIAL FOR CAPITAL GOODS

CAPITAL GOODS

per cent to 13.4 per cent while that of manufactured goods increased from 40.7 per cent to 46.0 per cent. Changes in exports by economic classification are given in Table 8.8.

Table 8.8

ECONOMIC CLASSIFICATION OF EXPORTS

(Million $)

Year	Primary commodities		Semi-Manufactures		Manufactured Goods		Total Value
	Value	Share %	Value	Share %	Value	Share %	
1973-74 ..	404.7	39.4	231.7	22.6	389.9	38.0	1,026.4
1974-75 ..	498.1	48.0	132.1	12.7	408.8	39.3	1,039.0
1975-76 ..	495.2	43.7	208.8	18.4	432.6	37.9	1,136.6
1976-77 ..	466.9	40.9	190.7	16.7	483.2	42.4	1,140.8
1976-77 (July—March) ..	336.0	41.8	141.2	17.5	327.3	40.7	804.5
1977-78 (July—March) ..	350.9	40.6	115.2	13.4	397.2	46.0	863.3

Source : Statistics Division.

18. A number of measures have been adopted in recent years for export promotion. A brief account of some of them is given below :

(i) *Export Financing.*—The scope of export financing scheme has been enlarged to cover all manufactured goods. The only export items now exduded from the purview of the scheme are : raw cotton, rice, raw wool and raw hides and skins. Originally the scheme provided a concessional rate of interest not exceeding 10 per cent. Thereafter, it was reduced to 8 per cent and subsequently to 6 per cent. For non-traditional exports, financing facility is available at 6 per cent on a case by case basis, where confirmed letter of credit or a firm export order has been received. Moreover export credit will now be available automatically on concessional terms to each exporting firm upto 25 per cent of its previous year's exports.

(ii) *Concessions for boosting export of engineering goods.*—In order to boost export of engineering goods, the State Bank of Pakistan now provides through commercial banks both pre-shipment and post-shipment finance to the exporters of such machinery. The financial assistance, which was originally provided at 7 per cent, is now being provided at a rate not exceeding 5 per cent. The bank concerned shall be entitled to borrow from the State Bank upto 80 per cent of the loaned amount at a rate of 3 per cent. The period for which the State Bank re-discounts or grants refinance is upto a maximum period of 10 year.

(iii) *Export Rebate Scheme.*—To facilitate prompt payment of rebates on duties/taxes paid on raw materials, standard rebates on 43 export

items have been fixed. On case to case basis rebate is also available for other items, but efforts are being made to standardize the rebates for as many items as possible.

(iv) *Abolition of Provincial Taxes.*—Complaints were being received about the adverse effect of taxes imposed by Provincial governments and local authorities which hamper exports and adversely affect prices. The Provincial governments and local authorities have been asked to do away with such taxes and to confine their tax domain to items consumed in their own territories and not on articles in transit. specifically, the following actions have been taken:—

(a) It was decided to abolish the octroi on woollen yarn used by carpet industry.

(b) The NWFP Government was asked to withdraw the levy imposed on flue-cured tobacco.

(c) The cess of Re. 1 per maund imposed by the NWFP Government on molasses was also withdrawn.

(v) *Fixation of prices of cotton.*—As the price fixed for lint cotton was adversely affecting the competitiveness of our textiles, it was decided to reduce the lint price from Rs. 415 per maund to Rs. 325 per maund for cotton textile mills.

(vi) *Export of exercise books.*—The ban on export of exercise books and paper products including wall paper base has recently been removed.

(vii) Besides, a number of fiscal and commercial measures have been taken to boost domestic production for generating larger exportable surpluses. Some of these measures are given below:

(a) In October, 1977 the Government gave concessions in excise duties and import duties to 11 industries.

(b) In February 1978, six domestic industries were provided with tax rebates and the facility of protective tariff.

(c) Tax holiday for five years has been given for establishing industry in the under-developed areas.

(d) Duty free import of machinery has been allowed for the lagging areas.

Direction of Exports

19. With regard to destination, exports from Pakistan can be broadly classified into four major groups; (1) exports to North America, including Canada and U.S.A., (2) exports to Western Europe including EEC, EFTA, (3) exports to Eastern Europe including Poland, USSR and Yugoslavia, (4) exports to Asian countries including Middle East, RCD and other Asian countries. During 1976-77 the share of exports to North America declined to 5.8 per cent compared with 6.5 per cent in 1975-76. The share of exports to North America during 1977-78 (July—March) stood at 5.9 per cent. Exports to Western Europe increased from 26.2 per cent in 1975-76 to 28.2 per cent during 1976-77 and stood at 26.2 per cent during 1977-78 (July-March). Eastern Europe accounted for 4.3 per cent in total exports during 1977-78 (July—March) and 4.4 per cent in 1976-77 compared with 5.3 per cent during 1975-76. Exports to Asian countries stood at 53.8 per cent in 1977-78 (July-March) and 54 per cent in 1976-77 as against 55.7 per cent in 1975-76. The following table shows the direction of exports since 1974-75.

DIRECTION OF TRADE

1976-77

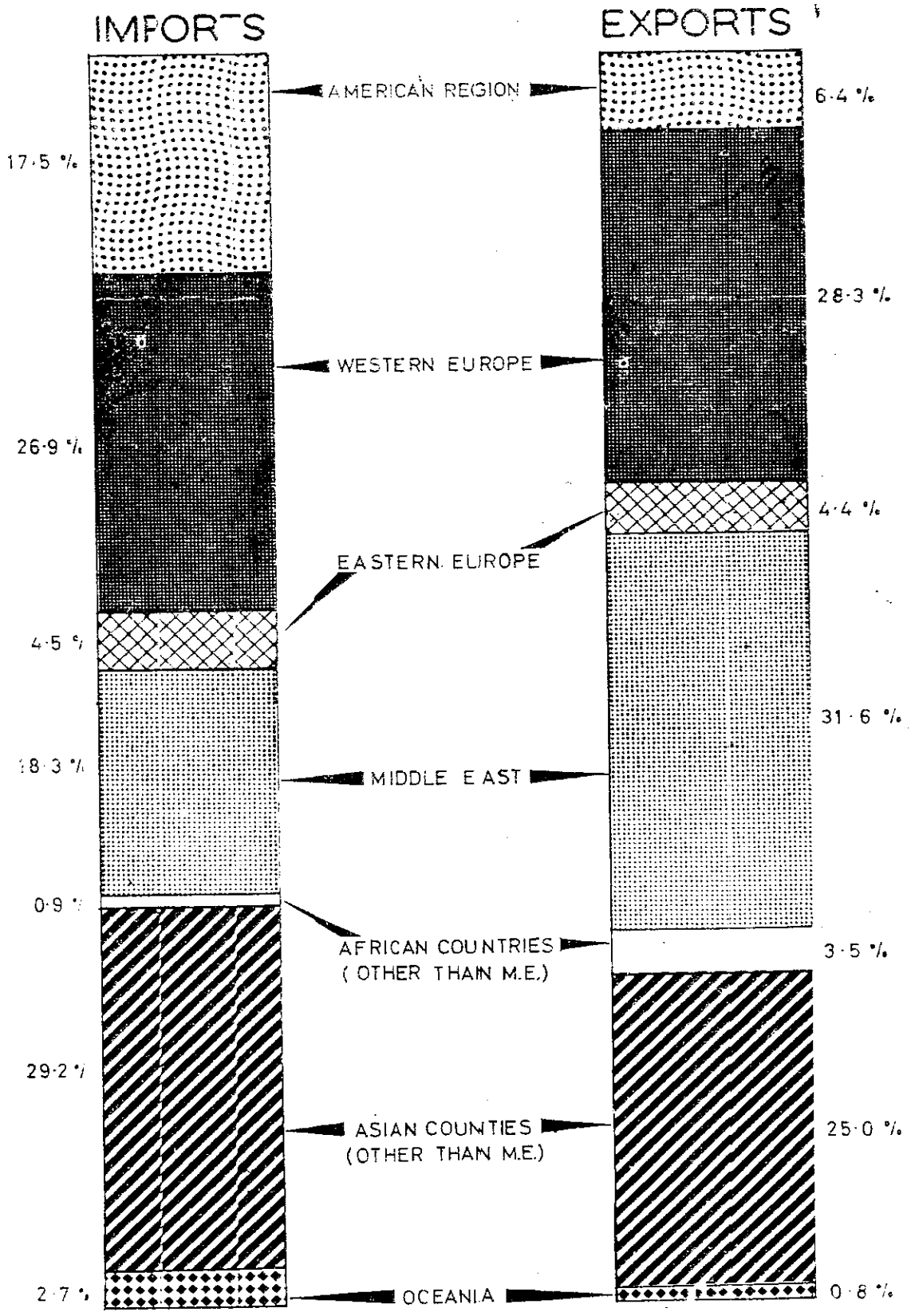


Table 8.9

DIRECTION OF TRADE—EXPORTS

(Milion $)

Region/County	1974-75		1975-76		1976-77		1977-78 (July-March)	
	Value	%share	Value	%share	Value	%share	Value	%share
GRAND TOTAL ..	1,039.0	100.0	1,136.6	100.0	1,140.8	100.0	863.3	100.0
1. North Ameica ..	46.5	4.5	74.1	6.5	66.0	5.8	50.8	5.9
(*a* Canada ..	7.8	0.7	8.9	0.8	7.2	0.6	5.4	0.6
(*b* U.S.A. ..	38.7	3.7	65.2	5.7	58.8	5.2	45.4	5.3
2. Western Europe ..	244.8	23.6	298.2	26.2	322.7	28.3	226.3	26.2
(*i*) E.E.C. ..	196.5	18.9	231.1	20.3	260.6	22.8	190.1	22.0
(*a*) France ..	19.7	1.9	23.1	2.0	26.4	2.3	17.1	2.0
(*b*) Italy ..	25.3	2.4	43.5	3.8	42.5	3.7	23.9	2.8
(*c*) UK. ..	69.4	6.7	71.8	6.3	81.6	7.2	60.1	7.0
(*d*) Grmany..	46.8	4.5	60.4	5.3	65.5	5.7	54.8	6.3
(*i*) E.F.T.A. ..	27.6	2.7	31.6	2.8	34.6	3.0	22.4	2.6
(*a*) Switzerland	13.3	1.3	14.7	1.3	16.8	1.5	13.3	1.5
(*ii*) Other Vestern Europe ...	20.7	2.0	35.4	3.1	27.5	2.4	13.8	1.6
3. Eistern Errope ..	76.7	7.4	59.7	5.3	50.2	4.4	37.6	4.3
(*i*) Polanc ..	16.6	1.6	12.0	1.1	2.7	0.2	0.3	—
(*i*) USSR ..	32.0	3.1	19.6	1.7	25.4	2.2	17.4	2.0
(*i*) Yugoslvia ..	12.0	1.2	6.4	0.6	2.0	0.2	1.0	0.1
4. Middle Eas ..	303.5	29.2	304.6	26.8	360.6	31.6	236.5	27.4
i) R.C.D ..	60.6	5.8	26.1	2.3	95.7	8.4	49.6	5.7
(*a*) Iran ..	60.0	5.8	17.8	1.6	88.8	7.8	31.9	3.7
(*b*) Turkey ..	0.6	0.1	8.3	0.7	6.9	0.6	17.7	2.0
(*i*) Asian Countrie:	198.9	19.1	256.8	22.6	235.4	20.6	148.4	17.2
(*a*) Abu Dhab	18.1	1.7	11.5	1.0	3.2	0.3	1.5	0.2
(*b*) Dubai ..	30.0	2.9	25.5	2.2	54.8	4.8	18.7	2.2
(*c*) Sudi Aralia	62.7	6.0	80.5	7.1	46.6	4.1	50.8	5.9
(*d*) Iaq .	31.6	3.0	59.1	5.2	50.3	4.4	40.1	4.6
(*e*) Kuwait .	18.5	1.8	38.4	3.4	31.0	2.7	14.6	1.7
(*ii*) Africa countries	44.0	4.2	21.7	1.9	29.4	2.6	38.4	4.4
(*a*) Sidan .	32.0	3.1	8.3	0.7	12.8	1.1	23.7	2.7
5. Other Afria .	36.2	3.5	35.6	3.1	40.0	3.5	28.7	3.3
6. Other Asi .	314.2	30.2	349.8	30.8	285.0	25.0	266.6	30.9
a) Afghaistan .	12.9	1.2	9.6	0.8	12.8	1.1	12.8	1.5
b) Sri Laka .	60.7	5.8	36.4	3.2	44.1	3.9	22.4	2.6
c) Chin ..	15.2	1.5	17.7	1.6	9.7	0.9	22.4	2.6
d) HongKong ..	79.5	7.7	125.3	11.0	71.9	6.3	46.9	5.4
e) Indonsia ..	13.3	1.3	13.4	1.2	18.9	1.7	23.4	2.7
f) Japa ..	70.6	6.8	79.4	7.0	92.2	8.1	61.9	7.2
g) Singaore ..	11.9	1.1	15.4	1.4	13.5	1.2	22.5	2.6
h) India ..	—	—	15.1	1.3	—	—	27.6	3.2
(*i*) Bangadesh ..	13.9	1.3	22.2	2.0	7.4	0.6	13.4	1.6
7. Oceania . ..	8.6	0.8	7.9	0.7	9.8	0.8	5.6	0.6

Source : Statistics Division.

Imports

20. Merchandise imports for 1977-78, were estimated at $ 2809 million, indicating 20.8 per cent increase over the actual level of 1976-77. A large part of the increase was expected on account of large imports of capital goods financed by project assistance and foreign equity. Additional imports were also thought to be necessary to feed the expansion of National Refinery at Karachi and to meet the larger fertilizer requirements of the agriculture sector.

21. Imports during 1977-78 (July-March) amounted to $ 1,974.5 million as against $ 1,648.5 million in the corresponding period of last year showing an increase of 19.8 per cent. The major import items include machinery, POL, chemicals, iron and steel, transport equipments, tea, edible oils, wheat and medicaments and these account for 75 per cent of total imports. The share of machinery in total imports increased from 20 per cent to 21.6 per cent, of POL from 17.6 per cent to 18.1 per cent, of chemicals from 9.7 per cent to 10.4 per cent, of tea from 3.6 per cent to 5.5 per cent and of medicaments from 1 per cent to 1.2 per cent. There were less imports of iron and steel, transport equipments, edible oils and wheat during this period compared to the correspoding period of last year. The share of iron and steel reduced to 6 per cent from 7.9 per cent, of transport equipments to 5.6 per cent from 9.1 per cent, of edible oils to 4.3 per cent from 5.3 per cent and of wheat to 2.7 per cent from 3.9 per cent over this period. The imports of major items during July-March, 1976-77 and 1977-78 is given in table 8.10 :

Table 8.10

GROWTH OF IMPORTS BY MAJOR COMMODITIES

(Million $)

Commodities	1976-77 July—March	1977-78 July—March	% change
1. Machinery	330.2	426.7	(+)29.2
2. POL	289.6	356.8	(+)23.2
3. Chemicals	160.4	204.2	(+)27.3
4. Iron & Steel	129.2	117.8	(—)8.8
5. Transport equipments	150.2	111.0	(—)26.1
6. Tea	59.4	109.0	(+)83.5
7. Edible Oils	88.1	85.7	(—)2.7
8. Wheat (un-milled)	63.8	52.9	(—)17.1
9. Medicaments	16.9	24.2	(+)43.2
10. Others	360.7	486.2	(+)34.8
Total ..	1648.5	1974.5	(+)19.8

Source : Statistics Division.

22. The higher unit value of items such as butter, milk dry, tea, polyster fibre, petroleum crude, animal tallow, sheet heavy of iron and steel and agricultural tractors contributed towards inflating the import bill. Nevertheless, items such as palm oil and diesel oil, iron and steel scrap registered decline in unit value and offset to some extent the increase emanating from the above mentioned items.

Econonic Classification of Imports

2:. Classfication of imports by economic categories witnessed significant diverson fron consumer goods to capital goods and industrial raw materials during the las few years. Though the imports of consumer goods also increased since 1973-74 the momentum of growth was rather slow as compared with the capita goods and industrial raw materials. While the value of consumer goods increased, ther share in the total imports sharply declined from 23.8 per cent in 1973-74 to 17.9 per cent in 1976-77. The share however, increased to 19.3 per cent during 977-78 (July-March) from 17.8 per cent during the corresponding period last year. The value of imports of raw material for consumer goods and raw material for capital goods witnessed substantial increase and their share in total mports depicted au irregular trend since 1973-74. The share of raw materals stod at 455 per cent during 1977-78 (July—March) compared with 43.7 per cnt during the correspending period last year and 46.7 per cent in 1973-74. The imports of capitl goods recorded 73 per cent increase during 1977-73 (July-Marcl) over 1973-74 and their share in total imports also increased from 29.5 per cnt to 3.2 per during the same period.. The following table shows the trend since 1973-74

Table 8.11

ECONOMIC CLASSIFICATION OF IMPORTS

(Million $)

Year	Total Imports	Consumer Goods		Raw material for				Capital Goods	
				Consumer goods		Capital goods			
		Value	%Share	Value	%Share	Value	%Share	Value	%Share
1973-74 .	1361.5	324.0	23.8	544.0	40 0	91.3	6.7	401.6	29.5
1974-75 .	2113.0	476.2	22.5	834.0	39.5	182.0	8.6	621.4	29.4
1975-76 .	2067.2	438.1	21.2	778.7	37.7	127.4	6.1	723.0	35.0
1976-77 .	2324.5	368.8	15.9	924.0	39.7	147.8	6.4	883.9	38.0
1976-77 (July—Mar) .	1648.3	294.2	17.8	608.8	36.9	111.2	6.8	634.4	38.5
1977-78 (July—Mar) .	1974.2	381.6	19.3	752.6	38.1	145.1	7.4	695.2	35.2

Source : Statistics Division.

Sources of Imports

:4. Mos of the imports come from the developed countries because of foreign aid availability, technical assistance and availability of required machinery and other goods. These countries include North America, Western Europe and Japan. North America accounted for 17 per cent of total imports during 1976-77 and 0.5 per cent during 1977-78 (July-March) compared with 17.9 per cent and 22.9 per cent during 1974-75 and 1975-76 respectively. The share of Western Europe stood at 26.9 per cent in 1976-77 and 29.8 per cent in 1977-78 (July-March) compared wth 25.6 per cent in 1974-75 and 25.1 per cent in 1975-76. Imports from Eastern Bloc declined to 4.5 per cent in 1976-77 from 5.3 per cent in 1974-75 and 5 per cut in 1975-76 During 1977-78 (July—March) it stood at 4.1 per cent. Niddle East accounted for 18.3 per cent of total imports as against 16.8 per cent in 1974-75 and 18.6 per cent in 1975-76. Imports from Asian countries increased substantially and their share rose to 47.4 per cent and 50.8 per cent duing 1976-77 and 1977-78 (July-March) from 43.9 per cent and 44.4 per cent during 1974-75 and 1975-76 respectively. Among Asian countries Saudi Araba and Japan are the major source of supply which accounted for 6.9 per cent and 14.3 per cent of the total imports during 1976-77. The following table shows source-wise imports since 1974-75.

Table 8.12

DIRECTION OF TRADE—IMPORTS

(Million $)

Region/Countries	1974-75		1975-76		1976-77		1977-78 (July March)	
	Value	%Share	Value	%Share	Value	Share	Value	%Share
GRAND TOTAL ..	2,113.6	100.0	2067.2	100.0	2324.5	100.0	1974.5	100.0
1. North America ..	378.3	17.9	474.3	22.9	395.7	17.0	207.2	10.5
(*a*) Canada ..	65.5	3.1	72.1	3.5	51.6	2.2	50.9	2.6
(*b*) U.S.A. ..	312.8	14.8	401.7	19.4	342.7	14.7	156.3	7.9
2. Western Europe ..	540.3	25.6	518.8	25.1	624.9	26.9	588.4	29.8
(*i*) E.E.C. ..	477.0	22.6	464.5	22.5	545.2	23.5	540.9	27.4
(*a*) Belgium ..	38.6	1.8	31.1	1.5	25.0	1.1	33.5	1.7
(*b*) France ..	50.6	2.4	55.3	2.7	50.6	2.2	59.5	3.0
(*c*) Italy ..	60.4	2.9	67.5	3.3	78.4	3.4	58.2	2.9
(*d*) Netherlands	39.6	1.9	26.3	1.3	52.1	2.2	50.9	2.6
(*e*) U. K. ..	124.2	5.9	152.6	7.4	188.0	8.1	165.9	8.4
(*f*) W. Germany	157.4	7.4	125.5	6.1	147.8	6.4	165.9	8.4
(*ii*) E.F.T.A. ..	56.2	2.7	49.2	2.4	74.7	3.2	43.5	2.2
(*a*) Norway ..	8.0	0.4	7.0	0.3	6.9	0.3	5.1	0.3
(*b*) Sweden ..	21.3	1.0	7.2	0.3	11.0	0.5	15.5	0.8
3. Eastern Europe ..	111.4	5.3	104.3	5.0	104.2	4.5	81.1	4.1
(*a*) Poland ..	23.0	1.1	14.5	0.7	9.2	0.4	13.1	0.7
(*b*) U.S.S.R. ..	41.4	2.0	51.5	2.5	43.6	1.9	29.5	1.5
(*c*) Yugoslavia ..	13.7	0.6	9.5	0.5	12.3	0.5	15.2	0.8
4. Middle East ..	355.3	16.8	385.0	18.6	425.2	18.3	374.9	19.0
(*i*) R.C.D. ..	13.9	0.6	8.0	0.4	5.2	0.2	5.9	0.3
(*ii*) Asian countries.	341.1	16.1	375.1	18.1	419.0	18.0	367.6	18.6
(*a*) Kuwait ..	123.7	5.9	78.9	3.8	119.5	5.1	102.3	5.2
(*b*) Saudi Arabia	157.5	7.5	153.1	7.4	161.0	6.9	194.7	9.9
(*iii*) African Countries	0.3	—	1.9	0.1	1.0	—	1.3	0.1
5. Other Africa ..	18.4	0.9	21.4	1.0	21.5	0.9	36.0	1.8
6. Other Asia ..	575 0	27.2	534.5	25.9	678.8	29.2	629.9	31.9
(*a*) Afghanistan ..	23.1	1.1	24.7	1.2	30.6	1.3	29.8	1.5
(*b*) Sri Lanka ..	55.2	2.6	51.0	2.5	44.8	1.9	56.3	2.9
(*c*) China ..	54.0	2.6	55.5	2.7	64.0	2.8	41.6	2.1
(*d*) Indonesia ..	32.7	1.5	41.5	2.0	38.7	1.7	47.6	2.4
(*e*) Japan ..	265.9	12.6	252.4	12.2	332.5	14.3	257.5	13.0
(*f*) Malaysia ..	70.7	3.3	31.3	1.5	41.8	1.8	46.9	2.4
(*g*) Singapore ..	19.7	0.9	20.7	1.0	21.5	0.9	20.8	1.1
7. Oceania	127.8	6.0	22.4	1.1	63.2	2.7	55.1	2.8
Australia ..	126.6	6.0	14.1	0.7	56.5	2.4	47.8	2.4

Source : Statistics Division.

9

FOREIGN ECONOMIC ASSISTANCE

Foreign economic assistance to Pakistan started from 1950 and by June, 1977 assistance worth $ 13.289 billion had been committed. Out of this $ 3.267 billion were in the form of grants and $ 10.022 billion as loans and credits carrying repayment liability.

2. Of the total amount of loans and credits contracted upto the end of June 1977, $ 9.1 billion have been disbursed and $ 1.6 billion repaid leaving the outstanding debt of Pakistan at $ 7.5 billion on June 30, 1977. Net of Bangladesh debt amounting to $ 0.6 billion relating to visibly located projects there, the outstanding debt of present Pakistan was $ 6.9 billion—$ 6.3 billion payable in foreign exchange and $ 0.6 billion payable in rupees.

3. The following table shows commitments of external assistance since beginning till June 30, 1977 :—

Table 9.1

COMMITMENTS OF EXTERNAL ASSISTANCE

($ Million)

Particulars	Total Assistance	of which			
		Grants		Loans	
		Amount	%	Amount	%
1	2	3	4	5	6
Pre-1st Plan	337	216	64	121	36
1st Plan (1955—60)	1,075	578	54	497	46
2nd Plan (1960—65)	2,910	1,105	38	1,805	62
3rd Plan (1965—70)	2,937	704	24	2,233	76
1970-71	873	95	11	778	89
1971-72	143	61	43	82	57
1972-73	543	49	9	494	91
1973-74	1,268	69	5	1,199	95
1974-75	1,166	100	9	1,066	91
1975-76	922	102	11	820	89
1976-77	1,115	187	17	928	83
Total ..	13,289	3,267	25	10,022	75

4. Out of total assistance of $ 13.289 billion about 54% has been received for financing of projects, 23% for import of commodities (non-food), 15% for import of food and 8% for balance of payments support, mostly from OPEC sources.

5. The terms of assistance have varied from year to year. Grants and grant-like assistance (*i.e.* loans repayable in non-convertible rupees) which constituted 64% of the total assistance in the earlier years declined to about 17% in 1976-77. It means that the composition of assistance changed from grants to loans payable in foreign exchange. Of the total loans contracted by Pakistan since 1951 about 3% ($ 327 million) were in the maturity range of 1 to 5 years, 31% ($ 3,093 million) in the maturity range of 5 to 15 years, and 66% ($ 6,592 million) in the maturity range of over 15 years. With regard to interest rates, about 19% ($ 1888.086 million) were received interest-free, 43% ($ 4,353 million) on interest rate ranging between 1—3%, loans contracted with interest rate ranging between 3 to 6% constituted 27% ($ 2,673 million) of the total while $ 1,108.0 million or 11% of the total were contracted at an interest rate of above 6 per cent per annum.

6. The change in the composition of aid from grants to loans and the larger inflow of external resources on account of the accelerated tempo of development led to an increase in debt service obligations of the country. Moreover, grace periods of loans and credits contracted earlier expired which also led to higher debt service liability during the past few years. Alongwith these developments, the country has been facing from time to time internal and external economic and non-economic events which have been putting severe pressure on the weak balance of payments position necessitating borrowings on short-terms to overcome occasional strains. On an average the ratio of debt service payments to country's foreign exchange earnings had been 17.3% during the past six years. Table below explains the trend.

Table 9.2

Debt Service Ratio

($ Million)

Year	Foreign Exchange earnings	Debt Service	Debt Service Ratio to Foreign Exchange Earnings.
1971-72	819	122	14.9
1972-73	1,065	193	18.1
1973-74	1,388	197	14.2
1974-75	1,519	248	16.3
1975-76	1,813	367	20.2
1976-77	2,028	369	18.2

Note :—Debt Service figures are net of debt relief/ re-scheduling and include debt servicing of short-term credits of less than one year's maturity. IMF charges and private debt are not included.

7. The rising deb service payments is a common problem being faced by all the non-oil exporting developing countries. The current account deficit of these countries taken together more than trebled during the period 1973—77. This deterioration reflected a worsening of the terms of trade of developing countries as a result of higher import prices for oil, food, fertilizer and manufactures and declining prics of many primary commodities together with reduced export demand due to economic recession in the developed market countries. Loss of resources through foreign trade has not been adequately compensated by foreign assistance to developing countries. The result has been a large legacy of debt and ever mounting debt servicing.

8. Increase in debt servicing adversely affects net inflow of aid as an increasingly higher percentage of gross aid has to be returned to the lending countries/agencies in the form of repayment of principal and interest duties. During the Second Plan (1960—65), gross disbursements of foreign assistance amounted to $ 2,393 million. Debt service payments (principal and interest) aggregated $ 219 milion. Thus, the net amount of resources transferred from abroad constituted 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. Even with increased disbursements, particularly from the oil producing countries during 1974-75, 1975-76 and 1976-77 and debt relief/re-scheduling, net transfers constituted abut 62 per cent during 1976-77 as against 67 per cent in 1975-76 and 78 per cent in 1974-75.

Table 9.3

NET INFLOW OF AID

($ Million)

Particular	1974-75	1975-76	1976-77
Gross Disbursement	1135	1122	961
Debt Service	248	368	369
Net transfers : ..	887	754	592
Net transfers as % of gross disbursement ..	78	67	62

X NEED FOR FOREIGN ECONOMIC ASSISTANCE

9. Since the commencement of aid in 1950, the development efforts have been accelerating from lower stages of economic growth to higher ones necessitating large investments for the development of infrastructure facilities like irrigation, power and transport, basic materials such as fertilizer, cement, and steel and capital goods producing industries. The public sector development expenditure which was at the level of Rs. 3,201 million in 1970-71 rose to Rs. 17,000 million (programme) in 1977-78. Gross investment outlay also increased from Rs. 7,045 million in 1970-71 to Rs. 28,836 million in 1977-78. It is thus obvious that an annual level of gross disbursements of $ 600 million which has been the pattern upto 1972-73, it would not have been possible to finance the investment programme of this magnitude from the country's own limited resources. Reliance, therefore, had to be placed on higher inflow of resources from abroad which, at times, had to be secured on short and medium terms. In this endeavour, Pakistan was assisted not only by the traditional donors but also by the Islamic countries which generously provided additional assistance needed after 1973.

10. Increased dependence on foreign capital during the past few years has also been the result of several international and domestic factors which exercised severe pressures on the country's balance-of-payments. Along with other non-oil exporting developing countries, Pakistan suffered heavily on account of steep escalation in oil prices combined with inflation and recession in the developed market economies. The balance-of-payments deficit on current account which was about $ 101 million in 1972-73 soared to $ 902 million in 1976-77. These large deficits have been financed by increased borrowing from foreign sources and draw down of foreign exchange reserves.

11. It is worthwhile to note that although the dollar volume of external assistance has increased during the past few years, its real worth has declined due to inflation. It has been estimated by the World Bank that by 1980 it will require $ 3 of commitments to accomplish what $ 1 did in 1965 and more than $ 2 to equal $ 1 in 1970.

12. Besides international factors, domestic adversities like floods, draught, delay in the availability of water from Tarbela Dam and severe pest attack on the cotton crop imposed unwelcome curbs on agriculture production and export surplus. In order to meet the food gap in the country, imports had to be arranged against short-term commercial credits like Commodity Credit Corporation of USA (CCC Credits), deferred credits from Australia and Canada and commercial borrowing from foreign banks to finance wheat imports.

PLEDGES, COMMITMENTS AND DISBURSEMENTS (1977-78)

(a) Pledges

13. Aid pledges for 1977-78 from the Consortium amounted to $ 755 million (including pledges for Tarbela Dam Repairs) with the following break-up :—

	($ Million)	
Project aid	544	(including Tarbela Repairs).
Non Project :		
(a) Non-food	151	
(b) Food aid	60	
Sub-Total	211	
Total	755	

14. No formal pledges similar to those made by the members of the Consortium are arranged by the Non-Consortium group of donors including OPEC. However, on the basis of indications given in the beginning of the year, the following would be the over-all position of aid pledges from all sources :—

Table 9.4

AID PLEDGES FROM ALL SOURCES

($ Million)

	1975-76	1976-77	1977-78
1. Consortium	721	728	755*
2. Commercial Credits provided outside Consortium arrangements	94	127	81
3. Non-Consortium (excluding Muslim countries)	19	39	61
4. Muslim Countries / Islamic Development Bank/OPEC Fund	111	240	165
	945	1,134	1,062

*Inclusive of expected pledges for Tarbela Dam Repairs.

(b) Commitments

15. Commitments during 1977-78 are estimated at $ 1109.8 million as against $ 1,114.6 milion in 1976-77. Consortium, as usual, has been the largest source of economic assistance to Pakistan while commitments from non-Consortium soures (including Muslim countries) at $ 235 million in 1977-78 were lower by $ 18 million as compared with 1976-77. Table below shows the trends of commitments since 1975-76.

TABLE 9.5

COMMITMENTS OF FOREIGN ECONOMIC ASSISTANCE

($ Million)

	1975-76	1976-77	1977-78
1. Consortium	729.4	683.8	767.8
2. Outside Consortium (including commercial credits) ..	69.9	177.1	106.6
3. Non-Corortium (excluding Muslim Countries) ..	11.6	13.6	45.3
4. Muslim Countries	111.3	240.1	190.1
Total ..	922.2	1,114.6	1,109.8

(c) Disburements

16. Disursements during 1977-78 are estimated at $ 1,075 million as against $ 961 millio during 1976-77 indicating an increase of about 12%. The increase is due mainly to higher disbursements of project aid and higher imports of food (whea and edible oil) under aid. Source-wise break-up is given in the follcwing table.

Table 9.6

DISIURSEMENTS OF FOREIGN ECONOMIC ASSISTANCE

($ Million)

	1975-76	1976-77	1977-78*
1. Consotium	481.6	541.3	623.8
2. Outsid Consotium (including commercial credits of short-trm maturity)	143.6	141.8	144.8
3. Non-Consortiun (excluding Muslim Countries) ..	75.9	49.7	110.7
4. Muslin Countres	421.1	227.8	196.1
Total	1,122.2	960.6	1075.4

* Istimated

17. Out of the total disbursements of $ 1,075 million in 1977-78, an amount of $ 663 million is estimated to be utilized for projects, $ 155 million for import of commodities, $ 176 million for import of food (wheat $ 96 million and edible oil $ 80 million) and $ 81 million represents balance-of-payment support from OPEC Fund ($ 11 million), $ 30 million Saudi grant for Social Programme in Pakistan and $ 40 million from Kuwait in the form of transfer of deposits from Kuwait Central Bank to the State Bank of Pakistan.

DEBT MANAGEMENT

Consortium

(a) *Short Term Debt Arrangements from May 1 ,1971 to June 30, 1974*

18. In May, 1972 short term debt relief arrangements were concluded with the consortium countries providing debt relief of $ 233.766 million for the period from 1st May, 1971 to 30th June, 1973. These were followed by further short term arrangements for 1973-74 providing debt relief of $ 107.160 million. These agreements rescheduled about 56% of the debt servicing falling due during the period May 1, 1971 to June 30, 1974. The rescheduled debt was to be repaid over a period of three years at an interest rate not exceeding the weighted average of 5%.

(b) *Rescheduling arrangements for 1974-75 to 1977-78*

19. As a result of further discussions held in Paris on June 23—28, 1974 debt rescheduling arrangements for 1974-75 to 1977-78 emerged in the form of Memorandum of Understanding signed on 28th June, 1974. The salient features of the agreement are as under :—

(a) Pakistan will be provided debt relief of $ 650 million spread over a period of four years beginning 1st July, 1974 in annual instalments of $ 175 million for the first three years and $ 125 million for the fourth year.

(b) The percentages of debt relief to be provided by the Consortium countries during the period from 1974-75 to 1977-78 are given below :—

1974-75	71%
1975-76	61%
1976-77	61% (Subsequently raised to 66%).
1977-78	55% (Subsequently raised to 58%).

(c) The relief amount will carry interest rate of 2.5% and repaid over a period of 30 years including 10 years grace.

20. In pursuance of the Memorandum of Understanding dated 28th June, 1974 debt relief agreements have since been signed for a period of four years (1974-75 to 1977-78) with Belguim, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, U.K., and U.S.A.,

21. Of the above mentioned countries an agreement has yet to be signed with Italy for 1977-78. The Government of Italy have accepted in principle the percentage of relief to be applied on maturities for 1977-78 in order to provide full complement of relief due from them for 4 years. A delegation is expected from Italy in Islamabad after they have finalised the transfer of liability of Bangladesh and reconciled their figures of maturities for 1977-78.

Non-Consortium

22 In acordance with the provisions of the Multilateral Agreements concluled wit the World Bank on behalf of the Consortium countries, Pakistan was required to seek relief from creditors outside Consortium on comparable debts on terms no more favourable to such creditor than those allowed to the Consotium creditors. Short term Debt Relief arrangements covering the period from May, 1 971 to June 30, 1974 and also for the four years from 1974-75 to 1977-78 have been concluded with the creditors outside the Consortium.

SETTLEMENT OF BANGLADESH DEBT

23. Pakisan has been negotiating with the creditor countries for the settlement of the portion of debt utilised for the benefit of areas now in Bangladesh. In acordance with the Memorandum of Understanding dated 31st July, 1973, beginning July 1, 1974, Pakistan is not expected to service any debts used on projecs visibly located in Bangladesh. Accordingly, agreements on settlement of such debts have been signed with Canada, Germany, Japan, France, Sweden, Netheland, UK and U.S.A. Belguim is not involved as no Belgian debt was incurred for projects in Bangladesh. Negotiations on identification of debt used on projects in Banglalesh have been finalised with Italy and agreement is expected to be signed shortly.

24. Majo portion of IDA & IBRD loans utilized in Bangladesh have also been taken of. Asian Development Bank have also absolved Pakistan of the liabiliy of the debt used in Bangladesh.

25. Agrements have been signed with the non-consorium countries, *viz.* Czechoslovakia, Denmark, Poland, Switzerland, Yugoslavia & U.S.S.R., absolving Pakistan of the liability of the debt incurred on projects visibly located in Bangladesh.

ECONOMIC CO-OPERATION WITH MUSLIM COUNTRIES

26. Pakstan has special relations with the countries of the Middle East and has received valuable economic assistance from Middle Eastern countries since 1973-74 by way of general purposes balance of payments support credits as well as loans for the implementation of the country's priority development projects. Since early 1974, aced by the impact of world wide inflation, steep rise in oil prices, the deep recession and the consequent sharp adverse movement in terms of trade, Pakistan had attached the highest priority to securing quickly disbursing balance of payment support for its hard-pressed economy. Some of the Middle Eastern countries responded and Pakistan was able to get total commitments of $ 971.5 milion from Iran, Libya, Abu Dhabi, Qatar, Saudi Arabian Monetary Agency and OPEC Fund during the last five years. The rupees generated by this assisance were utilized to finance development projects and programmes.

27. Efforts to attract equity participation and loans for financing important high priority projects in Pakistan from Middle Eastern countries have also met with considerable success. The following projects are being financed out of aid commitmens made by UAE, Kuwait, Iran, Libya, Saudi Arabia and OPEC Fund. Details are discussed in the subsequent paragraphs.

(1) Pak-Arab Refinery, Multan (Abu Dhabi).

(2) Pak-Arab Fertilizer Project, Multan (Abu Dhabi).

(3) Engineering and Medical Colleges in Baluchistan (Iran).

(4) Pak-Iran Cement Factory (Iran).

(5) Lasbela Textile Mills (Iran).

(6) Bolan Textile Mills (Iran).

(7) 500 KV Transmission Line from Tarbela to Karachi (Guddu Karachi Sector) (Kuwait).

(8) Joint Investment Company (Kuwait).

(9) Improvement of Railways (Kuwait).

(10) Pak-Libya Holding Company (Libya).

(11) Pak-Saudi Fertilizer Ltd., Mirpur Mathelo (Saudi Arabia).

(12) Cement Plants—Mustehkam and Javedan (Saudi Arabia).

(13) Polyester Plant (Saudi Arabia).

28. Economic cooperation with individual countries is explained in the following paragraphs :—

Saudi Arabia

29. Saudi Arabia's financial assistance to Pakistan has so far been restricted to project assistance only. An interest free project loan of US $ 100 million was provided to Pakistan in September, 1974 to be repaid in 15 years with 5 year grace period. The amount has been allocated for the following projects :—

(a) Pak-Saudi Fertilizer Ltd. (Mirpur Mathelo Sind). $ 50.00 million.
(b) Extension of Cement Plant at Karachi .. $ 16.50 million.
(c) Extension of Cement Plant in Hazara in N.W.F.P. $ 16.50 million.
(d) Polyester Plant at Korangi Karachi .. .. $ 17.00 million.

30. The entire amount of $ 100 million has been disbursed and placed at the disposal of the executing agencies. In addition to $ 50 million for Pak-Saudi Fertilizer Ltd. (Mirpur Mathelo Project), another loan of $ 30 million was obtained from Saudi Fund for Development. Loan agreement was signed on 1st February, 1976. This loan bears an interest rate of 4% per annum and is to be repaid in a period of 20 years including 4 year grace period. A further amount of $ 30 million (grant) was provided by Saudi Arabian Monetary Agency (SAMA) as balance of payments support in 1975-76. A loan of $ 57 million for the Indus Super Highway Project is expected to be signed shortly.

H.M. King Khalid's visit

31. During the visit of His Majesty King Khalid in October, 1976, the Pakistan-Saudi Arabia Joint Ministerial Commission held its first meeting at Islamabad. The commission established an Expert's Committee which met on 12th October, 1976 to discuss the following agenda :—

(i) Cooperation in the field of consulting and contracting services.
(ii) Establishment of Joint Industrial Ventures.
(iii) Cooperation for supply of Manpower to Saudi Arabia.
(iv) Cooperation in the field of Education and Culture.
(v) Financial assistance from Saudi Arabia for development projects in Pakistan.

32. Next meeting of the Joint Ministerial Commission is proposed to be held in near future.

33. During his visit to Pakistan in October, 1976, His Majesty King Khalid was pleased to announce a donation of $ 10 million for the establishment of the Islanic Centre which is part of the proposed King Faisal Mosque complex in Islanabad and $ 20 million for promotion of Pakistan's social programme. The entre amount of $ 30 million has been received.

U.A.E.

34. Pakistan has received the following assistance from UAE (Abu Dhabi) :—

a) *Baance of Payments Support :*

35. A loanof $ 100 million for general purposes was obtained during 1974-75 at 2.5% servicecharges to be repaid over a period of 40 years, inclusive of grace period of 10 years. Entire amount of the loan has been received.

b) *Project asistance (equity participation).*

36. Abu Dhabi National Oil Company (ADNOC) subscribed equity share of $ 31 million in Multan Fertilizer Project. ADNOC has also guaranteed to subscribe $ 215 million for Pak-Arab Refinery, Multan of which $ 12 million has already been released. UAE has also provided a loan of $ 40 million for the refinery. The loan is expected to be fully disbursed during 1977-78.

37. A Muual Cooperation Agreement between Pakistan and UAE was signed on March 12, 1974. In pursuance off the Agreement, Joint Ministerial Commission was set up for holding meetings at the Ministerial level for reviewing the progress of projects every six month. Last J.M.C. meeting was held in Islamabad in Februaiy, 1977. The following projects referred to UAE for financial asistance are under their consideration :

() Imprt of Ships.

(i) SCARP—Pinjnad Abbasia.

(ii) Toc Oil-field Development.

38. A nunber of consulting and contracting firms from Pakistan are already operating in UAE and it was agreed that more firms would be encouraged to get themselves registered and participate in the UAE Development Plans.

Kuwait

39. An Eonomic Cooperation Agreement was signed between the two Governments in November, 1972, for the purposes of furthering mutual economic co-opention and trade. In pursuance of this Agreement, a Joint Ministerial Commission has come into existence.

Visit of Finane Minister.

40. A Proocol was signed in July, 1976 for the establishment of a company to be known as the Kuwait-Pakistan Investment Company with a capital of US $ 25 million, to be contributed equally. The agreement for the establishment of the company has been signed recently.

Project Assistance.

41. Kuwait Fund for Arab Economic Development is the main aid-giving agency of the Government of Kuwait. So far the financial assistance provided by them has been restricted to project loans only.

42. Loan of $ 44.2 million was sanctioned by Kuwait Fund for 500 KV Transmission Line (Guddu-Karachi Sector) at 4% interest repayable in 25 years, including five years grace period. Loan was declared effective on 9th January, 1977.

43. Another loan of $ 25 million was signed on June 19, 1977, for the Railways Project (Improvement of facilities and operations). The loan bears a 4% rate of interest and is repayable in 20 years including three years grace.

Qatar.

44. A Loan Agreement of $ 10 million for general purposes was signed with the State of Qatar on October 24 1974. The loan is repayable in ten years including three year grace period. Rate of interest for the loan is 3%.

Libya.

45. Financial assistance from Libya has so far been received in the form of balance of payments support. A sum of $ 30 million was provided in 1973-74, and $ 50 million was disbursed in 1974-75 in the form of transfer of Libyan Central Bank's deposits to the State Bank of Pakistan.

46. Economic cooperation with Libya is governed by the provision of the Protocol on economic, cultural and social cooperation signed on 25th April, 1974. Under the Protocol, Libya agreed to help in the establishment of the Pak-Libya Holding Company, Pak-Libyan Arab Investment Banking Corporation, Pak-Libya Joint Shipping Company, Pak-Libya Chamber of Commerce and Pak-Libya Publishing House.

47. The Pak-Libya Holding Company would be set up at Karachi with a capital of Rs. 1,000 million. The company is going to be one of the biggest of its kind in the developing world. It is authorized to establish branches within and outside Pakistan. As a mother company, it would establish its subsidiary companies and participate in the financing of development projects in Pakistan. It has already been agreed that the holding company would undertake the following projects :

(1) Pak-Libyan Investment Banking Corporation ;
(2) Pak-Libyan Shipping Company ;
(3) A Sugar Factory in Pakistan ;
(4) A fertilizer factory in Pakistan ;
(5) Such other projects as may be decided by the Company from time to time.

48. The Pak-Libyan Investment Banking Corporation would invest and assist in financing of development projects in Pakistan and more particularly in the setting up of new industries and expansion and modernization of existing ones. The Corporation, with a capital of Rs. 198 million, has been authorized to raise funds locally as well as externally to supplement its capital measures. The Corporation would make sizeable contribution to arrange foreign exchange for development financing in Pakistan.

49 The Pak-Libyan Joint Shipping Company, also subsidiary of the holding company, would have a capital of Rs. 200 million. The object of the Company is to engage in activities relating to the marine transport of passengers, goods, oil and the byproducts thereof, between the two countries as well as with other countries. It would help promotion of trade between Pakistan and Libya.

50 The setting up of the Pak-Libya Joint Chamber of Commerce would provide institutional mechanism of establishing personal contacts between traders and industrialits of both the countries and help in the expansion of bilateral commercial relations.

51 The Pak-Libya Publishing House would devote itself to the printing, publicaion and distribution of important books and studies concerning the cultura, scienific and historical heritage of Islam. The initial capital of the project would be one million Libyan Dinars (Rs. 33 million). The Publishing House would be located at Karachi.

52 With a view to further strengthening the cultural relations between the two countries, the Pak-Libya Joint Ministerial Commission approved the Memorndum of Unerstanding concerning the collaboration in the field of Information, Broadcasing and Culture at its Sixth Session held in Tripoli from Feb, 3 to Feb,6, 1977 The purpose of the Agreement is to exchange programme relating to cutural, economic, political and artistic life of the two countries. The Broadcasing organizations of the two countries would also exchange recordings of eligious programmes.

Somalia.

53 In December 1977, a Somali delegation, accompanying the President of that country, called on the Secretary-General (Finance & Economic Coordination) to discuss ways and means of economic co-operation between Pakistan and Somalia. In the meeting, the Somali delegation explained salient features of their economy and problems faced by it.

54 Somala had requested for technical assistance to develop its manufacturing industries on the production of edible oil, textiles, sugar, flour, asbestos roof sheets, tanned leather, cigarettes, matches and cardboard. They also requested for 10 technical teachers and admission facilities for 500 students.

55 Somala was assured that Pakistan would ccoperate not only in technical assistance but also in other spheres. They were assured of services of four Pakistani expets in the field of management, cement manufacture and textiles. Three experts have already left. Pakistan would also provide facilities for training in leaher and other industries already agreed upon. Somalia was also assured for tehnical assistance in different fields.

Turkey

56 A loan agreement for $ 9.137 million was signed between Pakistan and Turkey on 7thDecember 1968 for purchase of railway passenger coaches for East Pakistan Railways. An amount of $ 3.646 million could only be utilized for purchase of passenger coaches for E.P.R. The Government of Turkey informed in July, 1977 that the balance amount of $ 5.491 million was available for Pakistan to utilize. Ministry of Railways is preparing a draft Agreement for utilizing $ 5.491 million.

Iraq

57. An agreement on Trade, Economic and Technical Co-operation and a protocol to set up joint Pak-Iraqi Permanent Ministerial Commission was signed between the two Governments on 18th January, 1977. The Agreement and the Protocol have since been ratified by the two Governments in June 1977. The date and venue of the first meeting of the J.M.C. is being finalised.

Jordan

58. During the visit of Crown Prince Hasan of Jordan to Pakistan in November, 1975 it was agreed to establish a Joint Commission for Economic, Scientific and Technical Cooperation in order to formulate and ensure a speedy implementation of measures aimed at achieving a closer and wider cooperation between the two countries. The Commission was required to submit annual reports to the two Governments. The first session of the Joint Commission was held at Amman from 3—6 June, 1976. The second session was held in Islamabad on April 29, 30, 1978. An agreement for the exchange of labour and manpower between the two countries was signed on 29th April, 1978. A Protocol for educational and cultural cooperation between the two countries was also signed on 30th April, 1978.

Iran

59. Economic assistance from Iran has been received both in the form of balance of payments support and project financing. Assistance as "balance of payments support" has been provided as under :—

(a) $ 580 million signed on 12th June, 1974 ($ 250 million was disbursed in 1974-75 and $ 330 million in 1975-76).

(b) $ 150 million signed on 18th April, 1976 (Entire amount stands disbursed).

60. Iran has provided project assistance in the form of loan, equity participation and grant. The following is the progress of implementation :

(a) *Cotton Textile Projects in Baluchistan.*

61. The total foreign exchange cost of the plants is $ 48.771 million which would be met entirely by Iran. The plants are located at Baleli and Uthal in Quetta and Lasbela, district respectively. The Pak-Iran Textile Ltd., a Joint Company is implementing these projects. Bulk of machinery has arrived at site. First instalment of Iranian loan ($ 29.03 million) has been disbursed.

(b) *Cement Plant at "Darwaza" in Baluchistan.*

62. A cement plant with an annual capacity of three lakh tons of portland cement was approved as a joint venture. Accordingly, a Joint Stock Company named Pak-Iran Cement Company Ltd. has been incorporated. Alternative site has been selected. Ground investigations have been completed. Details of machinery requirements are being finalised.

(c) *Bolan Medical College, Quetta.*

63. Construction work is in progress. Iran has provided a grant of $ 4.64 million for construction which has already been received.

(d) *Kuzdar Engineering College.*

64 Site development work is in progress. Iranian grant of $ 2.54 million has already ben received.

(e) *Bila Plain Ground Water Development Project.*

65. Implenentation has been undertaken by Baluchistan Government. The project envisages installation of 120 tubewells for irrigation of an area of 12,000 acres. The Ianian Government has agreed to finance the Foreign Exchange Cost of the poject and agreement for a loan of $ 2.2 million is expected to be signed shortly

66. A number of projects, for which feasibility studies are ready, are under consideration of the Iranian Government. These projects are :

1. D.. Khan Textile Mills.
2. Nawabshan Textile Mills.
3. Jhang Textile Mills.
4. Ghotki Ground-water Development Project.
5. Sehan Flood Irrigation Project.

67. Feasibility studies of the following projects which Iran has agreed in principle to finance are under preparation :—

1. A fertilizer plant
2. Agro-livestock complex project.
3. A cement factory.

68. The Transit Trade Agreement with the Government of Iran came into effect from 8h June 1977. An Iranian delegation visted Pakistan thereafter to assess the asistance required to improve our roads and railways so that they are able to take he extra traffic load involved in the Transit Agreement.

OPEC Special Fund

69. With a view to helping the MSA countries, the OPEC has created a Special Fund out of which Pakistan was initially allocated a sum of $ 21.45 million as blance-of-payments support. The amount has been fully disbursed. The Fund has also indicated a new project financing programme for 38 developing countries including Pakistan. An amount of $ 11 million was earmarked for Pakistan anda Loar Agreement between the Government of Pakistan and OPEC Special Fund was signed in Vienna on October 6, 1977 for Pak-Arab Fertilizer Limied.

Islamic Development Bank

70. The progress of activities since last year is listed as under :

(i) *Import of fertilzer through assistance from Islamic Development Bank.*

71. Islanic Development Bank has committed $ 15 million for this purpose. Agreement for the import of 110,000 metric tons of urea has been signed.

(ii) *Lawrencepur Woollen Mills*

72. The Board of Executive Directors on September 6, 1977 approved equity partcipation of the Islamic Development Bank in the captioned projects by acquiring cumulative preference shares carrying a fixed dividend of 9% per annum to the exten of 2 million Islamic Dinars. Guarantee Agreement is being finalised.

(iii) *National Refinery, Karachi*

73. The Islamic Development Bank has purchased 4 million shares of the common stock of National Refinery Ltd. at the par value of Rs. 10 each. At this price and at the prevalent exchange rate the sale amounted to 3.51 million Dinars ($ 4.04 million). The President, Islamic Development Bank, signed the agreement in Karachi on October 14, 1977.

(iv) *Cement*

74. Pakistan has been pressing the Islamic Development Bank for credit under their foreign trade assistance programme for the import of cement and indicated to the Bank that this request has precedence over all other requests.

75. The Turkish Government has agreed to sell 50,000 tons of cement at the rate of $ 33.5 per metric ton out of Pakistan total requirement of 3 lakh tons. The Turkish authorities could possibily supply more later.

(v) *Crude oil from Abu Dhabi National Oil Company (ADNOC).*

76. In response to Pakistan's request, the Islamic Bank has proposed the terms of an agreement for the import of crude oil worth $ 15 million from the Abu Dhabi National Oil Company. These terms have been accepted and being submitted to the Board of Executive Directors of the Islamic Development Bank for their approval. The Islamic Development Bank, has also been asked to extend project loans as follows :

(i) *Fauji Foundation Fertilizer Project*

77. Our first priority is Fauji Foundation Fertilizer project. The Bank is favourably disposed towards equity participation in this project.

(ii) *Shortfall of Tarbela Units 5—8*

78. The Bank has been requested to meet the shortfall of about $ 21 million so that the country might be in a position to complete the financing package of the Hydropower Extension Project.

TECHNICAL ASSISTANCE

79. The structural changes in the economy associated with agricultural and industrial developments, expansion of infrastructure facilities, and growth of financial institutions have necessitated rapid development of human resources to ensure adequate availability of skills required to maintain the progress of the economy on a respectable growth path. A relentless effort has thus been made over the years to build up the necessary skills, and know-how. The expertise made available to Pakistan by the developed countries including UN and its various specialised agencies under the Technical Assistance Programme has played a significant part in this effort. The assistance under the programme is obtained on a grant basis bilaterally and multilaterally.

80. Aside from the UN and its specialised agencies, Pakistan has also received valuable technical assistance from the developed countries like the USA, China, France, UK, Canada, Japan, Australia, West Germany, Newzealand etc. in the

form of (i) the provision of training places abroad, (ii) the provision of expert's services, and (iii) the supply of equipment for research and training.

81. According to preliminary estimates of the Economic Affairs Division, a total of 405 raining facilities had been availed during July-March 1977-78 against 654 ficilities during 1976-77 and 588 during 1975-76. In case of expert advisory services, 146 foreign experts visited Pakistan during July-March 1977-78 against 319 during 1976-77.

UNDP

82. During its twenty-fifth session, the UNDP Governing Council in 1970 introduced country Programme as a multi-year framework of country-focussed technical co-operation efforts directed towards the achievement of selected national development objectives. The purpose of a Country Programme is to enable the Government concerned to select in advance in the light of available UNDP resources thoe development objectives towards the achievement or furtherance of which it wishes to direct technical co-operation efforts with UNDP support. Following the decision Pakistan prepared and implemented the 1st Country Programme for the period 1972—76, which came to an end on 30th December, 1976.

83. Second Country Programme has also been approved by the Governing Council for UNDP in its session held in June, 1977. This is a five year plan for 1977 to 1981, period which covers priority areas in different sectors in which UNDP Assistnce and co-operation will be provided. UNDP will provide technical assistance for the various projects of rural development and agriculture, human resources, naural resources like water, energy, minerals and infrastructure including trasport and communications, environment and Governmental structure for development.

84. UNIP Assistance for Second Country Programme amounts to $ 52.5 million which makes Pakistan the fourth largest recipient country of UNDP Assisance during the period 1977—81. This amount has been allocated to the different sectors as under :—

Sector	Amount in US $ for 1977—81.
Rura Development and Agriculture	14,174,251
Human Resources	6,503,922
Natural Resources	3,422,793
Industry, Trade and Tourism	1,067,140
Infrastructure	4,123,234
Sub-total	29,291,340
Uncommitted	23,208,660
Grand-Total	52,500,000

85. During 1977, the UNDP assistance was $ 7,371,921 for implementation of various development projects. Fifty-two training facilities and 21 advisory services were provided to Pakistan.

Outgoing Technical Assistance

86. The Economic Affairs Division has recently been entrusted with the responsibility of Outgoing Technical Assistance Programme (Civil). Previously this subject was being dealt with by the Ministry of Foreign Affairs.

87. The Programme covers the following works :—

(1) Technical assistance with the developing|under developed countries in the form of donations, experts and training in all such fields in which Pakistan has attained some proficiency|experience. This assistance is offered to as many as 70 countries of Middle East, Africa, Asia and the Colombo Plan countries.

(2) Award of scholarships and arranging admissions of foreign students in the professional colleges, educational institutions of Pakistan. Besides, educational facilities in different professional institutions are also offered under various bilateral cultural agreements.

(i) *Technical Assistance.*

88. An amount of Rs. 2.85 million was provided for the year 1977-78 for financing of experts, training and donations to various friendly countries. The Government of Pakistan, under its Technical Assistance Programme, arrange every year three regular courses of 3 to 4 month duration in the field of Advance Management, Banking and Railway for foreign participants of various friendly countries. The average number of such participants in these courses are 100 from developing| underdeveloped countries. In addition to these regular courses, the Government of Pakistan on the request of friendly countries extend training facilities in other fields like Civil Aviation, Accountancy, Survey, etc. During the current financial year 13 foreign nationals were admitted in the Pakistan Forest Institute, Peshawar under this programme, 12 for M.Sc and one for B.Sc in forestry.

89. At present 6 experts in various fields are on deputation with the Governments from five friendly countries under Pakistan Technical Assistance Programme. These experts are on deputation for a period ranging from one to two years. The services of Pakistani experts are also provided to friendly countries for short term period ranging from two to three weeks in order to assess the requirements of these countries, prepare feasibility reports for their projects and help removing bottlenecks faced by them in various fields. In this connection, the services of five experts in the field of agriculture, railway, management, textile and cement were provided to friendly countries under this programme.

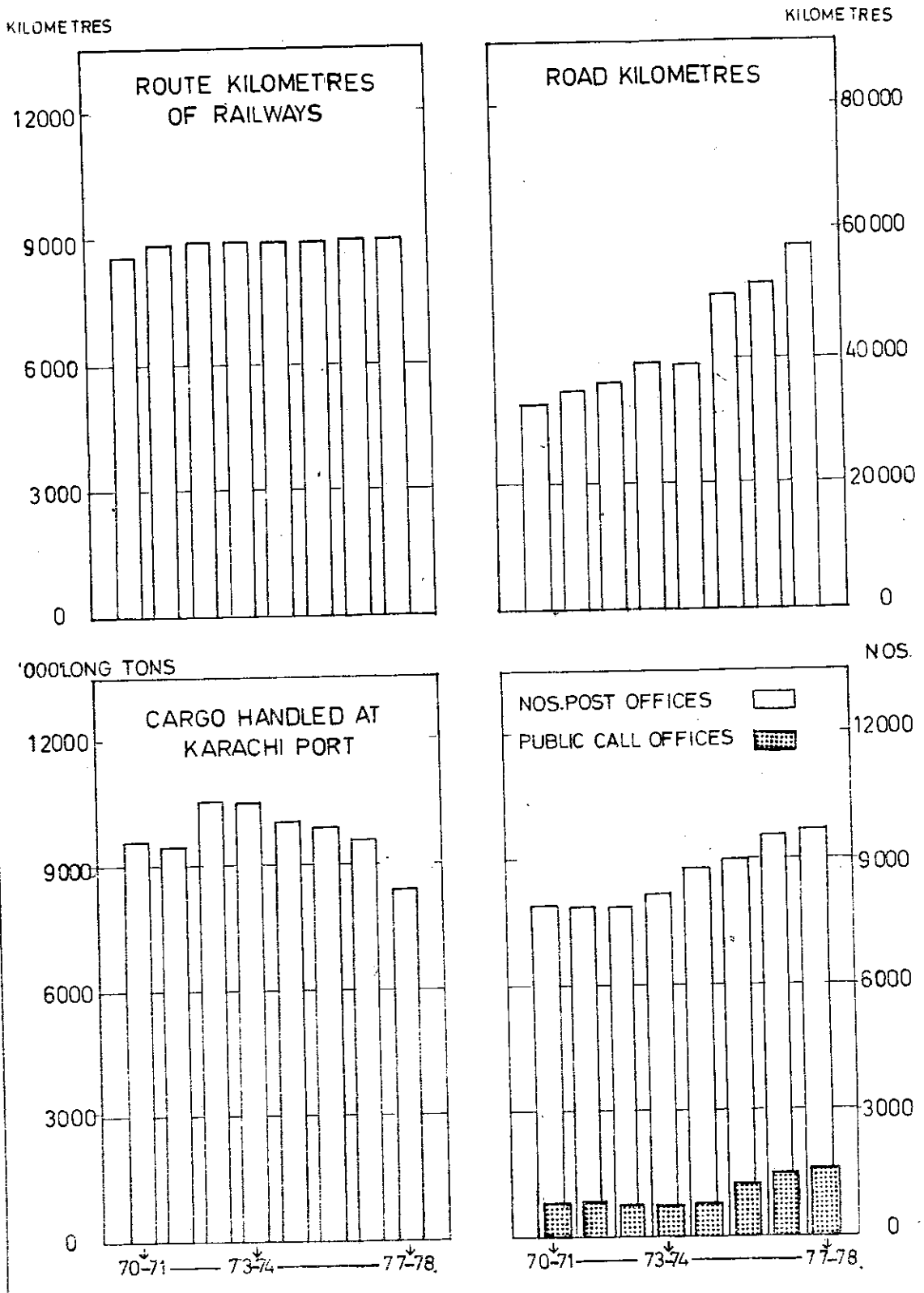
(ii) *Admission of foreign students.*

90. The following seats were reserved for foreign students in the professional colleges of Pakistan during academic session 1977-78 :—

MBBS	154
B.D.S.	23
B. Pharmacy	38
B.Sc. (Engineering)	131

91. In addition, students are also admitted in the general courses from Matric to Ph. D. About 60 scholarships are awarded every year for the courses mentioned above.

DEVELOPMENT OF TRANSPORT AND COMMUNICATIONS



10

TRANSPORT AND COMMUNICATIONS

Transport and communications sector provides an important infrastructure for socio-economic development of an economy. Realizing its importance all development plans hal laid emphasis on the development of this vital sector by allocating sizable resources. In spite of special attention paid to the problems in the sector and the growth so far achieved, the transportation bottle-neck still continues and is a constraint on speedy development of the economy.

2. During 1977-78, an allocation of Rs. 3,856 million in the public and semi-public sector as against an expenditure of Rs. 3,716 million in 1976-77 was made. Sub-sector-wise progress made is as under:

PAKISTAN RAILWAYS

3. Pakistan Railways, with a route kilometrage of 8,815 and 976 locomotives, 2,939 coaching vehicles and 36,761 freight wagons, is still faced with a backlog 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 operational efficiency by modernising existing equipment, replacing out-dated machinery and improving and streamlining certain operational techniques.

4. Total development programme for 1977-78 was budgeted at Rs. 935.7 million, with a foreign exchange component of Rs. 443.2 million. The programme which is replacement oriented is designed to eliminate various physical bottlenecks chiefly on main lines for its efficient operation and to provide for necessary infrastructure in respect of plant, equipment and materials needed for the successful launching of the prospective 5th Five-Year Plan (1978—83).

5. Progress of some of the main on-going schemes included in the Development Programme is as under :—

PROGRESS ON IMPORTANT DEVELOPMENT WORKS

Rehabilitation and Improvement of Track

6. The work of rehabilitation and improvement of track on Karachi-Lalamusa main line and on other branch lines is in progress. Out of 3,180 kilometres, 1,378 kilometres of track had been renewed with 100 lb. rails on Karachi—Lalamusa section up to June 30, 1977. During 1977-78, 113 kilometres of complete track renewal and 32 kilometres of sleeper renewal is programmed on Karachi-Lalamusa main line.

7. Work is also in progress in other sections of the Pakistan Railways where 89 kilometres of rail renewal and 160 kilometres of sleeper renewal is programmed to be carried out during 1977-78.

8. With a view to reducing wear and tear of track and vehicles, welding of 100 lb. and 90 lb. rails has been undertaken by the Pakistan Railways. In addition to reduction in the cost of maintenance, welding of track also results in increased passenger comfort. Till June 30, 1977 Pakistan Railways had 1,413 kilometres of welded track. During 1977-78, a total of 80 kilometres long welded length would be added.

9. Pakistan Railways, has also introduced mechanised maintenance of track which gives better quality of work suitable for high speeds. Speed of three trains, *i.e.* Super Express, Tezgam and Khyber Mail has been increased from 96 kilometres to 105 kilometres per hour between Karachi and Lahore.

Mechanised Marshalling Yard at PIPRI

10. In order to relieve extreme congestion of stock in the Karachi port area, and to effect speed and efficiency in the operation of traffic originating from and terminating at Karachi and to reduce turn round of stock, the project of providing a mechanised marshalling yard at Pipri is under implementation. The estimated cost of the project is Rs. 203.2 million.

11. During 1977-78, Rs. 96 million have been earmarked for the project. Overall physical progress is satisfactory and the entire project is likely to be completed by December, 1978.

Dry Port at Lahore

12. The Lahore Dry Port, which has been constructed to fulfil the long felt need of the importers and exporters in the up-country areas was opened for booking of export cargo in April 1974 and import cargo in October 1974. Since then there has been a substantial increase in traffic both Inward and Outward. Thirty thousand tonnes have been handled during the first 9 months of 1977-78 (July—March) and these figures are likely to improve considerably before the close of the year due to imports of scrap, paper and some other consignments awaiting clearance.

Sleeper Factories

13. Pakistan Railways is running two factories, one at Sukkur and another at Jhelum for the manufacture of concrete sleepers. Wooden sleepers required for track renewals have to be imported from abroad at considerable cost. In

order to reduce this drain on the foreign exchange resources, it has been decided to modernize and increase the output of the Cement Concrete Factory at Jhelum. It is also planned to establish 4 additional factories for the manufacture of twin block sleepers. The four new factories and the expanded Jhelum sleeper factory are expected to go into production progressively by January 1983. On the completion of these projects, the country will become almost self-sufficient in the requirement of Railway sleepers.

Rolling Stock and Moive Power

Passenger Carrages

14. Agains a target of 142 passanger carriages laid down for 1977-78, 115 coaches were manufacured by the end of March 1978 and the rest were scheduled for manufacturing by the end of current financial year.

15. Pakisan Railways are now self-sufficient in regard to the production of passenger carriges and have developed spare capacity for export as well.

16. Pakistan Railways Carriage Factory, has secured two export orders worth U.S. dolars 10 millions for Bangladesh Railway in keen competition with the leading manufactures of rolling stock and these carriages are under manufacture.

Tank Vagons 3TO Type

17. The taget of manufacturing 30 BTO type wagons for 1977-78 has since been achieved and the project stands completed.

Converion of Wagons into Vegetable Oil Tanks

18 Seventy two vegetable oil tanks were manufactured by the end of March 1978 and another 68 were expected to be manufactured by the end of current financial year.

Re-engning of 47 Locomotives

19 Order for equipment required for re-engining of 47 diesel electric locomotives has ben placed. The expected delivery period is July or August 1978. On receipt of materia two locos per month will be turned out of Mughalpura Workshops.

Construction of Staff Quarters, Passenger Amenities and Staff Welfare Works

20 It has been decided to construct multi-storeyed flats at the important stations. Work in this direction has since been taken in hand and is progressing satisfactorily. Besides a number of schemes relating to staff welfare and passenger amenites have also been undertaken. During 1977-78, 381 single storey staff qaurters have also been planned to be constructed at various stations for low paid staff. The work on electrification of 21 railway stations and 1,400 staff quarters is in hand and is expected to be completed by June 30, 1978.

Doubling of Track Between Kotri and Gidu Including Bridges over River Indus

21 The project aiming at increasing the capacity of main line between Karachi and Lodhran consists of making a new railway line about 3.2 km long, construction of a new single line railway bridge over river Indus at Kotri on the upstream side of the existing single line railway bridge, two approach

spans and two minor bridges. The main bridge will consist of 13 spans of about 49 metres each. After completion of the project, the old bridge will exclusively serve the Down Main line and the new bridge will be meant for the Up Main line. The Project, estimated to cost about Rs. 163.4 million, is expected to be completed by December 1979.

Tele-Communication Facilities

22. As the existing tele-communication facilities are unsatisfactory and also inadequate to cope with the existing traffic requirement, there is an urgent need to modernise the railway tele-communication network to facilitate the transport of passengers and freight by running trains efficiently, quickly and with minimum cost.

23. A scheme to provide sophisticated means of communication has accordingly been prepared in consultation with the World Bank and its experts. The project envisages the provision and installation of a microwave backbone system from Karachi to Rawalpindi *via* Lodhran, Khanewal, Faisalabad and Wazirabad with spurs to Lahore and Multan.

NEW CONSTRUCTIONS

Islamabad Spur

24. The project, estimated to cost Rs. 38.90 million, is designed to afford adequate transport facilities to the growing population of the Capital at Islamabad, its suburbs and Rawalpindi. The spur, 9.01 kilometres in length, will connect Rawalpindi with Islamabad. The Phase-I of the project upto Margala station (5.64 km) is expected to be completed by December 1978. Phase-II of the project from Margala Station to Islamabad Terminal (3.37 km) is scheduled for completion by the end of 1978-79.

Mari Indus-Bannu Rail Link Conversion from Narrow Guage to Broad Guage

25. It is proposed to convert the narrow guage rail link between Mari-Indus-Bannu to broad guage at an estimated cost of Rs. 130.6 million.

26. The project is located in the districts of Mianwali (Punjab) and Bannu (N.W.F.P.) The projected line will start from Mari Indus and immediately after crossing the river Indus between Mari Indus and Kalabagh will generally follow the existing narrow guage alignment connecting all the existing stations including important towns of Isa Khel, Laki Marwat, Naurang Serai and Bannu.

27. The conversion of this line is being undertaken for the economic development of the local population. The proposed conversion will eliminate the break of guage at Mari Indus and will eliminate trans-shipment and detention of stock.

ROADS AND ROAD TRANSPORT

FEDERAL PROGRAMME

Roads

28. During 1976-77, an amount of Rs. 164 million was provided under development budget for road|bridge projects. In addition Rs. 114 million were provided as supplementary grant. The main projects for which funds were provided were the Indus Highway, the Third Highway Project, the Attock Bridge, the Nowshera Bridge, the D. I. Khan-Darya Khan Bridge, the

Dadu Noro Bidge, he Ghazi Ghat Bridge, the Rapid Transit System, the Traffic Count Programme, the Coastal Road and the R.C.D. Highway. The estimatel expeiditure during 1976-77 came to Rs. 217 million.

29. During 1977-78, an allocation of Rs. 222 million was made for the main on-going projects. Out of this Rs. 42.70 million were provided for Indus Highway, Rs. 30 milion for 5 bridges, Rs. 20 million each for the Third Highway Project and the R.C.D. Highway and Rs. 9 million for other projects. Up to March 31, 1978 Rs. 66.00 million were spent. Progress on some of the main schemes s as under:

Third Highway Project

30. Out of the budget allocation of Rs. 20 million, Rs. 7.75 million were utilized up to March 31, 1978. The economic feasibility study of the project was completed. A pre-appraisal mission of the World Bank visited Pakistan to review the feasibility study report. The mission, after review of the report, recommended 83 kilometres of road for detailed engineering. The detailed engineering of the road is expected to be completed by the end of December, 1978.

Bridges

31. Up to March 1978, Rs. 18.00 million were spent and preliminary work relating to contruction of 5 bridges was undertaken.

National Highways

32. The Executive Committee of Secretaries Council has declared the following road as National Highways, having the financial responsibility of Federal Goverment.

(i)	Karachi-Lahore-Peshawar-Torkham (Pakistan Highway)	1,733 Kilometres
(ii)	Karachi-Kalat-Quetta-Chamman (Pakistan Highway)	834 ,,
(iii)	Rohri-Sukkur-Jacobabad-Sibi-Quetta.	410 ,,
(iv)	D. I. Khan-Fort Sandeman-Quetta	555 ,,
	Total	3,532 Kilometres.

33. For the mainenance of the National Highways, a provision of Rs. 7.6 million was made during 1977-78 in the non-development budget.

Master Plan and Miscellaneous Studies

34 An expenditure of Rs. 2.28 million was incurred up to March, 1978. The short-term report was received from the consultants and some modifications were siggested

R. C. D. Highway

35. The budget grant of Rs. 20 million was released to the Provincial Governments to continue work on the on-going project.

Indus Highway Project

36 During 1977-78, an allocation of Rs. 42.7 million was made in the ADP which was enlanced to Rs. 100 million following a high level meeting held in the Chef Marial Law Administrator's Secretariat which decided to accord top priority to thi projec. Up to March 31, 1978 an amount of Rs. 43.4 million had been utilzed.

37. The seven Pakistani firms of Consulting Engineers, appointed in April, 1976 for providing engineering services for detailed designing and construction supervision of specified stretches of the highway, continued their work. Overall progress of their work up to the end of March, 1978 ranged between 63 to 74 per cent of the total.

38. Major part of the work relating to construction of stores and workshops, hostel, worker's barracks, and A&B type houses, had been completed up to the end of March, 1978.

39. Drilling work on the two tunnels near Kohat was to start shortly as engineering support has been provided.

40. Road construction machinery alongwith some special machine tools, audio-visual and pedagogical aids for training-*cum*-construction centre at D. G. Khan has been procured. Major part of work relating to commissioning of machines has been completed by representatives of the manufacturer. Some transport equipment like dump trucks, water tankers, pick-ups and some other equipment like lighting sets and concrete mixers have been locally procured.

41. Machinery worth Rs. 20 million has been procured for the Kohat Training-*cum*- Construction Centre, through German Commodity loan and Pak-Czech barter deal.

Coastal Road Project

42. The Coastal Road Project has been revived by the Government of Pakistan as it would provide a basic and badly-needed communication facility to undeveloped areas of Baluchistan. Further, in order to expedite the work the Government has decided to federalize the project and assign it to the Indus Highway Board which has opened a separate cell to deal with the task of designing and construction of this road.

43. The proposed road takes off from Lyari junction on the Karachi-Quetta Road and by passing the coastal towns of Ormara, Pasni, Gwadar and Jiwani goes right upto the Iranian border. The total length of the road is approximately 740 kilometres. This includes links to the coastal towns and major link between Pasni and Turbet. The road will be 3.75 metre wide paved with single surface treatment having 3 metres wide shoulders on either side. The total estimated cost of the project is Rs. 665 million.

44. The economic and feasibility study of the project has been completed and submitted to the Planning Division. Aerial photography of the whole alignment has also been completed.

45. During 1977-78, the project cell has programmed to carry out the survey and design work on the alignment. A Service Road between mile 64 of Karachi-Quetta Road (RCD Highway) and Ormara has also been planned. At the moment, there is no approach road in this stretch. Up to March, 1978 an expenditure of Rs. 1.389 million had been incurred. Expenditure in 1976-77 was Rs. 0.956 million.

URBAN ROAD TRANSPORT

46. With a view to improving the urban transport which was being managed by Provincial Road Transport Corporations|Boards, the Federal Government set-up a special Committee to go into the matter and to recommed measures for its improvement. The Committee recommended that effective participation of

he Federal Government was essential for improving urban transport services n Karachi, Lahore-Rawalpindi-Islamabad. Accordingly, two Urban Transport Corporations one for Karachi and the other for Lahore-Rawalpindi-Islamabad, were set-up with 2|3rd and 1|3rd equity share participation of the Federal Government and the Provincial Government respectively. The two Corporations started operation in February, 1977 and efforts are being made to augment the fleets and to improve the maintenance of workshop facilities. During 1977, 200 new buses were added to the fleets of the Corporations while 350 large city type buses were to be procured shortly. Attention is also being paid to the improvement of repair|maintenance facilities.

PROVINCIAL PROGRAMME

BALUCHISTAN

Roads

47 Against the original allocation of Rs. 93.6 million, an expenditure of Rs. 109.4 million was incurred during 1976-77 and 55 kilometres of black top roads and 40 kilometres of shingled road were constructed and 56 kilometres of existing roads were improved.

48. For 1977-78, an allocation of Rs. 74.3 million was made for important on-going works namely RCD Highway, Loralai-D. G. Khan road, Belpat-Lehri road, Jhat-Lahra road, improvement of Bela-Awaran road, completion of remainng work on Harnai-Singjevi road, completion of Kanak-Sammangi road and Khanpur bridge.

49. The programme included construction of 88 kilometres of black top roads, 55 kilometres of shingled road (RCD Highway Wadh-Kanar Section) in addition to improvement of 16 kilometres of existing roads.

N.W.F.P.

Roads

50. During 1976-77, an expenditure of Rs. 119.7 million was incurred. Physical achievements included construction of 56 kilometres of black top and 122 kilometres of shingled roads and improvement of 291 kilometres of existing roads. Work on 16 bridges was also completed.

51. During 1977-78, an allocation of Rs. 105.3 million was made for construction of 55 kilometres of black top roads, 114 kilometres of shingled roads 240 kilometres of improvement and completion of work on 13 bridges.

Road Transport

52. During 1976-77, Rs. 24.4 million were spent on procurement of 116 buses out of which 35 were brought on road.

53. For 1977-78, an allocation of Rs. 4 million was made in the provincial ADP and R. 17 million were provided in the semi-public sector. The programme envisaged purchase of 60 buses as replacement, improvement of workshop facilities and procurement of spare parts.

SINDH

Roads

54. As against an allocation of Rs. 269.20 million, Rs. 285.3 million were spent on construction of 430 kilometres of new roads and improvement of 563 kilometres of existing roads and completion of work on 18 bridges.

55. In the annual development programme for 1977-78, Rs. 238.9 million were provided for construction of 322 kilometres of new roads and improvement of 451 kilometres of existing roads. The provision also included Rs. 30 million for road making machinery and restoration of flood damages.

PUNJAB

Roads

56. During 1976-77, Rs. 450.0 million were spent. Physical achievements included construction of 241 kilometres of new roads, improvement of 322 kilometres of existing roads and completion of work on two bridges.

57. Rupees 320 million were provided for 1977-78 for construction of 322 kilometres of new roads and widening/improvement of 241 kilometres of existing roads and flood restoration works.

Road Transport

58. An allocation of Rs. 6.5 million was made in the provincial ADP 1976-77 in addition to a provision of Rs. 100 million in the semi-public sector. The programme envisaged re-organization of work on setting up of depots at Sargodha, Sahiwal, Bahawalpur and Jhang. An expenditure of Rs. 7.461 million was incurred, which included Rs. 0.6 million from the semi-public sector.

59. For 1977-78, Rs. 2.60 million were provided in the provincial ADP in addition to the provision of Rs. 13 million in the semi-public sector. The programme envisaged continuation of work on on-going schemes *viz* construction of depots at Sahiwal, Bahawalpur, etc.

PORTS AND SHIPPING

Karachi Port

60. During 1977-78, an allocation of Rs. 177 million was made for the development projects of the port as against an expenditure of Rs. 132 million in 1976-77. Up to March 1978, Rs. 81 million were utilized and progress on the on-going schemes was as under :—

61. Work on the Third Project of Karachi Port comprising four Shipping Berths and two Transit Sheds at Juna Bunder, the Remodelling of the West Railway and Storage Yards and the Reconstruction of the century old Napier Mole Road Bridge over the Chinna Creek is proceeding satisfactorily and the various project works are expected to be completed by the end of 1979. The Third Project, estimated to cost about Rs. 400 million will, on completion, increase the Port's equivalent dry general cargo handling capacity by about 1 million tons, to an aggregate of 6 million equivalent tons per annum.

62. Satisfactory progress is also being made on the work relating to the Fourth Project of Karachi Port. The project, estimated cost of which is Rs. 350 million, envisages construction of 75,000 D.W.T. Oil Tanker Berth in the Lower Harbour, the dredging of the Harbour Approach Channel and procurement of a Trailing Suction Hopper Dredger. The construction of Oil Tanker Berth is substantially complete and is envisaged for commissioning during July 1978. The project which is also scheduled for completion by the end of 1979, will double the Port's oil handling capacity from about 5 to 10 million tons per annum.

6[illegible]. A Master Pan for the development of the Port of Karachi has been prepared. It has been established that the Western Bay of the Karachi Harbour has potential for the development of additional 100 shipping berths. Detailed investigations and engineering studies have been completed and the berths layout in the new laid spur has been planned to allow handling of container and other unitised cargo system The construction works at site are expected to commence during 1979 and the first set of eight shipping berths, including modern container terminals, will be brought in use during 1983-84, adding about two million tons of dry general cargo capacity to the Port. The estimated cost of the Project is Rs. 700 million.

Port Muhammad Bin Qasim

6[illegible]. In the annual development programmes for 1977-78, an allocation of Rs. 500 million (including a supplementary grant of Rs. 60 million) was made for the on-going schemes of the Port which is being developed in two phases.

6[illegible]. Main cargo at this port will include, besides general cargo (rice, cement etc.), steel mill equipment, machinery and construction material. It will have a steel mill terminal by mid 1979 to handle iron ore and coal imported by Karachi Steel Mills. In phase II of its development, there will be an oil terminal to handle crude oil, and a bulk materials terminal to handle phosphate rock sulphur, fertilzer and a grain terminal to handle wheat. Thus there will be 8 berths by 1980 and 12 by 1985.

6[illegible]. Phase I of the Project costing Rs. 2,688 million including Rs. 1,233 million in foreign exchange is scheduled for completion by 1980-81. The total tonnage to be handled by the end of 1980 would be 6.16 million tons which will increase to 14.66 million tons by 1985. The port is to be opened to shipping traffic in July 1979 for ships of 25,000 DWT and by the end 1979 early 1980 for ships of 50,000 DWT

Shipping

6[illegible]. With effect from January 1, 1974 the Government took over the management of ten shipping companies—nine in private sector and one in the semi-public sector (National Shipping Corporation). One subsidiary of a private Ltd. company was also taken over. The National Shipping Corporation, in which government already held more than 50 per cent shares, continues to exist separately under a Board of Management, appointed by the Government. The other ten taken over companies were placed under the Pakistan Shipping Corporation with a separate Board. Steps are being taken to merge both these Corporations into one unit.

68. The total fleet at present consists of 49 vessels, with a DWT of 607, 481. Commensurate with the tonnage amount of the national cargo which is more than 10 million tons annually, the size of the fleet is too small to carry the due share of the national trade. The fleet also largely consists of old ships with very much reduced operational efficiency and hence profitability. As many as 33 of the 49 vessels will be over 15 years of age within two years. Efforts are being made to augment/repace the fleet on priority basis.

National Shipping Corporation

69 The existing strength of the National Shipping Corporation (NSC) fleet is 25 with a DWT of 307,481. It is operating its services on U.K.—Continent, Mediteranean Sea, USA, Canada, Peoples Republic of China and Far

East routes. A coastal service is also being operated to meet the supply requirement of various towns on the Mekran Coast.

70. Dry cargo handled by the Corporation's fleet on various routes and its earnings during the first nine months (July—March) of 1977-78 compared to the same period of 1976-77 are as under :—

	1976-77 (July-March)		1977-78 (July-March)	
	Frt Tons Carried	Earning Million $	Frt Tons Carried	Earning Million $
UK-Continent	251,533	14,976,144	207,147	13,692,135
USA/Canada	94,935	970,621	98,271	10,833,724
Far East	297,056	10,912,381	271,657	10,588,528
	643,524	26,859,146	577,075	35,114,387

71. The oil tanker "Bhambore" has been laid up and is being scrapped locally.

72. Efforts are being made to modernise the fleet so that a fair share of national cargo is carried in Pak flag vessels. It has also been proposed to construct a new workshop for carrying out maximum repairs of NSC ships at their own workshop.

Pakistan Shipping Corporation

73. The Pakistan Shipping Corporation (PSC) was formally established on 14th September, 1976 and from the same date the management of all the 10 shipping companies, taken over earlier from the private sector, was transferred to it and the former PSC Board wound up.

74. Six shipping companies *(viz.* Muhammadi Steamship Co. Ltd., Pakistan Shipping Line Ltd., East & West Steamship Co. Ltd., Crescent Shipping Lines Ltd., Trans-Oceanic Steamship Co. Ltd., and United Oriental Steamship Co.) have been merged into the PSC with effect from 1st July, 1977. Besides, two shipping companies *(viz.* Gulf Shipping Corporation Ltd., and Chittagong Steamship Corporation Ltd.) are being managed by it as subsidiaries for the time being. The remaining two shipping companies (*viz.* Pan-Islamic Steamship Co. Ltd., and Muhammadi Engineering Works Ltd.) are still being run as managed establishments for administrative consideration, but they will also be merged into the PSC after sometime.

75. The former shareholders or proprietors of 8 shipping companies which have been merged into the PSC or are being run as its subsidiaries will be issued shares of the PSC, in lieu of their original shares or proprietary interests in those establishments, for which necessary steps are being taken.

76. The existing fleet strength of the PSC is 24 ships (20 General Cargo Ships, 1 mini bulk carrier and 3 passenger ships with a capacity of about 300,000 dead weight tons and 4,000 passengers. The corporation is presently operating its services on U.K|Continent, USA|Canada, Far East, Black Sea, Arabian| Persian Gulf, Red Sea and Bangladesh routes. Besides, some of the ships have been chartered out for carriage of bulk cargo.

77. The fleet consists of a large number of old and uneconomical units which require to be replaced immediately or in the near future as this is telling on the present profitability of the fleet. Steps are being taken to modernise the fleet by scrapping obsolete and uneconomical ships and induction of modern liner vessels under a phased programme.

PAKISTAN INTERNATIONAL AIRLINES CORPORATION

78. Steady progress was made in the operational activities of the PIA during the period July 1977—March, 1978. As a result of expansion in its national and international network and special efforts made to keep its expenditure at a low level, the operating profit of the airline during July—March, 1977-78 came to Rs 220 million, an increase of 72 per cent over the profit of Rs. 128 million earned during the same period of 1976-77.

79. The passenger yields improved by 7 per cent and expenditure to revenue ratio declined from 91 per cent in July—March, 1976-77 to 89 per cent during July—March 1977-78. Traffic growth came to 20 per cent in international passenger traffic, 11 per cent in domestic passengers and 21 per cent in freight. PIA expect to close the financial year with a profit of Rs. 276 million.

Expansion of Route Network

80. In view of traffic growth in the Middle East, PIA increased its services to Jeddah from seven weekly to ten per week during the period July 1977 to March, 1978. Besides scheduled flights, PIA operated 73 Haj flights—69 flights by Boeing 747 and 4 flights by DC-10-30. PIA also introduced a second cargo flight to New York during the period under review.

81. Boeing aircraft is operating 6 flights a week on Karachi-Multan-Faisalabad Sector and a new thrice weekly service has been introduced on Karachi-Multan sector. Fokker operations between Karachi-Moenjodaro have been increased to 7 a week, between Karachi-Pasni from 5 to 10 per week, between Karachi-Gwadar from 9 to 10 per week and between Karachi-Jiwani from 2 to 4 a week. Between Lahore and Peshawar Fokker frequencies have been increased from 7 to 8 per week.

82. PIA is continuing its Boeing 747 operations to Dubai, Teheran, Cairo, Frankfurt, Paris, London, Amsterdam and New York on its international network and Rawalpindi on its domestic sector. Boeing 720B operations between Karachi-Multan and Karachi-Zahidan *via* Quetta have also been commenced. Two flights a week on each Peshawar-Kabul, Lahore-Delhi and Karachi-Bombay sectors are also being operated.

83. In order to meet the increasing traffic demand, PIA inducted one more Boeing 707 aircraft into service. The composition of the Airline's fleet as on March 31, 978 was as follows :

	No. of Aircraft.
	31-3-1978
Boeing 747	2
DC-10-30	4
Boeing 707	7
Boeing 720B	4
Fokker F-27	8
Onlease to Air Malta(Boeing 720B) . .	2
Total	27

84. For 1977-78, an allocation of Rs. 258.4 million was made mainly for the on-going development schemes of PIA. The programme included, *inter alia*, expediting construction work on the wide-bodied aircraft hangar, supporting workshops and facilities, a cargo terminal and initiating work on automation of passenger reservations and check-in-system, new town terminal complexes at Karachi and Lahore and new cargo terminals at Lahore and Islamabad. Up to March 1978 Rs. 50.8 million were spent and passenger terminal No. 2 at Karachi had been completed.

POST OFFICES

85. During 1977-78, Rs. 15 million were allocated for the development of the postal facilities. Up to March 31, 1978, Rs. 14.0 million were spent mainly on the construction of post offices, buildings and staff quarters of the Directorate General at Islamabad and construction|re-construction|extension of 17 post offices building and construction of 25 residential quarters for postal staff.

86. The number of post offices has risen to 9,655 as on March 31, 1978 with the addition of 69 new post offices since June 30, 1977. Another 231 post offices are expected to be opened by June 30, 1978.

TELE-COMMUNICATIONS

87. In the annual development programme for 1977-78, an allocation of Rs. 415 million was made for the development of telegraph and telephone facilities as against an allocation of Rs. 471 million during 1976-77. Main targets included ; installation of 30 thousand telephones, 200 public call offices, 15 trunk positions, 20 small exchanges and 23 nation wide dialling (NWD) exchanges and completion of Sukkur-Quetta, Hyderabad-Badin, Karachi-Manora microwave and wireless systems and up-gradation of Kharian-Rawalpindi coaxial cable and Raiwind-Kasur carrier cable. Up to March 1978, Rs. 270 million were spent. Up-to-date physical achievements are as under :— "

88. Installation of 22 small exchanges and eight trunk positions were completed and 8,900 new telephone connections were provided.

Public Call Offices

89. Against the target of opening two hundred public call offices, 100 PCOs were opened.

Installation of Microwave and VHF|UHF System

90. Satisfactory progress has been made on Sukkur-Quetta, Hyderabad-Badin, and Karachi-Manora Microwave system and single channel VHF and Multi channel UHF systems.

Long Distance Network

91. Four thousand and eight hundred kilometres of wire were completed up to April 1978 and 6,500 kilometres of copper wire was replaced by copper weld wire. Besides, nine VFT system 12 S+DX System, six cable carrier system and five over-head carrier system were also completed.

Coaxial Cable System

92. Upgradation of Kharian-Rawalpindi coaxial cable has been completed and the system is under acceptance test. Haripur-Abbottabad small dia coaxial system was completed and commissioned.

NWD Exchanges

93. Eighteen nation wide dialling (NWD) exchanges were installed up to April 30, 1978 and Lahore-Quetta 5+5 channel STD system was completed. Five more NWD exchanges and laying of Raiwind-Kasur Carrier Cable were expected to be completed by June 30, 1978.

Telegraph Facilities

94. Standard buildings for 15 telegraph offices were proposed for 1977-78. The land for construction of telegraph offices building has been acquired at

D. I. Khan, Khairpur Chamman and Khuzdar whereas it is under negotiation for acquisition at the remaining stations. The construction of building at Khairpur is underway and 60 per cent work has been completed. The building work at D. I Khan is being taken up shortly.

Telex and Gentex Exchanges

95. The 2,000-line International Electronic Telex Exchange was opened at Kanchi in February, 1978.

96. Sukkur Telex Exchange has also been completed and one 30 lines telex exchange and one 20 lines gentex exchange would be opened at Quetta up to June 1978. Sukkur gentex exchange has been completed.

Overseas Communication

97. At present Pakistan is linked with twenty countries through satellite communication system. Eleven new telephone circuits were added between July 1977 and April 1978 bringing the total number of overseas telephone circuits to 57. The total number of record circuits *via* satellite are nine.

98. During the first nine months of 1977-78, 1.07 million outward and inward telegrams were handled while total paid minutes for inward and outward international elephore traffic during the period were 1.03 million outward and 1.48 million inward.

PAKISTAN BROADCASTING CORPORATION

99. Since its setting up on December 20, 1972 the Pakistan Broadcasting Corporation (PBC) has been taking effective steps for the growth of broadcasting as a function oriented public service medium providing information, education and entertainment to the listeners.

100. There are nine broadcasting stations at Rawalpindi, Islamabad, Lahore, Multan, Bahawalpur, Peshawar, Quetta, Karachi and Hyderabad. Nearly 200 hours of programmes are provided daily in the home services and 30½ hours of programmes in the external services.

101. At present PBC has 31 shortwave and mediumwave transmitters with total radiating power of 3,171 KW (15 MW transmitters with a total power of 2,010 KW and 16 SW transmitters with a total power of 1,161 KW). The number of broadcast receiver licences is 15,43,700 approximately.

102. For 1977-78, an allocation of Rs. 56.4 million was made as against an expenditure of Rs. 42.2 million incurred during 1976-77. Main projects for which substantial alocation were made are broadcasting house Islamabad (Rs. 18 million), 100 KW MW transmitters and broadcasting house at Khairpur (Rs. 10.0 million), 300 KW MW transmitter and broadcasting house Khuzdar (Rs 10.0 million).

103. Upto March 1978 Rs. 19.92 million were spent and progress on some of the main chemes is as under :

104. The 300 KW MW transmitter at Peshawar is operational and civil works have been completed. Part of the equipment for the broadcasting house at Peshawar is being fabricated in the equipment production unit of Pakistan Broadcasting Corporation while orders for the procurement of remaining equipment are being placed. The 1000 KW MW transmitter at Islamabad is operational Additional aerial is being designed. Work on laying of radials of the

aerial, construction of anchor foundations and erection of feeder poles is in progress. The emergency power supply generator has reached the site. The civil work of the National Broadcasting House at Islamabad is progressing. The installation of equipment and accoustic treatment of the studios are also in progress. The 100 KW MW transmitter at Karachi is operational. The remaining civil works are proceeding satisfactorily. Installation of studio to transmitter links has almost been completed. Building construction of the 100 KW MW transmitter at Khairpur is progressing satisfactorily. Work on the 100 KW MW transmitter at Muzaffarabad is in progress.

PAKISTAN TELEVISION CORPORATION

105. Pakistan Television Corporation is telecasting 6½ hours daily programmes from its five main centres at Rawalpindi-Islamabad, Karachi, Lahore, Peshawar and Quetta and the Rebroadcast Centres at Murree, Cherat, Sakesar, Thana Bola Khan, Shujabad, Shikarpur, Sahiwal, Thandiani and Lakpass, including the Translator at Chishtian (Burewala). Through a microwave link all these stations have been brought on national T.V. network. Colour telecasts have also been started from December 20, 1976 on national network using the PAL system. The quantum of telecasting was about 42 hours a week from each TV Centre during 1976-77. Via Satellite transmission have continued to beam international events to and from Pakistan.

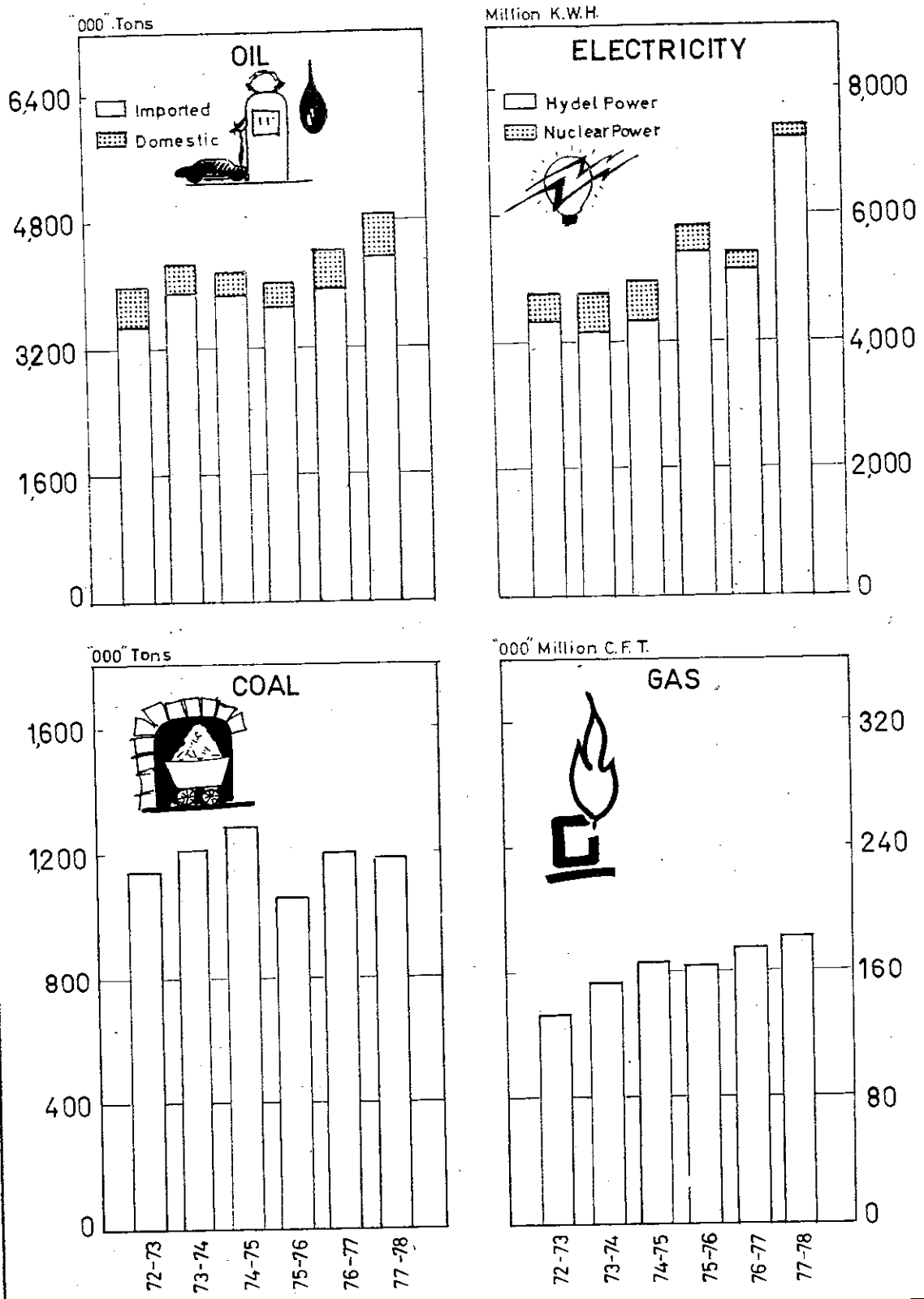
106. The area and population coverage increased from 35 per cent and 60 per cent respectively in 1975-76 to 42 per cent and 66 per cent in 1976-77. The main source of revenue of the Corporation, is income from advertisements and T.V. Licence fee of Rs. 150 per set per annum. The Corporation is also receiving an annual subsidy from Government to meet its revenue shortfall. The total number of TV sets is 468,896 at present.

107. During 1977-78, an allocation of Rs. 73.6 million with a foreign exchange component of Rs. 18.0 million was made for the development projects of the Corporation. Up to March 1978, Rs. 60.05 million had been spent. Satisfactory progress was made on the civil works taken up during 1976-77 for establishing a third studio at the Television Centres of Karachi and Lahore and for the building of the main Television Centres of Islamabad and Peshawar. The colour studio equipment earlier received was installed at Lahore and Karachi Television Centres while a full-fledged colour studio has been commissioned at the Rawalpindi-Islamabad Centre (Pilot) for colour productions.

Expansion Programme During 1978—83

108. A tentative allocation of Rs. 379.6 million for the Fifth Five-Year Plan, 1978—83, has been made for the development of television facilities. During the period, the Corporation will complete the second phase of the Television Centres at Lahore and Karachi and the three full-fledged Television Centres at Islamabad, Quetta and Peshawar. The SHF link at Khojak Pass is also expected to be set up during the period. Two transmitters to feed the T.V. signal to the left-over pockets in the Punjab and Sind will also be established. A second channel is also proposed to be set up at Karachi, Lahore and Rawalpindi Centres for Educational Television. With the completion of the projects mentioned above, the T.V. signal will be reaching almost the entire Provinces of the Punjab and Sind and a major part of N.W.F.P. and Baluchistan.

ENERGY SUPPLY



11

ENERGY SITUATION

Energy i recogiised the world over as the key to progress and has a direct bearing on goss national product. Pakistan's per capita energy consumption is ony one-enth o' the world average : this underlines its economic backwardness. Escalating oil prices ever since the first major hike in 1973 have made energy a crucial issue of our time. Pakistan faces a very difficult situation, because it has to import about 90 per cent of its oil requirement, which eats up a major chunk o' its export earnings. The severe strain on balance of payments has neessitatel launching a massive energy programme designed to contain the inport bil and to develop domestic energy resources. To achieve quick results more funds are being allocated and new organisations have been created. The co-opration of foreign companies has also been enlisted. The Government's efforts have esulted in two big discoveries—large deposits of gas and cordensate oil at Dhodak in D G. Khan in December 1976, and a year later in December 1977, a huge gas field at Pirkoh in Baluchistan, which hold out fair prospects for future.

ENERGY AVAILABILITY

2. The otal energy availability for consumption during 1976-77 has been estimited at 382.1 trillion BTUs, compared to 373.2 trillion BTUs in 1975-76. Per capita sipply oi commercial energy in Pakistan has been estimated at 5.20 million BTUs in 1976-77. The energy composition during the year 1976-77 showed that he share of oil was 39.9 per cent, natural gas 36.2 per cent, hydel powe 16.3 per cent coal 6.0 per cent, nuclear power 1.3 per cent and liquefied

petroleum gas (LPG) 0.3 per cent. The details are given in the following table :

Table 11.1

PATTERN OF ENERGY SUPPLY 1976-77

Source	Heating Rate BTUs	Quantity	Energy Constant 'Trillion BTUs'	Percent Share
Natural gas (purified) excluding use as feed stock (million cft)	975/cft	131,417	128.1	33.5
Natural gas (raw) (million cft) ..	933/cft	1,118	10.4	2.7
Coal (000 tons)	8,500/lb	1,204	22.8	6.0
Oil (net of export & ocean bunkers) (000 tons)	20,000/lb	3,401	152.4	39.9
Hydro-electric (million kwh) ..	12,000/kwh	5,184	62.2	16.3
Nuclear (million kwh)	12,000/kwh	421	5.1	1.3
LPG (Tons)	22,000/lb	22,317	1.1	0.3
Gross commercial supply (trillion BTUs)			382.10	100.0
Population (1976-77) (In million)			73.43	
Per capita energy supply (million BTUs)			5.20	

Source: Energy Resources Cell, Ministry of Petroleum & Natural Resources

DEVELOPMENTS DURING 1977-78

Financial Allocation

3. Energy sector has been receiving greater attention since 1973-74 with manifold rise in energy prices in the world market and consequent adverse pressure on the country's import bill and balance of payments. To tide over this new development, the Government embarked upon the policy to maximise production from the existing oilfields ; to reassess the potential of the 'marginal fields' discovered earlier but not considered economical under the prevailing conditions ; and lastly to mount efforts to discover untapped oil and gas resources. To achieve the targets, Government increased development outlays for this sector. The following table gives development expenditure in the energy sector since 1973-74.

Table 11.2

DEVELOPMENT EXPENDITURE IN THE ENERGY SECTOR

(In million rupees)

	1973-74	1974-75	1975-76	1976-77 Revised	1977-78 Provisional
Power	907.03	2,008.36	2,315.62	2,548.17	3,174.41
Fuel	264.70	523.66	678.04	739.82	493.50
Total	1,171.73	2,532.02	2,993.66	3,287.99	3,667.91

Source : Planning Division

4. The yer 1977-78 was a year of brisk oil and gas exploration activity. It witnessed the liscovery of a huge gasfield at Pirkoh in Baluchistan and another discovery of oil and gas at Adhi near Gujar Khan. The results of exploratory drilling at Kark in Kohat and offshore drilling near Karachi are expected to be available by the close of the year. During the year, three exploratory wells were drilled by intenationa companies compared to only one last year. The commissioning of the irst four power units at Tarbela was completed raising the generating cajacity o WAPDA by 700 M.W. The 500 KV single circuit transmission line beween Tarbela and Faisalabad was completed and energised in September 1977. During the first three quarters of the current year, while oil production showed nominal increase, gas production rose by 5.2 per cent and L.P.G. 70 per cent. The value of surplus petroleum products export is likely to go up by about 150 per cent and touch a record figure of Rs. 641 million compared to Rs. 259 milion in 1976-77. The discovery of the Pirkoh gasfield has opened an opton for gas export by Pakistan. For intensifying the Government's exploratory acivity, the Government-owned Oil and Gas Development Corporation (CGDC) ntered nto a joint venture agreement with AMOCO, a foreign oil compaiy, and nother joint venture with Gulf is under active negotiation.

Explonition and Drilling

5. The yer 1977-78 witnessed extensive seismic investigations in offshore and deep sea areas and exploratory and development drilling activities in other areas. At the end of March 1978, the total area held for exploration activities stood at 90,16' sq. miles including offshore area of 24,340 sq. miles.

6. Apart rom Oil and Gas Development Corporation (OGDC), eight international oil companies were engaged in the exploration activities. Geological surveys were carried out in Dakhni area in Kohat and Campbellpur districts, while seismic nvestigations were conducted in Badin, Rahim Yar Khan, North Potwar and Jannu areas. Offshore and deep sea seismic surveys were also carried out. The results of these surveys would give leads to select suitable drilling sites.

7. The drilling of an exploratory well at Jalpar about 20 miles offshore the Mekran coas was completed. Pakistan Petroleum Limited (PPL) jointly with AMOCO successfully drilled its exploratory well at Adhi near Gujar Khan and discovered oil and gas. This discovery is regarded as of great geological significance. Exploratory drilling at Karak in Kohat was in progress. Offshore exploratory drilling near Karachi also commenced towards the end of March and is expected to be completed in May, 1978.

8. Develoment vell drilling of Meyal well No. 7 was completed and efforts were being made to bring the well on optimum production. The drilling of seven development vells at Mari gas field and re-work of a development well drilled earlier was completed and an additional production capacity of about 70 million cubic feet per day was created for supply as per contract to Pak-Saudi Fertilizer Company under construction at Mirpur Mathelo.

OIL

Prodnction of Oil

9. The tcal procuction of oil during July—March 1977-78 was 2.70 million barrels as aganst 2.6) million barrels during the corresponding period last year.

The marginal increase in production is due to increased production from Meyal oilfield. The following table shows field-wise production of oil.

Table 11.3

PRODUCTION OF OIL

(In '000' US barrels)

Oilfield	1976-77 July—March	1977-78 July—March
	1	1
Khaur	123	101
Dhulian	1,765	1,869
Meyal	246	250
Balkassar	140	106
Joya Mair	414	368
Toot	2,689	2,695
Total		

Source : Ministry of Petroleum and Natural Resources

Oil Refining

10. The current refining capacity within the country is 4.7 million tons (2.1 million tons Pakistan Refinery Limited (PRL), 2.1 million tons National Refinery Limited (NRL) and 0.5 million tons Attock Oil Company (AOC). The refineries, PRL and NRL, are currently operating at optimum capacities of 1.7 million tons and 1.5 million tons respectively. The existing refining capacity of A.O.C. at Rawalpindi is proposed to be expanded by 1.0 million tons.

11. The Crude Oil Pipeline Project of Pak-Arab Refinery Limited for laying 16" dia 550 miles oil pipeline from Karachi to Mahmoodkot (Multan) is scheduled for completion by early 1980. The pipeline will be used for movement of the refined petroleum products HSD, Kero and LDO—which would greatly ease the transportation load on the railways for movement from Karachi to northern markets.

12. The recent trends in pricing of crude oil and refined petroleum products by OPEC and large refining capacities being set up in Persian/Arabian Gulf countries have sharply reduced the profitability in refining of imported crude oil. While the OPEC members at regular intervals fix the crude oil prices, there is no price agreement on refined petroleum products which are offered for sale at discounted prices. It is anticipated that this situation would continue for some time in the future also.

Oil Marketing

13. The marketing and distribution of petroleum products are handled by a public sector company, Pakistan State Oil Company (PSO), which controls about 60 per cent of the inland trade, and two private companies—Pakistan Burmah Shell and Caltex. In the northern areas bulk storage depots were constructed at Chitral, Juglot, Gilgit, Skardu, and Besham in order to solve the perennial product shortage problem.

Oil Imports and Exports

14. During 1977-78, an estimated 45.45 lakh tons of crude oil and petroleum products are expected to be imported at an estimated cost of Rs. 4,844 million. The actual quantity of crude oil and petroleum product imported last year was 39.37 lakh tons at a cost of Rs. 3,978 million. The following table shows trend of imports of oil and its value since 1971-72.

Table 11.4

TOTAL SUPPLY, PRODUCTION AND IMPORTS OF OIL

(In '000' Tons)

Year	Total Supply	Domestic Production	Imports of POL/Crude	Value (In Million Rupees)
1971-72	3,851	430	3,421	329.9
1972-73	3,932	437	3,495	676.7
1973-74 .	4,355	408	3,947	2247.1
1974-75	4,224	349	3,875	3452.4
1975-76	4,087	359	3,728	3553.1
1976-77	4,472	535	3,937	3978.0
1977-78 (Estimates)	N.A.	383*	4,545	4,844 0

*July—March 1977-78 figure.

Source : Ministry of Petroleum and Natural Resources.

15. The position on exports of surplus products was as follows :

Table 11.5

EXPORT OF SURPLUS PRODUCTS

	Quantity 000 Tons	Value in Million Rs.
1976-77	283	259
1977-78 (July—March)	591	438
1977-78 (Estimates)	756	641

Source : Ministry of Petroleum and Natural Resources.

16. Efforts were made to export surpluses under long-term arrangements instead of spot tender with a view to obtaining maximum possible financial returns. An agreement with India Oil Corporation for export of 140,000 tons of fuel oil and 35,000 tons naptha at attractive prices was signed. Similarly, an agreement was signed with Turkish Petroleum Corporation for export of 120,000 tons of fuel oil during the period January—March, 1978.

NATURAL GAS

17. The recoverable reserves of natural gas from the dry gas fields and associated gas from oil fields are estimated at 22 million million cubic feet. This does not include Pirkoh gas field discovered recently by OGDC in Baluchistan, which may become one of the largest gas fields of the world. The addition of

Pirkoh gas reserves has placed Pakistan in a position to consider examining the gas export option. The existing gas fields with their reserves position are shown in the following table :

Table 11.6

PRODUCTION AND RESERVES AT EXISTING GAS FIELDS

(In million million cubic feet)

Name of the Gas Field	Location	Year of Discovery	Recoverable reserves	Total Production up to 1-7-77	Balance as on 1-7-1977
1	2	3	4	5	6
Sui	Baluchistan	1952	8.62	1.47	7.15
Zin	,,	1954	0.10	—	0.10
Ueh	,,	1956	2.50	—	2.50
Khairpur	Sind	1957	1.00	—	1.00
Khandkot	,,	1959	0.41	—	0.41
Mazarani	,,	1959	0.09	—	0.09
Mari	,,	1957	3.94	0.10	3.84
Sari	,,	1966	0.03		
Hundi	,,	1970	0.053	0.01	0.07
Dhulian	Punjab	1944	1.00	0.20	0.80
Meyal	,,	1968			
Dhodak	,,	1976	4.50	—	4.50
Pirkoh	Baluchistan	1977	N.A.	—	N.A.
		Total ..	22.24	1.78	20.46

Source : Ministry of Petroleum and Natural Resources.

Production of Gas

18. The production of gas during 1976-77 was 196,960 million cubic feet. During the first 9 months of 1977-78, production of natural gas was 153,074 million cubic feet showing an increase of 5.2 per cent over 145,550 million cubic feet produced during corresponding period last year. The field wise production of gas since 1975-76 is given in the following table.

Table 11.7

PRODUCTION OF GAS IN PAKISTAN

(In million cubic feet)

	1975-76	1976-77	1976-77 (July—March)	1977-78 (July—March)
Sui	150,134	158,478	117,043	124,916
Dhulian	10,058	8,937	6,692	5,770
Meyal	5,643	13,258	9,439	10,763
Mari	11,364	11,842	9,026	9,173
Sari/Hundi	1,463	4,445	3,350	2,452
Total	178,662	196,960	145,550	153,074

Source : Ministry of Petroleum and Natural Resources.

19. The total consumption of natural gas during the year 1976-77 was 16,982 million cubic feet. Of this 36 per cent was consumed by power sector, 25 per cent by general industries, 19 per cent by fertilizer, 13 per cent by cement industry, 4 per cent by domestic sector and 3 per cent by commercial sector. During the first 9 months of the current year, the consumption of natural gas was as follows :

Table 11.8

CONSUMPTION OF GAS BY SECTORS

(In million cubic feet)

	1976-77 (July—March)	% Share	1977-78 (July—March)	% Share
Power	34,857	29	43,127	33
Cement	16,972	15	17,856	14
Fertilizer	24,421	21	24,470	18
Industry	30,841	27	35,837	27
Commercial	3,603	3	3,919	3
Domestic	5,919	5	7,042	5
Total ..	116,613	100	132,251	100

Source : Ministry of Petroleum and Natural Resources

20. The total number of new gas consumers during July-March 1977-78 was 62,041 as compared to 53,383 in the same period last year and shows an increase of 6 per cent.

LIQUEFIED PETROLEUM GAS

21. In area where supply of natural gas is not economically viable/technically feasible, LPG is supplied in cylinders. In addition, LPG airmix is also being supplied through pipeline network to Quetta where total number of consumers at the end of March, 1978 were 2075.

22. During 1976-77, 22,357 tons of LPG were produced : 9,490 tons by Pakistan Refinery, Karachi and 12,867 tons ex-Dhulian. The production during the first 9 months of the current year has been 29,805 tons compared to 17,474 tons in the same period last year, showing an increase of 70 per cent.

23. The existing production capacity of LPG in the country is of the order of 34,000 tons per annum as under :

Table 11.9

PRODUCTION CAPACITY OF LPG

A.O.C/Dhulian	14,000 tons
Pakistn Refinery, Karachi	10,000 ton
National Refinery, Karachi	10,000 ton
Total ..	34,000 tons

Source : Ministry of Petroleum and Natural Resources.

24. Pakistan Refinery Ltd., is developing a project to expand the production capacity to 22,000 tons per annum during the next 2 years.

25. The National Refinery Ltd., Karachi has started LPG production at a rate of 10,000 tons per annum but due to limitations in the filling facility, the entire production is not yet available for marketing. However, with the completion of proper filling facilities by April 1978, the entire production is expected to be available.

OIL AND GAS DEVELOPMENT CORPORATION

26. The most significant achievement of the Corporation during July-March (1977-78) was the discovery of gas entirely through the efforts of Pakistani personnel at Pirkoh in commercial quantity during December, 1977. This brought the number of oil|gas fields discovered by the Corporation since its inception in 1961 to 7 (Sari, Hundi, Kothar, Rodho, Toot, Dhodak and Pirkoh) ; out of 31 wells drilled, 16 are exploratory. The gas at Pirkoh is of very good quality and is free from sulphur and other impurities.

27. The drilling operations were in progress at Toot and Kot Rum. The ninth well at Toot was spudded-in on January 30, 1978 and upto the end of March, 2855 metres had been drilled and drilling is expected to be completed by May 1978. Toot well No. 10 is expected to be spudded-in by end May 1978. These wells are part of an overall accelerated development of Toot oil field. The wells when completed would have a potential of producing 1,000—1,200 barrels of oil per day. Kot Rum well in D.G. Khan was spudded-in on December 16, 1977 and a total of 3,816 metres had been drilled till the end of March 1978. The target depth is expected to reach by mid-June, 1978. Dhodak well No. 2 was spudded-in on April 1, 1978 and is expected to be completed by end June 1978. Of the four most modern imported deep drilling rigs, two have been deployed at Toot, and one each at Kot Rum and Dhodak.

28. The Corporation through its two geological, one gravity and five seismic parties processed the field data and carried out interpretations. The geological and gravity survey parties moved to the field in November 1977. Of the five seismic parties, three had inducted seismic equipment received through Canadian International Development Agency (CIDA). The achievement of these parties during the first nine months of 1977-78, compared to the same period last year are as follows :

Table 11.10

PROGRESS OF O.G.D.C. SURVEY PARTIES

(In Kilometres)

	1977-78 (July—March)	1976-77 (July—March)
1. Geological Survey	522	466
2. Seismic Survey	864	235
3. Gravity Stations (No.)	4,882	3,519

Source : Ministry of Petroleum & Natural Resources.

29. The Corporation is being assisted by CIDA in the acquisition of advanced technique, sophisticated equipment and the training of its personnel. The equipments received during the period under review included a sophisticated computer

for interpretation processing of seismic data and vibrators and recorder for field operations. A group of 24 officials returned home after six to eight months training in Canada in various disciplines of exploration technique.

Joint Ventures

30. For the fist time a joint venture was set up between Government owned OCDC and AMOCO, a foreign company each having 50 per cent interest to carry out exploration work over 3,465 sq. miles area located in the districts of Kohat, Bannu, Dera Ismail Khan and Waziristan agency of NWFP and in the districts of Rawalpindi, Campbellpur and Jhelum of the Punjab. Under the agreement the Government has an option to acquire 25 percent of the AMOCO's 50 percent interest on commercial discovery. According to the terms of the agreement, the first well will be drilled within two years of signing and the time interval between subsequent wells will not exceed nine months.

31. Another joint venture agreement with Gulf, which is one of the largest companies of the world, is expected to be signed shortly.

COAL

32. Total indicated reserves of coal in the country are placed at 442 million tons of which 50 per cent is concentrated in an area of 60 sq. miles at Lakhra in Dadu district of Sind, where coal bearing formations extend over an area of 142.5 sq. miles. These estimates are only tentative and cover the areas presently in operation. Exploration and evaluation of all coal bearing areas may show significant addition in reserves.

33. The coal mining industry is not properly organised. The known coal bearing areas are divided into numerous uneconomic blocks operated by small entrepreneurs lacking in capital and modern technical know-how. As such method of mining is primitive, and extraction is low at 50—60 per cent.

34. Another handicap is the limited market for the product. The total reported coal production is 1.20 million tons per annum, of which 18 per cent is obtained from the public sector mines and the remaining 82 per cent comes from the private sector. Actual coal production during July—March, 1977-78 was 0.78 million tons, compared to 0.82 million tons in the corresponding period last year.

35. The industry received a serious set back due to increasing use of natural gas in the industial and power sectors. Most of the industries and power plants which were based on coal have been switched over to gas and the new industries are all based on natural gas. The major part of the coal produced in the country is consumed by brick kiln industry which accounts for over 90 per cent of the output. The production as such varies according to highly fluctuating seasonal demand pattern of the brick kiln industry. Other major consumers of coal are railways, small-scale industries, defence services, and domestic users.

36. The public sector coal mining were transferred by PIDC to Pakistan Mineral Development Corporation (PMDC) on the latter's formation on July 1, 1974. After the initial teething troubles were over, the PMDC devoted its full attention to improving the productivity and profitability of the coal mines. The coal mines which had been losing heavily earned a net profit of Rs. 21.5 million upto June, 1977 and an additional Rs. 5.1 million up to the end of March during the current year. To improve the working, PMDC has initiated schemes for the expansion of Makerwal Collieries (costing Rs. 44.64 million), development of Sharigh Collieries (costing Rs. 31.17 million) and a Coal Washing Plant

(costing Rs. 24.025 million). The work on these schemes was initiated in July, 1977. With the completion of the Sharigh scheme, the profitability of the collieries will further improve and the country will save Rs. 50 million in foreign exchange.

37. During the last three years PMDC completed exploration of Lakhra coal field, and feasibility studies on upgradation of lignite coal and production of beehive coke and coal washing. Exploration of Pir Jehanian coal field is scheduled for completion by June, 1978. The progress of various PMDC projects is as follows:

Expansion of Makerwal Collieries

38. The scheme aims at raising coal production from the present 120 thousand tons to 300 thousand tons by the end of 1982-83. Machinery and equipment required for the implementation of the scheme has been received and is being installed in the mines.

Development of Sharigh Collieries

39. The scheme envisages the development of coal deposits for a sustained production of 100 thousand tons of coal per annum. Detailed designing and planning has been completed and the mining development work is in progress. The indents of the machinery and equipment have been finalised and tender enquiries floated.

Coal Washing Plant Sharigh

40. The project aims at washing coal from Sharigh Collieries in order to bring down the ash content within permissible limit of 12—15 per cent for supply to Karachi Steel Mills for blending with high grade imported coking coal for the manufacture of metallurgical coke.

41. All the preliminary investigations and surveys, planning and designing have been completed and PMDC has signed an agreement with a Canadian firm for the supply and erection of the plant. About 60 percent of the machinery has reached the site and construction work will commence in August, 1978.

Lakhra Coal Mining Project

42. As a result of exploration and detailed investigation, 60 million tons of coal reserves have been proved at Lakhra in the area leased to PMDC. These reserves will be sufficient to meet the requirements of the proposed 250 MW coal based power plant for sixty years. The detailed planning and designing of the integrated project of coal mining and power plant is proposed to be entrusted to the consultants of international repute. In order to collect additional data to help detailed designing of the mining project, it is proposed to drill 44 bore holes in the area.

Exploration of Pir Jehanian Coal Field

43. Minerable deposits of coal have been tentatively estimated at 53 million tons. The upper coal seam with a thickness of one foot has been tapped. The drifting operations are being carried out along the strip of the coal seam to prove the reserves. The project is expected to be completed in June, 1978.

POWER

Water and Power Development Authority

Installed Generating Capacity

44. The total installed generation capacity of WAPDA power system was 2,574 MW at the end of March, 1978 compared to 1,974 MW in March, 1977. The increase of 700 MW in generation capacity was due to commissioning of Tarbela power units 1 to 4 of 175 MW capacity each between May—July, 1977. Of the total generation capacity, 1,567 MW was hydel and 1,107 MW was thermal. The table below gives grid-wise location and installed generation capacity.

Table 11.11

INSTALLED CAPACITY OF WAPDA POWER SYSTEM

(In M.W.)

Grid/Power Station	Hydel	Thermal	Total
Northern Grid			
Tarbela	700	—	700
Mangla	600	—	600
Warsak	160	—	160
Small Hydels	107	—	107
Multan Steam	—	265	265
Faisalabad (Lyallpur) Steam	—	132	132
Faisalabad (Lyallpur) Gas Turbines	—	200	200
Shahdara Gas Turbines	—	85	85
Abdullahpur, Faisalabad	—	15	15
Sub—Total	1,567	697	2,264
Upper Sind			
Guddu	—	229	229
Sukkur	—	50	50
Sub—Total ..	—	279	279
Lower Sind			
Hyderabad	—	43	43
Kotri	—	30	30
Sub—Total ..	—	73	73
Quetta			
Quetta	—	58	58
Total ..	1,567	1,107	2,674

Source: WAPDA.

45. To meet the growing demand of electricity in coming years, WAPDA has planned additional generating plants. The projects in hand include Tarbela power unit 5—8, Guddu Phase-II, two gas turbines at Kotri, extension of Warsak power station and extension of Mangla. Finances for Tarbela power units 5 and 6 have been arranged from Asian Development Bank and the units are expected to be commissioned by April 1981. Installation of Tarbela units, 7 and 8 has been undertaken, and is expected to be completed by December 1981. The work on Guddu Phase-II for establishing a 210 MW thermal unit at a cost of Rs. 1,577 million is in progress. Work is progressing on the installation of two gas turbines of 25 MW each at Kotri to meet the growing demand of Lower Sind (Hyderabad) area. The extension of Warsak hydro-electric power station by installing two additional units of 40 MW each by October, 1979 and extension of Mangla units 7 and 8 by installing two units of 100 MW each by July, 1980, has been undertaken. Plans are also underway to have a 250 M.W. thermal power station based on Lakhra coal which is expected to be completed by 1985. Investigations are in progress for constructing a dam and a large hydel power station at Kalabagh.

Transmission of Power

46. By March, 1978 the length of transmission lines had increased to 75,611 km. as detailed below :

Table 11.12

LENGTH OF TRANSMISSION LINES

K.V.	*Miles*	*K.M.*
500	206	330
220	762	1,219
132	3,256	5,210
66	3,717	5,947
33	1,316	2,105
11	38,000	60,800
	47,257	75,611

Source : WAPDA.

47. The 500 KV single circuit transmission line between Tarbela and Faisalabad was completed on September 23, 1977 and was energised on 220 KV on September 25, 1977.

Power Generated

48. During July—March, 1977-78 period, a total of 7,427 million KWHs were generated compared to 6,536 million KWHs generated during the same period last year by various power stations. The following table shows electricity generated from 1973-74 to 1977-78 by sources.

Table 11.13

ELECTRICITY GENERATION BY SOURCE

(In Million KWH)

	1973-74	1974-75	1975-76	1976-77	1977-78 (Estimates)
Total Generation	7,183	8,041	8,268	8,734	10,000
Hydel	4,141	4,359	5,427	5,184	7,274
Thermal	3,042	3,682	2,841	3,550	2,726

Source : WAPDA.

49. Total electricity generated had increased by 6 per cent during 1976-77. The esimated 1977-78 figures indicate an increase of 14.5 per cent over the previous year's figure.

Number of Consumers

50. The number of consumers has been increasing quite rapidly at an annual compound growth rate of 11.73 per cent since 1959-60. In 1959-60, the total numer of consumers was 0.31 million, which increased to 1.17 million by 1969-70 and by March 1978 the number had increased to 2.20 million and is likely to go up to 2.23 million by the close of the year in June, 1978.

Vilage Electrification

51. The number of villages electrified upto June, 1977 stood at 5,830. Out of planned pogramme to electrify 867 villages during the current year, 484 villages had been electrified upto the end of March, 1978.

Uses of Eectric Power

52. The use of electric power by major sectors of the economy is given as under. As may be seen from the table below, it is envisaged that there is unlikely to be a significant shift in the consumption pattern during the coming years.

Table 11.14

USE OF ELECTRICITY BY ECONOMIC SECTORS

(in per cent)

	1959-60	1969-70	1974-75	1975-76	1976-77	1977-78 (July-March)
Agriculture	11.10	26.60	29.38	26.07	25.68	27.27
Industry	64.70	45.70	43.05	42.54	42.09	39 55
Domestic	16.30*	10.20	10.86	12.76	14.31	15 10.
Commercia	—	3.40	3.53	4.18	4.51	4.65
Bulk Supply & Piblic Lighting	7.9	14.10	11.97	13.60	12.62	12.76
Traction	—	—	1.21	0.85	0.79	0.67

*Inclues comnercial sector.

Source : WAPDA.

KARACHI ELECTRIC SUPPLY CORPORATION

53. KESC is responsible for generation, transmission and distribution of electricity within its licensed area in the districts of Karachi and Lasbela. At present otal generating capacity of KESC system is 575 MW, of which 125 MW is the generating capacity of Karachi Nuclear Power Project (KANUPP).

54. During the first nine months of the current year, the generation of electricty was as folbws :

Table 11.15

GENERATION OF ELECTRICITY—K.E.S.C.

(In Million KWH)

KESC geneation	1,480.2
Import fron KANUPP	89.6
Import fron WAPDA	0.14

Source : K.E.S.C.

NON-CONVENTIONAL SOURCES OF ENERGY

55. The price hike of fuel witnessed in recent years and the resultant burden it has entailed on the economy, has brought into focus the need to tap all available sources of energy. The Government, as such, has mounted efforts to exploit the non-conventional sources of energy, while continuing its search for oil/gas. The progress achieved in the development and utilisation of energy resources like solar, wind and biogas during 1977-78 is as follows :

Biogas Project

56. Under this project 45 biogas plants are successfully operating in different parts of the country. The beneficiaries of these plants include progressive farmers, military farms, IRDP centres and educational institutions. In addition, various plants are in different stages of completion and it is expected that by the end of the year, 15 more plants would be commissioned.

Rural Energy Project

57. This is a multipurpose project and aims at providing fuel for domestic cooking, power for operating tubewells and better fertiliser for crops in rural areas by harnessing non-conventional sources of energy. Under the project, 16 Rural Energy Centres will be set up, one in each administrative division of the country, Azad Kashmir and Northern Areas. Extensive surveys were conducted in 50 villages to locate suitable village for setting up the energy centres. After analysis of data collected through these surveys, initially four villages Dhok Ghurian and Dhok Mukaddam, near Mandra ; villages Hussain near Gadap in Sind and village Khur Khera in district Lasbella in Baluchistan have been selected for setting up rural energy centres under this project. Two solar water heaters have also been fabricated and installed at the premises of Energy Resources Cell.

Rural Electrification Project

58. The project is being formulated on the initiatives of United Nations Senior Energy Adviser, who visited Pakistan in January, 1978 and informed the Government that United Nations would provide technical and financial assistance for setting up four rural electrification centres for generation of electricity from the renewable sources of energy. Sites for these centres are being selected in consultation with the U. N. Adviser. A U. N. team would arrive during the year to prepare a feasibility report for the project.

Geo-Thermal Project

59. Comprehensive data on location, age, and nature of hyperthermal springs for generation of electricity have been collected to study the prospects of development of one or two geo-springs. A survey team consisting of experts of OGDC and Resources Development Corporation (RDC), Energy Resources Cell (ERC) and a foreign expert working with OGDC visited Koh-e-Sultan area of Baluchistan to explore the possibilities of geothermal sources indicated by the geologists to meet the energy requirement of Saindak Copper Project.

12

EDUCATION

Educatio facilites available in Pakistan are not adequate to meet its development requrements and to raise literacy to developed world level. Even the existing facilities are marked by uneven dispersal among regions as well as groups. Rural areas and women lag behind urban communities and men. The development efforts in this feld made so far, have lacked an appropriate direction and thus have engendered inadequacies in the functional side of education affecting skill availablity among a mass of formal disciplines. Particularly poor is the quality of coaching at the formative stage with its ill effects filtering across to higher leves.

2 According to the 1972 census, 21.7 per cent of population, aged 10 years and above, was literate. The literacy was 30.2 per cent among the male while 11.6 per cent among the female population. The number of primary schools was 59,388 in 1977-78. Of 11.01 million children of primary level, 5.95 million were on the rolls, which is 54 per cent of the total. The number of secondary schools, colleges, and universities was 9,281, 425 and 14 respectively in 1977-78. The number of secondary vocational institutions was 374 with enrolment of 51,000. There were only 86 professional colleges with 50,000 students on their rolls. The poportion of female participation in total students enrolled was 32 per cent at pimary stage, 25 per cent at middle stage, 25 per cent at high stage, 33 per cent a secondary vocational stage, 22 per cent at professional colleges and 23 per cent at university level. In spite of all the development efforts of the previous Governments, the literacy rate is 14.3 per cent in rural areas compared to 41.5 per cent in urban areas according to the census of 1972.

3 Notwihstanding the severe constraint of limited resources and education facilites, the system has many limitations which need to be attended to in order

to extract desired results from investment on education. The present education policy seeks to overcome the inadequacies of the existing system by :

(a) Raising literacy level through further expansion of education facilities ;

(b) Shift in emphasis from formal education to technical education ;

(c) Improvement in quality of education ;

(d) Further expansion in educational facilities in rural areas ; and

(e) Higher emphasis on female education.

4. The factor limiting adequate expansion of educational facilities is resource paucity and the resultant tug of war between competing development needs. The *per capita* expenditure on education has increased from Rs. 10 in 1971-72 to Rs. 40 in 1977-78. Nevertheless, the GNP proportion of expenditure going to education has not changed to any appreciable extent from 1.6 per cent in 1971-72 to 2.0 per cent in 1977-78.

5. The pattern of development expenditure on education since 1970-71 indicates that more emphasis has been placed on primary education. In 1970-71. about 10.1 per cent of the total development expenditure was spent on primary education, 32.1 per cent on secondary education, 1.3 per cent on teacher training. 13.4 per cent on technical education, 8.2 per cent on college education, 13.9 per cent on university education, 11.2 per cent on scholarships and 9.8 per cent on miscellaneous fields. Compared to this, in 1977-78, the proportion of development expenditure earmarked for education and training sector was 26.8 per cent on primary education, 11.6 per cent on secondary education, 5.2 per cent on teacher training, 7.9 per cent on technical education, 7.4 per cent on college education, 10.9 per cent on university education, 7.6 per cent on scholarships and 22.5 per cent on miscellaneous fields. Year-wise development expenditures made at different levels of education are given in table on the next page.

PROGRESS MADE DURING 1977-78

6. The annual development programme for education with the target of Rs. 767.65 million was implemented and significant progress made during the year under review is broadly indicated by results in the different fields.

Primary Education

7. As earlier stated the primary school going age group is 11.01 million of which about 5.95 million or 54 per cent are actually going to schools. The objective of the government is to minimise this gap by providing five years of free universal education. This, however, assumes the establishment of a network of primary schools within easy reach of every school-age child. Under the 1976-77 ADP, Rs. 48.47 million were spent on opening of 802 new primary schools against the target of opening 720 primary schools : 200 in the Punjab, 100 in Sind, 121 in NWFP, 131 in Baluchistan and 250 in the Federally Administered Tribal Areas (FATA).

8. The ADP for 1977-78 envisage opening of 1218 new priuary schools, completion/construction of 1,654 school buildings and improvement of 1,874 existing primary school buildings. Furniture and equipment would be supplied to 4,322 primary schools and teaching kits to 20,000 primary schools. Physical progress

Table 12.1

Development Expenditure on Education and Training 1970/71—1977/78

(Million Rs.)

	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (E)
Primary	17.100	8.160	26.970	23.400	56.720	139.408	48.473	205.570
Secondary	54.520	30.000	45.960	53.200	75.284	113.426	86.164	88.739
Teacher	2.260	3.470	7.560	8.900	15.411	22.021	15.528	40.105
Technical	22.690	18.100	22.510	44.400	52.824	53.009	50.510	60.723
College	13.890	12.580	15.320	29.600	66.582	105.190	59.136	56.855
University	23.690	19.580	34.760	33.200	52.500	80.504	68.671	84.007
Scholarships	19.000	19.310	24.380	29.700	42.295	51.399	52.237	58.600
Miscellaneous	16.600	10.220	32.480	87.100	150.249	50.781	94.860	97.988
National Institute of Sports and Culture ..	—	—	—	—	—	90.00	99.292	75,000
Total—Development	169.830	121.420	219.940	309.500	511.915	705.738	565.871	767.647
Total—Non-Development ..	418.092	520.234	670.003	869.256	1,335.420	1,500.000	1,870.100	2500.000

likely to be achieved in the field of primary education during 1977-78 is given in the followng table.

Table 12.2

EXPECTED PROGRESS IN THE FIELD OF PRIMARY EDUCATION DURING 1977-78

	Federal Programme	Baluchistan	NWFP	Sind	Punjab	All Pakistan
1. Opening of new primary schools ..	102	80	386	150	500	1,218
2. Construction of primary school buildings :						
(*a*) Completion of on-going work ..	28	69	65	214	81	457
(*b*) Construction of new buildings ..	133	28	386	150	500	1,197
(*c*) Improvement of existing primary school buildings	20	100	124	130	1,500	1,874
3. Supply of furniture, equipment and teaching aids	252	100	510	315	3,145	4,322
4. Supply of teaching kits	1,400	1,000	3,200	4,400	10,000	20,000

Source : Planning Division.

9. It is expected that by the end of 1977-78, total enrolment at the primary level would increase to 5.95 million *i.e.* 6.1 per cent higher than 5.61 million in 1976-77. This would raise the participation rate from 53 per cent in 1976-77 to 54 per cent in 1977-78. Special emphasis is also being laid on female education.

Secondary Education

10. Secondary education needs to be expanded alongwith primary education. During 1976-77, 329 primary schools were raised to middle standard while 103 middle schools were raised to high standard. Twenty four new middle school buildings and 17 high school buildings were completed. Construction work on 166 middle schools and 62 high schools was started. Additional class rooms were constructed for 40 middle and 123 high schools. Equipment was supplied to 800 secondary schools to introduce teaching of agro-technical courses in addition to the provision of scientific and technical equipment and furniture to a number of middle and high schools.

11. The 1977-78 ADP gave priority to expediting the completion of the on-going programmes which are intended to bring about qualitative improvement. It is expected that the construction of 213 secondary schools, already started, will be completed by the end of this year. Further likely achievements during the year are establishment of 12 science laboratories and five hostels including supply of books to 100 schools and provision of equipment and furniture to 657 schools. Beginning has been made in introducing agro-technical courses in 719 secondary schools.

12. The total number of middle schools increased from 5,268 in 1976-77 to 5,542 in 1977-78 and that of high schools from 3,430 in 1976-77 to 3,739 in 1977-78.

13. Enrolment at the secondary stage (Class VI—X) is estimated to increase from 1.99 million in 1976-77 to 2.16 million in 1977-78, raising the participation rate from 22 per cent to 23 per cent.

Higher Educaion

14. Alongwith necessary emphasis on primary and secondary education, college and university education is getting due importance. At the same time the Government have introduced certain incentives like more scholarships to induce studens to divert from the liberal arts to science and technical subjects.

15. In order to further expand educational facilities at a high level, 23 new colleges were opened in the country during 1976-77 and 12 colleges during 1977-78, bringing the otal to 425. Consolidation and improvement of colleges by constructing additional class/lecture rooms, laboratories, students and teachers hostels continued and adequate supply of science and technical equipment, library books and furniture was maintained. The enrolment at the college level increased from 2,12,000 in 1975-76 to 2,24,000 in 1976-77 and further to 2,60,000 in 1977-78. Extension in various university buildings was also made.

16. There were 13 universities providing education to about 25,000 undergraduate and post-graduate students in 1976-77. During 1977-78 a regional campus of Sind University was set up at Khairpur (Sind), raising the number to 14 with enrolment of students to 26,000 during the year.

17. The highest priority in higher education is being given to qualitative improvement, research works, consolidation and improvement of existing institutions and a modest exparsion of facilities for higher education particularly in underdeveloped areas.

Teacher Education

18. The quality of education is dependent on the quality of teacher training. The last few years saw some progress in re-organizing teacher education programmes, introducing curricula reforms and new teaching technology. Some important measures have already been adopted to introduce qualitative changes in the taining programme. A National Committee on Elementary Teacher Education Curriculum, set up by the Government in 1974-75 has completed work on the preparation of new curriculum for the in-service and pre-service training of elementary teachers. The new curriculum has been introduced since 1976-77 and the duration of raining period has been extended to 10 months, by making teacher training a non-vocation programme. Special training programmes are also being conducted to train teacher-trainers for the elementary teacher training colleges.

19. A National Committee for Secondary Teachers' Curriculum has been set up to prepare the new curriculum for the training of secondary school teachers and it is expected that the new curricula for the in-service and pre-service training of secondary school teachers will soon be ready. To improve the position of the teaching faculty of training institutions, persons holding degrees such as M. Ed. and B. Ed. will be put on the staff of the training colleges.

20 The curricula for Teacher Training Programme like PTC, CT and B. Ed., have been revised. The curriculum for physical education teachers is under its initial stage of revision.

In-service Taining of Teachers

21. During the last five years, Rs. 6 million were spent on in-service training of teachers and about 1200 master-trainers and teachers were trained by holding 24 workshops at provincial headquarters including Azad Kashmir. It is

expected that 400 teacher-trainers, by organizing 8 similar workshops, would be trained during 1977-78.

Technical Education

22. The Government has all along been aware of the importance of technical education for the development of economy, and some satisfactory progress in this field has been made. In 1955, there were only 3 poly-technics which jointly produced 500 technicians a year. The number of such technical vocational institutions has been raised to 374 including 54 commercial, 35 poly-technics and technical, 125 industrial and vocational and 160 teacher-training institutions in 1977-78. To make education meaningful in the context of Pakistan's situation, an agro-technical bias has been imparted to it. Besides opening of separate agro-technical institutions, agro-technical subjects have been introduced in 2,406 schools. The Government has also launched a programme of establishing trade schools to produce craftsmen.

23. During 1977-78, establishment of a vocational institute at Bara (Khyber Agency) and a commercial institute at Miranshah (North Waziristan Agency) is expected to be taken up.

Scholarships

24. In line with the policy of the Government to afford equal opportunities of education to students of all classes, the Government has been providing a large number of internal and overseas scholarships to talented students. The amount provided by the Education and other Ministries|Departments for scholarships during 1971-72 to 1977-78 is as follows :—

Table 12.3

AMOUNT OF SCHOLARSHIPS (1971-72 TO 1977-78)

Year	Amount (Million Rs.)
1971-72	19.310
1972-73	24.380
1973-74	29.700
1974-75	42.295
1975-76	51.399
1976-77	52.237
1977-78 (Estimates)	52.120

Source : Planning Division.

Outpnt of Educated persons

25. The number of matriculates increased from 0.165 million in 1976-77 to 0.170 million in 1977-78, and of intermediates from 57.5 thousand to 58 thousand. The output at degree level increased from 39 thousand to 39.5 thousand. The output of master degree holders increased from 15,000 to 16,000. The number of medical students who graduated in MBBS increased from 1,250 to 1,350 and that of law graduates from 4,800 to 5,500 over the same period.

26. Table below gives trends in the number of students achieving a certain level of education during the period from 1960-61 to 1977-78.

Table 12.4

Output of Educated Persons

Years	Matriculates (000)		Intermediates (000)		Degree(all Subjects)		M.B.B.S.		Masters (all Subjects)		L.L.B.
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	
1960-61	55.4	6.7	14.6	2.5	9,156	387	559	131	1,305	228	487
1961-62	58.9	7.6	15.1	3.0	9,713	296	532	140	1,930	417	852
1962-63	72.3	11.5	27.1	4.9	12,494	331	607	194	2,437	576	880
1963-64	69.7	10.9	24.8	4.3	13,628	638	638	179	2,976	708	1,039
1964-65	72.1	11.5	30.3	6.0	16,250	245	625	164	3,931	940	1,134
1965-66	83.5	14.1	31.3	5.7	20,259	356	736	190	4,631	1,062	1,358
1966-67	98.0	18.1	39.8	7.0	20,426	510	440	120	6,009	1,638	1,204
1967-68	103.5	19.4	49.4	10.2	23,404	821	608	118	5,976	1,525	839
1968-69	114.8	25.3	51.6	10.8	23,922	971	752	190	6,334	1,707	1,080
1969-70	136.1	29.0	62.5	12.5	37,539	1,164	1,002	261	8,493	1,863	1,661
1970-71	139.9	31.2	59.2	13.3	35,185	1,181	942	211	7,343	1,793	1,813
1971-72	144.7	34.3	54.4	13.3	39,052	1,402	1,217	296	8,061	1,973	2,266
1972-73	145.9	35.9	57.8	14.2	34,327	1,361	774	205	9,504	2,333	2,918
1973-74	153.0	36.4	59.2	15.6	30,728	1,400	816	230	10,000	3,000	2,422
1974-75	154.2	38.5	51.8	14.4	36,000	1,500	1,000	300	12,000	4,000	3,000
1975-76	145.0	40.0	55.2	16.1	38,000	1,600	1,100	400	14,000	4,500	4,000
1976-77	165.5	42.8	57.5	16.6	39,000	1,750	1,250	500	15,000	5,000	4,800
1977-78*	170.0	44.0	58.0	17.0	39,500	1,800	1,350	550	16,000	6,000	5,500

Source : Education Division.

*—Estimated.

13

HEALTH

Rising population, an initially limited medical base, lack of adequate funds made available for Health sector and a sizable proportion of population living below poverty line have made the health situation acute. There are big gaps in the National Health Services; all the indicators of the availabilities of medical facilities show unsatisfactory state of affairs.

2. At present, there are about 46,092 hospital beds in the country which give a population-bed ratio of 1,665. The number of registered doctors is about 2,762, whereas the number of doctors available in the country is about 16,971 while the number of available nurses is 4,300 and that of qualified health visitors, 3222. Thus there is one doctor for 5,490 persons and one nurse for 17,860 persons. There are about 289 Rural Health Centres and about 700 sub-centres in the country which means one Rural Health Centre for about 261,592 rural people. The number of hospitals is 528, while the number of dispensaries and other outlets is 7,150 (excluding sub-centres). Since the majority of doctors and hospitals are located in cities and towns, the rural population has much lower standard of health facility. Even in the urban areas, the available health facilities are not organised in a manner to reach all sections of population.

3. The averge expenditure on health facilities is about Rs. 16 per person per year. On average a person requires medical advice thrice a year. Nearly 100% of urban population whereas 32% of rural population is within 2 mile radius of health units. 21% of rural population has no access to any health facility even within 5 miles. They get care from private practitioners, 'hakims' and homeopath, while minor ailments are treated by the people themselves.

4. The analysis of health situation in the country reveals three problems which require urgent attention. Firstly, the medical personnel, hospitals etc. are too limited and cater for a small proportion of the population. Secondly, the

rural areas are left far behind as compared to the urban areas in terms of medical facilities. Thirdly, the upgrading of medical facilities at the world standard has not yet been achieved. Provision of adequate medical facilities is an integral part of the policy pursued by the Government to enhance the social welfare and improve the health condition of general masses. An earnest endeavour has to be made to move as soon as possible to a stage where it would be possible to bring medical treatment within easy reach of all, both in terms of distance and cost. Realising the importance of national health, certain programmes of vital significance were designed and included in the Development Plan.

5. The policy objectives followed during the year 1977-78 are as following :—

(a) The shift in emphasis from curative to preventive measures to be continued ;
(b) Imbalance between urban and rural areas to be reduced ;
(c) Special programme to be integrated with the health services without jeopardising the fulfilment of the objectives ;
(d) Coordination between Health and Population Planning programme to be initiated at district, provincial and national level ;
(e) Linkage of Health and other programmes to be strengthened ; and
(f) Expansion in higher medical education to be consolidated.

FINANCIAL ALLOCATIONS

6. The ADP for 1977-78 proposes an investment of Rs. 684.34 million as compared to Rs. 772.00 million for the year 1976-77. Reduction in the 1977-78 allocation is explained by smaller funds earmarked for the Malaria Control Programme which has reached a peak. Out of total allocation, Rs. 190.853 have been allocated for rural health programe, Rs. 31.383 million for preventive programme, Rs. 213.0 million for malaria control programme, Rs. 114.662 million for hospitals including teaching hospitals, Rs. 116.490 million for health manpower development, Rs. 6.600 million for medical research and Rs. 11.352 million for other items.

7. The figures available about the medical facilities clearly indicate that, notwithstanding significant progress, development efforts in this sector need to be accelerated. The number of MBBS doctors has gone up from 18,785 in December, 1976 to 22,762 and that of registered nurses from 6,685 in December, 1976 to 7816 in December, 1977.

8. Main achievements and progress in various fields of Health during 1976-77 and the programme for 1977-78 are discussed below :

Malaria Eradication

9. The eradication of malaria has been undertaken under the programme of World Health Organisation. It is a phased programme extending from contiguous districts, commencing with those located near Indian border where a similar scheme is already operating. The Malaria Eradication operations were scheduled to be completed in 1974 but the programme was actually delayed due to high Malariagenic potential in the country.

10. The funds allocated to the Malaria Eradication Programme during 1976-77 amounted to Rs. 372 million and their utilisation stood at only 54 percent. The spraying coverage during 1976-77 was, on the whole, satisfactory with the exception of Sind where only selective spraying was carried out. The

ıreas wiere maaria operations could not be carried out were covered with anti-malaria drugs. The Side Positivity Rate has fallen from 9.82 in 1975 to 4.36 in 1976-77. The Programme remained confined to the rural areas of the four provinces and could not be extended to the urban areas during the year.

11. A scheme for inclusion of urban areas of Azad Kashmir and Northern Areas in spraying programme has been included in the 1977-78 ADP. An amount of Rs. 213 million has been provided for control of malaria during 1977-78; Rs. 9.47 million for urban areas and the remaining for rural areas. This wil approximately cover 84 per cent of rural houses and protect 70 per cent of the population against malaria during the year. About 30 per cent of the population is proposed to be protected by anti-malaria treatment.

Tuberculosis

12. It has been estimated that about 4 percent of the population has radiological evidence of tuberculosis in their lungs. Over 100 thousand people of Pakistan die every year due to tuberculosis. An all-out war is being waged against this scourge and the Government have taken numerous steps from time to time to prevent tuberculosis. They include : (a) mass B.C.G. vaccination programme, (b) audio-visual popaganla against tuberculosis, (c) a 20-year tuberculosis control programme, poviding preventive and curative services to the rural as well as urban population.

Health Education

13 The programme of medical and post graduate medical education continued to make progress. At present, the emphasis is mainly on the training of para-medicals and doctors. By the end of 1976-77, with 15 medical colleges functioning, admission capacity for more than 4,000 students per annum has been created. The number of doctors produced was considerably less than the target as there was only one examination during the year. The output is low in relation to overall requirements of the country. The problem is, however, intensified by the migration of a good part of 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 persons as well as geographical maldistribution of those staying in the professon in the country.

14. The programme of training Community Health Workers, except for Northern Areas and Baluchistan, could not make any appreciable headway due to non-finalisation of the processing methods.

15. An anount of Rs. 1.8 million was sanctioned for establishing Cells at Federal and Provincial levels during 1976-77. These cells designed curricula for training of Halth Auxiliaries and initiated their training programmes. At the Jinnah Post-gaduate Medical Centre, the Department and School of Paediatrics has been completed.

16. Pakisan Melical Research Council has allocated an amount of Rs. 3.11 million for advancement of science and technology, out of which 39 per cent of funds were utilised during the year. Expansion programme of College of Physicians and Surgeons, Karachi was started with the provision of Rs. 1.50 million. Two new Research Centres in science and technology are being established in medical colleges at Multan and Hyderabad.

17. Training facilities for para-medical staff are also being undertaken. The existing programme for training of L.H.Vs. and nurses are being extended to district headquarters hospital level.

18. In the existing 28 Nurses Training Schools, the annual intake has increased from 450 in 1975-76 to 650 in 1976-77 and to 700 in 1977-78. In addition to these schools, there are 46 Midwifery Training Centres and 6 Public Health Training Schools. The training facilities for para-medical staff have also expanded with the development of health facilities. The number of health auxiliaries and para-medicals increased from 1,096 in 1975-76 to 1,900 in 1977-78. The doctors, para-medicals and auxiliaries ratio is 1 : 2 whereas it should have been 1 :5. However, only one category of para-medicals *i.e.* dispensers is being produced in a reasonable number. They are mainly running the rural dispensaries where there are practically no doctors.

Maternity & Child Welfare Services

19. The present mortality rate among women of 15 to 40 years age is 75 per cent higher than among men. 18,000 out of 3 million pregnant mothers die every year. The life of 7,000 out of 18,000 women could be easily saved with better care and immediate medical aid. Likewise, the infant mortality is also higher compared with other countries of the world. Forty-three per cent of all deaths occur in infants below the age of 5 years.

20. The Government is making every effort to pay adequate attention to maternity and child welfare. The number of Maternity|Child Health (M.C.H.) centres has increased from 715 in 1976 to 724 in 1977. 56 per cent of the total MCH centres are located in urban areas while the remaining 44 per cent in rural areas.

21. The Maternity and Child Welfare Association is also doing some useful work and is running 17 model centres in various parts of the country. These centres provide comprehensive services and train mothers in maternity affairs. The Association also made efforts to get approved a diploma-course at the university level in maternal and child health.

Rural Health

22. Programme for providing medical facilities to the rural population was strengthened and appropriate allocations were made in the development plans. The number of Rural Health Centres, as a result, increased by 62 in 1975-76, 44 in 1976-77 and 39 in 1977-78. The number of Basic Health Units also increased by 390 in 1975-76, 231 in 1976-77 and 516 in 1977-78.

23. It was felt that provision of medical facilities for a rural population of almost 54 million was not an easy task. Although impressive progress had been made in the availability of medical facilities, yet the participation of local population in sanitation and hygiene programmes, health education as well as elementary treatment was the only answer to the problem. With this objective in view, an experiment was made in the Northern Areas of Pakistan under which selected persons out of local population were trained as Health Guards to provide basic medical facilities at the local level. By 1975, 1,350 Health Guards had been trained and were serving in their own localities. By the end of 1976-77, their number increased to 1,900.

24. There are heavy odds in the way but the Government is determined to provide medical facilities to both the rural and urban areas. The programme

for rural areas is based on three tier system of Doctors, Para-medical, Auxiliaries and Community Health Workers for providing rural health services in a systematic and integratel manner. The new strategy has emerged from the recognition that a complete reliance on doctors for providing medical care will not be adequate in extending health cover to the rural areas.

Rural Health Cover

25. The Council of Advisors took the decision on March 18, 1978 of providing better and wider health cover to the rural population. To meet this end, greater financial incentives to doctors for serving in rural areas are being examined. It was further decided to make a pre-condition of serving rural areas for at least two years before becoming fullfledged doctors. The other decision in this direction was to evolve a policy under which medical graduates, particularly from the less developed areas, would be asked to serve in the areas of their own domicile. To meet the shortage of doctors in public sector, the Council took the decison that all the medical graduates should put in two years of compulsory service either in Armed Forces or in any government agency. The Council also approved the merger of the clinical functions of Population Planning with the Provincial Health Services.

26. A 5year National Health Plan, with an estimated cost of Rs. 6,600 million is underway to provide primary health services to people, particularly to the hitherto neglected and ignored sections off the society. This plan envisages an active participation of private sector. The government is setting up 625 Rural Health Complexes to provide health facilities to the masses. The Government is also contemplating converting more than 1,000 Population Planning Clinics into Basic Health Units. A significant number of such units would be located in rural areas.

27. Under the plan, many more dispensaries and hospitals would be set up throughout the country, with one Basic Health Unit providing health cover to 5,000 to 10,000 persons.

28. Heath programmes completed or nearing completion during 1977-78 are discussed beow :—

(i) *Ilamabal Hospital.*—An amount of Rs. 18 million is estimated to be spent during 1977-78 on 296 bedded hospital at Islamabad. The first phase of the hospital has been completed.

(ii) *Inprovenent and extension of National Health Laboratories.*—An anount of Rs. 5.55 million has been utilized for improvement|extension of National Health Laboratories Islamabad during the year. The inprovenent includes production of freeze, dried smallpox vaccination, addtion to Laboratories and construction of a dispensary.

(iii) *Expansion of College of Physicians and Surgeons, Karachi.*—Work on the first floor of the main college building has been completed at a povision of Rs. 1.50 million during the year.

(iv) *Bolan Medical College, Quetta.*—An amount of Rs. 40 million has been provided for Bolan Medical College at Quetta. Basement and the ground floor of this hospital attached to the college have been completed during the year. In addition, a hostel block is nearing completion.

29. An allocation of Rs. 8.86 million has been made for development programme of Azad Kashmir during the year 1977-78. This programme concentrated on control of epidemic and debilitating diseases. Reasonable progress has been achieved by malaria control programme and addition of rural health institutions.

30. Northern Areas Health Programme has been allocated Rs. 8.50 million for the year 1977-78. This programme includes a rural health project which basically concentrates on retraining of Health Guards.

31. The Health programme in FATA, with the amount of Rs. 15 million, was primarily focussed on 21 on-going schemes. Work continued on upgradation of Landikotal hospital into Agency hospital.

32. The progress in respect of provincial programmes is as under :—

Baluchistan

The revised allocation is Rs. 24.246 million against original allocation of Rs. 16.617 million. The funds were released in December, 1977. The initiation of work was further delayed due to cold weather. The financial achievements are likely to be Rs. 16.0 million *i.e.* 66 per cent of revised allocations. The work on contsruction of 30 BHUs and 6 rural health centres could not be completed and would extend to the next financial year. However, 3 rural health centres and 8 basic health units among ongoing schemes have been completed.

NWFP

During the year the financial utilization is likely to be the same as that of allocation *i.e.* Rs. 102.239 million. All the 18 dispensaries proposed have been completed during the year. Out of 140 basic health units 104 have been completed whereas work on the remaining is in different stages. Six rural health centres are expected to be completed during the year.

Sind

The revised estimates are Rs. 45.358 million against original allocation of Rs. 69.180 million. The financial utilization is Rs. 39.700 million *i.e.* 87.5 per cent of revised estimates. Three taluka headquarters hospitals (Khipro, Rato Dero and new Hala) and one rural health centre have been completed. The work on taluka headquarters hospital Matli, Tando Allah Yar, Services Hospital, Karachi, rural health centres and basic health units is in various stages of implementation. The work on construction of four new tehsil headquarters hospitals is in initial stages. The work on construction of Chandka Medical College Larkana, Sind Medical College Karachi, People's Medical College, Nawabshah and hostel for Liaquat Medical College, Hyderabad is going on at accelerated pace.

Punjab

The revised ADP allocation is Rs. 150.724 million against original allocation of Rs. 163.669 million. The estimated expenditure is likely to be Rs. 130.724 million showing financial utilization of 86.7 per cent. In physical terms 3 rural health centres and 37 basic health units of the previous years are complete. The work on 100 basic health units of 1976-77 is in various stages of implementation. There is little progress on 175 basic health units of 1977-78 ADP targets. Work on construction of teaching hospitals, district headquarters hospitals and tehsil headquarters hospitals is complete and 100 per cent funds have been utilized.

14

POPULATION PLANNING

Pakistan, like other developing countries, is faced with the problem of rapid growth of population created by a sharp decline in mortality rates without a corresponding decline in the fertility rates, which have been traditionally high in thispart of the world. As a result of these divergent trends, the population of the area now comprising Pakistan, which was estimated at the begining of the century (1901) as 16.6 million, doubled during the first half of the century (1901—1951), to 31.74 million in 1951, and in just 21 years, it has doubled again and eached 65.3 million mark in 1972, representing a fourfold increase since 1901. The population is estimated at 75.62 million on January 1, 1978. With the pesent 3 per cent annual rate of growth, unless effective measures are taken, the population of the country will double itself and will be 1473 million in the next 23 years.

2. Rapid growth of population widems the gap between available resources and the needs of an ever-increasing population. It puts extra strain on resources and places additional demands on food, health, education, housing, transport and social services. The socio-economic implications of the present 3 per cent rate of population growth are alarming. It means a continued high dependancy ratio, persistently low *per capita* income, lower savings and capital formation, inadequate educational facilities and employment opportunities and an ever-increasing burden on public services such as health, housing and transport. A large portion of GNP isthus consumed merely to maintain the existing level of living, leaving relatively a meagre amount of savings for investment purposes. Unless the country increases its capability for capital formation through savings, it is not posible to make any significant advancement in the economic and social fields. In fact savings are a pre-requisite for increased productivity and for creating job opportunity for the employable population which has been joining the labour force in an increasngly larger number each year. Hence, an effective Population

Planning Programme for a country like Pakistan is not only highly desirable but essential for the amelioration of the socio-economic conditions of the masses and quality of life of the common-man in the country.

3. The high population growth trend has been engaging the attention of policy makers and planners right from the beginning of systematic planning process in Pakistan. This is borne out by the fact that even the First Five-year Plan (1955—60) made a mention of the dangers of fast growing population in the country. A small allocation was made to promote the concept of "small family" through voluntary agencies. However, the Population Planning Programme was introduced in the public sector during the Second Five-Year Plan (1960—65). An amount of Rs. 30 million was made available to offer family planning services through the health units in the East and West Pakistan.

4. The efforts were, however, greatly intensified and enlarged when a nation-wide Population Planning Programme was launched during the Third Five-Year Plan (1965—70) as an integral part of the development strategy adopted within the framework of a 20-Year Perspective Plan (1965—85), and Rs. 148.2 million were allocated for the Programme.

5. During the Third Plan an institutional framework covering wide range of activities was created throughout the country. The main features of the programme were recruitment and training of paramedical and field personnel, establishment of family planning clinics and creation of various research and evaluation units. Clients were mainly approached through "dais" (indigenous mid-wives). The programme during this period basically revolved around IUD. The conventional contraceptives were made available throughout the country on a cafeteria basis, while vasectomy and the tubeligation services were offered through the established hospitals. Several innovative steps were taken to ensure effective delivery of family planning services to the clients. Induction of family welfare visitors, a cadre specially trained for family planning work, and in IUD insertion follow up, was one of the major innovations.

6. The administration of the programme was entrusted to a three tier autonomous structure operating at federal and provincial levels with the district remaining the main unit of operation. An allocation of Rs. 148.2 million was made for the area now constituting Pakistan. But the actual expenditure was in the neighbourhood of Rs. 160 million.

7. The programme during the Third Plan period suffered from the disadvantages of a deficient field organization, which consisted of marginally-committed and illiterate "dais", inadequate training and supervision and lack of follow up. Inspite of these major handicaps, the impact achieved must be attributed to the unipurpose orientation of the programme.

8. During the Fourth Five-Year Plan period (1970—75), a vastly improved programme strategy was adopted which aimed at overcoming the shortcomings of the Third Plan. The one most important feature of the programme was the introduction of Continuous Motivation System (C.M.S.) by replacing the part-time local mid-wives by full-time matriculate male and female Field Motivators, who functioned as a team to motivate the eligible couples accept contraception and to make the family planning services available to them within geographically defined local communities. An amount of Rs. 314.9 million was

allocaed which was subsequently increased to Rs. 359.4 million. The Plan as such could not, however, move forward due to the events of 1971 leading to the separation of the Eastern Wing of the country. The Fourth Plan, as such, was, therefore, abandoned and the Government embarked upon Annual Development Plans.

9 The results of these programmes were, however, not very encouraging and the Crude Brth Rate (CBR) has not substantially declined during the period from 1961 to 1976. As such a small decline in CBR, coupled with a significant reducion in Crude Death Rate (CDR), has kept the population growth rate at about 3 pr cent level since 1961.

10. In a county like Pakistan which is subjected to socio-economic and culturnl diverities and dichotomies such as urban-rural, rich-poor, educated- illiterate the population problem has to be complex and multi-dimensional. The initial problen was, therefore, to break through some of these barriers and to introduce the programme to the people and make them feel and recognize the need of limitng the number of their children. It is true that the programme has been in opeation in the public sector for over the last 16 years without the desired degre of success in demographic terms, but it is also true that most of the inhibitions and resistances that the people had about contraception have been overcone.

CURRENT PROGRAMME

11. The current programme is being operated as a Federal Programme with Popuation Division at the Centre, an office of Director-General in each of the four Provines and District Offices at operational level. Disturbed conditions in the field, eading to suspension of field activities since the beginning of 1977, have adversey affected the Programme performance, as is evident from the Table given below —

Table 14.1

PROGRAMME PERFORMANCE DURING 1976-77 AND 1977-78

Contraceptives	Year 1976-77 Target	Proportionate Target July 1977 to March 1978	Achievement (Percent)
1. Conventional Contraceptive (in million unit) ..	172.80	—	55
2. Oral Pill (No. of cycles)	5,900,000	—	69
3. I.U.D. (Number)	371,000	—	45
4. Sterilizaton (No. of cases)	29,000	—	50
	1977-78		
1. Conventional Contraceptive (Million Unit) ..	117.13	87.85	51
2. Oral Pill (No. of cycles)	5,200,000	3,900,0003	34
3. IUD (Number)	300,000	225,000	28
4. Sterilizaton (No. of cases)	45,000	33,750	16
5. Liquid Foam (No. of bottles)	30,000	22,500	10

Source : Population Division

12. Year|month-wise performance statistics for the years 1965-66 to 1977-78 in respect of IUDs inserted, sterilizations performed, number of oral pill cycles and the units of conventional cantraceptives (condoms and foaming preparation) sold are given in the following table :—

Table 14.2

YEARLY AND MONTHLY AVERAGE OF CONTRACEPTIVES PERFORMANCE FROM SEPTEMBER 1965 TO MARCH 1978

Years	Conventional Contraceptives (Million Units)		Oral (No. of cycles)		IUD'S		Sterilization	
	Yearly	Monthly Average	Yearly	Monthly Average	Yearly	Monthly Average	Yearly	Monthly Average
1965-66	27.6	2.3	—	—	186,996	15,583	1,644	137
1966-67	62.7	5.2	44,856	3,738	337,884	28,157	1,824	152
1967-68	96.0	8.0	20,088	1,674	425,952	35,496	14,556	1,213
1968-69	102.0	8.5	5,376	448	438,348	36,529	55,440	4,620
1969-70	102.0	8.5	4,848	404	342,960	28,580	10,296	858
1970-71	68.8	5.7	4,872	406	237,552	19,797	4,767	397
1971-72	25.2	2.1	59,544	4,962	124,380	10,365	3,312	276
1972-73	28.8	2.4	162,984	13,582	106,860	8,905	3,168	264
1973-74	48.0	4.0	1,264,656	105,384	91,884	7,647	4,128	344
1974-75	82.8	6.9	2,540,688	211,724	137,496	11,458	7,740	645
1975-76	148.9	12.4	5,131,264	427,605	227,200	18,933	14,743	1,229
1976-77	94.5	7.9	4,090,195	340,850	168,765	14,064	14,625	1,218
1977-78 (July-March)	45.0	5.0	1,314,952	146,106	62,325	6,925	5,363	596

Source : Population Division.

Financial Allocation

13. During 1976-77, a provision of Rs. 243 million was made in the ADP. The utilization of the expenditure was about Rs. 202 million, *i.e.* 83 per cent of the allocated sum. The Population Planning Programme maintained its operations at a subdued pace during 1977-78. Although the total allocation of Rs. 243 million for the year 1977-78 is at par with 1976-77 allocation, it is however higher by Rs. 41 million when compared with the utilization of 1976-77.

Programme Strategy

14. The strategy of population planning for the year 1977-78 is indicated below :—

1. The system of continuous motivation was to be continued with the programme approach. However, the role of male motivators was to be changed to the registration of eligible couples as well as to assist the Population Planning officers.
2. Adequate supplies of contraceptives was to be ensured and distribution outlets increased.

3. The Population Planning and Health Programme was to be integrated.

4. A differential approach for various geographical regions was to be adopted to suit local conditions.

5. The contraceptive-mix was to lay more emphasis on clinical methods.

6. Involvement of public and volunteer groups in the administration of the programme was to be enhanced.

7. A number of innovative experiments were to be undertaken and incorporated in the programme.

POPULATION PLANNING DURING THE NEXT FIVE YEARS (1978—83)

15. The general objective of the Population Programme during the next five years is to improve the living standard of the people by coordinating and integraing population services with programme activities in other sectors such as Health, Education Social Welfare, Housing, Agriculture, Mass media, Manpower and Employment. Since about 75 per cent of country's population resides in rural country-side, where the problem is obviously more acute, better and more improved integrated health programme coverage will be provided to the population.

16. Indeed, the wide base in terms of large scale knowledge and infrastructure ceated by the programme would greatly facilitate the achievement of demographic targets set out in the Plan. However, to achieve the target would require an effective field programme so as to promote a sustained use of contraceptives, sift towards more reliable methods and to ensure their easy availability to the clients. This would necessitate an effective Information, Education and Communication strategy and an efficient management of services. The immediate need, therfore, is to increase the effective knowledge of contraceptives from the existing level of 25 per cent in 1977-78 to 68 per cent by 1982-83 and to encourage those motvated to adopt and continuously practice effective contraception.

17. Owing to its importance in the over-all development strategy, periodic reviews of the Population Planning Programme have been undertaken by several commitees appointed in the past by the Government to recommend measures for furthe improving the programme. One such review was recently carried out by a World Bank Mission, which, on an invitation from the Government of Pakistan, visited the country in January, 1978, to study the current Programme and suggest a viable approach for the country in this regard. The recommendations of the World Bank Mission have been examined and action to implement these is presently in hand. A major decision regarding the merging of the clnical component with the health services has been made. A task force has been constituted to lay down the guideline for future programme operations. With the addition of about 5,000 Health Outlets, the programme would acquire new dmensions; especially the areas hitherto neglected would be covered under the new set-up.

15

PHYSICAL PLANNING AND HOUSING

Housing is one of the basic human necessities. Healthy living environment contributes to he improvement of family life, enhances productivity of labour and increases earning capacity of children. It plays an important part in the generation of employment and supports building-material industries. Provision of a healthy living environment for all the citizens in the country is the prime responsbility of the Government. The totall backlog of houses in the country is estimated at over 1 million units. The additional annual requirement of houses due to populaton increase is estimated at 150,000 in the urban areas and about the same in the rural areas, against which the annual addition of houses in the public and private sectors does not exceed 30,000|35,000, meaning that the backlog continues to increase rapidly. The Government, being fully aware of the present situation, has taken various steps to improve the house-building activities throughout the country.

2. The developing countries of the world suffer from deprivations of different types. Adequate housing is one of the major needs of these nations. Since human population cannot live without houses they must have some sort of shelter, which has to be replaced by more appropriate and adequate houses which come up to the standard of health and hygiene. This calls for huge amounts of expenditure for a country like Pakistan. The resources of the nation, however, permit to meet only a small proportion of these needs. The gap beween availabilty and requirement still remains very large, even if very modest standards are adopted. However, at Pakistan's present stage of development, large number of people particularly in villages, find shelter of the type, which though not modern or durable, is nevertheless adequate.

3. The sitiation in urban areas is more alarming due to continuous stream of population from rural to urban areas. Compared with 3 per cent growth rate for the entire nation, the growth rate of urban areas has been around 5 per cent,

while the rural population grew at the rate of 2.7 per cent. This has created additional burden on the already short supply of houses, not to talk of other important services like water supply, sewerage and sanitation, transportation and other communication facilities etc. The influx from rural areas, as a result, adds to "Katchi Abadies", slums and shanty towns.

4. The problem of housing, therefore, is in fact a problem of complete physical and environmental planning covering the social and economic aspects of the society. The First Five-Year Plan had taken cognizance of this problem which had been aggravated by refugees influx of around 7 million from India. The amount provided for this sector at Rs. 541.2 million was rather small. In the Second Plan, the allocation for Physical Planning and Housing sector was raised to Rs. 1882.2 million which was to be spent both in the public and the private sector. However, only 88 per cent of this allocation was utilized during the plan period. By the time that the Third Five-Year Plan was formulated, the planning process in Pakistan had matured and the Housing and Physical Planning sector had assumed an important place in our development programmes. Even at the international level, the concepts of environmental planning and scientific town planning were attracting greater attention. The Third Plan allocated a sum of Rs. 3176 million for Physical Planning and Housing. Out of this Rs. 1526 million were allocated in the public sector and Rs. 1650 million in the private sector. These allocations, however, were reduced later to divert funds to essential programmes in the directly productive sectors like industry, agriculture and water development.

5. During the Third Plan period, six master plans and one outline development plan had been completed but the legal framework and administrative arrangements to implement these plans had yet to be made. The achievement by executing agencies in financial terms was 80 per cent in case of the Central Government agencies and 48 per cent in case of the Provincial Government of West Pakistan.

6. An evaluation of the Third Plan achievements of this sector indicates that the poor performance by the Provincial Government was mainly due to its failure to develop the much needed institutional and organizational framework. In addition the inter-departmental rivalry, duplication, red-tape and serious shortage of professional and skilled manpower created roadblocks in the implementation of the plan. However, despite shortfalls and other difficulties the overall national picture of Physical Planning and Housing definitely improved as compared to the situation in 1955. A crude organizational frame-work had been developed and efforts were made to tackle the problem of water supply and sewerage. The preliminary national pilot programme for regional and urban development and action-oriented research projects for slum improvement were initiated and the Building and Housing Research Centre was developed. But by far the most important development during 15 years of planned development in this sector was the recognition of regional, urban and rural planning in the country to provide better environment for healthier living in future.

7. During 1970—72 an additional population of 850,000 in urban areas and 250,000 in rural areas were covered by the facilities of water supply and sewerage. During 1972—78 the achievement was much more impressive as 7.080 million persons in urban areas and 5.030 million persons in rural areas were provided with water supply and sewerage facilities. As a result of these developments, at the end of 1977-78, about 20.310 million persons (26.85%

ofthe totl popuation) vould have potable water supply. Out of them, 12.650 million would be in urban and 7.600 million in rural areas. Sewerage facilities are expected to be available for a population of 7.20 million in urban areas and 0.14 million in rural areas or 9.7 per cent of the total population. Plans are in hand to extend these facilities to as much population as possible through a multisector project incuding the programme based on people's participation and self-hep.

8. Wth a vew to encouraging house construction activity in the private setor, housing has been declared as an industry, tax incentives have been provided and consideration is being given for the establishment of Savings and Loans Asociations and creation of a Compulsory Savings Fund for Housing to mobilize private ector capital for investment in housing. To reduce construction cost and facilitate speeder construction of houses, active consideration is being given to pre-fabicated houses and standardization of building components and designs. Special attention is being given to the physical improvement of cities and towns and their development. The National Environmental Protection Act is being processed to control ervironmental pollution and take positive steps to enhance the quality of living environment for the people.

9. There has been a tendency in the previous years that the house building loans were mostly extended to the high income groups who constructed large and expensive houses thus over-riding the rights of the man of small means. The Government policies at present are geared to provide loans for small houses. However, in view of a substantial increase in the cost of construction, the limit of loans given by the House Building Finance Corporation has been increased from Rs. 60,000 to 100,000 since March 1978. The following table shows loans provided by House Building Finance Corporation from 1970-71 to 1977-78.

Table 15.1

LOANS SANCTIONED BY HOUSE BUILDING FINANCE CORPORATION (LIMIT-WISE)

(Million Rs.)

Year	Upto Rs. 20,000	Rs. 21,000 to Rs. 40,000	Rs. 41,000 to 60,000	Institutional	Total
1970-71 . .	9.87	3.28	—	—	13.15
1971-72 . .	5.89	3.30	—	—	19.19
1972-73 . .	26.18	24.65	—	—	50.83
1973-74 . .	160.44	70.78	—	10.00	241.22
1974-75 . .	99.58	159.59	—	30.00	289.17
1975-76 . .	171.52	106.05	—	103.50	381.07
1976-77 . .	312.32	113.58	103.90	52.00	641.80
1977-78 (Upto March 78) . .	56.01	118.32	85.87	50.00	311.20*

*This figure does not include Rs. 696 thousand of loans ranging from Rs. 60,000 to 100,000 sanctioned during March 1978.

10. As a result of these facilities, construction of houses, particularly low-cost dwellings in the country during the last few years has grown at a rapid pace. The provision for Physical Planning and Housing has been increased by 28 per cent from Rs. 1268 million in 1976-77 (revised) to Rs. 1,626 million in 1977-78. The share of the sector in the ADP has thus increased from 7.8 per cent in 1976-77 to 9.5 per cent in 1977-78. The priorities to key objectives assigned

during 1976-77 have been maintained and accentuated in 1977-78 However, a significant development in 1977-78 is the substantial amount allocated to improvement of "Katchi Abadies". An effort was made to concentrate resources on key objectives like water-supply and sewerage, plot-development and slums-clearance etc. Out of the total funds provided for Physical Planning and Housing, about 88.9 per cent were utilized during 1977-78, which is 14 per cent higher as compared with 27 per cent originally planned over the preceding year. Principal physical targets and achievement are indicated below.

Table 15.2

PHYSICAL TARGETS AND ACHIEVEMENTS (1977-78)

Sub-sector	Unit	Targets	Achievement	Percentage achievement
Development of plots				
I. Urban Residential plots ..	Nos.	100,000	69,762	69.8
II. Urban water supply	Additional population to be served in million	2.576	1.862	72.3
III. Urban Sewerage & Drainage ..	Do.	1.947	1.343	69.9
IV. Rural Water Supply and Sanitation	Do.	2.350	1.558	66.3
V. Housing units for Govt, servants	. Nos.	2805	2,000	71.3
VI. Office space	.. million sq. ft.	1.178	0.800	6.79

11. Targets for urban and rural water supply were achieved to a substantial extent in spite of country-wide political disturbances during the election campaign. In the case of government offices and buildings, the physical achievements were out of the line with expenditure because substantial funds were diverted to flood rehabilitation and reconstruction.

12. A brief account of the progress of important sub-sectors during 1977-78 is discussed in the following paragraphs.

Low Income Housing

13. With a view to providing houses to the low income earning groups, a target of developing 100,000 plots in the urban areas was set but, by the end of 1977-78, about 69,762 plots are expected to be developed. This includes plots to be developed by the Provincial Governments, local bodies and through the workers' welfare funds. The number of houses which are likely to be constructed during 1977-78 in the private sector would be about 40,000.

Urban Water Supply, Sewerage and Drainage

14. During 1977-78, the Provincial Governments have executed a number of schemes to provide water supply, sewerage and drainage facilities and it is estimated that 3.205 million population in the urban areas and 1.558 million in the rural areas would benefit from these schemes.

15. In the Punjab, with the completion of 15 urban water supply schemes, an additional population of 0.75 million will be served. Similarly a population of 0.8 million will be served with the improved sewerage and drainage facilities,

16 In Sird, with the completion of about 4 water supply schemes including part completion of plase-III of Karachi Water Supply Scheme a population of about 1.02 million would be served. Similarly about 0.49 million population would be sered with sewerage and drainage. As regards NWFP work on 13 urban watr suppy and sanitation schemes was taken in hand and about 0.07 million additional population would be served by water supply and 0.05 million by severage and drainage. In Baluchistan, an additional population of 0.02 million is expected to be served by water supply.

Rural Water Supply

17 With he completion of a large number of rural water supply schemes, as envisaged in the Annual Plan 1977-78, about 1.558 million additional population will be served.

Slum Improvement

18 Faster urbanization, industrialization and growing immigration of people from rural areas towards cities and towns have further aggravated the slum problems. Slums are mushrooming around bigger cities like Karachi, Lahore, Hyderabad, Faisalabal and Multan, and the inhabitants in these areas are deprived of many basic human amenities. Through the efforts of the Joint Research Project No. IV for slum improvement, several slum areas around Karachi have been surveyed and a number of research publications on these areas produced during the last six years. Priority attention is being given to the improvement of living conditions in sum areas and 'Katchi Abadies' in the country.

Environment

19. The UN Conference on Human Environment held in Stockholm in June 1972, for the first time, focussed attention on the deterioration of environment caused both by accelerated development and under-development. It resolved to adopt measures whereby the natural resources of earth would not be further depleted. It was felt that resource deterioration, biological and chemical pollution, physica and social disruption, malnutrition, lack of sanitation and other community service must be tackled effectively before irreparable harm is done to humanity.

20. Pakistan, recognizing the urgency of the problem, has taken certain basic steps to draw up plans and adopt measures necessary to take up this massive task. These are listed below :

(i) **Setting up of Environment and Urban Affairs Division**

The Environment and Urban Affairs Division is the Secretariat and the policy making body for all matters concerning the subject at the highest level. To take up the issues ligh-lighted in the Stockholm Conference, and to effectively coordinate a scentific strategy for meeting these issue, the Environment and Urban Affairs Division was created. The Government of Pakistan has maintained contact with UNEP and ESCAP in order to keep abreast of the latest developments abroad on the subject Pakistan has also contributed towards deliberations of various conferences held from time to time and recently has been elected as Member of the Governing Council of UNEP.

(ii) **Legslation**

The corner stone in the fght to improve the environment in Pakistan is to have effective legislation on the subject. The effort to arrest a further deterioration in the environment must be backed by legal cover, in the form of detailed legislation on the subect. At present, there is no law on the subject except

for minor provisions in the Local Government Acts which call upon Local Bodies to prevent pollution as a part of their optional functions. Obviously, this is not the way in which this problem can be tackled.

21. The Cabinet decided in 1974 that an overall legislation for pollution was needed. The Environment and Urban Affairs Division constituted a Committee of Experts from technical ministries in the Federal Government and Provinces. This Committee framed a Draft Bill on Environment which provides for the setting up of the Pakistan Environmental Protection and Improvement Agency (PEPIA) and outlines its functions and powers. It exhaustively defines all technical terms connected with the subject. It lays down provisions for Environment Quality Improvement, waste disposal, and control of Marine, Air, Water and Noise Pollution. Once the Act|Ordinance comes into force, it would be possible to tackle the problem of environment in a systematic and planned manner.

Government Servants Housing and Offices

22. In the ADP for 1977-78, allocation for the construction of 2805 houses was made which were to be constructed at various places in the country. The physical achievement, including the barrack-type accommodation, is 2,000 units. However, against the target of construction of 1.178 million square feet office area, about 0.8 million square feet office space was constructed. The shortfall in the target was mainly due to increase in cost of construction.

Islamabad :

23. For carrying out physical development of the Federal Capital Territory of Islamabad which extends over an area of 350 square miles, an executing agency called the Capital Development Authority has been established by the Government. The Authority is charged with the responsibility of planning and development of Islamabad. Development of a new capital is an immense task of vast dimensions. The process involves a continuous follow up, appraisal, revision and feed back in policy formulation, programming and implementation. The development|construction work carried out|being carried out by the Authority can be briefly divided into three categories :—

(a) Works executed through capital grant directly placed at the disposal of the CDA.

(b) Self-financing works executed with the funds generated by the self-financing schemes.

(c) Deposit works carried out with the funds transferred by the other departments for their projects.

24. An ADP allocation of Rs. 146.5 million has been made for the development of Capital Islamabad during the current financial year, Capital Development Authority is contributing Rs. 20.0 million and the balance of Rs. 126.5 million has been given by the Federal Government as grant-in-aid. Work on various schemes in Islamabad progressed satisfactorily except on two projects : Construction of Simly Dam and the Parliament Building. Work on 1024 "A" to "D" type quarters is nearing completion.

25. In view of the limited resources, attention is being paid to the key objectives only. In the field of urban housing, public sector resources would be utilized almost exclusively for development of serviced plots. The construction would be left to private initiative assisted by some financing from banks and specialised credit agencies.

26. Privae sector has been playing vital role in channelising its funds towards the construction of new houses. This was a natural outcome of the bearish tendencies in the overall investment climate, which ultimately resulted in diverting funds toward this sector. Another reason for spurt in construction activity is the inflationary pressure which reduced capital value of savings and resulted in the diversion of funds to house building which is generally considered an effective hedge agains inflation. Private investment in houses during 1977-78 is estimated at Rs 1,480 million. The number of houses constructed is approximately 40,000.

27. Construction of houses in the private sector during the last few years has assumed new dimensions ; multi-storied apartment-buildings are coming up due to the increase in the cost of land. These achievements could not have been possible without providing institutional arrangements and increased financial assistance

28. Thegovernment have recognized the requirements of the Pakistanis residing abroad. In order to provide them housing facilities, the government has launched a new project. Under this project, three Area Development Schemes at Rawalpindi, Gujrat and Jhelum measuring about 50 acres each have been launched, and work on these projects is in progress. Similarly 843 residential plots have been earmarked in Islamabad, 146 in Lahore, 167 in Peshawar and 45 in Quetta for the Pakistanis residing abroad. In addition, 2500 residential plots of various sizes have been provided in the Mehran Township Scheme in Karachi. The House Building Finance Corporation has been allotted a land measuring 300 kanals at Lahore for constructng 356 houses, 50% of which are reserved for Pakistanis working abroad. Though this is a self-financing scheme, some financial assistance would be sought from the Islamic Bank.

16

RURAL DEVELOPMENT

Pakistan s predominantly rural. About two-thirds of its population lives in the country-side with agriculture as its chief occupation and main source of livelihood. A vast majority of the villagers are small farmers, tenants, share croppers, landless labourers and artisans. The socio-economic condition of the villages, 45,00 in number, and the living standard of the rural population, 74 per cent of the country's total, are both among the lowest in the world. The vital socio-economic parameters fall far below the desired measurements.

2. In the agriculture sector, yield per acre of all the major crops is far below the potential output with the result that the country had to import wheat and edible oil worth about Rs. 1372.3 million during the first 9 months of 1977-78. Production inputs such as quality seeds, chemical fertilizers, improved agricutural implements, pesticides, credit etc. are still not available to the small farmers in adequate quantity at the proper time and in proper sequence. In the communications sector, all-weather 'pucca' roads are few and far between. Mechanical transport facilities directly serve only a fraction of villages. Village electrification work is slow. In the housing sector the situation is dismal. Most of the villagers live in unhygienic sub-human 'Kutcha' dwellings without proper sanitation. The pathetic condition in the health sector is mirrored in the non-availability ofclean drinking water in most of the villages which alone by causing serious diseass, keeps under constant strain the meagre medical facilities available in the rural aeas. Widespread illiteracy, ignorance and taboos constantly defeat efforts for advancement. On the economic side, unemployment and under-employment, high dependency ratios aggravate low productivity and affect efficiency. Rural migration to urban centres has not provided relief but added to urban problems. Rural development, therefore, is at the core of the strategy and efforts inthe agriculture sector.

3. Welfare programmes in various sectors of rural life are discussed in relevant chapters of this Survey. Directly concerned with rural development are two specific programmes, namely, the Integrated Rural Development Programme and (IRDP), and People's Works Programme (PWP), which were launched by the Government in 1972 to improve the quality of life in the villages.

4. Rural development is a complex operation requiring high degree of coordination among nation building departments, autonomous and semi-autonomous organizations and private agencies. Effective political, organizational administrative, financial and technical support and co-ordination are, therefore, needed for the execution of IRDP. However, these elements remained absent as a result of which these programmes could not pick up full momentum. Therefore, a new strategy has been adopted recently to energise these programmes.

Integrated Rural Development Programme (IRDP)

5. The IRDP programme aims at providing an institutional framework and a delivery system under the local leadership by co-ordinating the activities of people's organizations, nation building departments and autonomous|semi-autonomous bodies by pooling their development programmes in the rural areas. Built around the Markaz (centre) the focal point of a production area of 50--60 villages and population of 60,000 to 75,000 people, the main objectives of the programme are to improve social and physical infra-structure and to cater for the supply of basic essentials of life. The IRDP has been designed keeping in view the following internationally accepted criteria :—

(i) Maximisation of participation by people at village|group of villages level through organized institutional arrangements.

(ii) Mobilization of human and material resources with greater emphasis on the former.

(iii) Decentralization of decision making process, planning and execution.

(iv) Effective delivery system to ensure that benefits and services reach the target group according to the felt needs.

(v) Evolution of self-reliant and self-supporting institutions with built in mechanism for monitoring and evaluation to ensure effective implementation and accountability.

Physical Progress

6. So far, 137 IRDP marakez have been set-up all over the country. Buildings have so far been constructed at 72 places (2 in Punjab, 31 in Sind, 28 in NWFP, none in Baluchistan, 9 in Azad Kashmir and 2 in the Capital Area.) Elsewhere the offices have been located in hired accommodation. Preliminary bench mark surveys have been carried out for 96 marakez. On the remaining marakez, the work is still in progress.

Cooperative Organization

7. In the absence of local Government institutions, efforts have been made in developmental activities. So far, 2,322 Cooperative Societies have been organized in 91 marakez. Their share capital is Rs. 3.68 million. The primary co-operatives have federated themselves into markaz federations in 23 marakez.

Their share capital is Rs. 0.35 million and working capital Rs. 4.39 million as on October 31st 1977. No cooperative has been organized in Sind. The details are given in table :

Table 16.1

PROVINCE WISE, VILLAGE COOPERATIVES ORGANISED AND THEIR SHARE CAPITAL

Name of Province/Federal Areas	Village Cooperatives Organized		Markez Federations	
	Number	Share Capital (in million Rs.)	Number	Share capital (in million Rs.)
Punjab	1,427	2.78	19	0.28
Sind	—	—	—	—
N.W.F.P.	504	0.54	4	0.07
Baluchistan	165	0.28	—	—
Azad Kshmir	211	0.07	—	—
Northern Areas	—	—	—	—
F.A.T.A.*	—	—	—	—
Federal Capital Area	15 (formed, but no yet registered)	0.01	—	—
	2,322	3.68	23	0.35

*F.A.T.A—Federally Administered Tribal Areas.

8. The main activity of the markaz federations, at the moment, is that besides providing a link between the people and Government, they arrange farm inputs for the member societies. In N.W.F.P., however, the markaz federations have undertaken land development operations, sinking of open surface wells for drinking and irrigation purposes, construction of diversion spurs, etc.

Impact

9 The benefits of the programme could not be assessed on a scientific basis. In fact, these projects are still at various stages of development in respect of (i) institutional arrangements like integration of services and supplies, (ii) organization of people's Cooperatives at the village, and markaz level, (iii) provision of services in the social sector such as health, education, water supply, social welfare (iv) provision of physical infrastructure like office and residential accommodation, staff etc. and (v) other facilities such as link roads, power supply, markets and agro-allied industries. Although most of the project areas are yet to become fully operational due to institutional and financial constraints, in some of the project areas where the small farmers have been reached by decentralizing the delivery system of services and inputs, there has been a marked increase in farm production. It has been demonstrated in Daultala IRD Project (Punjab), which is a ranfed area and where the average holding is less than 5 acres, that the yield of wheat increased from 10 to 21 maunds per acre and that of maize from 10 to 15 maunds through a package of production inputs provided by IRD.

10. Sometimes ago University of Agriculture, Faislabad had carried out an evaluation of Shadab IRD Project. Their finding was that as a result of intensive extension work carried out by the IRD staff, the net income per cultivated acre increased by 143.63 per cent in Project area as compared to 21.2 per cent in the contiguous non-project area.

11. Since, IRD Programme is a multi-dismensional programme for improving the quality of Pakistan's rural life and for increasing the volume of agricultural production, there is a need to evaluate the progress made by IRDP under a more reliable reporting system.

Financial Allocation and Utilization

12. Total allocation to IRDP during the period 1972—78 amounted to Rs. 194.2 million against which Rs. 145.6 million had been utilized till December, 1977. The overall utilization percentage comes to 74.9 per cent. In Azad Kashmir and Northern areas, the programme was initiated in 1973-74. Total allocation for the period 1973—78 is Rs. 5.53 million against which up-to-date utilization is Rs. 4.53 million. In Federally Administred Tribal Areas (FATA) and Federal Capital Area, work started in 1975-76. Total allocation for the year 1975-76 in respect of these areas is Rs. 4.20 million and Rs. 16.81 million respectively against which utilization upto December, 1977, is Rs. 4.20 million and Rs. 5.10 million respectively. The table indicates total allocations and expenditure of IRDP from 1972-73 to 1977-78.

Table 16.2

FINANCIAL ALLOCATION AND EXPENDITURE UNDER INTEGRATED RURAL DEVELOPMENT PROGRAMME 1972—78.

(Rs. million)

Provinces/Federal Areas	Allocations	Expenditure
Punjab	45.2	33.6
Sind	45.9	36.7
N.W.F.P.	60.1	46.3
Baluchistan	16.5	15.2
Azad Kashmir	5.5	4.5
Federal Capital Area	16.8	5.1
Federally Administered Tribal Area	4.2	4.2
Total ..	194.2	145.6

People's Works Programme (PWP).

13. The People's Works Programme is complementary to IRDP and seeks to undertake such labour-intensive projects as can be completed quickly through self-help with some financial support from the Government. It has been conceived as a joint enterprise of the Government and the people. Its success depends on the motivation of the masses on a national scale. It aims at enhancing employment opportunities and improving rural infra-structure. 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 fields included in this programme are link roads, school buildings, small irrigation works, health units, drinking water facilities, tree

plantation, industrial homes for women and cottage industries. Province-wise revised allocaion and expenditure of funds under PWP during the period 1972-73 to 1977-78 are given below :

Table 16.3

FINANCIAL ALLOCATION AND EXPENDITURE UNDER PEOPLE'S WORKS PROGRAMME DURING 1972-73 TO 1977-78.

(Rs. million)

Provinces/Federal Areas	Allocations	Expenditure
Punjab	590.51	629.51
Sind	163.01	149.33
N.W.F.P.	107.98	65.68
Baluchistan	78.56	48.98
Azad Kashmir & Northern Area	63.07	53.05
Federal Capita Area	5.50	2.34
Federally Administered Tribal Area	37.45	30.99
Total ..	1046.08	979.88

14. ADP allocations were revised upwards to Rs. 1046.08 million. Of the revised amount, Rs. 979.88 million had been utilized upto June, 1977. Overall percentage utlization comes to 93.7 per cent. In Azad Kashmir and Nothern Areas total unds alocated to PWP during the period 1972—78 amounted to Rs. 41.07 milion and Rs. 16.92 million respectively against which Rs. 35.04 million and Rs. 16.92 million were released and Rs. 34.34 million and Rs. 16.92 million actualy utilized on the creation of physical infrastructure both in the rural and urban areas. In addition to this, an allocation of Rs. 2.087 million was made under the World Food Programme of which Rs. 1.79 million were utilized. Similarly, against ADP alocations of Rs. 37.45 million and Rs. 5.5 million for Federally Administered Tribal Areas (FATA) and Federal Capital Area (FCA), the anounts actually utilized during 1972—78 are Rs. 30.99 million and Rs. 2.34 million respecively.

15. During the period 1972—77, 6,299 miles of link roads, 4,040 culverts and small bridges 714 drains, 183 civil dispensaries, 2,292 schools, 2,560 industrial homes and 104 veterinary centres are reported to have been constructed from PWP funds in the four Provinces, Azad Kashmir, Federally Administered Tribal Areas (FATA), and Federal Capital Area (FCA). Similarly, 8,873 hand-pumps, ponds for drinking water and 317 persian wheels, tube-wells and small dams for irrigaton purposes are reported to have been completed. In the industrial sector 15 small agro-based industries have also been set up in the rural areas.

New Strategy

16. A taget oriented action plan for rural development has been launched throughout the country to overcome poverty and improve the quality of rural life in the slortest possible time. The new rural development strategy, seeks to establish institutions at grass-root level so that they are closer to the rural masses, bring about a coalition between the people, private agencies, nation building

departments and the proposed local government structure for the purpose of increasing productivity per worker and ensuring continuous accountability at all levels.

17. The new strategy requires all local development projects to be prepared and implemented at the local level. For this purpose, it is proposed to set-up a framework of local bodies throughout the country.

18. Apart from district, institutions will be set-up at sub-district level to cover an optimum size of population within appropriate geographical areas, depending on the densities of population and growth potential. These local bodies would be the framework for :—

(i) Providing a political forum ;

(ii) Providing machinery for developing projects, for local economic planning and implementation of programmes.

(iii) Providing a forum for resolving petty legal disputes.

(iv) Providing local control of service units which would be operating on an integrated basis for giving support to programmes of production, education, health and social welfare etc.

19. Under the new strategy, development planning is to start from below. The grass-root level of local government system for effective participation of people, will be the local or union council, which still possess a working, though dormant, infrastructure. But it is far too small for any meaningful development area planning. There is obviously a need for a local government unit below the district level where people could articulate their needs and formulate projects based on the problems and potential of the area. Such sub-district rural development units (called the marakez) would be the vehicle for area development planning where national targets on the one hand and people's demands on the other would get reconciled.

20. Under the new strategy 625 Rural Development Units have been created throughout the country. The location and the number of such centres have been determined by the provincial governments, keeping the geographical, administrative and growth factors in view. Maximum utilization has been made of the existing buildings and infrastructure. A major departure from the past is that an action and development oriented programme has been initiated before the construction of huge buildings. The buildings would follow in due course as and when resources become available. Each Centre would have a corresponding local government tier which would be responsible for planning and implementation of projects. There would also be higher tiers for coordination at district and divisional levels which would ensure proper completion of projects, financial discipline and full co-operation from all concerned government agencies.

21. To meet the needs of trained manpower required for undertaking a programme of this magnitude, training institutes such as the National Centre for Rural Development and the Pakistan Academy for Rural Development would be adequately strengthened. Similarly, the provincial governments have been advised to step up training of personnel in various institutes which already exist in the provinces.

22. The planning units would be responsible for assessing the needs of the area in conultatior with :he people in respect of certain basic essentials like drinling waer, fool, clotking, bare minimum dwellings etc. They would be requred to mmediately arrange the primary edncation facilities. Where buildings are iot avaiable, the existing mosques would be used for this purpose. Similarly, they would ie required to provide basic health and veterinary cover. Farm inputs like mproved seeds chemical fertilizers, agricultural machinery, credit etc., which are iow maaged at district headquarters would be provided in the rural areas withn easy each of the farmer. As far as possible, farmers would be encouraged to handle tie manigement of seed and fertilizer depots either individually or throigh co-operatives. Likewise it would be the effort of the Government to provde farn machinery or hire at convenient and accessible points in the rural area:.

23. To enable the small farmer to get a fair price for his produce and to elimnate exploitation by the middle-man, marketing of farm products would be organised through farmers organizations or co-operative federations.

24. To facilitate the flow of production inpus into the rural areas and farm products to the market, a net-work of rural roads would be constructed under a phased programme compatible with the availability of resources. Rural electrificaton would also be undertaken in accordance with a phased programme.

25. Steis would also be taken to encourage the setting up of small industries, partcularly agro-industries based on local raw materials and available agricultural wase so that more employment opportunities are created in the rural areas. Cotage indstries vould be expanded and the quality of their output improved so that their poducts become more acceptable in the towns and cities and even in the expirt marlets. Tie two programmes of IRDP & PWP will be merged and all effots woud be drected towards the main goal of rural development in social, ecoiomic aid technological fields. . .

17

PLANNING

The history of planning in Pakistan starts with the Colombo Plan launched in 1951 and is marked by medium and short term plans. The 20 years period starting from 1955 was covered with four consecutive medium term Five Year Plans. The planning process during the first three plan periods was generally oriented towards a strategy of growthmanship and did not pay much attention to the problem of growing income inequalities. The experience gained during the period and socio-economic implications of plan's achievements provided the main guiding considerations in formulating the Fourth Five-Year Plan. The Fourth Plan envisaged necessary measures and provided for a framework to broaden the base of development in the country. Due to separation of former East Pakistan, the Fourth Plan could not be implemented. Political and economic reasons necessitated discontinuation of the medium term planning and replacing it by short term planning i.e. annual plan series.

THE COLOMBO PLAN

2. A sixyear National Development Plan was initiated in 1951 (1951—1957) as part of the cooperative effort under Colombo Plan. Within the framework of this plan, a two-year Priority Programme was drawn up. The six-year Plan was flexible in many ways and was modified and expanded in the course of the years to come. During the first five years of the Plan, the actual expenditure amounted to Rs. 3,000 million as compared to the Plan allocation of Rs. 2,600 million.

3. The industrial production recorded a sharp increase during 1950—55. But the agriculture sector, the backbone of the economy, lagged behind, and the production of foodgrains actually decreased. The failure of food production to keep pace with the rising demand was specially serious in view of the fact that the population of the country grew by about 9 per cent during this period.

THE FIRST FIVE-YEAR PLAN (1955—60)

4. The recession which started in 1952, after the Korean boom, created many problems and necessitated a systematically planned approach for solving the economic problems of the country. With the First Five-Year Plan (1955—60), a new era of scientific approach to economic development started. It prepared the ground for rapid growth by building up infrastructure and productive potential of the economy and raised the national income by 11 per cent compared with 15 per cent envisaged in the Plan. The total development expenditure amounted to Rs. 10,590 million against the proposed Plan outlay of Rs. 10,800 million. Of this Rs. 6,930 million were spent in the public sector and Rs. 3,660 million in the private sector compared to the Plan allocation of Rs. 7,500 million and Rs. 3,300 million respectively. Larger allocation for the public sector was aimed at strengthening the infrastructure which was inadequate to meet the requirements of future industrial development.

5. Managerial and entrepreneurial skills of a fair order were developed and the country's ability for implementing development programmes of increasing magnitude was greatly enhanced.

THE SECOND FIVE-YEAR PLAN (1960—65)

6. The Second Plan was more than successful in fulfilling its major objectives. The actual increase in national income over the Plan period was over 30 per cent compared to the target of 24 per cent. The total development expenditure was estimated at Rs. 27,540 million (excluding an expenditure of Rs. 640 million on the Rural Works Programme) against the Plan target of Rs. 23,000 million. Total exports over the five-year period were roughly Rs. 13,230 million, *i.e.* Rs. 1,980 million more than projected in the Plan. The mobilization of domestic resources during the Plan period amounted to Rs. 18,800 million as against the target of Rs. 11,450 million. Thus, the financial target of the Plan had been over-fulfilled, despite a shortfall of Rs. 3,400 million in the expected foreign assistance.

7. The Plan proved the capability of the economy to achieve growth rate of higher than 5 per cent per annum. The investment level rose to 18.8 per cent of the GNP. Out of the additional income generated during the Plan, the rate of savings and re-investment rose to 20 per cent. As a result, the domestic savings increased at a faster rate. Exports increased at the rate of 7 per cent per annum. By the end of June, 1965, the economy was poised for a self-sustained development effort in the future.

THE THIRD FIVE-YEAR PLAN (1965—70)

8. The Third Five-Year Plan ran into difficulties soon after it was launched. The war with India in September, 1965 resulted in diversion of domestic resources from development to defence and suspension of US aid to Pakistan. This was followed by drought in 1965-66 and floods in 1966-67 which affected the agricultural sector adversely. As a result, the total development expenditure declined to Rs. 42,850 million against the Plan target of Rs. 52,000 million, indicating a shortfall of 17 per cent in the total programme. In the public sector, the development expenditure was estimated at Rs. 21,595 million against the Plan target of Rs. 30,000 million, showing a shortfall of 28 per cent. In the private sector, the total expenditure amounted to Rs. 21,255 million against the Plan target of Rs. 22,000 million, showing a slight shortfall. About 53 per

ent of he Plai target of the public sector expenditure was estimated to have leen finmced trough mobilization of domestic resources. The total deficit inancing amouted to Rs. 2,322 million during the Plan period as agains: the lan target of Is. 1,500 million, largely due to shortfall of Rs. 3,200 million in xternal resources.

9. The Gross National Product increased by 5.8 per cent, agricultural roduction by 4.1 per cent and export earnings by 6.5 per cent, compared with espective Plan targets of 6.5 per cent, 5 per cent and 9.5 per cent. A growth ate of only 73 per cent in value added in the manufacturing sector was ealised compard with the Plan target of 10 per cent.

10. As a proportion of GNP, gross investment declined from 18.3 per cent n 196465 to 14.3 per cent in 1969-70.

11. The marginal rate of saving over the plan period was little more than per cent compared with a plan target of 20 per cent.

12. Foreign exchange earnings increased at an annual compound rate of 5.5 per cent compared to the Third Plan target of 9.5 per cent reaching the evel of Rs. 4250 million in 1969-70.

13. In the public sector, the total development expenditure was Rs. 10,203.45 million and in he private sector Rs. 15,800 million in West Pakistan during the Plan period.

THE FOURTH FIVE-YEAR PLAN (1970—75)

14. With the background of achievements attained during the previous three plans, and soco-economic conditions prevailing in the country, the Fourth Five-Year Plan with an ambitious size of Rs. 75,000 million was formulated with the main objectives of maintaining the tempo of development in the country through maximum and efficient utilization of existing resources, reducing inter-regional and intra-regional disparity in *per capita* income, making the economy increasingly self-reliant in most of the essential fields and to directing the forces of economic and social change towards the establishment of a just society.

15. The Fourth-Five Year Plan was prepared within the famework of both East and West Pakistan but after the de-linking of Eastern Part, the Plan could not be implemented and it was considered feasible to resort to Annual Development Programmes (ADPs) and Annual Plans as instruments of economic planning.

16 The main obectives of the annual plans were to : (a) improve living standards ; (b) improve public services, (c) effect better income distribution and employment, (d) bring about rapid progress and economic integration of underdeveloped regions of the country, and (e) achieve self-sufficiency, through import substitution and strengthening of productive sectors.

17 The gowth rate of the economy declined to (—) 0.1 per cent in 1970-71 and remained low at 1.4 per cent during 1971-72 due to the abnormal political events in the country. The growth rate increased in 1972-73 to 7.4 per cent. Inspite of the floods of 1973 and the Middle East War, followed by global stagflation and oil crsis which caused a set-back to the economy, the growth rate during 1973-74 was 6.8 per cent, 2.1 per cent during 1974-75 and 4.9 per cent during 1975-76 and 2.8 per cent in 1976-77 and is estimated at 9.2 per cent in 1977-78.

18. The public sector development expenditure during 1971-72 was Rs. 2,654.84 million which rose by Rs. 1,213.99 million or by 45.8 per cent in 1972-73 to Rs. 3,868.83 million. The expenditure further increased to Rs. 6,416.86 million in 1973-74, Rs. 11,371.67 million in 1974-75 and Rs. 13,143.50 million in 1975-76 and revised allocation of Rs. 17,487 million in 1976-77 and an allocation of Rs. 17,000 million in 1977-78. The public sector development expenditure showed a climb of about 46 per cent in 1972-73, 65 per cent in 1973-74, 77 per cent in 1974-75 and 15 per cent in 1975-76 and 34 per cent in 1976-77 over the expenditure of respective previous years, while in 1977-78 it was estimated to be at the same level of 1976-77.

19. A detailed picture of sector-wise expenditure from 1973-74 onward can be seen from the following table.

Table 17.1

PUBLIC SECTOR DEVELOPMENT EXPENDITURE DURING 1973—78

(million Rs.)

Sectoral Programme	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Provision)
1. Agriculture	687.41	956.10	1,052.19	1,346.72	1,697.34
2. Water	582.64	1,047.06	1,244.01	1,852.26	1,607.48
3. Power	907.03	2,008.36	2,315.62	2,548.17	3,174.41
4. Industry	629.77	1,559.10	1,239.00	3,897.00	3,947.58
5. Fuels	264.70	523.66	678.04	739.82	492.50
6. Minerals	51.78	106.07	73.15	109.25	164.34
7. Transport and Communications ..	1,284.99	2,147.98	2,411.75	3,273.76	3,433.18
8. PHy. PI. & Housing ..	476.23	949.39	1,209.00	1,276.67	1,625.78
9. Education and Training	318.35	534.07	705.74	565.87	692.65
10. Health	175.71	362.77	629.09	539.81	684.34
11. Population Planning ..	102.51	145.00	189.49	202.30	243.00
12. Social Welfare ..	11.20	12.65	15.77	18.27	16.90
13. Manpower and Employment	35.31	53.34	29.63	23.59	19.75
14. People's Works Programme	147.84	154.03	192.52	137.62	148.80
15. Mass Media ..	—	-	83.10	129.87	180.40
SUB— TOTAL..	5,675.50	10,559.58	12,068.10	16,660.98	18,128.45
B. Indus Basin/Tarbela ..	741.36	812.09	915.40	645.56	350.00
C. Earthquake Relief etc. ..	—	—	70.00	90.00	60.00
D. Sports Complex ..	—	—	90.00	90.29	75.00
TOTAL (Gross) ..	6,416.86	11,371.67	13,143.50	17,486.83	18,613.45
Less operational Shortfall..	—	—	—	—	1,613.45
Net (ADP)	6,416.86	11,371.67	13,143.50	17,486.83	17,000.00

Source : Planning Division.

ANNUAL PLAN 1977-78

20. The Annual Plan for 1977-78 projected a growth rate of 9.4 per cent in gross domestic product and the agricultural and manufacturing sectors were expected to gow at a rate of 10.2 per cent and 15.5 per cent respectively.

21. The Plan projected a fixed investment of Rs. 28,500 million compared with estimates of Rs. 27,000 million in 1976-77. Public sector development/ investmentoutlay was estimated at Rs. 21,000 million of which Rs. 17,000 million would be inanced from budgetary resources and Rs. 4,000 million by public secor agencies|corporations from outsidle the budget. Private investment was estmated at Rs. 7,500 million.

22. The public sector outlay of Rs. 17,000 million to be implemented through normal budgetary procedure was to be financed from domestic resources to the extent of Rs. 5,0.6 million or 29.5 per cent (including an uncovered gap of Rs 1,591 million to be met by borrowing from banking system) and the balance of Rs. 11,984 milion or 70.5 per cent from inflow of foreign assistance.

23. The Annual Development Programme for 1977-78 was limited to consolidating and expediting the progress of on-going schemes and implementation of a few new schemes of national importance. This was primarily necessitated because of a severe resource constraint. In formulating the programme the following major considerations were kept in view:

(a) Priority was assigned to on-going projects and other key programmes related to output in the short run.

(b) Resources were to be concentrated on immediately productive programmes to protect production goals. Every effort was to be made to increase efficiency in implementation and utilisation of existing capacity.

(c) Projects of national importance for which foreign assistance had already been committed were to be executed on priority basis.

(d) No new projects were to be undertaken during 1977-78 unless these were inescapable.

(e) Investment in agriculture (particularly on agricultural inputs) was increased.

(f) An effort was made to meet the unavoidable requirements of some basic industries like Karachi Steel Mills etc.

(g) The allocation to social sectors was kept at the level of 1976-77 except for primary education and rural health programmes.

24. A review of the sectoral break-up of Annual Development Programme for 1977-78 reveals, that a major emphasis has been laid on increasing agricultural and industrial production in the short run. The share of agriculture sector was increased from 7.86 per cent in 1976-77 to 9.98 per cent in 1977-78. In the power sector, substantial allocations were made for generation, transmission and distribution as well as village electrification. On the whole the share of power sector was increased from 14.83 per cent to 18.67 per cent. In the industrial field, notwithstanding a large allocation for Karachi Steel Mills project, adequate provision was made for agro-based industries as well as for industries which serve immediate

needs of the common man. The following table gives the sectoral details of Annual Development Programme for 1976-77 and 1977-78.

Table 17.2

SECTORAL ALLOCATION OF ADP DURING 1976-77 AND 1977-78 IN PERCENTAGE

Sectoral Programmes	1976-77	1977-78
Agriculture	7.86	9.98
Water	9.81	9.45
Power	14.83	18.67
Industry	28.10	23.22
Fuels	4.35	2.90
Minerals	0.56	0.76
Transport and Communications	17.49	20.17
Physical Planning and Housing	7.85	9.56
Mass Media	0.66	1.06
Education and Training	3.63	4.07
Health	4.54	4.03
Population Planning	1.43	1.43
Social Welfare	0.14	0.09
Manpower and Employment	0.15	0.12
People's Works Programme	1.34	0.88
Crash Programme	0.06	0.06
Lumpsum Provision for new schemes of Social Waelfare, IRDP and PWP	0.11	—
Indus Basin/Tarbela	3.12	2.06
Earth quake Relief and Reconstruction Programme	0.71	0.35
Sports Complex	0.66	0.44
Less Operational Shortfall	(—) 7.41	(—) 9.32

Source : Planning Division.

25. Though the total investment in private sector during 1976-77 was projected at a higher level compared to that of the preceding year, yet the sectoral investment during the year showed divergent trend. Some sectors particularly transport and communications did considerably better than was realized at the time of formulation of plan for 1976-77. Compared to this investment in the manufacturing sector showed a decline during 1976-77 over the previous year's level ; this was attributable mainly to the increased uncertainty among the business-community.

26. The investment projections for 1977-78 were based on the following considerations :

(a) Agricultural investment will grow to the extent of forseeable demand for tractors, implements and tubewells for which supply arangements have been made.

(b) In the private sector, the large scale industry, where investment considerably declined is to play a more significant role and make a modest recovery, given the evident support in policies.

(c) Transport and Communications sector may not be able to sustain the unusual growth of 1976-77 which was partly because of meeting the backlog of demand from the preceding years.

(d) Housing is a rapidly developing sector and may even develop at a much faster rate than in the past.

27. The projected private investment of Rs. 7,500 million during 1977-78 was proposed to be financed to the extent of Rs. 1,125 million through foreign assistance (15 per cent) and balance through domestic resources (85 per cent). The foreign aid utilization would be primarily in the industrial sector, where a much higher investment was envisaged during 1977-78. About 60 per cent of domestic esources were expected to be generated through savings of the household sector, while the balance of the programme was estimated to be financed by leading through commercial banks and non-bank institutional sources.

28. As the current year advanced, some of the expectations were not realized and new parametres emerged on socio-economic scene. The original growth targets for the year were subsequently lowered. Neverthless, the estimated growth rate in GDP for the year which is expected to be 6.48 per cent is a remarkable achievement. The agriculture and manufacturing sectors are likely to register increases of 4.31 per cent and 4.73 per cent compared to 2.1 per cent and a decline of 1.03 per cent respectively during 1976-77. The detailed progress made in the various sectors of the economy has already been reviewed in the chapter on 'National Income'.

29. The provisional estimates of gross fixed investment for 1977-78 place it at Rs. 28,836.3 million which shows a nominal increase on the projected figures and an increase of 7.5 per cent over the revised estimates of Rs. 26,830.3 million during 1976-77. The break-up of total investment into private and public sector shows a major shift; private investment rose from Rs. 7,787.5 million in 1976-77 to Rs. 9126.7 million in 1977-78, whereas public investment rose only nominally from Rs 19,0428 million to Rs. 19,709.6 million.

THE FIFTH FIVE-YEAR PLAN (1978—83)

30. The Government is currently preparing the Fifth Five-Year Plan. It would aim at the maximization of social welfare by improving efficiency and productivity and focussing on rural development and basic needs.

31. During the Plan period, the public sector would concentrate on agriculture and social and physical infrastructure and speedy completion of on-going industrial projects. The role of private sector in industrial development will be enhanced. The accent on increasing productivity and higher efficiency both in public and private sectors, is expected to result in substantial step-up in export earnings and domestic savings. The detailed targets of the plan are being worked out within this broad strategy.

STATISTICS

TABLE No.		PAGE
	POPULATION	
1.	Population-972 Census	3
2.	Population by Sex, Age, and Urban/Rural Areas	4
3.	Litracy Ratio by Sex, Age and Urban Rural Areas 1972	5
4.	Civilian Labour Force by Rural/Urban Areas	6
	NATIONAL INCOME	
5.	Gross National Product at Constant Factor Cost of 1959-60	9
6.	Gross National Product at Current Factor Cost	12
7.	Expenditureon National Product at Current Prices	14
8.	Gross FixedCapital Formation by Economic Activity at Current Prices ..	15
	AGRICULTURE	
9.	Index of AgiculturalProduction	19
10.	Acreage of Principal Crops	20
11.	Production of Principal Crops	23
12.	Yield per Acre of Principal Crops	26
13.	Production,Imports and Consumption of Fertilizers	29
	MANUFACTURING AND MINING	
14.	Production Index of Large-scale Manufacturing and Mining	33
15.	Production of Selected Manufacturing Industries	34
16.	Production of Minerals	40
	ENERGY SUPPLY	
17.	Energy Supply	45
	MONEY AND BANKING	
18.	Monetary Assets	49
19.	Causative Factors of Changes in Monetary Assets	50
20.	Consolidated Balance Sheet of Scheduled Banks	52
21.	Bank Credit to Private and Public Sector	57
22.	Classification of Scheduled Bank Advances by Economic Groups	58
23.	Classification of Bills Purchased and Discounted by Scheduled Banks by Economic Group	60
24.	Classification of Scheduled Bank Advances by Securities Pledged	62
	PRICES	
25.	Comparative Price Indices	69
26.	Indices of Wholesale Prices	70
27.	Average Wholesale Prices of Selected Commodities	71

TRADE AND PAYMENTS

28. Foreign Trade 77
29. Major Exports 78
30. Major Imports 80
31. Direction of Foreign Trade 81
32. Economic Classification of Imports 93
33. Economic Classification of Exports 95
34. Balance of Payments 96
35. Gold and Foreign Reserves Held and Controlled by SBP 104

FOREIGN ECONOMIC ASSISTANCE

36. Outstanding External Indebtedness of Pakistan as on June 30, 1977 107
37. Terms of Foreign Loans and Credits Contracted by Pakistan 1951-52 to 1954-55 110
38. Terms of Foreign Loans and Credits Contracted by Pakistan During 1st Plan .. 111
39. Terms of Foreign Loans and Credits Contracted by Pakistan During 2nd Plan .. 112
40. Terms of Foreign Loans and Credits Contracted by Pakistan During 3rd Plan .. 114
41. Terms of Foreign Loans and Credits Contracted by Pakistan During 1970-71 to 1974-75 117
42. Terms of Foreign Loans and Credits Contracted by Pakistan During 1975-76 to 1977-78 119
43. Grant Assistance Agreements Signed by Pakistan Since Inception of Foreign Aid till 1977-78 121
44. Total Loans and Credits Contracted by Pakistan Since Inception of Foreign Aid till 1977-78 123

TRANSPORT AND COMMUNICATIONS

45. Gross Earnings of Pakistan Railways 129
46. Movement of Passengers and Freight by Rail 130
47. Development of Railways 131
48. Road Kilometre Statistics 132
49. Cargo Handled at Karachi Port 133
50. Post and Telecommunications 134
51. Number of Licences Issued for Radios 135
52. Number of T.V. Sets 136

PUBLIC FINANCE

53. Receipts and Expenditure of the Federal Government on Revenue Accounts .. 138
54. Capital Receipts of the Federal Government 144
55. Capital Expenditure of the Federal Government 148
56. Revenue Receipts of the Government of Punjab 157
57. Expenditure Met from Revenue of the Government of Punjab 158

58. Capital Rceipts ofthe Government of Punjab 159
59. Capital Dsbursements of the Government of Punjab 160
60. Revenue Receipts of the Government of Sind 162
61. Expenditure Met from Revenue of the Government of Sind 163
62. Capital Rceipt of he Government of Sind 164
63. Capital Dsbursement of the Government of Sind 165
64. Revenue Receipts of the Government of N.W.F.P. 166
65. Expenditre Met From Revenue of the Government of N.W.F.P. 167
66. Capital Receipts of the Government of N.W.F.P. 168
67. Capital Disbursements of the Government of N.W.F.P. 169
68. Revenue Receipts of the Government of Baluchistan 171
69. Expenditre Met from Revenue of the Government of Baluchistan 172
70. Capital Receipts of the Government of Baluchistan 173
71. Capital Disbursements of the Government of Baluchistan 174
72. Number of Educatonal Institutions in Pakistan by Kind, Level and Sex—1947-48 to 1977-3 177
73. Enrolmet in Educational Institutions by Kind, Level and Sex, 1947-48 to 1977-78. 178

POPULATION

TABLE 1

POPULATION—1972 CENSUS

	Total	Urban	Rural	Area	Density 1972	Density 1961
	(in thousands)			Sq. mile	(Persons Per Sq mile)	
Pakistan	65,309	16,593	48,716	307,374	212	140
N.W.F.P. .. —	8,339	1,196	7,193	28,773	296	199
Punjab* .. —	37,845	9,259	28,586	79,634	475	321
Sind . .. —	14,156	5,727	8,430	54,407	260	157
Baluchistan . —	2,428	399	2,029	134,050	18	10
Federally Administered Tribal Areas . —	2,491	13	2,478	10,510	237	175

* Induding Isamabad

Source :– Population Census of Pakistan 1972

TABLE 2

POPULATION BY SEX, AGE AND URBAN/RURAL AREAS

(In thousand)

	Total			Urban			Rural		
	Both Sexes	Male	Female	Both Sexes	Male	Female	Both Sexes	Male	Female
Total all ages.	65,309	34,833	30,476	16,593	9,027	7,566	48,716	25,806	22,910
Below one year	1,671	917	754	386	210	176	1,285	707	578
1— 4 years	8,239	4,053	4,186	2,011	1,014	997	6,228	3,039	3,189
5— 9 „	10,680	5,608	5,072	2,534	1,320	1,214	8,146	4,288	3,858
10—14 „	8,173	4,565	3,608	2,157	1,172	985	6,106	3,393	2,723
15—19 „	5,545	3,021	2,524	1,603	862	741	3,942	2,159	1,783
20—24 „	4,736	2,430	2,305	1,396	748	648	3,340	1,682	1,658
25—29 „	4,845	2,540	2,305	1,317	723	594	3,528	1,817	1,711
30—34 „	4,149	2,146	2,003	1,088	596	492	3,061	1,550	1,511
35—39 „	3,456	1,851	1,605	925	519	406	2,531	1,332	1,199
40—41 „	3,208	1,717	1,491	827	479	348	2,381	1,238	1,143
45—49 „	2,410	1,326	1,084	603	359	244	1,807	967	840
50—54 „	2,422	1,375	1,047	574	344	230	1,848	1,031	817
55—59 „	1,227	664	563	275	158	117	952	506	446
60—64 „	1,859	1,087	772	394	233	161	1,465	854	611
65—69 „	738	415	323	147	86	61	591	329	262
70—74 „	941	545	396	180	106	74	761	439	322
75 years and above.	1,010	573	437	176	98	78	834	475	359

Source : Population Census of Pakistan 1972

TABLE 3

LITERACY RATIO BY SEX, AGE AND URBAN/RURAL AREAS, 1972

(Percentages)

Age group/sex		All areas	Urban areas	Rural areas
10 years and above	Total	21.7	41.5	14.3
	Male	30.2	49.9	22.6
	Female	11.6	30.9	4.7
10– 14 years	Total	24.8	44.9	17.1
	Male	31.4	49.3	24.8
	Female	16.4	39.6	7.1
15– 19 years	Total	32.2	54.6	22.5
	Male	42.0	61.5	33.9
	Female	20.3	46.6	8.7
20– 24 years	Total	28.4	50.1	18.8
	Male	40.3	60.1	31.1
	Female	15.7	38.6	6.2
25– 34 years	Total	22.7	42.2	15.1
	Male	33.6	53.3	25.4
	Female	10.7	28.8	4.2
35– 44 years	Total	18.0	36.3	11.1
	Male	26.7	46.6	18.5
	Female	7.9	22.5	2.9
45– 54 years	Total	14.7	31.7	9.0
	Male	21.9	41.7	14.5
	Female	5.6	16.8	2.2
55 years and above	Total	10.5	23.4	7.1
	Male	15.8	32.4	11.3
	Female	3.5	10.9	1.5

Source : Population Census of Pakistan 1972

TABLE 4

CIVILIAN LABOUR FORCE BY RURAL/URBAN AREAS

Age group/Sex		Civilian Labour Force as per cent of total population			Employed Labour Force as per cent of total civilian labour force		
		Pakistan	Rural	Urban	Pakistan	Rural	Urban
10 years and above.	Both Sexes..	46.6	48.2	42.7	86.9	88.5	82.3
	Male ..	77.6	60.4	70.6	90.7	92.0	86.9
	Female ...	9.1	9.3	8.7	48.0	51.8	37.4
10—14 years	Both Sexes..	26.6	29.8	18.8	64.4	70.9	39.5
	Male ...	39.5	44.8	26.1	72.6	78.0	49.0
	Female ...	10.4	10.4	10.2	24.8	30.9	10.8
15—19 years	Both Sexes..	41.1	46.3	32.6	82.0	75.4	71.0
	Male ...	67.7	74.1	52.7	86.0	88.9	76.6
	Female ...	8.7	9.0	8.0	40.2	45.9	26.2
20—24 years	Both Sexes..	51.9	52.9	49.6	82.2	83.9	78.0
	Male ...	87.4	90.4	81.1	86.0	87.5	82.2
	Female ..	10.8	10.8	11.0	46.2	49.7	38.5
25—29 years	Both Sexes..	53.1	53.1	53.0	90.8	91.4	89.0
	Male ...	94.6	95.0	93.8	93.2	93.7	91.7
	Female ...	8.6	8.9	8.0	62.2	65.3	53.3
30—34 years	Both Sexes...	54.2	54.1	54.3	92.0	92.4	90.8
	Male ...	96.3	96.4	96.0	94.5	94.0	93.6
	Female ...	8.8	9.2	7.4	62.1	64.4	52.8
35—39 years	Both Sexes..	53.8	53.6	54.2	93.5	93.8	92.6
	Male ...	97.0	97.1	96.7	95.9	92.2	95.0
	Female ...	8.2	8.7	6.8	64.0	66.3	56.7
40— 44 years	Both Sexes...	56.3	56.3	56.4	93.8	94.2	92.6
	Male ...	96.7	97.0	96.1	96.1	96.6	94.6
	Female ..	8.6	9.2	7.0	63.1	64.3	58.7
45— 49 years	Both Sexes...	54.5	53.8	56.2	94.9	95.4	93.7
	Male ...	96.3	96.8	95.2	97.0	97.8	95.5
	Female ...	7.7	8.0	6.7	64.8	66.5	59.4
50— 54 years	Both Sexes...	58.5	58.9	58.6	93.4	94.2	90.7
	Male ...	95.3	95.4	91.2	96.0	96.7	93.6
	Female ...	9.4	9.4	9.6	58.5	60.0	53.5
55— 59 years	Both Sexes...	49.3	49.4	49.0	93.8	94.5	91.6
	Male ...	90.9	92.8	85.3	96.7	97.5	94.2
	Female ...	7.4	7.3	6.8	57.0	57.5	55.5
60— 64 years	Both Sexes...	55.3	57.3	48.2	92.5	93.5	88.0
	Male ...	85.6	88.5	75.3	95.3	99.7	91.0
	Female ...	8.6	8.4	9.2	50.7	50.6	50.6
65— 69 years	Both Sexes...	47.1	49.5	39.9	93.9	94.6	88.0
	Male ...	78.3	82.7	64.2	96.4	97.6	92.6
	Female ...	7.4	7.1	8.5	50.8	51.3	49.3
70— 74 years	Both Sexes...	46.2	49.0	37.9	89.0	90.4	82.6
	Male ...	68.9	72.9	54.3	92.6	93.7	87.3
	Female ...	8.3	8.0	9.2	39.1	39.5	37.9
75 years and above.	Both Sexes...	37.7	38.6	35.1	79.3	80.7	74.7
	Male ...	54.3	55.8	49.7	85.7	86.8	81.3
	Female ...	10.6	10.2	12.4	27.0	25.8	30.2

Source : Housing, Economic and Demographic Survey 1973

NATIONAL INCOME

TABLE 5

GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST OF 1959-60

(Million Rupees)

SECTORS	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
1. **Agriculture**	**6595**	**6768**	**6155**	**6166**	**7005**	**6948**	**7093**	**7254**	**7393**	**7689**
Major Crops	3428	3524	2894	2807	3539	3461	3524	3650	3694	393
Minor Crops	822	844	803	846	993	859	882	852	884	891
Livestock	2270	2326	2383	2440	2497	2553	2610	2667	2724	2780
Fishing	44	44	49	39	43	43	51	51	52	56
Forestry	31	30	26	34	33	32	26	34	39	31
2. Mining & Quarrying	27	37	41	42	45	45	50	55	59	64
3. **Manufacturing**	**961**	**1042**	**1123**	**1235**	**1396**	**1569**	**1727**	**1821**	**1889**	**1968**
Large Scale	277	342	406	502	646	802	942	1018	1068	1128
Small Scale	684	700	717	733	750	767	785	803	821	840
4. Construction	179	187	247	262	283	289	323	337	386	459
5. Electricity & Gas Distribution Services.	27	29	31	30	35	37	43	57	63	66
6. Transport, Storage and Communication	617	654	667	721	764	823	845	878	890	1064
7. Wholesale and Retail Trade ..	1477	1567	1575	1585	1685	1777	1818	1876	1939	1988
8. Banking & Insurance	55	60	66	71	77	79	96	118	116	131
9. Ownership of Dwellings	632	649	670	686	704	725	745	769	792	815
10. Public Administration & Defence ..	873	895	1039	993	**969**	1014	**1030**	1003	981	1077
11. Services	955	993	1033	1074	1117	1162	1208	1256	1307	1359
12. **Gross Domestic Product**	**12398**	**12881**	**12647**	**12865**	**14080**	**14468**	**14978**	**15424**	**15815**	**16680**
13. Net Factor Income from/to Rest of the World	(—)18	(—)18	(—)11	(—)13	(—)27	(—)4	(—)20	(—)17	(—)4	(—)10
14. **Gross National Product**	**12380**	**12863**	**12636**	**12852**	**14053**	**14464**	**14958**	**15407**	**15811**	**16670**
15. Population (in million)	35.31	36.18	37.07	37.98	38.91	39.87	40.86	41.87	42.90	43.95
16. Per Capita Gross Income (in rupees) ..	351	356	341	338	361	363	366	368	369	379

NOTE :– The above series has been prepared in Economic Adviser's Wing of Finance Division in consultation with the Statistics Division.

(Contd.)

TABLE 5
GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST OF 1959-60

(Million Rupees)

SECTORS	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
1. **Agriculture**	**7711**	**7695**	**8171**	**8597**	**8813**	**9276**	**9318**	**9829**	**10982**	**11478**
Major Crops	3882	3840	4209	4595	4509	4888	4821	5137	6078	6408
Minor Crops	893	**869**	918	**891**	1129	1130	1172	1284	1406	1516
Livestock	2837	2887	2940	**2996**	3048	3121	3178	3242	3307	3373
Fishing	**71**	67	70	77	85	91	97	114	135	121
Forestry	28	32	34	38	42	46	50	52	56	60
2. Mining & Quarrying	70	81	86	96	113	122	133	133	137	141
3. **Manufacturing**	**2018**	**2278**	**2581**	**2870**	**3196**	**3514**	**3816**	**4032**	**4289**	**4659**
Large Scale	**1159**	1394	1671	1934	2233	2523	2796	2982	3209	3548
Small Scale	**859**	884	**910**	936	963	991	1020	1050	1080	1111
4. Construction	**427**	612	**596**	700	897	**1029**	1079	1039	1037	**1317**
5. Electricity & Gas Distribution Services.	87	99	99	**122**	**142**	172	197	207	224	251
6. Transport, Storage and Communication	952	**1059**	1031	**1142**	**1176**	1588	1688	1761	1856	1965
7. Wholesale & Retail Trade	2105	2251	2427	2665	2935	3166	3440	3621	3754	4020
8. Banking and Insurance	**160**	176	191	**213**	232	320	355	400	447	485
9. Ownership of Dwellings	837	858	888	**916**	943	976	1006	1039	1067	1099
10. Public Administration and Defence ..	1048	1062	1103	**1134**	1244	1465	2293	1962	1912	2008
11. Services	**1411**	1478	1537	**1601**	1665	1732	1801	1878	1954	2031
12. **Gross Domestic Product**	**16826**	**17649**	**18710**	**20056**	**21356**	**23360**	**25126**	**25901**	**27659**	**29454**
13. Net Factor Income from/to Rest of the World	(—)23	(—)25	(—)27	(—)48	(—)34	(—)61	(—)47	(—)48	(—)23	(—)29
14. **Gross National Product**	**16803**	**17624**	**18683**	**20008**	**21322**	**23299**	**25079**	**25853**	**27636**	**29425**
Population (in million)	45.03	46.20	47.53	**48.90**	50.31	51.76	53.26	54.79	56.37	58.00
16. Per Capita Gross Income (in rupees)	373	381	393	**409**	424	450	471	472	490	507

(Contd.)

TABLE 5

GROSS NATIONAL PRODUCT AT CONSTANT FACTOR COST OF 1959-60

(Million Rupees)

SECTORS	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Provisional)
1. Agriculture	**12574**	**12188**	**12611**	**12821**	**13357**	**13074**	**13659**	**13951**	**14552**
Major Crops	7553	7045	7336	7473	7844	7455	7833	7944	8377
Minor Crops	1363	1418	1507	1478	1585	1679	1839	1920	2004
Livestock	3440	3509	3579	3651	3724	3799	3875	3953	4032
Fishing	170	155	125	128	115	82	86	89	94
Forestry	48	61	64	91	89	59	26	45	45
2. Mining & Quarrying	157	156	159	161	180	181	175	215	211
3. **Manufacturing**	**5186**	**5268**	**5026**	**5514**	**5871**	**5834**	**5851**	**5791**	**6065**
Large Scale	4042	4090	3813	4265	4585	4509	4486	4385	4617
Small Scale	1144	1178	1213	1249	1286	1325	1365	1406	1448
4. Construction	1357	1390	1163	1346	1490	1754	2094	**2076**	2252
5. Electricity & Gas Distribution Services	639	741	780	903	1068	949	985	1234	1258
6. Transport, Storage and Communication ..	2026	1979	2024	2363	2465	2574	2602	2011	2926
7. Wohlesale and Retail Trade	4457	4453	4414	4692	5377	5527	5605	5575	5936
8. Banking and Insurance	579	635	640	826	879	1006	1039	1124	1182
9. Ownerstup of Dwellings	1112	1149	1188	1231	1275	1321	1369	1418	1469
10. Public Administration & Defence	2080	2133	2278	2599	2749	3065	3162	3190	3489
11. Services	2169	2276	2391	2516	2653	2803	2964	2877	3319
12. Gross Domestic Product	**32336**	**32368**	**32674**	**34972**	**37364**	**38088**	**39505**	**40062**	**42659**
13. Net Factor Income from/to Rest of the World ..	(+)2	(—)72	(+)71	(±)181	(±)184	(+)258	(+)711	(+)1295	(+)2486
14. Gross National Product	**32338**	**32296**	**32745**	**35153**	**37548**	**38346**	**40216**	**41357**	**45145**
15. Population (in million)	59.70	61.49	63.34	65.24	67.20	69.21	71.29	73.43	75.63
16. Per Capita Gross Income (in rupees)	542	525	517	539	559	554	564	563	597

Source : Statistics Division

NOTE :—These series may not be comparable with the similar series published earlier because of the following reasons :

(*i*) Since some sectoral adjustments, where applicable, have been made on the basis of latest population estimates of Planning Division giving growth rate of 2.9% for the period 1961-62 to 1969-70 (in place of previous growth rate of 2.6%) and 3.0% for the period 1970-71 to 1976-77 (in place of previous growth rate of 2.7%) therefore, minor differences may appear in the figures from those published earlier.

(*ii*) The income originating in PIA, Banking and Insurance, Federal Government and Net Factor Income from/to Rest of the World for which the data was available combined for former East and West Pakistan have now been allocated to the present Pakistan on the basis of the ratios worked out and used in 1970-71 right from 1959-60.

(*iii*) As per decision of National Accounts Committee in its twelfth meeting, the estimates have been revised from 1969-70 onwards by excluding the value added in Pakistan Broadcasting and Pakistan Television Corporations from Public Administration and Defence sector as their contributions have been transferred to Transport, Storage and Communication Sector.

(*iv*) The estimate prior to 1973-74 do not include expenditure on food and clothing of Defence personnel.

(*v*) The estimate of net factor income from abroad for years 1975-76, 1976-77 and 1977-78 include remittances in both cash and kind.

TABLE 6
GROSS NATIONAL PRODUCT AT CURRENT FACTOR COST

(Million Rupees)

Sectors	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
1. Agriculture	**7,711**	**8,184**	**8,216**	**8,565**	9,499	**10,438**	**10,572**	**12,460**	**13,994**	**14,038**
Major Crops	3,882	4,111	4,079	4,361	4,955	5,720	5,669	6,604	7,329	7,466
Minor Crops	893	900	911	864	1,150	1,346	1,448	1,943	2,159	1,709
Livestock	2,837	3,064	3,110	3,203	3,238	3,199	3,254	3,688	4,256	4,615
Fishing	71	79	83	98	116	127	138	151	159	148
Forestry	28	30	33	39	40	46	63	74	91	100
2. Mining and Quarrying ..	70	83	89	102	119	140	152	158	165	181
3. **Manufacturing**	**2,018**	**2,278**	**2,617**	**3,025**	**3,409**	**3,766**	**4,301**	**4,719**	**5,219**	**6,046**
Large Scale	1,159	1,383	1,688	2,043	2,390	2,704	3,151	3,490	3,905	4,604
Small Scale	859	895	929	982	1,019	1,062	1,150	1,229	1,314	1,442
4. Construction	427	607	602	739	960	1,103	1,216	1,216	1,262	1,709
5. Electricity and Gas Distribution Services	87	102	105	127	157	200	229	269	291	309
6. Transport, Storage and Communication	952	1,098	1,115	1,200	1,285	1,850	2,009	2,325	2,524	2,705
7. Wholesale and Retail Trade ..	2,105	2,320	2,505	2,706	3,159	3,690	4,100	4,786	5,116	5,538
8. Banking and Insurance	160	186	206	226	257	348	398	490	557	625
9. Ownership of Dwellings ..	837	875	924	953	1,000	1,083	1,187	1,340	1,403	1,516
10. Public Administration and Defence.	1,048	1,111	1,160	1,206	1,344	1,658	2,687	2,464	2,483	2,645
11. Services	1,411	1,505	1,600	1,640	1,756	1,926	2,118	2,395	2,528	2,673
12. **Gross Domestic Product** ..	**16,826**	**18,349**	**19,139**	**20,489**	**22,945**	**26,202**	**28,969**	**32,622**	**35,542**	**37,985**
13. Net Factor Income from/ to Rest of the World	(—)23	(—)26	(—)27	(—)49	(—)35	(—)55	(—)50	(—)48	(—)23	(—)30
14. **Gross National Product** ..	**16,803**	**18,323**	**19,112**	**20,440**	**22,910**	**26,147**	**28,919**	**32,574**	**35,519**	**37,955**
15. Population (in million) ..	45.03	46.20	47.53	48.90	50.31	51.76	53.26	54.79	56.37	58.00
16. Per Capita Gross Income (in rupees).	373	397	402	418	455	505	543	595	630	654

(Contd.)

TABLE 2

GROSS NATIONAL PRODUCT AT CURRENT FACTOR COST

(Million Rupees)

Sectors	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Provisional)
1. Agriculture	**15,964**	**16,236**	**17,934**	**21,907**	**28,084**	**33,533**	**38338**	**43512**	**49422**
Major Crops	9,103	8,832	10,067	12,346	15,331	18,268	20572	22484	27064
Minor Crops	1,999	2,244	2,408	2,833	3,777	5,003	6030	6963	7856
Livestock	4,547	4,794	5,053	6,169	8,247	9,629	11130	13261	13518
Fihing	233	261	295	379	476	383	447	512	680
Forestry	82	105	111	180	253	250	159	292	304
2. Mining and Quarrying	229	243	268	386	560	793	968	1250	1232
3. Manufacturing	**6,963**	**7,499**	**7,615**	**9,415**	**12,271**	**16,618**	**18831**	**20574**	**22735**
Large -Scale	5,427	5,822	5,777	7,282	9,583	12,844	14438	15579	17307
Small-Scale	1,536	1,677	1,838	2,133	2,688	3,774	4393	4995	5428
4. Construction	1,822	1,979	1,763	2,298	3,114	4,996	6739	7376	8442
5. Electricity and Gas Distribution Services	661	782	823	955	1,217	1,264	1713	2061	2504
6. Transport, Storage and Communication	2,943	3,011	3,248	4,275	5,585	7,402	8329	9119	10983
7. Wholesale and Retail Trade	6,475	6,781	7,085	8,490	12,183	15,893	17940	19472	22277
8. Banking and Insurance	771	882	968	1,408	1,801	2,612	3021	3571	4060
9. Ownership of Dwellings	1,614	1,752	1,913	2,237	2,868	3,766	4353	4930	5484
10. Public Administration and Defence	2,769	2,963	3,445	4,430	5,750	8,113	9322	10271	12091
11. Services	3,134	3,475	3,894	4,636	6,363	8,514	10085	10702	13342
12. Gross Domestic Product	**43,345**	**45,603**	**48,956**	**60,437**	**79,796**	**103,504**	**119642**	**132838**	**152572**
13. Net Factor Income from/to rest of the World	(+)3	(—)82	(+)99	(+)463	(+)617	(+)1147	(+)2992	(+)5480	(+)11190
14. Gross National Product	**43,348**	**45,521**	**49,055**	**60,900**	**80,413**	**104,651**	**122634**	**138316**	**163762**
15. Population (in million)	59.70	61.49	63.34	65.24	67.20	69.21	71.29	73.43	75.63
16. Per Capita Gross Income (in rupees)	726	740	774	933	1,197	1,512	1720	1884	2165

Source :Statistics Division,

NOTE :—These series may not be comparable with the similar series published earlier because of the following reasons :—

(*i*) Since some sectroal adjustments, where applicable, have been made on the basis of latest population estimates of Planning Division , giving growth rate of 2.9% for the period 1961-62 to 1969-70 (in place of previous growth rate of 2.6%) and 3.0% for the period 1970-71 to 1976-77 (in place of previous growth rate of 2.7%) therefore, minor differences may appear in the figures from those published earlier.

(*ii*) The income originating in PIA, Banking and Insurance, Federal Government and Net Factor Income from/to Rest of the World for which the data was available combined for former East and West Pakistan have now been allocated to the present Pakistan on the basis of the ratios worked out and used in 1970-71 right from 1959—60

(*iii*) As per decision of National Accounts Committee in its twelfth meeting, the estimates have been revised from 1969-70 onward by excluding the value added in Pakistan Broadcasting and Pakistan Television Corporations from Public Administration and Defence sector as their contributions have been transferred to Transport, Storage and Communication Sector.

(*iv*) The estimates prior to 1973-74 do not include expenditure on food and clothing of defence personnel.

(*v*) The estimates of net factor income from abroad for the years 1975-76, 1976-77 and 1977-78 includes remittances both in cash and kind.

TABLE 7
EXPENDITURE ON NATIONAL PRODUCT AT CURRENT PRICES

(Million Rupees)

Flows	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (R)	1977-78 (P)
Private Consumption Expenditure	36,667	38,627	40,508	49,781	69,297	90,984	102,047	113,702	136,833
General Government Current Consumption Expenditure	4,846	5,270	6,478	7,724	8,539	11,950	14,306	15,591	16,806
Gross Domestic Fixed Capital Formation	6,835	7,045	6,813	7,647	10,614	16,218	22,770	26,830	28836
Change in stocks	706	847	850	1,000	1,000	2,000	—	1,000	1000
Exports of Goods and Services	3,637	3,922	3,923	9,961	11,960	12,994	13881	13,994	15590
Imports of Goods and Services	(—)4,942	(—)5,323	(—)4,727	(—)9,598	(—)15,202	(—)23,016	(—)22734	(—)25042	(—)30281
Expenditure on Gross Domestic Product at Market Prices	47,749	50,388	53,845	66,515	86,208	111,130	130,270	146,075	168,784
Net Factor Income from/to rest of the World ..	(+)3	(—)82	(+)99	(+)463	(+)617	(+)1,147	(+)2,992	(+)5,480	(+)11190
Expenditure on Gross National Product at Market Prices	47,752	50,306	53,944	66,978	86,825	112,277	133,262	151,555	179,974
Indirect Taxes	(—)4,636	(—)4,978	(—)5,117	(—)6,600	(—)9,486	(—)11,560	(—)13,642	(—)15,342	(—)19,249
Subsidies	(+)232	(+)193	(+)228	(+)522	(+)3,074	(+)3,934	(+)3,014	(+)2,105	(+)3,037
Gross National Product at Factor cost	43,348	45,521	49,055	60,900	80,413	104,651	122,634	138,318	163762

Sources : Planning Division.
Statistics Division.

R=Revised.

P=Provisional.

TABLE 8

GROSS FIXED CAPITAL FORMATION BY ECONOMIC ACTIVITY AT CURRENT PRICES

(Million Rupees)

SECTORS	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (R)	1977-78 (P)
1	2	3	4	5	6	7	8	9	10
PRIVATE	**3,493.3**	**3,531.4**	**3,545.9**	**3,726.3**	3840.0	5207.8	6,482.9	7787.5	9126.7
Agriculture	476.1	463.4	535.2	612.1	737.9	845.7	1,348.5	1618.6	2,045.9
Mining and Quarrying	17.5	18.8	18.0	19.0	22.7	30.2	33.2	36.5	40.1
Manufacturing Large Scale	1,208.2	1,224.0	1,016.3	763.1a	697.3a	990.4 a	1,309.0a	1.161.9a	1,188.9
Manufacturing Small Scale	187.7	201.7	219.1	255.9	325.5	446.5	509.5	585.3	642.3
Construction	61.0	4.4	28.1	23.7	26.7	62.3	49.9	67.4	147.4
Electricity & Gas	108.3	107.7	71.3	111.8	0.9 c	1.0 c	1.5 c	1.6 c	2.0
Transport and Communication	514.7	518.3	606.9	968.0	999.6	1,016.4	1,070.7	1,524.7	1762.6
Banking, Insurance and other Financial Institutions	51.5	52.0	33.2	34.5	9.8b	5.6 b	7.2 b	13.8 b	13.4
Ownership of Dwellings	502.3	555.6	603.9	493.8	300.3	1,136.4	1341.2	1,709.0	2,055.1
Services	366.0	385.5	413.9	444.4	519.3	673.3	813.2	1,020.9	1229.0
PUBLIC	**3,340.7**	**3,514.0**	**3,267.4**	**3,920.2**	**6,773.9**	11010.1	16286.5	19042.8	**19,709.6**
Government Enterprises	**314.8**	**353.8**	**262.9**	**355.3**	**397.5**	915.9	911.9	1098.6	1,380.7
Railway	219.2	233.1	114.2	106.9	111.7	602.0	645.0	620.0	935.7
Post Office, Telegraph and Telephone Department	95.6	120.7	147.8	248.4	285.8	313.9	266.0	478.6	445.0

(Contd.)

TABLE 8

GROSS FIXED CAPITAL FORMATION BY ECONOMIC ACTIVITY AT CURRENT PRICES

1	2	3	4	5	6	7	8	9	10
Autonomous and Semi Autonomous Organizations	**1,962.4**	**2,218.0**	**2,088.4**	**1,979.9**	**3,692.6**	6,311.0	10,467.4	11,684.6	12676.7
Indus Basin	1,024.8	983.3	981.2	719.4	728.6	1,043.2	1,477.2	581.3	641.8
Rural Works Programme	99.2	40.3	39.1	139.6	140.4	142.2	160.7	91.3	82.9
Banking, Insurance and other Financial Institutions	8.0	5.3	10.3	13.5	59.4	81.1	110.4	118.3	122.3
Mining & Quarrying	8.3	7.4	10.5	33.0	14.6	59.6	37.4	290.4	381.0
Large Scale Manufacturing	177.1	68.7	96.9	109.9	375.4	1,056.6	3,159.5	4,544.1	5437.7
Small Scale Manufacturing	2.1	(—)0.5	1.6	0.7	6.9	8.3	22.1	26.2	26.23
Electricity & Gas	155.8	575.1	410.1	383.2	704.5	2,419.1	3,184.7	2,506.4	2,330.5
Others	487.1	536.4	539.7	580.6	1,662.8	1,500.9	2,315.4	3,536.6	3,654.5
General Government	**1,063.5**	**942.2**	917.0	**1,585.0**	**2,683.8**	3,783.2	4,907.2	6,259.6	5652.0
Federal	352.0	299.5	352.3	571.5	1,021.7	1,417.7	1,816.3	2,676.1	2460·0
Provincial	559.9	487.3	373.4	812.7	1,407.5	1,952.0	2,632.6	3,010.9	2736.7
Local	151.6	155.4	191.3	200.8	254.6	413.5	458.3	572.6	455.5

Source : Statistics Division.

a. Excludes Rs. 25.8 million for the year 1972-73, Rs. 35.4 million for 1973-74 and Rs. 78.6 million for 1974-75 and Rs. 100.7 million for 1975-76 as Investment in BIM Industries but includes investment in nationalized Ghee establishments, upto 1972-73 only.

b. Excludes Rs. 55.1 million for 1973-74 and Rs. 58.3 million for 1974-75 and Rs. 91.9 million for 1975-76 and Rs. 100.1 million for 1976-77 as Investment in nationalized banks.

c. Includes only private share of investment of electricity companies divided on the basis of paid up share capital. Except KESC which is shown under public Sector. The investment in gas companies is also shown under public sector.
The estimates for the years 1976-77 and 1977-78 are provisinal and subject to revision in the light of final figures to be received later on.

P = Provisional.
R = Revised

N. B.—The estimates of Statistics Division will not tally with the estimates of Planning Division due to some conceptual differences. Whereas in the former case physical investments are taken, the latter includes the financial investments. In the estimates of the Planning Division, beside other expenditures, are also included cost of land, advance payments for imports of equipment and the funds remaining un-utilized.

AGRICULTURE

TABLE 9

INDEX OF AGRICULTURAL PRODUCTION*

(1959-60=100)

Year (July—June	All crops	Food crops	Fibre crops	Other crops
1948-49	89	—	—	—
1949-50	86	—	—	—
1950-51	90	—	—	—
1954-55	90	..	—	—
1955-56	86	—	—	—
1959-60	100	100	100	100
1960-61	100	98	103	103
1961-62	109	105	111	122
1962-63	119	108	128	151
1963-64	118	108	144	124
1964-65	128	120	130	162
1965-66	127	107	142	181
1966-67	135	114	156	189
1967-68	157	150	171	170
1968-69	168	160	181	184
1969-70	186	177	185	214
1970-71	174	164	188	195
1971-72	183	170	245	169
1972-73	188	181	243	163
1973-74	196	190	228	188
1974-75	187	183	220	171
1975-76	199	207	176	193
1976-77 (r)	203	212	149	224
1977-78 (P	214	217	195	223

Source : Statistics Division

(r) Reised.

(P) Provisional.

* *Veightingsystem* : Weighted average prices of the base year are used as a weight for the quantum indices.

Nethod of calculatin : The index numbers are computed by Laspeye's Formula *i.e.* $\frac{MQ\ 1\ Po}{MQ\ o\ Po}$ where Q1 s the quntity of current year and Qo and Pc are the average quantity and weighted average pice of the base year, respectivelv.

TABLE 10

ACREAGE OF PRINCIPAL CROPS

(Thousand acres)

Crops	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	11,587	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	1,120	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	1,065	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	22,506
Sugarcane ...	468	487	542	465	469	626	722	752	708	788	982	1,057
Rape Seed & Mustard	1,059	1,118	907	1,140	1,365	1,054	1,076	1,275	1,423	1,362	1,347	1,365
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	74	90	89
Total Cash Crops.	4,678	4,283	4,283	4,730	5,268	5,204	4,796	5,330	5,744	5,840	6,073	5,843
Total Principal Crops	22,945	24,773	24,539	25,699	24,249	23,893	25,956	26,103	27,598	28,152	27,460	28,349

Crops	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
Wheat	12,055	11,463	12,165	12,410	12,402	13,140	12,738	13,205	14,785	15,221
Rice	4,274	4,218	3,881	3,588	3,178	3,250	3,442	3,493	3,508	3,842
Bajra	1,990	1,844	2,055	2,104	1,831	2,250	2,075	2,069	2,258	1,819
Jowar	1,127	1,175	1,267	1,209	1,154	1,446	1,467	1,380	1,444	1,170
Maize	1,192	1,185	1,169	1,133	1,236	1,202	1,339	1,368	1,502	1,523
Barley	536	462	461	485	436	458	382	400	429	385
Total Food-grains	19,874	19,047	20,118	20,264	20,237	21,846	21,444	21,905	23,926	23,960
Gram	2,821	2,732	2,951	3,013	2,751	2,991	2,643	3,074	2,769	2,368
Total Food-Crops ...	22,695	21,779	23,069	23,277	22,988	24,837	24,087	24,979	26,695	26,328
Sugarcane	980	959	1,098	1,312	1,180	1,243	1,476	1,605	1,245	1,336
Rape Seed & Mustard	1,387	1,233	1,114	1,222	1,173	1,207	1,091	1,136	1,340	1,093
Sesamum	76	78	108	74	66	83	70	75	79	68
Cotton	3,318	3,195	3,449	3,395	3,634	3,624	3,858	4,003	4,411	4,313
Tobacco	95	96	112	114	109	121	144	177	174	160
Total Cash Crops ...	5,856	5,561	5,881	6,117	6,162	6,278	6,639	6,996	7,249	6,970
Total Principal Crops ...	28,551	27,340	28,950	29,394	29,150	31,115	30,726	31,975	33,944	33,298

(contd)

TABLE 10

ACREAGE OF PRINCIPAL CROPS

(Thousand acres)

Crops	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (P)
Wheat	15,393	14,771	14,325	14,754	15,105	14,363	15,100	15,790	15,692
Rice	4,008	3,715	3,559	3,656	3,736	3,964	4,225	4,323	4,485
Bajra	1,560	1,853	1,876	1,512	1,812	1,346	1,542	1,601	1,601
Jowar	1,212	1,378	1,253	1,236	1,456	1,100	1,176	1,104	1,105
Maize	1,600	1,581	1,563	1,594	1,563	1,516	1,532	1,542	1,624
Barley	389	348	388	406	506	479	459	431	425
Total Food-grains	24,162	23,646	23,004	23,158	24,178	22,768	24,034	24,791	24,932
Gram	2,293	2,259	2,383	2,514	2,738	2,462	2,640	2,705	2,750
Total Food-Crops	26,455	25,905	25,387	25,672	26,916	25,230	26,674	27,496	27,682
Sugarcane	1,532	1,572	1,365	1,318	1,595	1,663	1,729	1,947	1,986
Rape Seed & Mustard	1,184	1,260	1,389	1,319	1,324	1,115	1,162	1,321	1,305
Sesamum	56	76	103	73	81	56	70	75	N.A
Cotton	4,338	4,283	4,837	4,967	4,559	5,019	4,576	4,608	4,490
Tobacco	149	150	125	108	115	134	116	124	N.A.
Total Cash Crops	7,259	7,341	7,819	7,785	7,674	7,987	7,653	8,075	—
Total Principal Crops	33,714	33,246	33,206	33,457	34,590	33,217	34,327	35,571	—

(*P*) Provisional.
N.A.—Not Available.

Source : Ministry of Food, Agriculture, and Cooperatives.

TABLE 11

PRODUCTION OF PRINCIPAL CROPS

(Thousand tons)

Crops	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57
Wheat	3,301	3,974	3,862	3,930	2,962	2,367	3,587	3,136	3,317	3,581
Rice	682	736	792	851	719	819	906	825	828	831
Bajra	296	340	370	386	265	267	461	349	340	363
Jowar	202	243	267	244	205	220	228	221	249	255
Maize	353	373	401	381	377	346	402	426	450	462
Barley	111	175	146	129	99	92	127	104	126	114
Total—Foodgrains	4,945	5,841	5,838	5,921	4,627	4,111	5,711	5,061	5,310	5,606
Gram	465	754	599	744	422	316	562	594	688	681
Total—Food Crops	5,410	6,595	6,437	6,665	5,049	4,427	6,273	5,655	5,998	6,287
Sugarcane	5,442	6,837	7,725	5,419	5,314	7,151	8,815	8,696	8,070	8,806
Rape Seed & Mustard	172	185	142	196	197	125	163	216	218	222
Sesamum	9	6	6	8	7	6	6	6	6	6
Cotton	194 (1,106)	169 (964)	217 (1,239)	246 (1,406)	245 (1,397)	312 (1,784)	250 (1,425)	277 (1,583)	294 (1,678)	300 (1,711)
Tobacco	14 (31.7)	18 (40.3)	25 (56.4)	29 (66.0)	35 (78.3)	25 (57.0)	37 (84.0)	73 (163.5)	48 (107.6)	45 (101.7)
Total—Cash Crops	5,831	7,215	8,115	5,898	5,798	7,619	9,271	9,268	8,636	9,397
Total—Principal Crops	11,241	13,810	14,552	12,563	10,847	12,046	15,544	14,923	14,634	15,666

(Contd.)

15 6600.000

TABLE 11

PRODUCTION OF PRINCIPAL CROPS

(Thousand tons)

Crops	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
Wheat	3,508	3,845	3,847	3,754	3,963	4,104	4,096	4,518	3,854	4,266
Rice	862	976	979	1,014	1,109	1,078	1,173	1,329	1,296	1,343
Bajra	274	309	324	301	364	415	356	439	364	365
Jowar	183	212	229	217	244	247	234	288	270	273
Maize ... . —...	440	481	478	432	480	481	518	520	531	578
Barley	125	127	137	118	114	111	109	116	82	87
Total—Foodgrains ...	5,392	5,950	5,994	5,836	6,274	6,436	6,486	7,210	6,397	6,912
Gram	653	568	598	600	613	667	600	661	531	625
Total—Food Crops ..	6,045	6,518	6,592	6,436	6,887	7,103	7,086	7,871	6,928	7,537
Sugarcane	11,116	12,292	10,494	11,457	14,130	18,148	15,885	18,373	21,957	21,635
Rape Seed & Mustard	229	262	235	211	202	253	208	211	179	200
Sesamum	6	6	8	7	11	8	8	9	7	7
Cotton	299 (1,708)	278 (1,587)	287 (1,639)	296 (1,691)	319 (1,823)	361 (2,060)	412 (2,354)	372 (2,124)	408 (2,331)	456 (2,605)
Tobacco	55 (122.7)	57 (128.4)	60 (133.4)	59 (132.4)	69 (154.8)	70 (156.8)	74 (166.2)	81 (182.1)	108 (242.6)	137 (308.3)
Total—Cash Crops ...	11,705	12,895	11,084	12,030	14,731	18,840	16,587	19,046	22,659	22,436
Total—Principal Crops ...	17,750	19,413	17,676	18,466	21,618	25,943	23,673	26,917	29,587	29,973

TABLE 11

PRODUCTION OF PRINCIPAL CROPS

(Thousand tons)

Crops	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (P)
Wheat	6,317	6,513	7,179	6,374	6,782	7,324	7,508	7,552	8,554	8,800	8,800
Rice	1,475	2,000	2,363	2,165	2,226	2,293	2,416	2,277	2,576	2,694	2,858
Bajra	407	325	297	349	354	299	346	261	305	306	306
Jowar	286	258	279	324	307	297	372	261	276	257	257
Maize	779	616	657	706	694	695	755	735	790	752	818
Barley	106	95	102	90	101	107	137	135	128	123	112
Total—Food grains ..	9,370	9,807	10,877	10,008	10,464	11,015	11,534	11,221	12,627	12,932	13,151
Gram	473	520	498	486	502	544	601	442	592	639	646
Total—Food Crops ..	9,843	10,327	11,375	10,494	10,966	11,559	12,135	11,763	13,219	13,571	13,797
Sugarcane	18,365	21,624	25,953	22,801	19,648	19,632	23,533	20,906	25,143	29,037	23,972
Rapeseed & Mustard ..	270	225	251	265	296	282	288	244	263	292	308
Sesamum	9	8	8	10	13	10	12	8	11	12	N.A
Cotton	510 (2,911)	520 (2,967)	527 (3,015)	534 (3,050)	697 (3,979)	691 (3,947)	649 (3,704)	625 (3,567)	505 (2,890)	423 (2,446)	560 (3,260)
Tobacco	128 (286.3)	123 (275.5)	120 (256.5)	111 (249.1)	86 (191.6)	62 (138.5)	65 (144.9)	75 (169.1)	60 (134.4)	73 (163.5)	N.A. —
Total—Cash Crops ..	19,282	22,500	26,854	23,721	20,740	20,677	24,547	21,858	25,982	29,837	—
Total—Principal Crops ..	29,125	32,827	38,229	34,215	31,706	32,236	36,682	33,621	39,201	43,428	—

Note :—Figures in brackets indicate '000' bales for cotton and million pounds for tobacco.
(P) Provisional.
N.A.=Not Available.

Source : Ministry of Food, Agriculture and Cooperatives

TABLE 12

YIELD PER ACRE OF PRINCIPAL CROPS

(In Maunds)

Crops	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	9.4	8.1	8.1	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	9.0
Bajra	4.0	4.6	4.3	4.4	3.6	3.3	4.9	4.5	4.2	4.3	4.0	4.2	4.4
Jowar	5.2	5.6	5.3	5.3	5.0	4.6	4.1	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	7.0	7.0	6.9
Gram	5.8	7.3	6.8	7.3	5.4	4.2	6.0	5.3	5.8	5.9	5.9	5.1	5.8
Sugarcane	316.5	382.1	388.0	317.2	308.4	310.3	332.3	314.8	310.3	304.3	308.1	316.5	291.5
Rape seed & Mustard	4.4	4.5	4.3	4.7	3.9	3.2	4.1	4.6	4.0	4.4	4.6	4.9	4.6
Sesamum	3.8	3.8	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	2.2	2.2	2.0	2.5	2.4	2.4	2.3	2.3	2.3	2.3	2.3
Tobacco	12.8	13.2	16.7	15.7	17.6	16.5	16.7	18.4	16.8	16.7	16.6	17.5	17.1

TABLE 12

YIELD PER ACRE OF PRINCIPAL CROPS

(In Maunds)

Crops	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
Wheat	8.9	8.8	9.0	9.0	9.4	8.2	8.8	11.6	11.6
Rice	9.5	10.1	10.0	10.0	10.8	10.2	10.5	11.4	14.2
Bajra	4.4	4.8	5.4	5.3	5.3	4.8	4.8	4.9	4.9
Jowar	5.0	5.3	5.6	5.5	5.4	5.0	5.4	5.4	6.0
Maize	9.9	11.1	11.5	11.4	11.8	10.8	11.5	14.1	11.0
Barley	7.0	6.7	6.2	6.8	6.9	5.8	5.9	6.7	6.9
Gram	6.0	5.7	6.0	5.9	6.0	5.5	5.5	4.7	6.0
Sugarcane	325.2	350.3	376.5	366.4	402.3	404.9	366.9	401.5	440.6
Rape Seed & Mustard ..	4.7	4.9	5.6	4.8	4.8	4.5	4.8	5.5	5.6
Sesamum	2.4	2.8	2.9	3.3	3.0	2.7	2.5	3.1	3.2
Cotton	2.5	2.5	2.9	3.1	2.8	2.9	3.1	3.1	3.3
Tobacco	16.8	16.8	16.7	18.5	18.3	20.5	21.1	20.0	20.9

(Contd.)

TABLE 12

YIELD PER ACRE OF PRINCIPAL CROPS

(In Maunds)

Crops	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (P)
Wheat	12.7	11.7	12.9	13.5	13.5	14.3	15.4	15.1	15.3
Rice	16.1	15.9	16.8	17.1	17.6	15.6	16.6	17.0	17.3
Bajra	5.1	5.1	5.1	5.4	5.2	5.3	5.3	5.2	5.2
Jowar	6.3	6.4	6.7	6.5	7.0	6.5	6.4	6.3	6.3
Maize	11.1	12.2	12.1	11.9	13.1	13.2	14.0	13.3	13.7
Berley	7.1	7.0	7.1	7.2	7.4	7.7	7.6	7.7	7.2
Gram	5.2	5.9	5.7	5.9	6.0	6.0	6.1	6.4	6.4
Sugarcane	461.1	394.9	391.8	405.4	401.6	342.2	395.8	406.2	397.1
Rape Seed & Mustard ..	5.8	5.7	5.8	5.8	5.9	6.0	6.2	6.2	6.4
Sesamum	3.7	3.7	3.5	3.5	4.1	3.9	4.1	4.4	N.A.
Cotton	3.3	3.4	3.9	3.8	3.9	3.4	3.0	2.5	3.4
Tobacco	20.9	20.2	18.6	15.5	15.3	15.3	14.1	16.0	N,A.

(P) Provisional.
N.A. Not Available.

Ministry of Food, Agriculture and Cooperatives

TABLE 13

PRODUCTION, IMPORTS AND CONSUMPTION OF FERTILIZERS

(000 N/Tons)

Years	PRODUCTION				IMPORTS				CONSUMPTION			
	N	P	K	Total	N	P	K	Total	N	P	K	Total
1962-63	39.95	1.07	—	41.02	3.11	—	—	3.11	40.00	0.20	—	
1963-64	43.82	1.18	—	45.00	5.12	—	—	5.12	68.00	0.70	—	68.70
1964-65	46.61	1.44	—	48.05	3.20	—	—	3.20	85.00	2.20	—	87.20
1965-66	46.02	1.41	—	47.43	36.05	—	—	36.05	69.24	1.25	—	70.49
1966-67	50.75	0.71	—	51.46	106.40	16.40	0.60	123.40	107.78	3.91	0.14	111.83
1967-68	49.66	2.84	—	52.50	103.72	49.81	—	153.53	177.44	12.78	0.21	190.43
1968-69	78.60	2.54	—	81.14	118.12	32.57	5.70	156.41	203.52	38.64	2.48	244.64
1969-70	129.27	4.15	—	133.42	292.19	11.45	—	303.64	272.56	33.80	1.34	307.71
1970-71	140.13	4.51	—	144.64	107.81	38.55	5.00	151.36	251.52	30.46	1.22	283.20
1971-72	215.14	4.86	—	220.00	73.02			73.02	343.97	37.23	0.74	381.94
1972-73	274.52	8.22	—	282.74	115.59	72.11	—	187.70	386.39	48.73	1.38	436.50
1973-74	300.07	4.19	—	304.26	224.94	104.30	6.31	335.55	341.93	58.08	2.67	402.68
1974-75	320.60	6.30	—	326.90	105.53	21.88	5.96	133.37	362.83	60.57	2.09	425.49
1975-76	314.90	11.80	—	326.70	72.28	103.91	6.60	182.79	443.41	108.60	1.82	553.83
1976-77	312.11	11.89	—	324.00	132.81	139.16	2.49	274.46	510.63	118.21	2.46	631.30
1977-78 July to March	241.80	9.80	—	251.60	106.32	47.55	5.00	158.87	435.46	105.63	5.13	546.22

N. Nitrogenous.
P. Phosphatic.
K. Potassic.

Source : Ministry of Food Agriculture, and Cooperatives
Ministry of Industries.

MANUFACTURING AND MINING

TABLE 14

PRODUCTION INDEX OF LARGE-SCALE MANUFACTURING AND MINING

(BASE : 1964-65=100)

	Manufacturing	Mining
1964-65	100.0	100.0
1965-66	110.8	100.5
1966-67	118.2	106.0
1967-68	127.2	101.6
1968-69	140.6	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

*Discontinued after 1973—74

REVISED PRODUCTION INDEX OF LARGE-SCALE MANUFACTURING AND MINING

(BASE 1969-70=100)

	Manufacturing	Mining
1969-70	100.0	100.0
1970-71	106.2	100.4
1971-72	105.7	97.3
1972-73	115.4	101.4
1973-74	122.4	106.7
1974-75	120.5	112.0
1975-76	119.8	108.8
1976-77	117.1	128.0 (P)
1977-78(estimated)	123.3	127.1

(P) Provisional.

Source : Statistics Division

Note :—The indices have been computed by using the production data of 76 major industrial item covering 76.9% of the total value added.

TABLE 15

PRODUCTION OF SELECTED MANUFACTURING INDUSTRIES

Items	Unit	1948-49*	1949-50*	1950-51*	1951-52*	1952-53*	1953-54*	1954-55*	1955-56*	1956-57*	1957-58*
Food Manufactures :											
(*i*) Sugar	000 tonnes	13	17	22	31	49	48	48	61	82	128
(*ii*) Vegetable Ghee ..	000 tonnes	3	4	6	8	11	13	13	17	18	21
(*iii*) Sea Salt	000 tonnes	144	184	221	172	184	238	274	262	255	179
Cigarettes	Million Nos.	241(d)	1488	2716	3170	3996	4372	4434	4907	5861	6694
Textile Manufactures :											
(*i*) Cotton Yarn	Million K.G.	8.4	12.1	16.5	22.4	46.1	77.9	114.3	123.6	128.1	138.4
(*ii*) Cotton Cloth	Million Sq. Mts.	37.5	46.3	58.6	88.0	160.9	236.0	325.6	366.5	393.3	427.3
(*iii*) Art Silk & Rayon Cloth	Million Mts.	—	—	—	—	—	—	N.A.	11.8(a)	13.0(a)	11.0(a)
(*iv*) Jute textiles	000 tonnes	—	—	—	—	—	—	—	—	—	—
Motor tyres	000 Nos.	—	—	—	—	—	—	—	—	—	—
Motor Tubes	000 Nos.	—	—	—	—	—	—	—	—	—	—
Cycle tyres Cycle tubes }	000 Nos.	13	112	620	784	1357	1862	2009	2186	2617	2636
Safety matches	Million boxes (40—60 sticks)	62.8	60.5	48.2	2.7	N.A.	75.5	609.6	428.4	575.3	299.2
Cement	000 tonnes	383	395	478	501	547	632	637	732	1037	1032
Fertilizers :											
(*i*) Urea	000 tonnes	—	—	—	—	—	—	—	—	—	—
(*ii*) Superphosphate	000 tonnes	—	—	—	—	—	—	—	—	—	1.4
(*iii*) Ammonium Nitrate	000 tonnes	—	—	—	—	—	—	—	—	—	—
(*iv*) Ammonium Sulphate	000 tonnes	—	—	—	—	—	—	—	—	—	—

Chemicals														
(*i*) Soda Ash ...	...	...	000 tonnes	—	—	—	—	—	27.2	28.9	25.3	25.8	26.9
(*ii*) Sulphuric Acid	...	...	000 tonnes	—	—	—	—	—	—	—	1.0	3.9	6.2
(*iii*) Caustic Soda	...	...	000 tonnes	—	—	—	—	—	—	—	0.9	3.1	3.9
Bicycles]	...	...	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A,	N.A.	N.A.
Sewing machines	...	...	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Electric Fans :													
(*i*) Pedestal	...	...	000 Nos.	N.A.	M.A.	N.A.	N.A	N.A.	N.A.	N.A.	N.A,	N.A.	NA.
(*ii*) Ceiling	...	...	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(*iii*) Table	...	...	000 Nos.	N.A.	N.A	N.A.	N.A	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Electric bulbs	...	...	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	NA.
Paints & Varnishes	...	...	000 litres	—	—	—	—	—	—	—	—	—	—
M.S. Products	...	...	000 tonnes	—	—	—	—	—	—	—	—	—	—
Board :													
(*i*) Paper Board	...	...	000 tonnes	—	—	—	—	—	—	—	—	4.0	6.1
(*ii*) Chip Board	...	...	000 tonnes	—	—	—	—	—	—	—	—	—	—
(*iii*) Straw Board	...	...	000 tonnes	—	—	—	—	—	—	—	—	2.8	3.7
Paper :													
(*i*) Printing Paper	...	...	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(*ii*) Writing Paper	...	...	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(*iii*) Packing and other paper	...	...	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*Data relate to calendar year. Figures coming under 1948-49 mean figures for 1949 calendar year and so on.

(d) Data relate to 9 months (April to December).

(a) Data relate to financial year (April—March).

TABLE 15

PRODUCTION OF SELECTED MANUFACTURING INDUSTRIES

Item	Unit	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68
Food Manufactures :											
(*i*) Sugar	000 tonnes	124	84	56	124	203	157	159	377	322	252
(*ii*) Vegetable Ghee	000 tonnes	22	29	37	51	68	85	92	102	87	94
(*iii*) Sea Salt	000 tonnes	161	209	227	233	200	196	222	196	213	214
Cigarettes	Million Nos.	6938	8172	9505	10501	10833	12785	14303	16869	18968	20024
Textile Manufactures :											
(*i*) Cotton Yarn	Million K.G.	148.8	160.4	163.4	166.7	174.4	198.6	206.0	194.0	207.0	224.6
(*ii*) Cotton Cloth	Million Sq. Mts.	451.0	455.0	513.1	534.4	561.6	579.6	597.6	544.6	571.6	597.7
(*iii*) Art Silk & Rayon Cloth	Million Mts.	9.2(a)	13.0	13.7	13.6	16.9	32.2	29.4	32.2	40.7	65.0
(*iv*) Jute textiles	000 tonnes	—	—	—	—	—	—	1.7	3.5	3.3	6.6
Motor tyres	000 Nos.	—	—	—	—	—	—	59	60	59	84
Motor tubes	000 Nos.	—	—	—	—	—	—	67	65	68	96
Cycle tyres	000 Nos.	2531	3079	3454	4127	1624	1795	2335	1939	2808	2574
Cycle Tubes						3300!	3361!	4559!	2990!	4241!	3300!
Safety matches	Million boxes (40—60 sticks)	129.0	78.3	70.0	63.8	96.7	147.0	168.5	205.5	125.4	164.6
Cement	000 tonnes	1036	982	1073	1238	1370	1408	1655	1633	1965	2163
Fertilizers :											
(*i*) Urea	000 tonnes	—	—	—	0.7	28.5	40.3	44.7	41.7	47.6	43.7
(*ii*) Superphosphate	000 tonnes	2.0	0.9	9.0	8.0	6.2	6.7	8.1	8.0	4.0	16.1
(*iii*) Ammonium Nitrate	000 tonnes	—	—	—	9.5	65.3	61.3	76.1	74.8	79.5	76.9
(*iv*) Ammonium Sulphate	000 tonnes	36.1	42.8	47.2	52.6	52.5	49.9	35.4	39.0	42.9	46.8

!Cycle tubes only.

Chemicals											
(*i*) Soda Ash ..	000 tonnes	27.3	27.0	26.4	25.8	32.6	29.4	34.3	32.0	31.9	58.2
(*ii*) Sulphuric Acid	000 tonnes	9.6	12.2	15.6	16.4	15.5	18.5	19.3	22.1	20.3	25.2
(*iii*) Caustic Soda	000 tonnes	3.7	4.4	4.2	3.7	3.5	5.4	8.9	8.1	14.4	19.6
Bicycles	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	97.7	102.6	137.6	155.
Sewing machines	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	47.9	34.9	39.2	57.2
Electric Fans											
(*i*) Pedestal	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	15.6	16.7	19.8
(*ii*) Ceiling	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	135.8	149.7	143.3
(*iii*) Table	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	35.0	42.5	47.1
Electric bulbs	000 Nos.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	6.8	6.9	7.8	9.6
Paints & Varnishes	000 litres	—	—	2369	2289	2696	3987	5151	5296	5109	6043
M.S. Products	000 tonnes	—	—	—	N.A.	N.A.	N.A.	230.0	186.7	196.7	178.9
Board											
(*i*) Paper Board	000 tonnes	7.3	7.9	10.3	10.7	10.5	13.1	15.9	14.7	16.9	17.1
(*ii*) Chip Board	000 tonnes	0.5	1.5	2.1	2.1	2.3	2.3	3.2	4.6	4.6	3.7
(*iii*) Straw Board	000 tonnes	4.6	4.5	3.6	5.8	5.0	5.1	5.7	4.9	5.0	4.2
Paper											
(*i*) Printing Paper	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(*ii*) Writing Paper	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(*iii*) Packing and other paper ..	000 tonnes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(Contd.)

TABLE 15

PRODUCTION OF SELECTED MANUFACTURING INDUSTRIES

Item	Unit	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (July—March) (P)
Food Manufactures											
(*i*) Sugar	000 tonnes	408	610	519	375	429	608	502	630	736	708 (F)
(*ii*) Vegetable Ghee	000 tonnes	99	126	136	162	187	225	272	277	322	281
(*iii*) Sea Salt	000 tonnes	324	252	219	240	161	111	139	151	138	151
Cigarettes	Million Nos.	20636	22369	24166	21772	27623	27477	26804	27454	28379	23527
Textile Manufactures											
(*i*) Cotton Yarn	Million K.G.	238.8	273.2	303.8	335.7	376.1	379.5	351.2	349.7	282.6	215.2
(*ii*) Cotton Cloth	Million Sq. Mts.	593.9	606.5	658.3	628.2	588.6	592.2	555.9	520.3	408.3	289.7
(*iii*) Art Silk & Rayon Cloth	Million Mts.	80.0	71.9	61.5	9.2	5.3	8.7	8.1	9.9	17.5	13.3
(*iv*) Jute textiles	000 tonnes	9.6	33.1	37.6	30.2	34.5	36.5	45.4	42.0	33.9	24.8 (F)
Motor tyres	000 Nos.	12	109	115	100	168	249	240	166	148	132
Motor tubes	000 Nos.	28	115	126	85	162	177	214	143	137	114
Cycle tyres	000 Nos.	2920	3171	2745	2037	2542	3252	3033	3180	3461	2518
Cycle tubes	000 Nos.	3704	3556	3798	2453	3283	3862	4161	4219	4131	3290
Safety matches	Million boxes (40– 60 sticks)	351.4	176.0	170.2	241.1	338.6	368.3	466.8	589.6	769.0	846.9
Cement	000 tonnes	2551	2656	2702	2605	2876	3145	3320	3196	3090	2364 (F)
Fer											
(*i*) Urea	000 tonnes	106.5	206.3	204.8	394.7	533.1	575.5	599.5	605.3	593.6	455.8(F)
(*ii*) Superphosphate	000 tonnes	14.4	23.3	25.4	27.5	45.7	22.6	31.7	58.6	66.1	48.9(F)
(*iii*) Ammonium Nitrate	000 tonnes	73.3	83.7	85.0	76.0	65.6	63.5	58.8	70.8	64.5	40.9(F)
(*iv*) Ammonium Sulphate	000 tonnes	42.6	58.3	59.6	66.8	58.2	90.4	95.1	98.3	100.0	70.2(F)

Chemicals												
(*i*) Soda Ash	..	..	000 tonnes	67.8	67.8	78.0	76.8	74.2	81.7	77.1	78.6	55.3	49.9
(*ii*) Sulphuric Acid	..	..	000 tonnes	24.0	31.5	33.6	35.0	42.5	34.0	37.0	46.2	45.2	37.8
(*iii*) Caustic Soda	..	..	000 tonnes	22.0	28.4	31.2	34.3	35.4	37.5	36.8	38.3	23.6	22.0
Bicycles	..	..	000 Nos.	169.8	161.3	159.7	122.8	211.7	178.5	210.4	217.8	211.5	172.0
Sewing machines	..	..	000 Nos.	80.5	88.3	84.6	58.2	66.4	75.5	55.5	64.0	58.4	45.5
Electric Fans												
(*i*) Pedestal	..	..	000 Nos.	19.2	19.1	28.4	28.2	34.1	32.4	37.6	30.9	30.7	19.3
(*ii*) Ceiling	..	..	000 Nos.	112.4	109.9	146.2	137.3	152.7	144.8	140.7	107.2	126.0	84.9
(*iii*) Table	..	..	000 Nos.	34.7	32.9	41.1	35.6	36.2	13.7	14.9	10.1	8.1	4.8
Electric bulbs	..	..	000 Nos.	9.0	10.7	10.5	7.9	10.7	10.9	15.0	17.4	14.9	11.3
Paints & Varnishes	..	..	000 litres	6523	6771	7360	5983	5665	6147	6184	7128	7193	4926
M.S. Products	..	..	000 tonnes	227.7	180.0	196.1	165.5	183.9	218.1	224.0	230.7	269.6	202.5
Board												
(*i*) Paper Board	..	..	000 tonnes	22.9	25.6	25.1	20.2	20.2	21.5	13.9	9.7	9.9	7.9
(*ii*) Chip Board	..	..	000 tonnes	7.3	10.8	14.9	14.1	17.7	14.4	13.2	11.4	11.6	7.9
(*iii*) Straw Board	..	..	000 tonnes	4.6	1.5	—	—	—	—	0.1	—	—	—
Paper												
(*i*) Printing Paper	..	..	000 tonnes	N.A.	N.A.	5.8	9.0	6.3	4.8	4.0	2.4	3.2	2.5
(*ii*) Writing Paper	..	..	000 tonnes	N.A.	N.A.	7.7	10.3	16.9	16.6	15.4	16.1	15.7	11.8
(*iii*) Packing and other paper	..	..	000 tonnes	N.A.	N.A.	2.7	5.7	4.0	3.7	3.7	2.7	4.1	1.0

(P)—Provisional
(F)—Final

Source :Statistics Division.

(*Concld.*)

TABLE

PRODUCTION OF

Item	Unit	1948-49 **	1959-60	1964-65	1965-66	1966-67	1967-68
Antimony ..	Tonnes	—	—	269	52	929	770
Aragonite/Marble (a)	000 tonnes	—	3	9	11	10	10
Celestite	Tonnes	—	—	470	243	532	488
Chromite	000 Tonnes	17(e)	15	15	20	39	23
Coal	000 Tonnes	245	735	1257	1205	1344	1219
Dolomite	Tonnes	—	—	492	85	556	8700
Fire Clay	000 Tonnes	6(e)	16	17	19	20	19
Fullers Earth ..	000 Tonnes	—	—	9	10	18	14
Gypsum	000 tonnes	15(e)	92	186	117	124	61
Lime Stone ..	000 Tonnes	318	942	2026	1854	2205	1593
Magnesite ..	Tonnes	—	—	632	666	786	1251
Rock Salt ..	000 tonnes	209	172	251	294	235	277
Silica Sand ..	000 tonnes	16(e)	28	28	25	79	87
Ochres	Tonnes	—	—	—	—	—	—
Sulphur	Tonnes	—	—	—	—	—	—
Soap Stone ..	Tonnes	—	2122	3408	2003	2916	2114
Barytes	Tonnes	—	—	11403	8936	6328	8746
Crude Oil (*i*) ..	Million Barrels	0.42	2.05	3.45	3.40	3.20	3.20
Natural Gas (*i*) ..	(000 Million Cu. Metre)	—	0.62	1.78	1.92	2.07	2.17

— Nil or insignificant.

(P) Provisional.

(a) From 1962-63 onward figures of Aragonite include those of ordinary marble.

(e) Estimated.

(**) Data relate to calendar year. Figures given under 1948-49 are for 1949 Calendar year.

6

MINERALS

968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (P)	1977-78 (July—March) (F)
150	176	184	323	77	33	199	131	93	79
17	18	23	15	31	22	36	35	35	22
589	51[illegible]	486	258	115	196	994	957	270	228
26	2[illegible]	27	34	18	13	9	12	8	7
1395	126[illegible]	1124	1255	1204	1129	1313	1106	1113	783
5139	—	1449	302	28	376	667	360	2700	1201
19	2	28	22	19	17	25	41	39	34
7		14	13	16	18	15	20	12	12
238	20	67	22	132	282	599	300	287	201
2208	291	2197	2628	2846	3258	3943	3249	3288	2662
1325	52	648	103	2504	3217	2087	2664	1245	1137
371	31[illegible]	350	358	354	375	404	427	335	309
158	4	35	44	27	67	33	43	58	43
—	—	2750	5332	3780	9694	12511	11939	11136	11733
—	—	—	2347	2885	1657	1661	1552	1167	848
2978	293	4418	4225	6239	8662	4786	10311	7596	6048
11362	137	2200	1809	1961	1849	6252	8254	15609	12772
3.42	3.0	3.00	2.90	2.80	2.43	1.96	2.03	3.58	2.70
2.57	3.9	3.34	3.37	3.87	4.71	5.00	4.98	5.56	4.33

Source : Statistics Division.
(*i*) Ministry of Petroleum & Natural Resources

ENERGY SUPPLY

TABLE 17
ENERGY SUPPLY

Year	Crude Oil Domestic '000' tons	Oil Imports '000' tons		Coal '000' tons	Natural Gas '000 million cft.	Hydel Power million kwh	Nuclear Power million kwh
		Crude	POL				
1949-50	—	108	—	707	437	—	50	—
1950-51	—	110	—	904	505	—	59	—
1951-52	—	187	—	847	600	—	102	—
1952-53	—	258	—	826	584	—	185	—
1953-54	—	278	—	894	554	—	242	—
1954-55	—	295	—	1,082	529	2	307	—
1955-56	—	303	—	1,040	645	8	418	—
1956-57	—	315	—	1,186	515	12	439	—
1957-58	—	323	—	1,260	596	15	450	—
1958-59	—	332	—	1,174	733	17	511	—
1959-60	—	281	—	1,322	817	20	507	—
1960-61	—	326	—	1,397	901	25	645	—
1961-62	—	368	328	1,314	979	29	945	—
1962-63	—	429	1,510	347	1,223	33	1,176	—
1963-64	—	452	2,090	228	1,237	42	1,366	—
1964-65	—	460	2,395	121	1,212	51	1,362	—
1965-66	—	474	2,664	162	1,271	61	1,425	—
1966-67	—	449	2,606	165	1,318	67	1,530	—
1967-68	—	461	2,961	192	1,253	71	2,482	—
1968-69	—	498	3,145	48	1,245	89	2,792	—
1969-70	—	501	3,053	258	1,211	104	2,915	—
1970-71	—	452	3,077	385	1,314	108	3,449	1
1971-72	—	430	3,009	412	1,272	114	3,679	104
1972-73	—	437	2,996	499	1,125	133	4,335	304
1973-74	—	408	3,202	745	1,193	154	4,141	459
1974-75	—	349	2,797	1,078	1,275	166	4,359	605
1975-76	—	359	2,846	882	1,038	165	5,427	610
1976-77	—	535	2,949	988	1,181	175	5,184	421
1977-78 (1)	—	385*	3,510	1,035	1,171	153*	7,274	297

Source : Ministry of Petroleum and Natural Resources. Energy Resources Cell

(E) Estimate.

Notes—1 Figures for oil domestic, gas and hydel are on calender year basis upto 1958-59 ; 1955-56 stands for 1956.

2 Figures for oil imports are on calendar year basis upto 1970-71 ; 1961-62 stands for 1962.

3 POL inports mean energy products only.

4 Coal production is on calendar year basis upto 1972-73.

5 7 barrels — One long ton.

* Figures for July—March 1977-78

MONEY AND BANKING

TABLE 18

MONETARY ASSETS

(Million Rupees)

Month/year (last Friday) —	Currency in circulation	Scheduled Banks' Demand Liabilities (a)	Scheduled Banks' Time Liabilities (a)	Other Deposits with S.B.P.,** (b)	Deposits of Non-scheduled and Co-operative Banks with SBP	Post Office savings Bank Deposits	Monetary Assets
	1	2	3	4	5	6	7
June .. 1965	5037.3	3655.1	3227.7	53.8	9.6	586.3	12569.8
December 1965	5611.1	3924.5	3497.9	78.4	—	573.5	13635.4
June .. 1966	5935.4	3949.4	4038.6	81.2	14.8	590.1	14609.5
December 1966	6202.1	4646.3	4655.6	133.2	19.0	610.7	16256.9
June .. 1967	5681.7	4689.6	5140.0	122.0	38.8	612.9	16235.0
December 1967	5929.6	4596.7	5422.0	146.4	95.2	605.9	16795.8
June .. 1968	5885.4	4899.2	5933.0	67.7	83.3	613.7	17482.3
December 1968	6505.2	5158.7	6373.8	81.6	87.1	617.9	18824.3
June .. 1969	6783.4	5254.2	6200.7	210.4	108.8	634.0	19191.5
December 1969	7098.2	6052.6	6471.9	224.4	99.4	646.8	20593.3
June .. 1970	7095.0	6032.1	7114.8	198.5	100.0	694.0	21234.4
December 1970	8065.1	6642.2	7283.5	187.4	105.9	775.0	23059.1
June .. 1971£	8156.7	6759.2	6788.4	208.7	179.5	883.0	22975.5
December 1971£	7517.1	8479.0	7682.5	356.6	206.8	974.1	25216.5
June .. 1972£	5342.9	9455.8	7866.9	537.5	230.2	1084.7	24518.0
December 1972£	6642.7	10554.9	8459.8	247.9	269.0	1164.9	27339.2
June .. 1973£	7455.7	11426.5	9673.5	274.2	311.6	1374.3	30515.8
December 1973£	8799.0	11794.4	10252.9	258.7	193.2	1384.5	32682.7
June .. 1974£	9465.5	12750.4	9938.9	275.2	130.7	1479.2	34039.9
July 5th 1974£	9773.0	10973.8	8556.8	341.9	4.1	1479.2	31128.8
December 1974£	10733.7	11916.8	9566.8	340.9	3.8	1417.7	33979.7
June .. 1975£	10442.9	13403.6	11314.3	520.3	3.8	1431.0	37115.9
December 1975£	11881.1	14588.7	12954.7	519.9	3.3	1404.6	41352.3
June .. 1976£	12773.1	16452.8	15053.9	488.2	3.3	1364.7	46136.0
December 1976	13852.9	21681.9	17485.9	561.0	0.9	1317.2	54899.8
March .. 1977	15288.7	20119.3	17117.7	539.8	1.3	1292.4	54359.2
Last Thursday							
June .. 1977	15603.5	21310.3	18001.2	587.0	2.0	1364.0	56868.0
December 1977	17349.0	23836.7	20396.3	327.2	1.2	1361.1	63271.5P
March .. 1978	18583.3	23244.6	20878.9	320.3	1.9	1361.1	64390.1P

Source : State Bank of Pakistan

(*a*) Excluding inter-bank items.

(*b*) Excludig I. M. F. A/c No. 1, Counterpart Funds, US Disbursing Officer's and other loan accounts.

(P) Provisioal. ** Data revised from December, 1972 onward

Beginning with the fiscal year 1974-75, the assets and liabilities of the State Bank of Pakstan and the scheduled banks, pertaining to their branches in the former East Pakstan were excluded from the specific items and the net position of asseis or liatlities wai added to the 'Other Assets' or 'Other Liabilities' of the institution concerned.

£ Adjustd for denonetizaiion operations and unrecovered currency notes which areno longerlegal tender.

TABLE 19

CAUSATIVE FACTORS OF CHANGES IN MONETARY ASSETS

(Million Rupees)

Causative Factors	1964-65	1965-66	1966-67	1967-68	Dec. 1968	1968-69	Dec. 1969	1969-70	Dec. 1970	1970-71	Dec. 1971	1971-72
Changes in Monetary Assets.. ..	+1580.0	+2039.7	+1675.5	+1197.3	+1342.0	+1709.2	+1401.8	+2042.9	+1824.7	+1741.1	+2241.0	+1542.5
Private Sector..... (Includes public sector Enterprises) R	+1787.5	+265.2	+1565.6	+835.9	+678.6	+147.4	+1215.7	+1475.1	+1543.0	+ 749.9	+750.8	+1345.3
Government Sector (adjusted for counterpart funds and other loan accounts)	+363.6	+1588.6	+100.7	+706.8	+534.7	+1283.5	+338.5	+842.3	+923.3	+1843.1	+1635.7	+1806.5
Foreign Sector R	−415.3	+228.1	− 535.5	− 159.9	+206.2	+586.9	—55.2	− 230.0	− 333.7	− 525.2	—97.1	+643.4
Net impact of Capital Accounts, Suspense items and other Own Account Transactions to the Banking System R ..	—134.3	—11.8	+173.3	—265.5	—41.4	—193.7	—88.7	—73.6	+0.4	+892.7	− 337.1	− 473 2
Net Impact of Transactions currently treated as Inter-Bank items	—12.3	—31.2	+12.4	—159.6	+3.9	—35.7	+31.9	+133.9	—70.9	—23.9	− 218.2	− 161.0
Miscellaneous items.	−9.2	+0.8	− 41.0	− 80.2	− 40.0	− 79.2	− 40.4	− 74.8	− 36.6	− 1195.5	+506.9	− 1618.5
Total—	+1580.0	+2039.7	+1675.5	+1197.3	+1342.0	+1709.2	+1401.8	+2042.9	+1824.7	+1741.1	+2241.0	+1542.5

(Contd)

TABLE 19

CAUSATIVE FACTORS OF CHANGES IN MONETARY ASSETS

(Million Rupees)

	Dec. 1972	1972-73	Dec. 1973	1973-74	Dec. 1974	1974-75 £	Dec. 1975	1975-76	Dec. 1976	March 77	1976-1977	Dec. 1977*	March 78*
	+2821.2	+5997.8	+2166.9	+3524.1	+2850.9	+5987.1	+4236.4	+9020.1	+8763.8	+8223.2	+10732.0	+6403.5	+7522.1
	+1585.3	+1814.9	+2150.4	+2830.6	+3336.3	+4169.7	+7382.0	+3158.0	+6691.7	+6705.6	+7143.0	+5784.1	+5658.0
	+1203.6	+2461.6	+253.5	+1613.6	−380.0	+2897.9	+2391.5	+5041.6	+2172.7	+2889.6	+6566.5	−85.6	+1482.9
	−185.9	+2335.8	+115.6	−317.1	−366.7	−632.1	−1319.7	+498.2	−1400.0	−2045.1	−2180.7	+983.5	+1707.5
	+131.0	−540.6	−589.7	−783.1	+127.8	−741.1	+737.8	+181.1	+1544.1	+948.3	−272.8	−505.3	−1439.0
	+251.7	+191.9	−207.0	−196.5	−105.0	−242.3	+106.8	+179.4	−228.2	−320.3	−511.0	+285.4	+188.7
	−163.5	−265.8	+444.1	+362.6	−61.5	−132.0	−62.0	−38.2	−16.5	+45.1	−13.0	−58.6	−76.0
	+2821.2	+5997.8	+2166.9	+3524.1	+2850.9	+5987.1	+4236.4	+9020.1	+8763.8	+8223.2	+10732.0	+6403.5	+7522.1

Source : State Bank of Pakistan

*Provisional.

£ Covers the period from 6th July 1974 to June, 1975.

Note :—Data upto 1971-72 is inclusive of changes in the former East Pakistan,

R—Revised.

TABLE 20

CONSOLIDATED BALANCE SHEET OF SCHEDULED BANKS

Items	30-6-68	31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71
Liabilities							
Capital	315.0	335.9	374.4	417.2	466.0	481.3	488.9
Reserves	207.3	222.7	233.9	247.5	253.1	268.3	285.4
Demand deposits							
(a) From Banks	312.7	433.0	446.0	584.0	657.4	734.6	567.0
(b) From others	4957.8	5280.0	5300.0	6087.2	6154.7	6872.6	7006.0
Total demand deposits	5270.5	5713.0	5746.0	6671.2	6812.1	7607.2	7572.9
Time Deposits							
(a) From banks	61.1	150.4	180.6	173.9	63.2	259.6	145.4
(b) From others	5932.4	6277.7	6111.3	6518.3	7082.6	7258.6	6872.5
Total time deposits.	5993.5	6428.1	6291.9	6692.2	7145.8	7518.2	7017.9
Total demand and time deposits	1,1264.0	1,2141.2	1,2037.9	1,3363.4	1,3957.9	1,5125.4	1,4590.8
Borrowings from State Bank	1722.8	2231.1	1626.3	2020.5	1398.3	2140.7	3401.4
Borrowings from abroad	531.0	514.8	555.3	567.0	585.5	606.0	648.3
Borrowings from other banks	203.0	142.9	158.9	177.8	123.9	191.1	177.7
Total Borrowings	2456.8	2888.9	2340.5	2765.3	2107.7	2937.8	4227.4
Head office and inter-bank adjustment	173.9	364.0	314.1	350.7	433.3	630.6	449.0
Contingent Liabilities as *per contra*	5747.4	6152.2	6110.7	6552.0	7486.5	7433.2	7736.7
Other liabilities	900.9	994.5	1079.1	1137.2	1280.1	1416.6	1569.8
GRAND TOTAL	2,1065.2	2,3099.4	2,2490.9	2,4833.2	2,5984.6	2,8293.5	2,9347.9

TABLE 20
CONSOLIDATED BALANCE SHEET OF SCHEDULED BANKS

(Million Rupees)

Items	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
Liabilities												
Capital	495.9	500.3	498.2	500.7	503.2	506.0	499.4	469.6	499.5	535.1	545.1	780.9
Reserves ..	282.0	308.1	307.2	373.8	375.1	393.4	430.5	538.2	466.0	568.5	545.2	653.3
Demand deposits												
(a) From banks ..	711.1	890.2	1098.1	1054.1	1169.4	784.2	885.0	808.8	1016.5	1207.3	1790.9	1292.9
(b) From others ..	8033.0	8816.1	1,0265.5	1,1022.6	1,1759.0	1,2559.4	1,2454.6	1,3413.6	1,5139.7	1,6978.5	2,0218.9	21299.8
Total demand deposits	8744.1	9706.3	1,1363.6	1,2076.7	1,2928.4	1,3343.6	1,3339.7	1,4222.4	1,6156.3	1,8185.9	2,2009.8	22592.7
Time Deposits												
(a) From banks ..	173.4	107.6	187.4	130.7	138.0	125.8	82.4	193.1	100.1	128.9	107.1	180.4
(b) From others ..	7560.2	7836.0	8599.9	9596.9	1,0198.4	1,0054.0	9687.9	1,1241.8	1,2794.0	1,5199.0	1,7003.5	16882.6
Total time deposits.	7733.6	7943.7	8787.3	9727.5	1,0336.5	1,0179.8	9770.3	1,1434.9	1,2894.1	1,5327.9	1,7110.6	17063.0
Total demand and time deposits ..	1,6477.7	1,7650.0	20,150.9	2,1804.2	2,3264.9	2,3523.3	2,3110.0	2,5657.4	2,9050.4	3,3513.8	3,9120.4	39655.7
Borrowings from State Bank	1275.6	1299.4	1839.6	1497.0	3055.6	4311.4	5291.3	5818.0	5501.2	5179.9	6476.5	6765.8
Borrowings from abroad ..	671.3	703.7	1112.4	1094.8	1064.7	1057.7	838.2	520.6	568.4	664.9	922.6	602.9
Borrowing from other banks	130.6	140.2	186.0	166.6	413.1	392.9	261.8	236.8	279.4	321.4	331.4	371.8
Total Borrowings ..	2077.5	2143.3	3138.0	2758.4	4533.4	5762.0	6391.3	6575.4	6349.0	6166.2	7730.5	7740.5
Head office and inter-bank adjustment.	891.4	1305.4	714.8	989.2	889.7	2227.2	1983.1	915.3	986.3	934.7	1071.3	979.1
Contingent Liabilities as *per contra* ..	7834.0	1,0812.4	1,3240.6	1,5871.6	1,7316.2	2,0861.0	1,8533.5	1,9353.3	1,6908.6	1,8601.0	1,9713.0	20916.1
Other liabilities ..	1724.6	2038.8	2402.2	3072.5	3338.2	3903.9	3787.6	5639.7	6127.0	6562.1	7168.0	7843.2
GRAND TOTAL ..	2,9783.1	3,4758.2	4,0451.9	4,5370.4	5,0220.8	5,7177.1	5,4735.5	5,9148.9	6,0386.7	6,6881.3	7,5893.8	78568.9

(Contd.)

TABLE 20

CONSOLIDATED BALANCE SHEET OF SCHEDULED BANKS

(Million Rupees)

Items	30-6-68	31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71
Assets :							
Cash :							
(a) Gold ..	362.1	499.1	418.2	551.6	519.8	530.6	762.7
(b) Notes, coins and silver ..	697.6	788.3	722.5	834.0	831.1	939.2	761.7
(c) Balances with State Bank ..	383.4	410.7	399.4	516.3	469.5	992.8	555.0
(d) Balances with other banks ..							
Total ..	1443.1	1698.1	1540.0	1901.9	1820.4	2462.6	2079.5
Balances held abroad	63.0	89.3	92.3	106.8	157.5	159.5	101.4
Bills purchased and discounted	482.4	638.9	584.5	755.2	641.6	744.7	596.0
Advances :							
(a) To banks ..	163.3	268.4	315.5	346.2	420.0	398.6	412.3
(b) To others ..	9412.2	1,0067.0	9459.6	1,0383.3	1,0654.6	1,1733.6	1,1579.1
Total ..	9575.5	1,0335.4	9775.1	1,0729.5	1,1074.6	1,2132.2	1,1991.4
Total Bank Credit ..	1,0057.9	1,0974.3	1,0359.6	1,1484.7	1,1716.2	1,2876.9	1,2587.4
Investment in shares and securities :							
(a) Central Govt.	1589.1	1810.5	1945.7	1821.5	1752.7	1923.6	1958.2
(b) Treasury bills.	71.6	50.4	65.2	241.5	167.8	75.2	55.7
(c) Provincial Govt.	574.2	459.1	458.0	595.4	611.1	747.5	757.7
(d) Foreign ..	3.1	3.1	3.1	3.1	3.1	3.1	3.1
(e) Others ..	585.7	714.9	849.7	914.5	919.4	844.1	1042.4
Total ..	2823.7	3037.9	3321.7	3576.0	3454.2	3593.5	3817.0
Bank premises ..	126.0	140.1	151.3	165.6	176.7	200.1	232.8
Head office and inter bank adjustment	19.8	38.9	22.7	29.3	15.4	11.7	364.5
Contingent Assets as							
per contra ..	5747.4	6152.2	6110.7	6552.0	7486.5	7433.2	7736.7
Other Assets ..	784.3	968.6	892.7	1016.9	1157.7	1556.0	2428.6
Grand Total ..	2,1065.2	2,3099.4	2,2490.9	2,4833.2	2,5984.6	2,8293.5	2,9347.9

(Contd.)

TABLE 20
CONSOLIDATED BALANCE SHEET OF SCHEDULED BANKS

(Million Rupees)

Items	31-12-71	30-6-72	31-12-72	30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
Assets :												
Cash :												
(a) Gold	—	—	—	—	—	—	—	—	—	—	—	—
(b) Notes, coins and silver ..	521.5	521.9	557.1	648.3	739.1	879.4	924.7	989.1	1153.2	1385.5	1433.9	1655.3
(c) Balance with State Bank	901.8	1123.3	1193.6	1477.4	1476.6	1544.3	1413.0	1975.2	1789.8	2143.1	2376.3	2688.9
(d) Balances with other banks ..	613.4	560.1	879.2	699.9	1236.7	740.8	577.2	386.6	596.9	662.7	726.9	513.7
Total ..	2036.7	2205.3	2629.9	2825.6	3452.4	3164.5	2914.8	3350.9	3539.0	4191.3	4537.2	4857.9
Balances held abroad	185.4	298.2	128.7	499.3	437.6	530.1	504.0	731.3	833.3	529.6	861.8	392.7
Bills purchased and discounted ..	660.4	915.3	1206.0	1275.4	1485.2	1513.0	2236.1	2316.9	1973.5	1884.9	2344.7	2478.0
Advances :												
(a) To banks ..	344.1	497.7	869.7	693.4	505.0	461.4	337.9	242.2	295.4	406.0	589.9	387.6
(b) To others ..	1,1446.8	1,2432.8	1,3994.1	1,4597.5	1,7338.4	1,9179.4	1,8706.2	2,0927.4	2,3320.5	2,4939.0	2,9175.2	29282.7
Total ..	1,1790.9	1,2930.5	1,4863.8	1,5290.9	1,7843.3	1,9640.8	1,9044.1	2,1169.6	2,3616.0	2,5345.0	2,9765.1	29670.3
Total Bank Credit.	1,2451.3	1,3845.8	1,6069.9	1,6566.3	1,9328.5	2,1153.8	2,1280.2	2,3486.5	2,5589.5	2,7229.9	3,2109.8	32148.3
Investment in shares and *securities* :												
(a) Central Govt.	1956.6	2293.2	2256.9	2301.7	2802.1	2953.7	3021.9	3310.4	3539.7	3795.3	4166.2	4159.8
(b) Treasury bills.	1102.7	992.0	1272.5	2057.6	1189.7	714.7	442.2	1171.8	939.7	2246.8	3048.1	3677.2
(c) Provincial Govt.	804.2	826.3	893.4	909.5	873.6	954.6	957.5	960.2	913.0	985.9	1012.6	1008.9
(d) Foreign ..	3.1	3.1	3.1	3.1	3.1	3.1	3.7	3.7	3.7	15.3	15.2	15.3
(e) Others ..	1136.6	1176.2	1350.0	1550.2	1664.6	1798.0	1804.9	1841.1	2173.1	2619.3	3177.8	3645.1
Total ..	5003.3	5290.9	5775.9	6822.0	6533.1	6424.1	6230.2	7287.2	7569.2	9662.5	1,1420.0	12506.3
Bank premises ..	273.7	295.9	299.8	362.9	280.1	399.4	330.8	279.7	530.1	567.8	327.1	436.3
Head office and inter-bank adjustment.	31.7	26.2	50.1	39.8	75.2	71.0	402.0	288.8	269.9	522.4	651.8	616.1
Contingent Assets as *per contra* ..	7834.0	1,0812.4	1,3240.6	1,5871.6	1,7316.2	2,0861.0	1,8533.5	1,9353.3	1,6908.6	1,8601.0	1,9713.3	20916.1
Other Assets ..	1967.4	1983.5	2257.0	2382.9	2797.8	4573.2	4539.8	4371.3	5147.1	5576.6	6272.9	6695.2
Grand Total ..	2,9783.1	3,4758.2	4,0451.9	4,5370.4	5,0220.8	5,7177.1	5,4735.5	5,9148.9	6,0386.7	6,6881.3	7,5893.8	78568.9

Source : State Bank of Pakistan

N.B. The assets and liabilites of scheduled banks pertaining to their branches in former East Pakistan were excluded as from 5th July, 1974, and the net position added to 'Other Assets' or 'Other Liabilities' as the case may be. The data after June, 1974 are therefore not comparable with the data for the earlierperiods.

TABLE 21

BANK CREDIT TO PRIVATE AND PUBLIC SECTORS

(Million Rupees)

Month Year	Private Sector **	Public Sector ***	Inter-bank advance	Total Bank Credit
June 1965 (Last Friday) ..	5501.0	629.0	257.7	6387.7
December 1965	5826.0	521.8	388.2	6736.0
June 1966	5693.1	606.8	272.7	6572.6
December 1966	7181.6	590.5	277.4	8049.0
June 1967	7442.4	564.2	222.9	8229.5
December 1967	8173.8	414.7	119.3	8707.8
June 1968	8217.5	968.2	99.1	9284.8
December 1968	8776.2	1224.6	178.7	10179.5
June 1969	8145.7	1238.4	218.0	9603.1
December 1969	9248.9	1079.6	164.8	10493.3
June 1970	9317.3	1068.8	328.9	10715.0
December 1970	10913.6	853.3	260.9	12027.8
June 1971	10148.2	1163.4	309.3	11620.9
December 1971	10854.8	774.3	258.8	11887.9
June 197.	11602.5	881.3	358.9	12842.7
December 197.	12952.1	985.7	677.5	14615.3
June 197.	13230.7	1412.7	540.3	15183.7
December 197.	15285.6	1919.2	414.5	17619.0
June 197.	16194.2	2268.9	297.1	18760.2
July 5h 197.	13257.2	2137.4	354.0	15748.6
December 197.	16571.3	2220.7	323.8	19115.8
June 197.	17551.6	3672.1	261.9	21485.6
December 197.	19471.1	3459.0	278.0	23208.3
June 197.	19804.7	4782.4	312.6	24899.7
December 197.	25381.3	4561.3	260.6	30203.2
Marcl 197	25743.2	4529.9	194.9	30467.1
(Last Thursday)				
June 197	25117.0	5167.8	272.5	30557.3
December 197	29182.5	3728.5	389.1	33300.1
Marcl 197.	28954.2	4327.0	321.6	33580.8

Source : State Bank of Pakistan

** Includes total bank advances and inland and foreign bills purchased and discourted but excludes inter-bank advances and advances to Government for commodity operations. This item includes bank credit to public sector enterprises also. The foreign currency loansof A.D.I.P. have been excluded from December, 1965 and of I.D.B.P. from December 7, 1966. Additional debits of Rs. 224.5 million, Rs. 247.6 million and Rs. 245.3 million (to the local currency accounts of foreign currency borrowers of I.D.BP. who defaulted in repayment of instalments falling due prior to the devaluation of the Pak Rupe in May, 1972) have been included in the end-June, 1976, end-Dec, 1976 and end-March, 1977 figures.

*** Loan given by banks to Government for financing commodity operations.

N.E The assets and liabilities of scheduled banks pertaining to their branches in the former East Pakistan wereexcluded as from 5th July 1974, and net postin added to the 'Other Assets, or 'Other liabilitis'. The data after June 1974 are therefore not comparable with the data for the earlier periods

TABLE 22

CLASSIFICATION OF SCHEDULED BANKS ADVANCES BY ECONOMIC GROUPS

(Million Rupees)

Economic Groups	30-6-68	31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72
Agriculture, forestry, hunting and fishing	748.2	723.3	872.7	905.8	1022.3	981.5	1150.9	1065.4	1156.8
Mining and quarrying... ...	31.7	41.2	52.5	49.1	46.6	45.7	62.9	57.3	62.5
Manufacturing — ...	3627.4	3871.6	3794.7	4196.2	4603.1	5208.1	5175.8	5376.6	6124.3
Construction — ...	161.8	199.7	194.5	201.7	146.7	178.9	143.5	136.3	149.9
Electricity, gas, water and sanitary services	134.7	53.6	30.2	54.7	69.3	67.8	83.8	78.0	68.6
Commerce	3387.5	3937.6	3135.5	3434.2	3266.7	3589.2	3348.2	3137.3	3182.8
Transport, storage and communication .. ... —..	200.3	193.1	265.0	271.7	272.1	293.4	266.5	263.9	305.5
Services	683.3	660.1	703.3	826.9	757.6	876.5	821.5	847.1	924.8
Employees and activities not adequately described	437.5	386.7	411.2	443.0	470.0	492.6	526.0	484.6	457.6
Total ..	9412.4	10067.0	9459.6	10383.3	10654.6	11733.6	11579.1	11446.8	12432.8

(Million Rupees)

Economic Groups	31-12-72	30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
Agriculture, forestry hunting and fishing	1253.6	1377.3	1807.3	2227.0	2055.4	2322.9	2965.3	3755.2	4536.7	4632.5
Mining and quarrying ..	47.8	58.3	65.7	122.2	166.2	201.3	225.3	189.6	254.3	381.9
Manufacturing	6749.9	6971.4	8117.9	8380.6	8352.3	8519.0	10155.4	10131.3	12732.4	12576.9
Construction	160.9	180.3	196.0	208.9	214.1	333.7	382.2	468.5	588.9	698.7
Electricity gas water and sanitary services	48.4	30.4	35.8	31.1	54.2	126.9	193.5	141.8	174.1	101.3
Commerce	3802.9	3886.6	4819.4	5488.4	5008.5	6348.8	5848.8	5854.6	6540.9	6146.1
Transport storage and communication	389.4	364.5	349.6	464.9	322.7	248.5	296.1	299.6	309.0	391.4
Services	876.6	993.9	1073.8	1269.7	1599.9	1801.6	2045.5	2730.9	2187.1	2633.6
Employees and activities not adequately described	664.6	734.8	873.0	986.7	932.8	1024.6	1208.5	1367.5	1851.8	1720.3
Total ..	13994.1	14597.5	17338.4	19179.4	18706.2	20927.4	23320.5	24939.0	29175.2	29282.7

Source : State Bank of Pakistan.

Notes (1) Excluding inter bank advances.

(2) The assets and liabilities of scheduled banks pertaining to their branches in the former East Pakistan were excluded as from 5th July, 1974 and the net position added to 'Other Assets' or 'Other Liabilities' as the case may be. The data after June, 1974 are therefore not comparable with the data for the earlier periods.

TABLE 23

CLASSIFICATION OF BILLS PURCHASED AND DISCOUNTED BY SCHEDULED BANKS BY ECONOMIC GROUPS

(Million Rupees)

Economic group	30-6-68	31-12-68	30-6-69	31-12-69	30-6-70	31-12-70	30-6-71	31-12-71	30-6-72
Agriculture	35.5	55.7	26.0	39.4	26.5	30.9	23.1	44.6	46.6
Manufacturing	16.2	15.4	11.6	14.1	16.5	8.8	10.0	8.3	19.4
Construction	1.8	0.4	1.5	1.8	0.4	0.6	—	0.1	1.2
Commerce	405.4	546.6	528.2	677.2	577.0	657.6	543.4	578.9	832.2
Financial institutions ...	4.8	1.6	3.1	5.1	3.8	12.0	4.0	2.1	1.6
Electricity, gas, water and sanitary services ... ... —..	0.5	1.0	0.9	0.4	0.2	0.3	—	1.1	2.8
Transport, storage and communication	0.4	0.2	0.4	0.5	1.0	2.4	0.2	2.1	2.1
Others	17.6	18.0	12.7	16.8	16.2	32.2	15.3	23.2	9.5
Total ...	482.4	638.9	584.5	755.2	641.6	744.7	596.0	660.4	915.3

(Million Rupees)

Economic group	31-12-72	30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
Agriculture	119.6	133.7	81.2	68.6	38.3	71.2	45.3	58.9	78.6	167.7
Manufacturing	27.0	16.6	16.2	20.0	12.3	24.6	9.4	20.1	23.8	49.6
Construction	2.9	0.4	0.4	2.0	0.3	0.5	6.8	0.2	0.6	0.4
Commerce	1021.1	1057.3	1303.1	1164.7	1453.7	2110.9	1684.0	1590.1	1788.8	1974.1
Financial institutions	4.9	16.1	5.0	2.8	1.0	0.5	0.5	5.0	4.4	2.3
Electricity, gas, water and sanitary services	0.5	1.0	0.4	0.5	0.9	—	1.7	3.1	—	3.6
Transport storage and communication	2.1	2.3	2.1	2.1	0.1	0.2	0.1	5.8	0.7	—
Others	27.8	47.9	76.8	252.3	729.4	109.0	225.8	201.8	447.8	280.2
Total	1206.0	1275.4	1485.2	1513.0	2236.1	2316.9	1973.5	1884.9	2344.7	2478.0

Source : State Bank of Pakistan

Note—The assets and liabilities of scheduled banks pertaining to their branches in former East Pakistan were excluded as from 5th July, 1974 and the net position added to 'Other Assets' or 'Other Liabilities' as the case may be. The data after June, 1974 are therefore not comparable with the data for the earlier periods.

TABLE

CLASSIFICATION OF SCHEDULED BANK ADVANCES

Securities	30-6-68	30-6-69	30-6-70	30-6-71	31-12-71	30-6-72	31-12-72
A. Precious Metals, Gold and Bullion and Gold and Silver Ornaments	56.1	60.4	62.6	61.7	97.4	59.0	78.2
B. Stock Exchange	592.3	599.5	696.2	806.4	677.7	720.0	706.3
Securities							
(*a*) Government and Other Trustee Securities ..	42.2	61.0	77.2	115.0	58.3	67.4	104.3
(*i*) Stock Brokers and Dealers	2.8	4.1	5.5	23.9	11.4	24.0	43.7
(*ii*) Others	39.4	56.9	71.7	91.1	46.9	43.4	60.6
(*b*) Share and Debentures of Joint Stock Companies	550.1	538.5	619.0	691.3	619.4	652.6	601.9
(*i*) Stock Broker and Dealers	41.3	40.7	76.6	70.2	52.4	58.9	40.3
(*ii*) Others ..	508.8	497.8	542.5	621.1	566.9	593.7	561.6
C. Merchandise	4640.1	4780.6	5169.6	5777.7	5693.8	6016.4	7295.2
(*a*) Export Commodities ..	1511.0	1241.7	1476.2	1907.3	2307.3	2282.2	3115.5
(*i*) Cotton	337.4	270.5	364.0	542.2	819.2	667.6	1285.5
(*ii*) Jute	470.6	329.9	374.8	579.6	605.9	648.6	593.8
(*iii*) Wool and Goat Hair	32.4	17.0	26.6	19.3	35.5	43.9	53.4
(*iv*) Hides and Skins ..	37.9	46.8	50.9	54.6	61.1	69.5	84.0
(*v*) Tea	47.2	63.5	72.6	42.8	54.7	50.7	45.9
(*vi*) Cotton Textiles ..	192.9	192.8	213.9	227.9	269.6	321.2	280.8
(*vii*) Cotton Yarn ..	55.0	56.4	78.9	122.1	110.6	112.0	184.3
(*viii*) Jute Manufactures	164.7	147.9	138.4	151.5	139.7	144.0	145.5
(*ix*) Others	172.9	117.1	156.2	167.2	210.7	224.6	442.4
(*b*) Imported goods other than industrial machinery ..	1253.0	1403.9	1447.9	1534.8	1654.4	1891.5	1951.9
(*i*) Iron, steel engineering & other metal products ..	414.3	482.9	458.7	493.1	488.5	627.0	643.3

24

BY SECURITES PLEDGED

(Million Rupees)

30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
93.3	12.2	109.8	171.7	236.7	385.5	447.0	508.0	467.9
709.2	74.0	645.4	577.2	720.6	669.3	819.3	942.0	825.4
90.3	11.6	64.0	97.1	212.9	214.4	201.2	157.5	228.1
11.6	4.5	4.9	2.5	0.6	5.9	6.0	4.8	7.1
78.3	11.2	59.1	94.6	212.3	208.6	195.2	152.7	221.0
618.7	62.3	581.3	480.1	507.7	454.7	618.0	784.4	597.4
39.3	3.9	47.2	25.9	30.2	31.0	72.6	27.5	16.9
579.4	59.4	534.1	454.2	477.4	423.9	545.5	756.9	580.4
7456.7	967.5	10091.7	11331.1	12117.0	12972.8	13816.7	16029.0	15397.3
2821.8	394.1	4137.4	4602.4	4144.5	4753.3	4227.7	5920.3	4937.0
300.	149.2	1639.6	2474.6	1576.2	2095.7	1342.7	2329.9	1356.2
606.5	60.4	613.5	33.0	9.7	15.3	33.1	42.8	5.6
55.3	9.7	79.8	45.7	56.9	56.4	73.2	78.0	57.0
96.5	13.0	157.3	113.6	121.2	132.7	143.6	167.7	201.0
37.1	4.0	54.3	25.8	34.6	53.2	10.1	35.1	33.0
329.3	55.1	437.1	602.6	554.1	703.1	764.9	1104.6	1135.3
224.4	23.6	279.6	340.6	377.2	362.2	392.7	419.2	436.1
143.7	14.0	153.7	34.5	58.4	62.4	76.7	77.0	76.6
526.5	65.0	822.4	931.9	1356.2	1272.2	1390.7	1656.0	1636.2
2161.0	282.4	3439.2	3550.1	3942.3	3875.4	3799.7	4297.6	4379.1
806.3	109.3	1127.5	1262.8	1590.6	1359.1	1456.3	1907.6	1794.6

TABLE

CLASSIFICATION OF SCHEDULED BANK ADVANCES

	30-6-68	30-6-69	30-6-70	30-6-71	31-12-71	30-6-72	31-12-72
(ii) Chemicals, Dyes & Pharmaceuticals ..	165.2	169.8	250.2	296.7	336.2	360.4	409.2
(iii) Minerals .	8.6	15.0	8.3	15.0	16.9	17.0	11.5
(iv) Cotton Textiles .	21.9	13.7	37.6	22.1	21.6	49.9	46.3
(v) Cotton Yarn .	7.9	8.7	8.7	16.2	12.5	16.3	15.1
(vi) Other Textiles .	11.1	22.3	15.6	11.2	26.2	13.9	6.2
(vii) Other imported goods	624.0	641.4	678.8	680.5	752.3	897.0	829.9
(c) Industrial Machinery .	162.3	152.5	152.2	147.2	149.1	163.1	160.6
(d) Other Merchandise .	1713.8	1982.5	2093.1	2188.4	1583.4	1679.6	2067.1
(i) Wheat . .	530.4	303.4	332.9	253.0	89.0	63.7	142.8
(ii) Rice and Paddy .	349.5	576.7	545.9	537.8	369.9	429.6	640.0
(iii) Grams . .	8.5	6.4	8.2	8.7	5.3	8.4	8.8
(iv) Other Grains and Pulses . .	16.6	8.6	16.0	12.2	6.7	17.8	57.1
(v) Oilseeds . .	59.8	51.1	61.8	62.3	33.1	40.2	151.1
(vi) Edible Oils .	103.4	80.9	67.7	129.6	127.7	151.2	253.6
(vii) Sugar and Gur .	72.9	440.0	412.7	310.4	173.7	228.7	160.0
(viii) Kariana & Spices .	7.3	7.6	8.0	8.3	7.1	8.1	37.5
(ix) Other Items .	372.4	507.8	639.9	866.2	770.9	736.9	616.0
D. Machinery and Fixed Assets'	750.4	736.5	776.9	654.3	693.2	928.8	1118.6
E. Real Estate . .	929.5	1046.8	1162.6	1354.4	1394.5	1561.1	1623.5
F. Financial Obligations *eg*' Insurance Policies Bank Policies, Bank Deposits etc' .	647.2	628.6	784.1	592.2	578.7	556.9	518.5
G. Others . . .	1736.5	1607.2	2003.7	2302.4	2511.6	2590.4	2653.8
(i) Other Secured Advances'	736.9	714.5	905.5	1017.6	1044.4	1144.8	1165.7
(ii) Advances Secured by Guarantee	387.3	480.3	648.7	680.1	682.8	807.6	841.1
(iii) Unsecured Advances ..	671.9	492.7	598.5	634.8	584.4	618.7	646.9
All Securities ..	8412.2	8451.8	10034.6	11079.1	11346.8	12432.8	13324.1

24

BY SECURITIES PLEDGED

(Million Rupees)

30-6-73	31-12-73	30-6-74	31-12-74	30-6-75	31-12-75	30-6-76	31-12-76	30-6-77
408.6	32.0	612.0	573.9	824.8	854.3	692.3	880.(	908.2
13.0	21.1	15.3	15.3	42.4	72.1	40.4	38.(	76.1
31.1	64.8	54.3	52.3	64.5	60.4	58.1	61.5	55.1
11.3	21.6	26.2	15.5	24.6	19.3	45.8	24.8	20.0
2'.4	13.9	125.8	192.0	82.0	108.3	104.6	103.8	109.7
85'.6	152.7	1478.0	1438.3	1313.6	1401.9	1402.1	1281.9	1415.3
13'.0	98.5	110.0	105.0	154.4	179.5	110.0	127.4	140.6
233'.7	202.5	3105.2	3073.7	3875.7	4154.5	5679.3	5683.7	5940.6
40'.2	98.4	458.4	465.1	744.9	834.6	1709.0	1691.9	1759.3
60'.5	73.2	679.9	775.5	1100.9	1291.9	1528.6	1307.3	1175.8
1'.2	4.6	3.4	4.2	2.9	4.5	2.0	4.8	3.4
10'.1	90.8	107.7	135.8	97.6	7.7	9.7	4.7	7.5
44.1	97.7	134.0	162.5	288.7	205.1	19.5	16.2	14.0
177.4	13.8	121.6	119.5	212.5	427.4	644.4	633.5	663.0
296.9	36.8	586.9	717.7	721.9	653.7	1044.5	1171.7	1566.4
58.6	7.6	18.2	18.8	12.4	11.5	15.6	13.1	13.8
634.7	89.7	995.2	674.4	694.0	728.1	706.0	840.4	737.5
126'.7	138.1	1344.1	1086.3	1418.1	1671.2	1699.2	2120.4	2276.0
176'.4	199.3	2336.6	2115.4	2417.2	3136.7	3618.9	3948.5	4639.0
51'.7	15.2	390.5	432.5	502.8	651.4	709.7	849.5	692 0
278'.2	309.2	3361.3	2992.0	3514.8	3833.5	3828.2	4777.7	4985.0
111'.7	123.8	1292.6	1416.8	1515.4	1607.6	1560.5	1748.(	1738.3
98'.0	173.2	1173.8	844.8	1096.2	1316.8	1298.7	1784.4	1861.2
69.6	82.1	894.8	730.4	903.3	909.2	968.9	1244.7	1385.5
1459'.5	1738.4	9179.4	18706.2	20927.4	23320.5	24939.0	29175.2	29282.7

NB. The assets and liabilities of scheduled banks pertaining to their branches in the former East Pakistan were excluded as from 5th July, 1974 and the net position added to 'Other Liabilities' as the case may be'. The data after June. 1974 are therefore not comparable with the data for the earlier periods'

PRICES

TABLE 25

COMPARATIVE PRICE INDICES

(Base 1969-70=100)

Period (July—June)	Index of Wholesale Prices	Consumer Price Index				Sensitive Price Indicator (28 items)
	General	Government Employees	Industrial Employees	Commercial Employees	*Combined	Employees earning Rs. 300/P.M.
1969-70 . .	100.00	100.00	100.00	100.00	100.00	100.00
1970-71 . .	106.15	105.69	105.75	105.69	105.71	N. A.
1971-72 . .	111.14	110.99	111.20	111.01	110.67	113.70 (June)
1972-73 . .	128.68	121.21	121.47	121.38	121.40	135.98 ,,
1973-74 . .	170.86	157.06	158.39	158.05	157.79	184.78 ,,
1974-75 . .	211.28	198.80	201.02	200.17	199.97	230.09 ,,
1975-76 . .	229.41	221.44	223.75	224.21	223.28	230.92 ,,
1976-77 . .	255.27	241.97	244.16	245.11	243.91	255.70 ,,
July 1977 . .	263.41	252.45	254.19	256.31	254.67	261.58
August . .	265.84	254.51	256.31	258.71	256.91	264.22
September .	266.96	255.62	257.40	259.89	258.04	265.17
October . .	264.53	257.04	258.45	260.75	259.11	263.80
November .	265.24	255.81	258.34	260.70	258.70	265.19
December .	268.48	256.36	258.75	261.19	259.19	265.31
January 1978 .	269.11	256.98	259.18	261.59	259.66	262.61
February . .	273.64	259.91	262.50	264.15	262.51	263.80
March . .	278.16	262.99	265.78	266.89	265.48	265.13

*Conbined for three groups.

**N.A. Not available

Source : Statistics Division.

TABLE 26

INDICES OF WHOLESALE PRICES

(Base 1969-70=100)

Year (July—June)	General	Food	Raw material	Fuel, Lighting and Lubricants	Manufactures
1969-70 . .	100.00	100.00	100.00	100.00	100.00
1970-71 . .	106.15	106.70	109.03	103.99	104.17
1971-72 . .	111.14	112.36	110.47	121.20	106.98
1972-73	128.68	129.81	139.24	125.70	122.09
1973-74	170.86	176.20	177.77	173.78	156.73
1974-75	211.28	226.78	198.92	236.24	182.13
1975-76	229.41	241.32	228.01	256.85	201.36
1976-77	255.27	268.58	254.49	269.52	226.96
July, 1977	263.41	278.88	247.88	272.41	239.00
August	265.84	283.24	247.97	272.41	239.33
September	266.96	283.98	248.16	271.21	242.11
October..	264.53	282.13	249.23	271.21	236.38
November	265.24	281.50	259.42	271.22	235.32
December	268.48	287.14	261.43	271.22	235.15
January 1978	269.11	287.99	262.24	271.22	235.39
February	273.64	296.53	262.33	271.23	235.21
March	278.16	305.80	263.73	272.04	232.79

Source : Statistics Division.

TABLE 27

AVERAGE WHOLESALE PRICES OF SELECTED COMMODITIES

(In Rupees)

	Specification	Market	Unit	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77[1]
1	2	3	4	5	6	7	8	9	10	11	12
Food Stuff											
Wheat —	Fair Quality	Karachi	Maund	21.36	21.23	22.90	25.53	30.89	48.16	45.99	52.43
		Faisalabad	,,	19.12	18.97	23.35	22.78	26.36	41.47	38.91	42.58
		Peshawar	,,	16.82	18.57	20.81	21.94	26.47	45.70	44.50	39.93
Rice — —	Basmati	Gujranwala	,,	36.00	32.53	37 75	68.18	86.22	—	105.10	—
	Kangni	Karachi	,,	21.83	22.93	22.06	27.11	34.04	43.37	44.61	55.43
Maize — —	FAQ	Faisalabad	,,	17.35	16.93	324.77	24.12	25.61	48.74	45.46	47.10
	FAQ	Peshawar	,,	16.11	17.87	20.00	21.56	25.07	44.16	43.08	35.60
Bajra — —	FAQ	Multan	,,	16.93	16.07	21.15	27.77	25.76	52.05	53.64	46.15
Gram — —	Whole (FAQ)	Lahore	,,	34.37	24 63	25.42	35.89	40.74	52.50	50.17	56.62
Masoor split —	Punjab	Karachi	,,	40.39	48.33	54.62	63.18	73.13	74.31	106.71	145.09
Mash Whole —	Punjab	Karachi	,,	44.68	40.87	41.89	60.43	109.72	—	87.53	107.40
Moong Split —	Punjab	Karachi	,,	66.52	54.90	54.06	73.95	103.53	—	96.63	161.53
Chillies — —	Dry red Punjab (Dandicut)	Karachi	,,	76.58	94.99	113.51	104.28	145.34	366.21	199.81	315.05
Black Pepper —	—	Karachi	,,	401.37	529.14	565.37	546.14	846.65	1113.61	1039.02	1442.53
Gur — —	Average Quality	Lahore	,,	—	18.82	39.07	71.15	65.06	67.72	85.97	78.44
Sugar — —	Refined (Controlled)	Lahore	,,	69.00	64.93	65.25	100.00	116.75	143.83	159.00	170.17
Ghee — —	Desi (Punjab)	Lahore	,,	312.43	322.80	335.22	368.71	579.39	607.25	741.91	921.30

TABLE 27

AVERAGE WHOLESALE PRICES OF SELECTED COMMODITIES

1	2	3	4	5	6	7	8	9	10	11	12
Ghee	Vanaspati (Dalda)	Karachi	5 lb. Tin	11.43	12.54	12.59	12.48	15.69	—	23.30	23.98
Mustard Oil ..	—	Lahore	Maund	120.26	133.79	117.85	119.30	170.32	236.78	255.37	266.14
Cotton Seed Oil ..	(Single zero white)	Lahore	,,	128.25	134.54	124.16	127.05	155.34	249.08	239.47	235.60
Tea (Packed and Blended) —	Isphani (Red Spot)	Karachi	Lb.	4.36½	4.59	4.60	6.25	6.25	—	8.32	9.42
Tobacco .. —	Moti bari	Mardan	Maund	100.00	100.12	101.52	100.00	100.00£	187.36	—	—
Cotton — —	b. 289-F Punjab R.G.	Karachi	,,	95.49	114.89	130.70	167.71	233.40	189.11	240.08	—
	Punjab Desi	Karachi	,,	90.68	118.01	114.65	116.99	169.41	187.36	187.13	207.41
	Seed Cotton	Multan	,,	25.66	27.27	23.32	29.20	36.23	—	47.50	58.87
Hides (Wet Salted).	c. 70/30 Cow medium 80/20 Buffalo	Karachi	Piece	21.25	—	30.12	52.07	62.47	72.17	51.93	43.68
	—Medium	—Karachi	,,	25.40	17.52	15.63	41.07	51.20	48.71	52.05	62.71
..	(Sheep Skins Para all primes dry Salted) (32/36) and extra large	Karachi	100 skins	324.27	300.00	491.67	1600.00	2445.00	2529.00	3140.28	3359.31
Wool	d. Pak Superior (White)	Karachi	Maund	190.00	193.57	201.05	393.42	479.27	368.70	510.86	658.65
	Wool (White)	Peshawar	,,	120.00	126.61	—	—	182.82	—	271.62	439.20
Oil Seeds ..	Cotton Seed	Faisalabad	,,	26.32	28.06	23.75	26.53	35.31	49.86	51.99	63.69
Oil Seeds ..	Mustard Seed (Punjab)	Karachi	,,	52.50	53.95	43.33	51.27	68.11	90.41	101.24	75.66
Salt — ..	Rock Salt	Karachi	,,	7.25	7.36	8.07	9.26	1 5.87	23.23	23.78	29.79
	Sea Salt	Karachi	,,	4.00	3.92	3.96	4.15	8.29	—	8.25	10.09
Coal	Steam Coal f.o.r. kemari	Karachi	Ton	186.00	198.50	296.00	535.00	535.00	—	953.50	939.91
	Hard coke metallurgical f.o.r. kemari	,,	,,	263.50	268.00	268.00	268.00	897.00	—	1835.10	2374.05

a Moong Split (FAQ)
b Cotton 4-F Punjab (R.G.) in 1974-75
c 70/80 Selection cow-medium in 1974-75
d Punjab Superior White in 1974-75
—Not Available

TABLE 27

AVERAGE WHOLESALE PRICES OF SELECTED COMMODITIES

1	2	3	4	5	6	7	8	9	10	11	12
Mineral Oil (imported)	gMotor Sprit (bulk)	Karachi	I.G.	3.94	4.20	5.21	6.28	7.85	9.96	11.66	12.28
	Diesel Oil (light)	,,	,,	1.47	1.47	1.61	1.61	2.02	3.07	3.07	4.13
	Kerosene Oil (bulk)	,,	,,	1.66	1.74	2.07	2.07	2.41	3.49	4.13	
Manufacturing Products											
Iron & Steel ..	Pig Iron (continental)	Karachi	Ton	1001.91	—	1127.36	1160.66	1985.97	3796.18	2977.57	3229.13
Cement ...	Zeal Pak (f.o.r.)	Hyderabad	Ton	135.41	135.41	152.92	176.65	171.26	197.05	202.20	317.10
Chemicals											
Soda Ash	(Light)	Karachi	160 lbs.	55.37	71.47	61.06	70.40	75.49	105.61	128.04	127.22
Bleaching Powder.	(ICL)	..	CWT	104.41	116.62	135.99	130.53	236.50	—	474.17	510.00
Chemicals (Imported)											
Caustic Soda ...	98/98M UK.	,,	,,	151.38	110.86	—	—	185.42	—	198.96	165.54
Dyes											
Allizarine ...	Red 100%	,,	Lb.	43.39	42.95	46.00	—	—	47.90	78.67	88.18
Cango ..	Red (ICI)	,,	,,	8.57	8.79	9.00	—	20.48	—	—	—
Indigo ..	60% grains (ICI)	,,	,,	14.98	15.24	18.04	18.33	22.46	—	42.20	—
Paints & Varnishes											
Qamer Varnish											
Paint ..	(I-lb. Tin)	,,	Dozen	23.83	26.46	32.66	35.43	—	46.50	56.00	—
Buxly Oil bound distemper	e	,,	14 Lbs.	—	19.46	22.39	26.78	—	54.40	62.00	48.81
Buxly synthetic Paint ..	f	,,	Gallon	52.00	53.00	64.13	69.50	101.25	112.50	108.00	158.52
Jute Manufactures											
Gunny bag ...	B.T. will 2-1/4 (Adamjee)	,,	100 bags	228.27	242.05	352.00	720.00	—	720.00	750.00	899.58
Matches											
40 Sticks ..	—	Karachi	Gross	7.84	8.10	16.89	17.86	16.70	—	18.00	18.00
Paper & Paper Products											
Paper	White Printing 20x20-24 Lbs.	,,	Lb.	1.29	1.43	1.72	1.86	1.86	2.70	2.96	—

e Plastic bound distemper.

f. Synthetic enamel paint Buxly.

g. Motor Sprit Shell 1974-75.

—Not Available.

contd

TABLE 27

AVERAGE WHOLESALE PRICES OF SELECTED COMMODITIES

1	2	3	4	5	6	7	8	9	10	11	12
Tyres & Tubes ...											
Cycle Tyres ...	(Bate Mazboot super)	Pakistan	Dozen	114.00	114.00	126.57	135.00	164.00	216.00	216.00	216.00
Cycle Tubes ...	(Bata Mazboot)	,,	,,	55.54	51.00	55.00	57.00	65.50	87.00	87.00	88.25
Leather Manufactures											
Bata Shoes ...	Slippers ladies (RANI)	Pakistan	Pair	5.38	7.31	—	9.42	10.14	—	16.67	18.91
Soap											
Lifebuoy ...	140 gm tablet	Karachi	Dozen	—	6.60	—	9.06	12.52	15.62	16.11	16.00
Sunlight ...	110 gm tablet	,,	,,	—	6.06	—	8.42	9.95	16.06	16.82	16.82
Yarn & Textile											
Cotton Yarn ...	20/2 Dawood (camel)	,,	10 lbs.	—	32.50	—	53.36	—	53.01	59.92	—
Bleached long cloth	15000 w. 36 (colony)	,,	40 yards.	75.85	82.87	—	91.22	155.15	197.53	—	—
Tobacco Manufactures											
Cigarettes ...	SCISSORS	Karachi	1000	—	35.13	—	47.15	47.15	—	76.40	79.67

—Not Available.

Source : Statistics Division.

TRADE AND PAYMENTS

TABLE 28

FOREIGN TRADE

(Million Rupees)

Year (July—June)	Imports	Exports	Balance
1947-48 (11th August to 30th June)	318.8	443.9	+125.4
1948-49	1176.8	542.4	—634.4
1949-50	912.2	535.1	—377.1
1950-51	1167.1	1342.5	+175.4
1951-52	1473.9	921.9	—552.0
1952-53	1017.3	867.4	—149.9
1953-54	824.3	641.0	—183.3
1954-55	783.0	491.4	—291.6
1955-56	964.5	742.4	—222.1
1956-57	1516.0	698.2	—817.8
1957-58	1314.3	433.6	—880.7
1958-59	1024.6	444.4	—580.2
1959-60	1,805.7	763.1	—1042.6
1960-61	2,173.2	540.2	—1,633.0
1961-62	2,236.3	542.9	—1,693.4
1962-63	2,800.1	998.1	—1,802.0
1963-64	2,981.6	1,075.0	—1,906.6
1964-65	3,672.4	1,139.6	—2,532.8
1965-66	2,880.3	1,203.6	—1,676.7
1966-67	3,625.7	1,297.3	—2,328.4
1967-68	3,327.2	1,644.8	—1,682.4
1968-69	3,046.6	1,699.9	—1,346.7
1969-70	3,285.1	1,608.6	—1,676.5
1970-71	3,602.4	1,998.4	—1,604.0
1971-72	3,495.4	3,371.4	—124.0
1972-73	8,398.3	8,551.2	+152.9
1973-74	13,479.2	10,161.2	—3,318.0
1974-75	20,925.0	10,286.3	—10,638.7
1975-76	20,465.3	11,252.9	—9,212.4
1976-77	23,012.2	11,293.9	—11,718.3
1977-78 July—March)	19,547.2	8,547.1	—11,000.1

SOURCE : Statistics Division.

Note : (1) 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.

(2) Data on exports to Afghanistan are included since July 1949 whereas data on imports from Afghanistan are included since March 1951.

(3) Data on land-borne trade with Iran are included since July 1949.

(4) Data on exports do not include re-exports from 1967-68.

TABLE 29

MAJOR EXPORTS

(Million Rupees)

Items	Unit	1965-66		1969-70		1970-71		1971-72		1972-73	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1. Fish and fish preparations	Million K.G.	19.7	49.4	23.5	83.3	16.7	61.3	22.2	111.1	20.3	233.7
2. Rice	000 MT	148	132.5	91	93.9	9	173.0	198	274.1	789	1136.1
3. Hides & skins ..	000 KG	1564	14.1	314	17.6	136	16.7	185	19.6	140	16.9
4. Raw wool	Million KG	10.8	60.4	6.7	26.6	4.5	20.9	4.3	24.6	5.9	82.8
5. Raw cotton ..	000 MT	119	277.1	84	209.7	100	270.0	196	954.8	216	1167.0
6. Cotton waste ..	Million KG	18.3	19.7	13.0	13.7	13.5	14.8	21.0	27.4	15.0	31.4
7. Leather	Million KG	11.8	74.9	13.7	109.3	16.1	107.0	16.7	173.5	21.8	544.9
8. Cotton yarn ..	Million KG	24.1	102.2	72.8	254.0	101.3	344.2	129.2	592.3	182.3	1941.0
9. Cotton thread ..	Million KG	—	—	—	—	1.8	12.8	1.6	13.4	2.1	33.3
10. Cotton fabrics ..	Million Sq.M	162.5	147.9	297.7	257.6	332.7	311.3	382.1	387.1	516.3	1247.1
11. Petroleum & products.	000 MT	284	19.3	1364	48.5	595	38.6	551	41.3	814	128.6
12. Synthetic textiles ..	Million Sq. M.	2.2	5.0	10.9	17.3	11.2	14.8	8.3	12.2	13.9	57.3
23, Footwear	Million pairs	7.1	8.2	6.1	23.4	8.1	29.4	9.9	38.9	12.2	83.6
14. Animal casings ..	000 KG	285	9.6	296	14.7	424	8.3	248	9.5	265	21.2
15. Cement & products..	000 MT	1	0.2	341	19.2	308	20.5	590	43.9	701	106.2
16. Guar and products ..	000 MT	336	26.9	62	25.9	49	39.6	55	39.2	119	95.7
17. Oil cakes	Million KG	49.8	15.3	38.5	12.1	13.1	6.2	32.0	3.4	66.9	78.8
18. Paints and varnishes..	Million KG	6.7	4.7	2.4	5.9	1.7	3.8	2.2	4.7	1.0	5.3
19. Tobacco raw & manufactured	—	—	0.7	—	16.5	—	14.4	—	25.3	—	49.0
20. Readymade garments and hosiery ..	—	—	9.1	—	18.9	—	24.9	—	35.9	—	97.4
21. Drugs and Chemicals.	—	—	12.6	—	12.2	—	11.9	—	10.9	—	37.0
22. Surgical instruments ..	—	—	7.1	—	14.7	—	18.4	—	22.5	—	45.2
23. Carpets and rugs ..	—	—	23.2	—	55.1	—	64.7	—	108.7	—	281.5
24. Sports goods ..	—	—	19.1	—	30.0	—	32.7	—	50.7	—	136.0
25. Others	—	—	164.4	—	228.5	—	338.2	—	350.4	—	977.0
Grand Total ..	—	—	1,203.6	—	1,608.6	—	1,998.6	—	3,371.4	—	8,551.2

TABLE 29

MAJOR EXPORTS

(Million Rupees)

Items	Unit	1973-74		1974-75		1975-76		1976-77		1977-78 (July—March)	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1. Fish and fish preparations	Million K.G.	17.0	276.0	13.6	156.5	11.5	278.8	14.3	381.3	10.4	278.8
2. Rice ..	000 MT	597	2098.4	478	2303.7	782	2479.1	945	2477.9	524	1423.8
3. Hides & Skins ..	000 KG	139	23.5	52	46.1	502	30.4	29	2.3	—	0.2
4. Raw wool ..	Million KG	3.0	64.1	1.3	20.3	4.5	66.2	4.2	76.2	2.9	44.3
5. Raw cotton ..	000 MT	37	367.1	200	1543.9	113	980.5	18	292.1	35	383.3
6. Cotton waste ..	Million KG	12.9	35.0	5.2	18.6	2.7	10.4	4.3	23.7	1.8	10.1
7. Leather	Million KG	13.1	418.5	11.4	367.3	4.3	595.9	8.5	647.4	—	420.3
8. Cotton yarn ..	Million KG	98.2	1810.6	75.8	851.4	110.4	1422.3	66.6	1171.7	36.0	640.3
9. Cotton thread ..	Million KG	2.4	52.5	2.5	57.4	1.7	39.5	1.5	43.4	1.5	47.9
10. Cotton fabrics ..	Million Sq. M.	347.7	1416.8	397.1	1312.5	463.8	1359.4	416.8	1603.3	328.0	1279.4
11. Petroleum & Products	000 MT	297	175.6	162	138.5	323	192.0	291	268.5	664	535.2
12. Synthetic textiles ..	Million Sq. M.	16.6	65.3	7.5	22.5	11.8	34.3	9.2	35.5	28.9	135.2
13. Footwear	Million pairs	10.5	94.5	11.7	125.5	7.1	66.0	9.3	89.3	4.8	49.3
14. Animal casings ..	000 KG	489	29.1	165	21.2	256	35.1	213	33.0	121	17.3
15. Cement & Products ..	000 MT	78	167.2	577	279.5	99	50.9	13	5.6	....	....
16. Guar and products ..	000 MT	67	175.7	48	163.7	91	196.9	82	181.7	42	152.6
17. Oil cakes	Million KG	10.0	7.8	0.3	0.2	0.4	0.3	1.3	1.8	4.5	4.5
18. Paints and varnishes..	Million KG	1.1	6.0	0.8	6.9	1.4	8.2	1.0	9.7	0.5	4.9
19. Tobacco raw & manufactured	—	—	107.2	—	132.6	—	160.2	—	163.8	—	87.4
20. Readymade graments and hosiery ..	—	—	167.4	—	244.9	—	328.4	—	417.7	—	274.5
21. Drugs and Chemicals.	—	—	102.8	—	116.3	—	133.3	—	134.3	—	48.8
22. Surgical instruments.	—	—	85.2	—	129.4	—	131.4	—	133.8	—	113.4
23. Carpets and rugs ..	—	—	456.7	—	456.0	—	719.2	—	911.9	—	845.4
24. Sports goods ..	—	—	188.0	—	204.5	—	189.2	—	199.1	—	143.4
25. Others	—	—	1,761.2	—	1,566.9	—	1,745.0	—	1988.9	—	1606.8
Grand Total ..	—	—	10,161.2		10,286.3		11,252.9		11,293.9		8547.1

Source : Statistics Division.

TABLE 30
MAJOR IMPORTS

(Million Rupees)

Items	1965-66	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (July-March)
1. Chemicals	35.1	91.3	103.8	96.5	255.7	351.9	391.6	483.0	550.4	494.2
2. Drugs and medicines	52.9	62.3	55.8	79.5	119.8	183.9	253.2	271.8	348.3	322.7
3. Dyes and colours	32.6	54.0	51.2	48.6	160.4	164.9	266.2	279.6	281.3	279.5
4. Chemical fertilizers	56.1	282.3	177.6	52.8	389.9	895.4	1,022.0	558.4	623.5	538.2
5. Electrical goods	223.0	218.9	259.6	257.2	459.5	597.6	1,186.5	1,188.6	1302.4	1211.6
6. Machinery non-electrical	699.1	709.0	673.2	594.3	739.0	1,106.2	2,070.8	2,796.7	3312.4	3012 7
7. Transport equipments	374.8	340.1	485.7	197.2	482.8	1 077.7	1,226.6	1,353.1	2016.0	1099.0
8. Paper, board and stationery. ..	38.6	34.5	42.4	70.0	141.2	391.4	522.4	270.1	341.4	277.2
9. Tea	1.2	0.8	11.3	160.5	336.6	343.3	664.3	616.6	751.5	1079.3
10. Sugar Refined	26.3	0.1	..	26.6	428.5	126.2	0.1	0.1	0.5	0.5
11. Art-silk yarn	30.4	3.1	5.8	7.5	21.1	168.2	173.4	127.3	117.2	93.8
12. Iron & steel & manufactures thereof	278.2	360.5	458.0	438.0	876.4	1,106.6	2,054.1	1,698.5	1881.4	1166.4
13. Non-ferrous metals	50.0	67.4	76.6	59.0	155.1	308.7	415.8	119.2	338.6	271.8
14. Petroleum & Products	59.6	208.4	262.7	256.5	649.1	1,509.1	3,333.6	3,743.9	4083.4	3532.1
15. Oil vegetables	81.8	77.1	135.1	85.1	224.4	819.3	1,359.8	1,047.0	1478.3	848.5
16. Grains, pulses and flour	233.4	55.7	75.7	297.4	1,123.0	1,555.4	2,469.5	1,792.1	664.5	525.8
17. Other imports	607.2	719.6	727.8	768.7	1,835.8	2,773.4	3,515.1	4,119.2	4921.1	4793.9
Grand Total ..	2,880.3	3,285.1	3,602.4	3,495.4	8,398.3	13,479.2	20,925.0	20,465.3	23,012.2	19,547.2

Source : Statistics Division.

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1970-71			1971-72			1972-73		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
GRAND TOTAL	3,602.4	1,998.4	—1604.0	3,495.4	3,371.4	—124.0	8,398.3	8,551.2	+ 152.9
1. American Region	1,145.7	145.2	—1,000.5	797.1	212.4	—584.7	2,565.2	439.2	—2,126.0
(*a*) North America ...	1,145.2	141.0	—1,004.2	771.9	205.2	—566.7	2,214.5	425.5	—1,789.0
Of which :									
U.S.A.	1,029.6	126.5	—903.1	728.8	144.1	—554.7	2,094.1	348.8	—1,745.3
Canada	115.6	14.5	—101.1	43.1	31.1	—12.0	120.4	76.6	—43.8
(*b*) Central America ...	0.1	2.7	+2.6	20.3	4.8	—15.5	4.0	6.1	+2.1
(*c*) South America ...	0.4	1.5	+1.1	4.9	2.4	—2.5	346.7	7.6	—339.1
2. Western Europe	1,236.5	416.0	—820.5	1,169.9	737.8	—432.1	2,354.6	2,132.1	—222.5
(*a*) E.C.M.	1,156.3	379.9	—776.4	1,078.7	642.2	—436.5	2,100.9	1.811.5	—289.4
Belgium—Luxembourg—Irish Republic	48.2	14.2	—34.0	41.2	28.5	—12.7	106.6	79.3	—27.3
France	63.7	25.1	—38.6	76.2	62.2	—14.0	112.9	183.4	+70.5
West Germany ...	405.8	61.7	—344.1	344.0	105.3	—238.7	748.7	305.9	—442.8
Italy	192.8	63.5	—129.3	191.7	125.3	—66.4	232.6	434.4	+201.8
Netherlands ...	35.5	22.5	—13.0	63.0	50.0	—13.0	196.0	132.4	—63.6
U.K.	402.1	188.3	—213.8	353.3	259.9	—93.4	683.3	630.2	—53.1
Denmark	8.2	4.6	—3.6	9.3	11.0	+1.7	20.8	45.9	+25.1
(*b*) E.F.T.A. Excl. U.K. ...	77.3	30.7	—46.6	85.8	60.9	—24.9	239.4	182.8	—56.6
Of which :									
Finland	6.0	0.9	—5.1	8.5	1.2	—7.3	9.8	8.2	—1.6
Austria	6.9	0.9	—6.0	8.5	2.1	—6.4	23.3	7.9	—15.4
Norway	16.5	1.8	—14.7	4.3	1.6	—2.7	25.0	7.3	17.7
Portugal	2.0	1.0	—1.0	1.3	4.5	+3.2	34.6	11.9	—22.7

Contd.

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1973-74			1974-75		
	Imports	Exports	Balance	Imports	Exports	Balance
GRAND TOTAL	13,479.2	10,161.2	—3,318.0	20,925.0	10,286.3	—10,638.7
1. American Region	4,053.2	750.2	—3,303.0	3,818.0	545.2	—3,272.8
(*a*) North America	3,966.6	678.1	—3,288.5	3,745.6	460.6	—3,284.9
Of which :	3,451.8	540.5	—2,911.3	3,096.8	383.6	—2,713.2
U.S.A.	514.3	137.4	—376.9	648.4	77.0	—571.4
Canada	1.9	38.5	+36.6	36.8	38.7	+1.9
(*b*) Central America	84.7	33.6	—51.1	35.6	45.8	+10.2
(*c*) South America	3,815.3	2,798.3	—1,017.0	5,349.0	2,423.4	—2,925.6
2. Western Europe	3,367.7	2,288.5	—1,079.2	4,731.4	1,945.7	—2,785.7
(*a*) E.C.M.	259.7	171.8	—87.9	387.2	156.7	—230.5
Belgium—Luxembourg—Irish Republic	252.5	266.0	—13.5	501.4	194.8	—306.6
France	1,050.8	465.3	—585.5	1,558.1	462.8	—1,095.3
West Germany	300.2	491.2	+191.0	599.0	250.0	—349.0
Italy	514.8	159.0	—355.8	391.8	135.5	—256.3
Netherlands	950.2	686.6	—263.6	1,229.7	687.0	—542.7
U.K.	39.9	50.5	+10.6	64.1	58.7	—5.4
Denmark	425.2	346.8	78.4	556.2	273.1	—283.1
(*b*) E.F.T.A. Excl. U.K.	58.9	21.2	—37.7	61.3	9.0	—52.3
Of which :	58.6	8.4	—50.2	73.2	11.6	—61.6
Finland	104.7	18.0	—86.7	79.5	19.7	—59 8
Austria	32.8	8.2	—24.6	31.9	9.7	—22.2
Norway						
Portugal						

Contd.

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1975-76			1976-77			1977-78 (July—March)		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
GRAND TOTAL	20,465.3	11,252.9	—19,212.4	23,012.2	11,293.9	—11,718.3	19,547.2	8.547.1	—11,000.1
1. American Region	4,760.3	801.0	3,959.3	4027.7	718.7	3309.0	2069.2	615.2	1454.0
(*a*) North America ..	4,695.8	733.9	—3,961.9	3917.5	653.7	—3263.8	2051.4	503.0	—1548.4
Of which :									
U.S.A.	3,977.2	645.6	—3,331.6	3392.9	581.8	—2811.1	1547.4	449.4	—1098.0
Canada	713.6	88.3	—625.3	510.4	71.9	—438.5	504.0	53.4	—450.6
(*b*) Central America ..	33.0	57.0	+24.0	11.6	56.3	+44.7	7.2	79.8	+72.6
(*c*) South America ..	31.5	10.1	—21.4	98.6	8.7	—89.9	10.6	32.4	+21.8
2. Western Europe	5,135.8	2,951.8	—2,184.0	6186.1	3195.0	—2991.1	5825.3	2240.1	—3585.2
(*a*) E.C.M.	4,598.3	2,288.3	—2,310.0	5397.4	2579.8	—2817.6	5355.2	1881.8	—3473.4
Belgium—Luxembourg—Irish Republic	314.7	94.0	—220.7	256.1	126.7	—129.4	332.4	79.4	—253.0
France	547.9	228.6	—319.3	500.8	261.7	—239.1	588.8	169.4	—419.4
West Germany ..	1,242.4	597.6	—644.8	1463.1	648.4	—814.7	1642.8	542.3	—1100.5
Italy	668.7	430.9	—237.8	716.5	421.0	—295.5	576.4	237.2	—339.2
Netherlands ..	260.0	150.5	—109.5	515.5	214.7	—300.8	503.9	173.7	—330.2
U.K.	1,511.0	710.9	—800.1	1861.0	342.9	—1518.1	1642.7	595.0	—1047.7
Denmark	53.7	75.9	+22.2	84.4	99.7	+15.3	68.3	84.6	+16.3
(*b*) E.F.T.A. Excl. U.K. ..	487.0	313.1	—173.9	739.6	342.9	—396.7	430.4	221.9	—208.5
Of which :									
Finland	27.3	5.0	—22.3	20.7	18.7	—2.0	2.8	2.4	—0.4
Austria	84.1	19.6	—64.5	44.8	19.3	—25.5	31.7	17.7	—14.0
Norway	67.5	40.5	—27.0	68.6	40.0	—28.6	50.9	21.7	—29.2
Portugal	31.3	9.2	—22.1	310.2	4.5	—305.7	9.8	2.4	—7.4

TABLE 31
DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1970-71			1971-72			1972-73		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
Sweden	22.6	1.0	—21.6	26.2	14.6	—11.6	69.0	44.4	— 24.6
Swit zerland ...	23.4	15.4	—8.0	37.1	36.9	—0.2	76.3	103.2	+26.9
(c) Western Europe Excl. E. C.M. & E.F.T.A. ...	2.9	5.4	+2.5	5.3	34.7	+29.4	14.3	137.8	+123.5
Of which :									
Malta & Gozo ...	—	0.4	+0.4	—	4.7	+4.7	1.0	13.5	+12.5
Spain	2.5	2.4	—0.1	3.3	17.7	+14.4	11.7	93.9	+82.2
Greece	0.2	2.2	+2.0	2.0	11.8	+9.8	1.6	29.8	+28.2
3. Eastern Europe	314.3	381.7	+67.4	361.0	395.8	+34.8	558.5	640.4	+81.9
Of which :									
U.S.S.R. ...	96.9	162.0	+65.1	84.3	135.8	+51.5	165.3	222.6	+57.3
Bulgaria ...	45.3	27.1	—18.2	19.8	38.2	+18.4	22.2	45.8	+23.6
Czechoslovakia ...	48.0	34.1	—13.9	52.1	31.9	—20.2	45.3	49.3	+4.0
Hungary ...	6.9	24.7	+17.8	11.9	29.2	+17.3	16.3	39.6	+23.3
Poland	57.3	78.6	+21.3	102.4	95.0	—7.4	186.9	118.4	+68.5
Romania ...	17.1	17.8	+0.7	29.4	30.1	+0.7	36.5	43.5	+7.0
Yugoslavia ...	42.1	37.3	—4.8	59.9	35.5	—24.4	75.8	120.8	+45.0
4. Middle East	265.3	281.6	+16.3	278.4	455.5	+177.1	766.7	787.8	+21.1
(a) R.C.D.	105.1	20.3	—84.8	73.2	21.8	—51.4	152.7	61.3	—91.4
Turkey	2.3	1.5	—0.8	9.4	1.1	—8.3	54.8	1.3	—53.5
Iran	102.8	18.8	—84.0	63.8	20.7	—43.1	97.9	60.0	—37.9
(b) Asian Countries ...	160.1	234.0	+73.9	204.8	416.7	+211.9	602.1	667.0	+64.9
Abu Dhabi ...	58.3	9.4	—48.9	33.6	20.3	—13.3	5.5	38.6	+33.1
Bahrain ...	12.5	20.4	+7.9	2.1	28.7	+26.6	1.8	25.2	+23.4
Dubai	1.1	29.7	+28.6	6.0	40.8	+34.8	8.9	110.3	+101.4
Iraq	3.5	53.7	+50.2	5.3	54.9	+49.6	6.6	106.2	+99.6

Contd

TABLE 31
DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1973-74			1974-75		
	Imports	Exports	Balance	Imports	Exports	Balance
Sweden	109.5	73.2	—36.3	210.8	91.8	—119.0
Switzerland	60.6	216.8	+156.2	99.5	131.3	+31.8
(c) Western Europe excl. E.C.M. & E.F.T.A.	22.4	163.0	+140.6	61.4	204.7	+143.3
Of which :						
Malta & Gozo	0.2	29.7	+29.5	—	15.4	+15.4
Spain	17.0	113.7	+96.7	44.0	123.3	+79.3
Greece	5.1	18.0	+12.9	16.9	57.4	+40.5
3. Eastern Europe	792.3	632.7	—156.9	1,102.9	759.1	—343.8
Of which :						
U.S.S.R.	181.2	256.1	+74.9	179.0	316.7	+137.7
Bulgaria	21.0	2.1	—18.9	31.2	12.9	—18.3
Czechoslovakia	96.5	14.4	—82.1	77.0	36.5	—40.5
Hungary	62.6	22.8	—39.8	39.6	30.2	—9.4
Poland	201.3	142.8	—58.5	228.2	164.5	—63.7
Romania—	76.4	5.9	—70.5	179.1	61.7	—117.4
Yugoslavia	144.4	186.9	+42.5	135.7	118.9	—16.8
4. Middle East	1,731.7	1,897.5	+165.8	3,517.8	3,004.7	—513.1
(a) R.C.D.	241.7	332.1	+90.4	137.7	600.3	+462.6
Turkey	20.3	2.9	—17.4	20.9	6.1	—14.8
Iran	221.4	329.2	+107.8	116.8	594.2	+477.4
(b) Asian Countries	1,439.2	1,439.6	+0.4	3,377.1	1,969.3	—1,407.8
Of which :						
Abu Dhabi	1.2	99.0	+97.8	125.2	179.2	+54.0
Bahrain	7.6	101.4	+93.8	57.3	42.3	—15.0
Dubai	16.9	194.8	+177.9	118.6	296.7	+178.1
Iraq	8.1	206.6	+198.5	188.1	313.3	+125.2

TABLE 31
DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1975-76			1976-77			1977-78 (July—March)		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
Sweden	71.0	92.9	+21.9	108.5	93.7	—14.8	153.9	46.1	—107.8
Switzerland	205.1	146.0	—59.1	186.8	166.8	—20.0	181.3	131.6	—49.7
(c) Western Europe excl. E.C.M. & E.F.T.A. ...	50.5	350.3	+299.8	49.2	272.3	+223.1	39.7	136.5	+96.8
Of which :									
Malta & Gozo	—	18.3	+18.3	0.6	13.4	+12.8	—	9.4	+9.4
Spain	25.4	275.1	+249.7	42.7	242.1	+199.4	32.2	110.2	+78.0
Greece	24.8	56.0	+31.2	4.0	9.7	+5.7	7.1	16.6	+9.5
3. Eastern Europe	1032.9	591.0	—441.9	1032.0	496.7	—535.3	803.3	372.4	—430.9
Of which :									
U.S.S.R.	510.3	194.5	—315.8	431.3	251.3	—180.0	291.7	172.6	—119.1
Bulgaria	47.0	20.6	—26.4	113.7	54.8	—58.9	20.2	54.4	+34.2
Czechoslovakia ...	53.6	17.2	—36.4	63.6	27.8	—35.8	68.6	43.4	—25.2
Hungary	22.3	39.9	+17.6	86.0	37.7	—48.3	44.6	45.6	—1.0
Poland	143.7	119.1	—24.6	91.5	27.0	—64.5	130.1	2.5	—127.6
Romania	149.4	105.9	—43.5	62.6	47.7	—14.9	76.2	34.4	—41.8
Yugoslavia	94.5	63.5	—31.0	121.6	19.4	—102.2	150.8	10.0	—140.8
4. Middle East	3,811.4	3,016.0	—795.4	4209.3	3569.5	—639.8	3711.3	2341.2	—1370.1
(a) R.C.D.	79.0	258.6	+179.6	51.3	947.9	+896.6	59.0	491.4	+432.4
Turkey	16.2	82.4	+66.2	20.6	68.8	+48.2	12.2	175.4	+163.2
Iran	62.8	176.2	+113.4	30.6	879.1	+848.5	46.8	316.1	+269.3
Asian Countries ...	3,713.6	2542.3	—1171.3	4148.2	2330.6	—1817.6	3639.7	1469.6	—2170.1
Of which :									
Abu Dhabi	946.8	113.8	—833.0	912.2	31.7	—880.5	446.5	14.7	—431.8
Bahrain	173.4	136.9	—36.5	112.7	68.0	—44.7	16.3	14.8	—1.5
Dubai	118.2	252.7	+134.5	159.1	542.1	+383.0	129.6	184.9	+55.3
Iraq	106.2	584.8	+478.6	144.7	498.2	+353.5	70.6	397.0	—326.4

contd.

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1970-71			1971-72			1972-73		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
Jordan	1.7	6.4	+4.7	1.0	22.3	+21.3	6.9	7.7	+0.8
Kuwait	42.4	42.7	+0.3	62.9	103.3	+40.4	204.1	91.7	—112.4
Lebanon	1.7	2.7	+1.0	1.2	7.1	+5.9	0.8	22.3	+21.5
Sultanate of Oman ..	—	7.1	+7.1	0.1	17.5	+17.4	0.2	36.4	+36.2
Qatar	0.6	10.6	+10.0	0.2	14.2	+14.0	0.3	26.7	+26.4
Saudi Arabia ..	37.9	29.3	—8.6	92.0	81.3	+10.7	365.9	128.2	—237.7
People's Rep. of S. Yemen	0.1	12.3	+12.2	—	12.6	+12.6	0.1	20.1	+20.1
(c) **African Countries** ..	0.1	27.4	+27.3	0.4	17.0	+16.6	11.8	59.6	+47.8
Of which :									
Libya	—	4.7	+4.7	0.1	5.9	+5.8	7.5	26.0	+18.5
Somalia	—	2.4	+2.4	—	2.5	+2.5	1.3	7.0	+5.7
U.A.R. (Egypt) ..	—	0.3	+0.3	0.1	5.6	+5.5	0.3	19.9	+19.6
African Countries other than Middle East	5.9	44.9	+39.0	24.3	48.1	+23.8	105.6	405.1	+299.5
Of which :									
Liberia	N.A.	0.5	+0.5	—	1.4	+1.4	0.1	32.0	+31.9
Ghana	—	0.1	+0.1	—	0.5	+0.5	—	15.0	+15.0
Kenya Rep.	2.9	13.4	+10.5	14.3	13.0	—1.3	78.5	27.0	—51.5
Mauritius	—	2.9	+2.9	—	4.4	+4.4	—	21.8	+21.8
Nigeria	—	3.7	+3.7	—	3.7	+3.7	—	23.7	+23.7
Tanzania	1.2	4.7	+3.5	1.7	1.7	—	10.9	9.2	—1.7
Cameroons	—	0.1	+0.1	—	0.1	+0.1	—	15.9	+15.9
Malawi	—	1.2	+1.2	0.2	2.3	+2.1	0.1	10.2	+10.1
Sierra-Leone ...	0.1	0.6	+0.5		1.0	+1.0	—	12.4	+12.4
Algeria	—	0.7	+0.7	—	0.5	+0.5	0.4	5.9	—5.5

Contd

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1973-74			1974-75		
	Imports	Exports	Balance	Imports	Exports	Balance
Jordan	7.9	16.7	+8.8	11.1	12.3	+1.2
Kuwait	498.1	146.4	—351.7	1,224.2	183.3	—1,040.9
Lebanon	0.8	17.8	+17.0	1.6	30.1	+28.5
Sultanate of Oman	0.5	73.5	+73.0	62.5	99.3	+36.8
Qatar	0.2	37.9	+37.7	19.9	35.7	+15.8
Saudi Arabia	892.9	396.6	—496.3	1559.1	620.9	—938.2
Peoples Rep. of S. Yemen	1.4	9.5	+8.1	—	18.6	+18.6
(c) African Countries	50.8	125.7	+74.9	3.0	435.2	+432.2
Of which :						
Libya	—	68.2	+68.2	0.5	59.2	+58.7
Somalia	0.4	37.1	+36.7	0.1	43.6	+43.5
U.A.R. (Egypt)	10.7	12.5	+1.8	0.1	11.5	+11.4
African Countries other than Middle East	111.2	401.0	+289.8	181.8	358.8	+177.0
Of which :						
Liberia	—	10.2	+10.2	0.8	6.1	+5.3
Ghana	0.4	2.0	+1.6	1.4	4.2	+2.8
Kenya Rep	64.3	33.9	—30.4	111.6	20.7	—90.9
Mauritius	—	47.3	+47.3	0.7	9.2	+8.5
Nigeria	—	15.1	+15.1	—	23.7	+23.7
Tanzania	24.7	21.0	—4.6	26.9	2.8	—24.1
Cumeroons	—	2.1	+2.1	0.7	0.1	—0.6
Malawi	0.1	11.5	+11.4	—	20.2	+20.2
Sierra-Leone	—	26.9	+26.9	—	2.5	+2.5
Algeria	—	10.6	+10.6	—	40.0	+40.0

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1975-76			1976-77			1977-78 (July—March)		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
Jordan	17.1	20.0	+2.9	11.9	19.7	+7.8	17.3	7.3	—10.0
Kuwait	781.3	380.1	—401.2	1182.7	316.6	—866.1	1012.4	144.1	—868.3
Lebanon	9.5	3.7	—5.8	3.5	10.4	+6.9	2.2	7.1	+4.9
Sultanate of Oman ..	0.3	97.6	+97.3	0.2	113.4	+113.2	0.8	17.9	+17.1
Qatar	0.1	73.8	+73.7	0.1	68.0	+67.9	0.2	22.6	+22.4
Saudi Arabia ..	1,515.3	796.4	—718.9	1593.9	461.3	—1132.6	1927.5	503.2	—1424.3
Peoples Rep. of S. Yemen	0.1	28.3	+28.2	7.1	67.5	+60.4	0.1	70.5	+70.4
(c) African Countries	18.8	215.1	+196.3	9.9	291.0	+281.1	12.5	380.2	+367.7
Of which:									
Libya	9.0	84.6	+75.6	0.1	115.0	+114.9	..	67.5	+67.5
Somalia	—	7.3	+7.3	..	22.0	+22.0	0.4	53.9	+53.5
U.A.R. (Egypt) ..	0.3	19.6	+19.3	8.4	7.4	—1.0	0 4	13.0	+12.6
African Countries other than Middle East	211.9	352.0	+140.7	212.4	395.6	+183.2	356.6	284.1	—72.5
Of which :									
Liberia	1.8	3.6	+1.8	8.5	3.4	—5.1	43.1	2.6	—40.5
Ghana	—	2.3	+2.3	0.6	1.5	+0.9	..	41.4	+41.4
Kenya Rep.	137.1	36.4	—100.7	140.0	22.2	—117.8	225.9	11.6	—214.3
Mauritius	—	16.2	+16.2	0.2	17.4	+17.2	4.7	11.8	+7.1
Nigeria	—	20.9	+20.9	—	15.9	+15.9	4.0	6.9	+2 9
Tanzania	24.7	11.6	+13.1	20.0	20.4	+0.4	43.4	19.7	—23.7
Cameroons	—	21.9	+21.9	..	35.3	+35.3	..	6.9	+6.9
Malawi	0.3	7.7	+7.4	0.2	2 2	+2.0		4.6	+4.6
Sierra-Leone ..	—	2.2	+2.2	—	7.5	+7.5	—	11.7	+11.7
Algeria	—	17.2	+17.2	—	29.8	+29.8	—	17.3	+17.3

TABLE 31
DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1969-70			1970-71			1972-73		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
6. Asian Countries Excl-Middle East	596.9	697.8	+100.9	824.5	1,483.8	+659.3	1,938.6	4,067.0	+2,128.4
Of which :									
Sri Lanka	18.4	57.9	+39.5	109.4	65.3	+44.1	298.1	205.3	—92.8
Malaysia	20.7	10.5	+10.2	15.6	23.8	+8.2	58.1	56.5	—1.6
Singapore ..	11.7	60.8	+49.1	25.6	61.3	+35.7	130.7	295.8	+165.1
Afghanistan ..	96.7	23.3	—73.4	102.5	44.0	—58.5	129.2	36.2	—93.0
Peoples' Republic of China	55.2	22.2	—33.0	99.1	146.0	+46.9	361.9	193.4	—168.5
Hong Kong	11.7	246.5	+234.8	24.4	505.2	+480.8	32.5	961.0	+928.5
Indonesia	0.6	30.3	+29.7	10.2	50.3	+40.1	7.1	659.0	+651.9
India	—	—	—	—	—	—	—	—	—
Japan	358.5	194.6	—163.9	349.5	540.1	+190.6	721.1	1,562.1	+841.0
Thailand	0.6	2.5	+1.9	44.2	23.2	—21.0	59.2	5.6	—53.6
North Korea ..	6.4	7.9	+1.5	11.8	1.6	—10.2	7.4	9.9	+2.5
South Korea ..	7.7	1.0	—6.7	12.6	2.5	—10.1	52.5	33.5	—19.0
Philippines	1.1	0.5	—0.6	1.6	0.8	—0.8	3.9	1.0	—2.9
Burma	3.1	9.0	+5.9	7.7	0.2	—7.5	47.7	4.4	—43.3
Bangladesh	—	—	—	—	—	—	—	—	—
Oceania	37.7	31.4	—6.3	40.3	38.0	—2.3	109.2	79.6	—29.6
Of which :									
Australia	35.8	23.3	—12.5	36.5	28.5	—8.0	99.8	65.1	—34.7
New-Zealand ..	1.8	5.6	+3.8	3.7	6.1	+2.4	9.4	8.2	—1.2

TABLE 31

DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1973-74			1974-75		
	Imports	Exports	Balance	Imports	Exports	Balance
6. Asian Countries Excl-Middle East	**2,903.7**	**3,488.9**	**+585.2**	**5,692.9**	**3,110.1**	**—2,582.8**
Of which :						
Sri-Lanka	356.0	128.4	—227.6	546.1	600.4	+54.3
Malaysia	91.1	53.1	—38.0	700.1	65.9	—634.2
Singapore	182.6	382.0	+199.4	193.2	117.4	77.8
Afghanistan	187.9	81.9	—106.0	228.6	127.8	—100.8
Peoples' Republic of China	570.9	39.3	—531.6	535.0	150.8	384.2
Hong Kong	55.3	1,116.9	+1,061.6	105.1	786.9	+681.8
Indonesia	119.8	932.9	+813.1	324.1	131.4	—192.7
India	—	—	—	—	—	—
Japan	1,126.2	633.3	—492.9	2,632.6	699.1	—1,933.5
Thailand	45.2	12.3	—32.9	72.2	19.9	—52.3
North Korea	26.2	4.4	—21.8	57.1	4.5	—52.6
South Korea	41.8	24.1	—17.7	101.9	8.6	—93.3
Philippines	2.7	29.3	+26.6	5.7	71.5	+65.8
Burma	84.8	9.5	—75.3	114.0	40.2	—73.8
Bangladesh	—	—	—	34.5	138.0	+103.5
Occeania	71.9	192.6	+120.7	1,265.0	85.1	—1,179.9
Of Which :						
Australia	59.9	153.6	+93.7	1,253.5	50.1	—1,203.4
New-Zealand	11.8	32.6	+20.8	11.2	15.9	+4.7

TABLE 31
DIRECTION OF FOREIGN TRADE

(Million Rupees)

Regions, Countries and Territories	1975-76			1976-77			1977-78 (July—March)		
	Imports	Exports	Balance	Imports	Exports	Balance	Imports	Exports	Balance
6. Asian Countries Excl-Middle East	**5,291.7**	**3,462.6**	**—,1829.1**	**6719.4**	**2821.4**	**—3898.0**	**6235.7**	**2639.1**	**—3596 6**
Of which :									
Sri-Lanka	504.5	360.2	—144.3	443.6	436.5	—7.1	557 3	222.2	—335.1
Malaysia	309.8	18.6	—291.2	414.3	17.6	—396.7	464 2	9.0	—455.2
Singapore	204.6	152.4	—52.2	212.9	133.9	—79.0	205.9	222.6	+16.7
Afghanistan ..	244.3	95.2	—149.1	303.4	128.2	—175.2	295.4	127.2	—168.2
Peoples' Republic of China	549.4	175.5	—373.9	633.5	96.3	537.2	461.5	221.8	—239.7
Hong Kong ..	135.4	1,240.0	+1,104.6	175.4	711.4	+536.0	185.4	464.7	+279.3
Indonesia	411.1	132.6	—278.5	383.8	187.4	—196.4	471.6	231.3	— 204.3
India	12.7	149.5	+136.8	235.7	1.2	—234.5	387.8	273.4	—114.4
Japan	2498.9	785.9	—1713.0	3291.6	912.6	—2379.0	2549.4	613.7	—1935 7
Thailand	91.9	7.6	—84.3	39.9	36.1	—3.8	26.8	38.9	+12.1
North Korea ..	21.7	18.0	—3.7	9.9	3 9	—6.0	3.5	0 8	—2.7
South Korea ..	136.9	8.6	—128.3	253.2	2.6	—250.6	300.2	15.3	—284 9
Philippines	7.9	15.4	+7.5	11 6	2 5	—9.1	21.5	12 1	—9.4
Burma	53.3	24.2	—29.1	18.3	26.5	—8.2	13 9	9 9	—4.0
Bangladesh	77.4	220.0	+142.6	256.8	73.2	—183.6	313.4	132.3	— 181.1
Oceania	221.4	78.0	—143.4	625.2	97.0	—528.2	545.9	54.9	—491.0
Of which :									
Australia	139.2	68.5	—70.7	559.3	83.8	—475.5	472 8	48.2	—424.6
New-Zealand ..	81.9	6.8	—75.1	65.1	11.6	—53.5	72.8	4.7	—68.1

Source : Statistics Division

TABLE 32

ECONOMIC CLASSIFICATION OF IMPORTS

(Million Rupees)

Year (July—June)	Capital Goods		Industrial raw materials				Consumer Goods		Total	
			Capital Goods		Consumer Goods					
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share
1969-70	1,655.0	50.4	344.0	10.5	957.0	29.1	329.0	10.0	3285.0	100.0
1970-71	1885.4	52.3	381.9	10.6	949.8	26.4	385.3	10.7	3,602.4	100.0
1971-72	1,482.1	42.4	366.6	10.5	851.5	24.4	795.2	22.7	3,495.4	100.0
1972-73	2,498.8	29.8	830.2	9.9	2,584.6	30.8	2,484.7	29.5	8,398.3	100.0
1973-74	3,975.3	29.5	904.0	6.7	5,385.9	40.0	3,214.0	23.8	13,479.2	100.0
1974-75	6,152.2	29.4	1,802.2	8.6	8,257.1	39.5	4,713.5	22.5	20,925.0	100.0
1975-76	7,158.2	35.0	1,261.0	6.1	7709.4	37.7	4,336.7	21.2	20,465.3	100.0
1976-77	**8,750.2**	**38.0**	**1,463.6**	**6.4**	9,147.7	**39.7**	**3,650.7**	**15.9**	**23,012.2**	**100.0**
1977-78 (July—March).	**6,882.1**	**35.2**	**1,436.8**	**7.4**	**7,450.3**	**38.1**	**3,778.0**	**19 3**	**19,547.2**	**100 0**

Source : Statistics Division

TABLE 33

ECONOMIC CLASSIFICATION OF EXPORTS

(Million Rupees)

Year (July—June)	Primary Commodities		Semi-manufactures		Manufactured Goods		Total	
	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share	Value	Percentage Share
1969-70	531.7	33.1	375.4	23.3	701.5	43.0	1,608.6	100
1970-71	650.3	32.6	472.2	23.6	876.0	43.8	1998.5	100
1971-72	1,510.4	44.8	913.8	27.1	947.2	28.1	3,371.4	100
1972-73	3,365.6	39.4	2,583.3	30.2	2,602.3	30.4	8,551.2	100
1973-74	4,037.3	39.4	2,293.8	22.6	3,860.1	37.9	10,161.2	100
1974-75	4,931.5	48.0	1,308.2	12.7	4,046.6	39.3	10,286.3	100
1975-76	4,902.2	43.7	2,067.5	18.4	4,283.2	37.9	11,252.9	100
1976-77	4,622.4	40.9	1,888.1	16.7	4,783.4	42.4	11,293.9	100
1977-78 (July—March)	3,473.5	40.6	1,140.5	13.4	3,933.1	46.0	8,547.1	100

Source. Statistics Division

TABLE

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	828.6	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 n.i.e. ..	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 ..	—	—	—	—	—	—

34

PAYMENTS

(Million U.S. Dollars)

1970-71			1971-72		
Credi	Debit	Net credit	Credit	Debit	Net credit
86.5	1573.6	—727.1	722.8	1258.5	– 535.6
63.4	1136.9	– 503.5	619.5	946.3	– 326.7
5.9	—	+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	—4.7
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	—61.9
18.8	75.0	—26.2	15.5	74.3	—58.8
22.4	16.9	+5.5	34.9	34.7	+0.2
1.3	3.8	—2.5	1.2	5.1	—3.9
21.1	13.1	+7.9	33.7	29.5	+4.1
41.6	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	+80.0
—	—	—	27.0	—	+27.0

contd.

TABLE

BALANCE OF

	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
14.4. Long term loans	—	—245.5	+245.5	—9.9	—236.5	+226.6
14.5. Other long term assets and liabilities ..	+3.9	—	+3.9	+2.5	—	+2.5
14.6. Other short term 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

34

PAYMENTS

(Million U.S. Dollars)

1970-71 Change in			1971-72 Change in		
Assets	Liabilities	Net position	Assets	Liabilities	Net position
+886	—512.1	+600.8	—53.5	—350.6	+297.1
+14	—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
+477	—287.9	+335.6	—13.9	—193.6	+179.6
–	+286.3	—286.3	—	—193.6	+193.6
+452	—1.6	+46.8	—9.9	—	—9.9
+25	—	+2.5	—3.9	—	—3.9
+333	—28.3	+61.6	—67.4	—44.7	—22.7
—47.0	—28.5	—18.6	—	—53.4	+53.4
+142	—	+14.2	—57.7	—	+57.7
+69.5	+0.1	+69.4	—102.5	+8.7	—111.1
—0.3	—	—0.8	—0.2	—	—0.2
—2.7	—	—2.7	—22.5	—	—22.5
+6.3	+6.3	—	+11.8	+9.1	+2.7
+9.5	+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

(Contd.)

TABLE 34
BALANCE OF PAYMENTS

(Million U.S. Dollars)

Items	1972-73			1973-74		
	Credit	Debit	Net Credit	Credit	Debit	Net Credit
A. Goods and Services (1 through 8)	919.7	1195.8	—275.8	1238.1	1936.9	—698.8
1. Merchandise	766.7	891.2	—184.6	1019.7	1493.4	—473.7
2. Non-Monetary Gold	—	—	—	—	—	—
3. Freight and insurance on international shipments	3.4	82.0	—78.5	2.0	153.9	—151.9
3.1 Freight	0.4	76.8	—75.5	—	146.8	—146.8
3.2 Insurance	3.1	5.8	—2.6	2.0	7.1	—5.1
4. Other Transportation i	57.3	35.7	+21.7	97.5	65.7	+31.8
5. Travel	15.1	29.8	—14.7	20.3	35.5	—15.2
6. Investment Income	17.3	101.5	—84.2	96.1	168.1	—72.0
7. Government n.i.e.	37.7	32.7	+5.0	27.6	45.0	—17.4
8. Other services	22.2	22.3	—0.1	34.9	35.6	—0.7
8.1 Non-merchandise insurance	2.7	5.7	—3.0	1.7	2.0	—0.3
8.2 Other	19.6	16.6	+2.9	33.2	33.8	—0.6
B. Unrequited Transfers (9 plus 10)	181.1	6.1	+175.0	222.7	5.1	+217.6
9. Private	146.3	1.3	+145.0	151.8	6.9	+150.3
10. Government	34.8	4.8	+30.0	71.5	4.2	+67.3
C. Allocation of SDRs	—	—	—	—	—	—
D. Capital and Monetary Gold (a plus b)	378.8	286.0	+92.8	635.7	149.2	+486.5
a. Non Monetary Sector (11 through 14)	355.6	102.8	+252.8	451.8	113.0	+338.8
11. Private long-term	58.7	45.9	+12.8	100.9	43.4	+57.5

11. 1 Direct Investment .. .. —..	—	—...	...		...	...
11.2 Other long term Investment	—	—	—	—	—	—
11.6 Loans	58.7	15.6	+43.1	100.9	37.1	+63.8
12. Private Short term (other than direct investment)	1.0	—	+1.0	0.1	—	+0.1
13. Local Governments	32.0	41.8	-8.8	106.0	37.0	+69.0
14. Central Government	262.9	15.1	+247.8	244.8	32.6	+212.2
14.4 Long-term Loans	221.2	15.1	+206.1	237.1	26.0	+211.1
14.5 Other long-term Assets and Liabilities	9.5	—	+9.5	7.7	—	+7.7
14.6 Other short-term Assets and Liabilities	32.2	—	+32.2	—	6.6	—6.6
b. Monetary Sector (15 plus 16)	23.3	183.2	—159.5	183.9	36.2	+147.7
15. Central Monetary Institutions	11.5	162.6	—151.1	128.7	8.3	+120.4
15.1 Accounts with IMF	—	4.5	—4.5	32.2	—	—32.2
15.2 Marketable Assets	—	25.8	—25.8	21.9	—	+21.9
15.3 Deposits—Assets	—	125.5	—125.5	52.5	—	+52.5
—Liabilities	—	0.5	—0.5	—	8.3	—8.3
15.6 Gold	—	—	—	—	—	—
15.7 Special Drawing Rights	11.5	—	+11.5	1.1	—	+1.1
16. Other Monetary Institutions	11.8	20.6	—8.5	55.2	27.9	+27.3
16.2 Deposits—Assets	11.8	—	+11.8	—	27.9	—27.9
—Liabilities	—	20.6	—20.6	54.7	—	+54.7
16.4 Other Foreign Assets and Liabilities	—	—	—	0.5	—	+0.5
E. Errors and omissions (Net)	7.4	—	+7.4	—	5.3	—5.3

Nte In monetary sector and Items 14.5 and 14.6 of Non-Monetary Sector an increase in assets or a decrease in liabilities gvies a debit entry whereas a decrease in assets or an increase in liabilities generates a Credit entry.

TABLE 34
BALANCE OF PAYMENTS

(Million U.S. Dollars)

Items	1974-75			1975-76		
	Credit	Debit	Net Credit	Credit	Debit	Net Credit
A. Goods and Services (1 through 8)	1,289.0	2,686.1	(—)1397.1	1,460.5	2,760.1	(—)1,299.6
1. Merchandise	977.6	2,114.2	(—)1136.6	1,162.1	2,139.4	(—)977.3
2. Non-Monetary Gold ..	..	—	—	1.3	—	(+)1.3
3. Freight and insurance on international shipments ..	1.7	208.0	(—)206.3	1.2	201.4	(—)200.2
3.1 Freight	—	197.9	(—)197.9	—	171.5	(—)171.5
3.2 Insurance	1.7	10.1	(—)8.4	1.2	9.9	(—)8.7
4. Other Transportation ..	129.4	55.3	(+)74.1	125.5	59.5	(+)66.0
5. Travel	27.5	45.9	(—)18.4	35.0	58.8	(—)23.8
6. Investment Income ..	37.4	135.1	(—)97.9	28.4	173.2	(—)144.8
7. Government n.i.e. ..	40.0	68.0	(—)28.0	46.8	75.8	(—)29.0
8. Other services	75.4	59.6	(+)15.8	60.4	52.0	(+)8.4
8.1 Non-merchandise insurance	1.2	4.1	(—)2.9	1.3	7.3	(—)6.0
8.2 Other	74.2	55.5	(+)18.7	59.1	44.7	(+)14.4
B. Unrequited Transfers (9 plus 10)..	338.5	5.1	(+)333.4	491.4	18.6	(+)472.8
9. Private	229.9	0.5	(+)229.4	353.4	0.4	(+)353.0
10. Government	108.6	4.6	(+)104.0	138.0	18.2	(+)119.8
C. Allocation of SDRs	—	—	—	—	—	—
D. Capital and Monetary Gold (a plus b)	1295.1	246.1	(+)1049.0	1267.4	431.9	(+)835.5
a. Non-Monetary Sector (11 trough 14)	1062.2	152.7	(+)909.5	1066.7	251.5	(+)815.2
11. Private long—term	144.9	49.2	(+)95.7	182.6	43.1	(+)139.5
11.1 Direct Investment ..	23.5	8.6	(+)14.9	30.6	8.1	(+)22.5
11.2 Other long term Investment ..	—	—	—	23.2	4.6	(+)18.6
11.6 Loans	121.4	40.6	(+)80.8	152.0	35.1	(+)116.9
12. Private Short term (other than direct investment)	0.1	—	(+)0.1	78.5	24.4	(+)54.1
13. Local Governments ..	123.8	35.5	(+)88.3	212.2	29.8	(+)182.4
14. Central Government ..	793.4	68.1	(+)725.3	593.4	154.2	(+)439.2
14.1 Long-term Loans ..	678.7	66.1	(+)612.6	593.4	104.8	(+)488.6
14.5 Other long-term Assets and Liabilities	—	2.0	(—)2.0	—	2.7	(—)2.7
14.6 Other short-term Assets and Liabilities	114.7	—	(+)114.7	—	46.7	(—)46.7
b. Monetary Sector (15 plus 16)	232.9	93.4	(+)139.5	200.7	180.4	(+)20.3
15. Central Monetary Institutions	214.1	93.4	(+)120.0	157.0	180.4	(—)23.4
15.1 Accounts with IMF ..	201.0	—	(+)201.0	135.5	—	(+)135.5
15.2 Marketable Assets ..	—	21.5	(—)21.5	21.5	—	(+)21.5
13.3 Deposits —Assets ..	—	71.8	(—)71.8	—	141.7	(—)141.7
—Liabilities	0.1	—	(+)0.1	0.1	—	(+)0.1
15.6 Gold	—	—	—	—	—	—
15-7 Special Drawing Rights..	13.0	—	(+)13.0	—	37.4	(—)37.4
16. Other Monetary Institutions ..	18.8	—	(+)18.8	43.7	—	(+)43.7
16.2 Deposits —Assets ..	0.7	—	(+)0.7	1.7	—	(+)1.7
—Liabilities ..	18.4	—	(+)18.4	26.3	—	(+)26.3
16.4 Other Foreign Assets and Liabilities ..	—	—	—	—	—	—
E. Errors and omissions Net ..	14.7	—	(+)14.7	—	8.8	(—)8.8

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.

TABLE 34

BALANCE OF PAYMENTS

(Million U.S. Dollars)

	1976-77			July—Dec. 1977		
	Credit	Debit	Net Credit	Credit	Debit	Net Credit
A. Goods and Serices (1 through 8)	1437.2	3078.9	—1641.6	715.4	1558.4	—843.0
1. Merchandse	1131.7	2.417.7	—1286.0	526.7	1218.3	—691.6
2. Non-Montary Goll	—	—	—	—	—	—
3. Freight ard Insurance on international shipments	2.3	228.7	—226.4	0.6	112.7	—112.1
3.1 Freigt	—	220.3	—220.3	—	109.6	—109.6
3.2 Insurace	2.3	8.4	—6.1	0.6	3.1	—2.5
4. Other tranportatio	127.3	49.9	+77.4	64.6	32.2	+32.4
5. Travel	43.9	52.1	—8.2	32.4	36.6	—4.2
6. Investmen income	32.8	201.8	—169.0	15.8	93.6	—77.8
7. Covernmet n.i.e.	38.4	79.3	—40.9	27.6	41.9	—14.3
8. Other serves	61.0	49.4	+11.6	47.6	22.9	+24.6
8 1 Non nerchandise Insurance	0.9	11.3	—10.4	3.2	4.8	—1.6
8.2 other	60.1	38.0	+22.1	44.3	18.1	+26.3
B. Unrequited Tnnsfers (9plus 10))	743.8	4.7	+739.1	578.7	2.1	+576.6
9. Private	590.8	0.4	+590.4	522.8	—0.2	+522.6
10. Covernmet	152.9	4.2	+148.7	55.9	1.9	+54.0
C. Allocation of S.D.Rs.	—	—	—	—	—	—
D. Capial and Monetary Cold (a plus b)	1259.4	413.9	+845.5	556.3	237.1	+319.1
(a) Non-montary Secor (11 through 4)	1007.1	413.9	+593.2	533.0	129.4	+403.5
11. Private lorg-term	148.3	41.1	+107.2	70.9	15.4	+55.5
11.1 Direc Investment	17.8	14.2	+3.6	15.1	1.4	+13.7
11.2 Othe long tern	7.1	5.1	+2.0	13.1	2.1	+11.0
11.6 Loan	123.4	21.8	+101.6	42.7	11.8	+30.9
12. Private shct-term (ther than direct iivestmen	158.1	104.9	+53.2	60.1	61.4	—1.3
12.3 Shor-term crelits	0.2	1.7	—1.5	0.6	0.2	—0.4
12.4 Othe	157.9	103.2	+54.7	59.5	61.2	—1.7
13. Local govenments	303.3	42.8	+260.5	245.6	17.1	+228.5
14. Central goernments	397.5	225.1	+172.4	156.3	35.6	+120.7
14.4 Longterm loars	397.5	128.3	+269.2	81.3	33.4	+47.9
14.5 Otheilong-tern assets & liabilities	—	17.4	—17.4	74.9	—	+74.9
14.6 Otheishort-term assets & liabilies	—	79.4	—79.4	—	2.2	—2.2
(b) Monetary Sector (15 plus 16)	252.2	—	+252.2	23.4	107.7	—34.3
15. Central Monetary Institutions	223.0	—	+223.0	5.0	100.9	—95.9
15.1 Acconts with IMF	40.8	—	+40.8	—	8.1	—8.1
15.2 Marketable assets	1.5	—	+1.5	—	20.8	—20.8
15.3 Depcits —Assets	174.1	—	+174.1	—	72.0	—72.0
—Liabilities	0.1	—	+0.1	—	—	—
15.6 Gold	..	—	..	..	..	..
15.7 Specil Drawing Rights	6.5	—	+6.5	5.0	—	+5.0
16. Other Monetary Institutions Deposits	29.2	—	+29.2	18.4	6.7	+11.7
—Assets	6.9	—	+6.9	—	6.7	—6.7
—Liabilities	22.3	—	+22.3	18.4	—	+18.4
E. Erros & Omissions Net	57.0	—	+57.0	—	52.6	—52.6

Souce :—Stte Bank of Pakistan.
—Ni
Negligible

TABLE 35
GOLD AND FOREIGN RESERVES HELD AND CONTROLLED BY STATE BANK OF PAKISTAN

(Million Rupees)

Period*	Amount	Period*	Amount
1948		1964	
June	517.9	June	1,235.3
December	1,416.1	December	1,042.8
1949		1965	
June	1,655.1	June	951.7
December	980.2	December	989.7
1950		1966	
June	958.5	June	1,263.3
December	941.6	December	939.3
1951		1967	
June	1,513.1	June	793.0
December	1,481.7	December	758.9
1952		1968	
June	1,045.7	June	8,64.3
December	606.1	December	1,137.8
1953		1969	
June	668.8	June	1,422.5
December	688.9	December	1,482.1
1954		1970	
June	630.5	June	1,367.8
December	631.0	December	877.4
1955		1971	
June	696.4	June	948.6
December	1,156.2	December	813.9
1956		1972	
		March	900.5
June	1,394.7	June	3,138.4
December	1,262.9	Sepember	3,088.6
		December	3,145.1
1957			
June	1,200.5	1973	
December	1,021.4	March	3,382.8
		June	4,583.8
1958		September	4,099.3
June	880.5	December	4,840.0
December	765.8	1974	
1959		March	4,344.3
		June	3,985.1
June	1,043.2	September	5,746.0
December	1,227.2	December	4,669.0
1960		1975	
June	1,169.6	March	4,196.9
December	1,294.0	June	4,812.4
		Sepember	5,236.3
1961		December	4,133.1
June	1,225.0		
December	1,133.0	1976	
1962		March	6,349.0
June	1,128.3	June	6,085.1
December	1,184.1	September	6,650.0
1963		December	5,336.0
June	1,436.2	1977	
December	1,328.0	March	4,046.0
		June	4,266.0
		September	4,815.0
		December	5,294.0

*Last day of the month.

Source : State Bank of Pakistan.

FOREIGN ECONOMIC ASSISTANCE

TABLE 36

OUTSTANDING EXTERNAL INDEBTEDNESS OF PAKISTAN AS ON JUNE 30, 1977

(Payable in Foreign Exchange)

(Million U.S. Dollars)

Lending Country/Agency		Debt outstanding as on 30-6-1977		
		Disbursed and out-standing	Un-Disbur-sed	Total Debt (2+3)
1		2	3	4
I—Consortium Including Outside Consortium Arrangements.				
1. Belgium	—Capital Aid	19.525	6.457	25.982
	—Export Credit	9.370	—	9.370
	Sub-total (Belgium)	28.895	6.457	35.352
2. Canada	—CIDA Loans ..	236.899	38.554	275.453
	—EDC Credits ..	32.724	—	32.724
	—Royal Bank of Canada Credit	—	7.000	7.000
	Sub-total (Canada) ..	269.623	45.554	315.177
3. France	—Capital Aid	37.597	—	37.597
	—Export Credit	121.195	103.033	224.228
	Sub—total (France) ..	158.792	103.033	261.825
4. German	—Capital Aid	555.787	40.745	596.532
	—Export Credit	12.471	8.153	20.624
	Sub—total (Germany) ..	568.258	48.898	617.156
5. Italy	—Capital Aid	36.273	—	36.273
	—Export Credit	74.879	10.572	85.451
	Sub—total (Italy) ..	111.152	10.572	121 724
6. Japan	—Capital Aid	296.962	95.919	392.881
	—Export Credit	9.688	9.709	19.397
	Sub—total (Japan) ..	306.650	105.628	412.278
7. Netherlads	—Capital Aid	64.142	38.291	102.433
	—Export Credit .. .	9.413	—	9.413
	Sub—total (Netherlands) .	73.555	38 291	111 846
8. Sweden	—Capital Aid	5.730	—	5.730
9. U.K.	—Capital Aid	112.309	42.211	154.520
	—Export Credit	8.309	—	8.309
	—CDFC	1.210	—	1.210
	—Tenan: Guaranty Ltd ..	0.697	—	0.697
	—NGB Loans	15.005	—	15.005
	—UK Financial Institutions ..	43.888	—	43.888
	Sub—total (U.K) ..	181.418	42.211	223.629

TABLE 36

OUTSTANDING EXTERNAL INDEBTEDNESS OF PAKISTAN AS ON JUNE 30, 1977

Lending Country /Agency		Debt outstanding as on 30-6-1977		
		Disbursed and out standing	Undisbursed	Total Debt (2+3)
1		2	3	4
10. U.S.A.	—Capital Aid	1,552.935	77.151	1,630.086
	—US Eximbank ..	57.301	—	57.301
	—US Finanicial Institutions ..	36.432	12.000	48.432
	—PL-480 Title I (CLCC) ..	501.340	11.477	512.817
	—CCC Credits	39.219	24.000	63.219
	—Singer Manufacturing Co ..	0.055	—	0.055
	Sub—total (USA)	2,187.282	124.628	2,311.910
1 Asian Development Bank		141.851	250.912	392.763
12. IBRD		397.300*	145.600	542.900
13. IDA		597.300a	193.900	791.200
14. IFC		2.189	—	2.189
Sub—total (Consortium sources) ..		5,029.995	1,115.684	6,145.679
II Non-Consortium Sources :				
1. Australia	—Capital Aid	1.257	—	1.257
	—Export Credit	—	10.328	10.328
	Sub—total (Australia) ..	1.257	10.328	11.585
2. Austria	—Capital Aid	—	1.732	1.732
	—Export Credit	0.712	—	0.712
	Sub—total (Austria) ..	0.712	1.732	2.444
3. Bulgaria	—Export Credit	3.114	0.183	3.297
4. China	—Loans	88.328	171.143	259.471
	—Export Credit	2.405	1.429	3.834
	Sub-total (China)	90.733	172.572	263.305
5. Czechoslovakia	—Export Credit	18.582	—	18.582
6. Denmark	—Capital Aid	7.645	7.005	14.650
7. German-DR	—Export Credit	2.815	2.553	5.368
8. Poland	—Export Credit	1.199	—	1.199
9. Romania	—Export Credit	9.779	—	9.779
10. Switzerland	—Export Credit	42.966	0.875	43.841
11. USSR	—State Credit .. .	68.482	433.836	502.318
	—Export Credit . .	14.010	1.321	15.331
	Sub—total (USSR) .	82.492	435.157	517.649

TABLE 36

OUTSTANDING EXTERNAL INDEBTEDNESS OF PAKISTAN AS ON JUNE 30, 1977

1		2	3	4
12. Yugoslavi		9.431	—	9.431
Sub—total (Non-Consortium Sources)		270.725	630.405	901.130
III. OPEC SOURCES :				
13. Abu Dhali	—Loan	100.000	—	100.000
	—Export Credit	13.000	—	13.000
	Sub—total (Abu Dhabi)	113.000	—	113.000
14. Iran		760.893	17.748	778.641
15. Kuwait	—Loan	—	69.000	69.000
	—Suppliers Credit	6.870	—	6.870
	Sub—total (Kuwait)	6.870	69.000	75.870
16. Libya		80.000	—	80.000
17. Qatar		8.571	—	8.571
18. Saudi Arabia	—Loan	60.000	70.000	130.000
	—Export Credit	0.700	—	0.700
	Sub—total (Saudi Arabia)	60.700	70.000	130.700
19. OPEC Fud		10.725	10.725	21.450
	Sub—total (OPEC Sources)	1,040.759	167.473	1,208.232
	Total (All Sources)	6,341.479	1,913.562	8,255.041

Source : Economic Affairs Division

*Includes $66.8 milion as exchange adjustment.

a Includes 54.4 million as exchange adjustment.

Note—Outstanding dept, including undisbursed of IBRD and IDA loans/Credits is based on the statment of loans furnished by the World Bank for the period ending June, 1977.

TABLE 37

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN (1951-52—1954-55)

(Million U.S. Dollars)

Lending country/ Agency	1951-52			1952-53			1953-54			1954-55		
	Terms			Terms			Terms			Terms		
	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
1. U.K.	—	—	—	—	—	—	28.000	4	10	—	—	—
2. US Eximbank ...	—	—	—	15.000*	2.50	40	—	—	—	20.000(.)	4	21
3. IBRD ...	30.450	6.25	15	—	—	...	14.000	4.75	21	13.777	4.63	15

Source: Economic Affairs Division

*Loans repayable in dollars.

(.)Loans repayable in rupees.

TABLE 38

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 1ST PLAN

(Million U.S. Dollars)

Lending Country/ Agency	1955-56			1956-57			1957-58			1958-59			1959-60		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Interest Rate %	Amortization	Amount	Interest Rate %	Amortization	Amount	Interest Rate %	Amortization	Amount	Interest Rate %	Amortization	Amount	Interest Rate %	Amortization
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. Japan—Export credits	—	—	—	—	—	—	20.566	5.75	10	—	—	—	4.644	5.75	10
2. Netherlands—Export credits	—	—	—	—	—	—	2.810	5.75	10	—	—	—	2.444	5.75	10
3. France-Suppliers credits	—	—	—	—	—	—	23.045	5.25	10	—	—	—	—	—	—
4. U.K. Capital Aid.	—	—	—	—	—	—	—	—	—	28.000	04	10	—	—	—
5. U.S. Eximbank*.	—	—	—	68.000	4	19—40	—	—	—	—	—	—	—	—	—
PL-480-Title (1)*.	—	—	—	—	—	—	21.835	4	40	60.629	3.5 —5.0	40	1.563	4	40
D.L. F. Loans	—	—	—	—	—	—	3.699	3.5	30	79.643	3.5	20—25	40.418	3.5	15—20
U.S. Suppliers credits.	—	—	—	—	—	—	1.530	5.75	10	2.080	5.75	10	—	—	—
6. IBRD	18.901	4.75	25	—	—	—	49.049	5.5—6.0	15—20	—	—	—	24.076	6	10—16
7.							—	—	—	0.750	7	9	0.630	7	9
8. Suppliers credits.	42.285	6.0	10	—	—	—	—	—	—	—	—	—	—	—	—

*Loans repayable in Rupees.

Source: Economic Affairs Division

TABLE 39

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 2ND PLAN

(Million U.S. Dollars)

Lending Country/ Agency	1960-61			1961-62			1962-63			1963-64			1964-65		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Interest Rate %	Amorti zation	Amount	Interest Rate %	Amorti-zation	Amount	Interest Rate %	Amorti-zation	Amount	Interest Rate %	Amorti-zation	Amount	Interest Rate %	Amorti zation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
A. Consortium															
Belgium:															
Export credits ..	—	—	—	—	—	—	—	—	—	—	—	—	0.439	6	10
Canada :															
EDC Credits ..	—	—	—	—	—	—	7.299	6	15—19	—	—	—	—	—	—
France :															
Export Credits ..	—	—	—	—	—	—	0.259	5.25	10	15.132	5.25	10	5.778	5.25	10
Germany :															
Export Credits ..	22007	6	10	24.485	6	10	11.363	6	10	7.385	6	10	7.887	6	10
				5.500	6.75—7.25	20	7.162	4.3	20	6.398	4.25	23	6.250	5.5	20
Capital Aid ..	—	—	—				14.343	3	20	4.575	3	25	8.027	3	25
							46.751	55	20	9.268	5.5	20	—	—	—
Italy :													5.317	6	10
Export Credits ..	—	—	—	—	—	—	—	—							
B. Non-Consortium															
Denmark :													6.298	6.5	12
Export Credits ..	—	—	—	—	—	—	—	—	—	—	—	—	10.639	5.75	10
Switzerland ..	—	—	—	—	—	—	—	—	—	10.	2.5	12	—	—	—
U.S.S.R. ..	25911	25	12	—	—	—	3509	3	8	10.786	3	8	2.458	3	8
Yugoslavia	—	—	—	—	—	—									

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Japan :															
Export Credits ..	17.550	6	10	—	—	—	16.802	6	15						
Capital Aid ...	—	—	—	16.829	6	15				20.474	5.75	15	17.918	5.75	18
Netherlands :															
Export Credits ..	—	—	—	1.355	5.75	10	—	—	—	1.033	5.75	10	4.047	5.75	10
Capital Aid ..	—	—	—	—	—	—	—	—	—	—	—	—	5.186	5.5	25
U.K.															
Suppliers Credits	—	—	—	—	—	—	—	—	—	—	—	—	21.593	3.5	10
Capital Aid ..	17.044	4	20	11.094	4	25	17.865	4	25	10.884	4	25	21.102	Variable	16—25
C.D.F.C. ..	0.248	7	13	—	—	—	—	—	—	0.320	7.5	15	—	—	—
U.S.A.—Aid ..	—	—	—	88.142	0.75	40	122.435	0.75	40	93.462	0.75	40	291.125	0.75 for the 1st 10 years & 2% thereafter.	40
PL-480—Titlei*	31.220	4	40	16.775	4	40	105.352	0.75—	4.0	30—40	—	—	—	—	—
US—Eximbank(.).	—	—	—	14.216	5.75	10	15.160	5.75	10	3.463	5.75	20	1.396	5.75	20
D.L.F. Loans* ..	87.638	3.5	15—31	4.719	5.75	16									
Singer/Arberacres, U.S.A. ..	0.500	6	10	—	—	—	—	—	—	—	—	—	—	—	—
U.S.Suppliers Credits	2.116	5.5	10	—	—	—	—	—	—	16.100	5.5	10	6.151	5.0	10
IBRD	104.631	6	13—30	—	—	—	39.567	5.5—6.0	13—20	58.464	5.5	15—24	—	—	—
IDA	—	—	—	18.487	0.75	50	7.759	0.75	50	57.784	0.75	50	103.190	0.75	50
IFC	—	—	—	3.846	7.5	15	—	—	—	—	—	—	5.506	7.5	11—14

Source : Economic Affairs Division

*Loans repayable in Rupees. (.) Loans repayable in Dollars.

TABLE 40

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 3RD PLAN

(Million U.S. Dollars)

Lending Country/ Agencies	1965-66			1966-67			1967-68			1968-69			1969-70		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Interest Rate%	Armorti-zation	Amount	Interest Rate%	Amorti-zation	Amount	Interest Rate%	Amorti-zation	Amount	Interest Rate%	Amorti zation	Amount	Interest Rate%	Amort-ization
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
A. Consortium															
Belgium—															
Export Credits ...	—	—	—	0.531	5.5	10	0.932	6	10	1.182	6	10	—	—	—
Capital Aid ...		—	—	0.500	3	20	—	—	—	2.000	3	20—25	1.500	2	30
Canada—															
EDC Credits ...	26.357	6	20	—	—	—	—	—	—	2.000	6	15	—	—	—
CIDA Loan ...	23.363	0	50	—	—	—	11.000	0	50	11.500	0	50	39.095	0	50
Farnce—															
State-*cum*-Bank. Credits* ...	6.264	5.25	10	17.481	5.25	10	4.949	5.25	10	12.209	3.5—7.25	10—20	16.164	3.5—7.25	10-20
Germany—															
Export Credits ...	14.788	6	10	14.018	6	10	4.992	6	10	8.009	6	10	0.620	6.5	10
Capital Aid ...	2.388	3	25	17.684	3	25	13.995	3	25	23.875	3	25	22.951	2.5	30
	10.000	5.5	20	3.196	5.5	20	3.574	3.5	25	—	—	—	19.940	3.0	25
Italy—															
Export Credits ...	19.176	6	10	9.746	6	10	14.117	6	10	20.785	6	10	14.668	6	10
Capital Aid ...	—	—	—	—	—	—	—	—	—	—	—	—	40.000	6	16
Japan—															
Export Credits ...	—	—	—	—	—	—	1.812	5.75	10	—	—	—	1.000	6	10
Capital Aid ...	27.051	5.75	18	22.799	5.75	18	15.212	5.50	18	16.390	5.25	18	17.436	5.25	18
Netherlands—															
Suppliers Credits.	0.014	5.75	10	0.139	6	10	—	—	—	—	—	—	—	—	—
Capital Aid ...	2.165	3.0—5.5	25	1.031	3	25	1.892	3	25	3.259	3	25	4.295	2.5	30

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Sweden—															
Export Credits. ...	0.257	0.5	10	—					—	—	—	—	—	—	—
Capital Aid ...	—	—	—	1.759	2	20	3.101	0.75	50	—	—	—	—	—	—
U.K.—															
Export Credits ...	—			8.533	6	10	11.928	6	10	7.249	5.5—6.0	10	12.506	5.5—6.0	10
Capital Aid ...	28.560	0	25	11.932	0	25	10.940	0	25	14.537	0	25	10.546	0	25
NGB Fin. Insts.	—	—	—	—	—	—	—	—	—	—	—	—	4.000	6	8
C.D.F.C. ...	—	—	—	1.915	7.5—8.0	10—16	0.264	8.5	13	—	—	—	—	—	—
U.S.—															
Suppliers Credits.	2.291	5.2	10	16.150	5.0—6.25	10	3.400	4.4	5	6.750	6.0	5		—	—
Capital Aid ...	73.547	1% for 1st 10 years, 2.5% thereafter.	40	150.992	1% for 1st 10 years, 2.5% thereafter.	40	39.563	1% for 1st 10 yesrs, 2.5% thereafter.	40	81.918	2% for 1st 10 years, 3% thereafter.	40	119.995	2% for 1st 10 years, 3% thereafter.	40
Capital Aid ...	—	—	—	—	—	—	115.318	2% for 1st 10 years, 2.5% thereafter.	40	—	—	—	—	—	—
PL-480 Title I(1).	—	—	—	106.465	1% for 1st 10 years, 2.5% thereafter.	40	71.617	2% for 1st 10 years, 2.5% thereafter.	40	—	—		13.040	2% for 1st 10 years, 3% thereafter.	40
PL-480 Title I(2)	—	—	—	—	—	—	40.190	1% for 1st 10 years, 2.5% thereafter.	40	—	—		50.370	2% for 1st 10 years, 3% thereafter.	40

Contd.

TABLE 40

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN DURING 3RD PLAN

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
U.S. Eximbank (2).	4.282	5.75	20	2.500	5.75	9	7.521	6	7	56.500	6	7	4.030	6	5—7
Consortium of 3 American banks.	—	—	—	—	—	—	9.000	6.0—6.3	3—7.5	—	—	—	—	—	—
Singer/Arberacres.															
U.S.A.	—	—	—	—	—	—	—	—	—	35.000	6	3	—	—	—
IBRD	20.257	5.5	17	34.986	6	17	18.947	6	17	97.935	6.5	15—25	19.200	7	21
IDA	30.159	0.75	50	33.223	0.75	50	12.063	0.75	50	44.383	0.75	50	38.666	0.75	50
ADB	—	—	—	—	—	—	—	—	—	4.146	7.5	17	—	—	—
IFC	—	—	—	3.200	8	12	—	—	—	3.919	8	8	—	—	—
B. Non-Consortium															
Czechoslovakia— Export Credits.	2.467	2.5	10	22.855	2.5	10	—	—	—	5.556	2.5	10	—	—	—
Denmark— Capital Aid ..	1.233	0	20	—	—	—	—	—	—	—	—	—	—	—	—
Poland— Export Credits ..	2.498	2.5	10	—	—	—	1.174	2.5	10	1.507	2.5	10	—	—	—
Switzerland ..	—	—	—	—	—	—	—	—	—	3.544	6.75	10	10.290	3.0—7.25	10.5-15.5
U.S.S.R. ..	17.757	2.5	10	4.841	2.5	10	18.056	2.5	10	30.102	2.5	10—12	7.650	2.5	10
Yugoslavia ..	8.515	3	8	5.347	3	8	—	—	—	6.149	3	8	—	—	—
Kuwait	—	—	—	—	—	—	—	—	—	—	—	—	4.910	0	5

Source : Economic Affairs Division

*Consists of 50% State Credits and 50% Bank Credits
(1) Loans repayable in Rupees.
(2) Loans repayable in Dollars.

TABLE 41

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN (1975-76 TO 1977-78)

(Million U.S. Dollars)

Lending Country/ Agency	1970-71			1971-72			1972-73			1973-74			1974-75		
	Terms			Terms			Terms			Terms			Terms		
	Amount	Intetest Rate%	Amorti-zation	Amount	Interest Rate%	Amorti-zation	Amount	Interest Rate%	Amorti-zation	Amount	Interest Rate%	Amorti zation	Amount	Interest Rate%	Amorti zation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
A. Consortium															
Belgium—															
Capital Aid ..	1.500	2	30	—	—	—	2.480	2	30	4.959	2	30	3.099	2	30
Export Credits ..	—	—	—	—	—	—	—	—	—	7.727	6.5	10	1.054	8.85	10
Canada—CIDA	6.575	0.	50	—	—	—	10.000	0.	50	46.700	0	50	54.400	0	50
EDC-Wheat Credits	3.996	6	15	—	—	—	—	—	—	—	—	—	—	—	—
Wheat Credits ..	—	—	—	—	—	—	—	—	—	31.675	8.75	3	—	—	—
France—															
Capital Aid ..	0.583	6	16	—	—	—	—	—	—	—	—	—	—	—	—
State Credits ..	—	—	—	—	—	—	10.860	3	25	11.946	3	25	13.031	3	25
Bank Credits ..	—	—	—	—	—	—	10.860	7.8	10	11.946	7.8	10	13.031	8.8	10
Germany—															
Capital Aid ..	22.611	2.3—3	25—30	—	—	—	24.825	2	30	61.192	2—3	25—30	22.793	2—2.5	30
Export Credits ..	2.322	6	8	2.471	7.5	10	—	—	—	—	—	—	—	—	—
Italy—															
Export Credits ..	23.087	6	10	4.396	6	10	3.844	6	10	0.280	6	10	9.301	6	10
Japan—															
Capital Aid ..	19.453	2.3	30	—	—	—	30.960	4.5—4.75	20—25	—	—	—	23.624	4	25
Netherlands—															
Capital Aid ..	4.420	2.5	30	—	—	—	4.931	2.5	30	6.506	2.5	30	10.958	2.5	30
Export Credits ..	—	—	—	3.426	6	3	—	—	—	—	—	—	—	—	—
U.K. Capital Aid.	9.643	0	25	5.863	0	25	15.634	0	25	11.465	0	25	52.823	0	25
Suppliers Credits	29.403	6	10	—	—	—	—	—	—	—	—	—	—	—	—
N.G.B. ..	28.622	6—7	3.5—13	—	—	—	—	—	—	—	—	—	—	—	—

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Tenant Guarantee	2.269	5.5	11	—	—	—	—	—	—	—	—	—	—	—	—
Mid—Land Bank Ltd	—	—	—	—	—	—	—	—	—	56.790	7	5	19.804	6—10	6—7.5
U.S.A. US—Aid Loans	—	—	—	20.730	2%(a)	40	136.291	2%(a)	40	27.600	2%(a)	40	25.199	2%(a)	40
Eximbank (b) ..	17.550	6	8—9	—	—	—	—	—	—	28.210	6	12	—	—	—
PL-480—Title I (b)	53.582	2%(a)	40	39.003	2%(a)	40	70.236	2%(a)	40	35.828	2%(a)	40	72.571	2%(a)	40
CCC Credits ..	—	—	—	11.431	6.1	4	—	—	—	33.463	9.5	4	—	—	—
IBRD	—	—	—	—	—	—	—	—	—	60.000	7.25	15—19	60.000	8.5	22
IDA	23.125	0.75	50	—	—	—	97.275	0.75	50	53.055	0.75	50	82.000	0.75	50
ADB	23.350	7.5	15—18	—	—	—	38.500	2.0—7.5	15—25	82.360	1—7.5	15—40	70.510	1—8.25	25—40
Non-Consortium															
China	217.391	0	40	—	—	—	—	—	—	—	—	—	—	—	—
Denmark ..	5.333	0	25	—	—	—	—	—	—	—	—	—	6.367	0	35
Switzerland ..	3.458	6.75	10	—	—	—	—	—	—	—	—	—	—	—	—
U.S.S.R. ..	246.848	2.5	12	—	—	—	32.026	2.5	12	—	—	—	214.464	2.5	12
Yugoslavia ..	2.410	3	12	—	—	—	—	—	—	—	—	—	—	—	—
Austria ..	—	—	—	—	—	—	—	—	—	0.713	5	12	—	—	—
Bulgaria ..	—	—	—	—	—	—	—	—	—	3.298	2.5	12	—	—	—
Romania ..	—	—	—	—	—	—	—	—	—	13.488	3.5	11	—	—	—
Germany D. Republic ..	—	—	—	—	—	—	—	—	—	—	—	—	2.818	7.5	9
C. Islamic Countries :															
Abu Dhabi	—	—	—	—	—	—	—	—	—	—	—	—	100.000	2.5	40
Iran	—	—	—	—	—	—	—	—	—	580.000	2.5	8	48.641	8	12
Libya	—	—	—	—	—	—	—	—	—	30.000	4.5	10	50.000	1	35
Qatar	—	—	—	—	—	—	—	—	—	—	—	—	10.000	3	10
Saudi Arabia ..	—	—	—	—	—	—	—	—	—	—	—	—	100.000	0	15

Source: Economic Affairs Division

(a) For 1st 10 years and 3% thereafter.

(b) Loans repayable in U.S. Dollars.

TABLE 42

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN (1975-76 TO 1977-78)

(Million U.S. Dollars)

Lending Countries/Agency	1975-76			1976-77			1977-78 (July-March)		
	Amount	Interest Rate Commission %	Amortization	Amount	Interest Rate Commission %	Amortization	Amount	Interest Rate Commission %	Amortization
1	2	3	4	5	6	7	8	9	10
A. Consortium									
1. Belgium-Capital Aid	4.304	2	30	4.008	1	30	4.292	Interest free	30
Export Credits	—	—	—	—	—	—	—	—	—
2. Canada-CIDA	70.500	0	50	3.200	0	50	166.000	-do-	50
EDC	—	—	—	1.436	9	10	—	—	—
3. France-State Credits	18.672	3	25	16.983	3	25	—	—	—
Bank Credits	18.671	8.8	10	16.983	8.8	10	35.336	3.0—8.8	25.5—10
Suppliers Credits	27.300	8.5	8	17.498	8.9	7	9.592	8.70—8.75	5
4. Germany-Capital Aid	35.686	2.5	30	28.665	0.75—2	30—50	25.369	0.75	50
Export Credits	3.620	7.5	7	6.962	7.5	7	—	—	—
Capital Aid	7.497	6.0	10	—	—	—	—	—	—
5. Italy-Export Credits	0.160	6	10	9.584	7	10	3.476	7	10
6. Japan-Capital Aid	47.550	3.5—4	25	69.218	3.5—4	25—30	57.846	3.5	30
Suppliers Credits	7.229	7.5	8	8.845	7.5	8	1.114	7.5	3
7. Netherlands-Capital Aid	31.159	2.5	30	17.537	2.5	30	—	—	—
8. U.K. Export Credits	—	—	—	—	—	—	2.928	8.5	7—11
U.K. Financial Institutions.	—	—	—	10.000	2.5*	6	15.000	2.5 over LIBOR	5.5
9. U.S. Aid Loans	62.500	2%(a)	40	88.500	2%(a)	40	—	—	—
U.S. Financial Loans	—	—	—	50.569	9—10.5	5—6	25.000	1.75 over LIBOR	0.5
PL-480	91.300	2%(a)	40	65.100	2%(a)	40	54.720	2%(a)	40
CCC Credits	25.000	8	3	44.000	8	3	40.500	8	1
Eximbank	—	—	—	—	—	—	—	—	—
10. IBRD	50.000	4.5	25	70.000	4.5—8.9	18—25	—	—	—
11. IDA	107.600	0.75	50	94.000	0.75	50	74.700	0.75	50
12. ADB	119.000	1—8.75	15—40	73.600	1—9.1	17—40	139.000	1.0—8.3	15—40
13. Canada-Guaranteed Credits.	—	—	—	7.000	9	5.5	—	—	—

LIBOR : London Interbank Offered rate.

TABLE 42

TERMS OF FOREIGN LOANS AND CREDITS CONTRACTED BY PAKISTAN (1975-76 TO 1977-78)

1	2	3	4	5	6	7	8	9	10
B. Non-Consortium									
1. Australia-Capital Aid ...	1.257	3	40	—	—	—	20.870	8.5	Less than one year
Suppliers Credits	—	—	—	10.328	9	10	—	—	—
2. Austria-Capital Aid ...	—	—	—	1.732	2.8	30	—	—	—
3. Bulgaria ... .. — ..	—	—	—	—	—	—	—	—	—
4. China — — —	4.293	4.5	7	—	—	—	5.509	4.5-5.0	5—5.5
5. Denmark .. — ..	—	—	—	—	—	—	—	—	—
6. Germany D. Republic Export Credits ..	2.550	7	8	—	—	—	—	—	—
7. Romania —	—	—	—	—	—	—	13.908	3	11
8. U.S.S.R.-State Loans ..	3.459	3	5	0.107	3	12	—	—	—
9. Switzerland	—	—	—	1.444	2.5	20	2.032	2.5	34
C. Islamic Countries:									
1. Abu Dhabi-Guaranteed Credits	—	—	—	13.000	10.25	7	—	—	—
Capital Aid	—	—	—	—	—	—	40.000	4	25
2. Iran-Capital Aid	—	—	—	150.000	2.5	10	—	—	—
3. Kuwait-Loan	44.000	4.5	25	25.000	3.5	18	—	—	—
Suppliers Credits	6.870	5.0	3	—	—	—	—	—	—
4. Saudi Arabia	30.000	4	20	0.700	8	11	—	—	—
5. OPEC FUND	—	—	—	21.450	0	25	11.000	0.75b	20
6. Islamic Dev. Bank ..	—	—	—	—	—	—	15.000	—	2

Source : Economic Affairs Division.

* Above Market rate.
(a) for 1st 10 years and 3% thereafter.
(b) Service charges

TABLE 43
GRANT ASSISTANCE AGREEMENTS SIGNED BY PAKISTAN SINCE INCEPTION OF FOREIGN AID TILL 1977-78

(Million US Dollars)

Name of the lending Country/Agency	Pre-Ist Plan	Ist Plan (1955-60)	2nd Plan (1960-65)	3rd Plan (1965-70)	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (July-March)
1	2	3	4	5	6	7	8	9	10	11	12	13
I. Consortium including outside Consortium arrangements :												
1. Canada ..	19.779	67.310	48.356	71.180	3.835	3.037	1.565	2.229	4.220	4.700	7.570	3.435
2. Germany ..	—	—	—	—	—	—	—	—	1.281	1.281	2.088	—
3. Japan ..	—	0.192	0.837	1.918	0.576	0.240	—	—	—	—	3.393	4.958
4. Netherlands ..	—	—	—	—	—	0.742	—	—	—	5.401	7.013	—
5. New-Zeland ..	2.940	1.460	—	2.292	0.069	—	—	—	—	—	—	—
6. Norway ..	—	—	—	4.964	—	—	1.672	5.945	2.508	4.101	11.188	11.054
7. Sweden ..	—	—	0.916	16.915	6.196	0.461	—	—	4.270	5.116	4.657	6.215
8. Switzerland ..	—	—	0.022	0.222	—	—	—	—	—	—	—	—
9. U.K. ..	—	—	—	—	—	—	—	—	—	—	35.068	37.437
10. U.S.A. ..	181.206	472.883	504.093	197.376	49.810	17.799	16.626	24.056	32.819	2.214	18.470	0.205
11. U.N. and Specialised agencies.	3.940	5.177	4.488	3.912	—	—	—	—	—	—	—	—
12. U.N. DP. Special grant ..	—	8.175	3.378	4.514	4.703	—	—	—	3.000	3.000	4.740	3.000
13. Ford Foundation	—	11.718	11.061	12.293	1.719	0.559	0.575	0.566	0.141	0.495	0.324	0.059
14. F.A.C. others..	—	—	—	16.006	15.621	4.722	11.946	23.300	14.021	27.534	20.592	7.370
15. EEC ..	—	—	—	—	—	—	—	—	3.000	3.000	3.000	—
16. U.N. Emergency	—	—	—	—	—	—	—	—	16.000	—	1.000	—
17. Relief Supplies and cash grants from various countries ..	—	—	—	—	—	—	—	—	—	—	6.156	—
18. World Food Programme ..	—	—	—	—	—	—	—	—	—	—	13.946	12.575
Sub-Total (I) ..	207.865	566.915	573.151	331.592	82.529	27.560	32.384	56.096	81.260	56.842	139.205	86 308

TABLE 43

GRANT ASSISTANCE AGREEMENTS SIGNED BY PAKISTAN SINCE INCEPTION OF FOREIGN AID TILL 1977-78

1	2	3	4	5	6	7	8	9	10	11	12	13
II. Non-Consortium :												
1. Australia ..	7.729	11.240	6.091	4.074	0.192	—	—	—	—	—	—	—
2. China ..	—	—	60.000	46.363	—	—	—	—	—	—	—	—
Sub-Total (II).	7.729	11.240	66.091	50.437	0.192	—	—	—	—	—	—	—
III. Islamic Countries :												
1. Iran ..	—	—	—	—	—	—	—	—	7.180	0.480	—	—
2. Saudi Arabia	—	—	—	—	—	—	—	—	—	30.000	30.000	10.000
Sub-Total (III)..	—	—	—	—	—	—	—	—	7.180	30.480	30.000	10.000
Sub-Total (I.II.III) ..	215.594	578.155	639.242	382.029	82.721	27.560	32.384	56.096	88.440	87.322	169.205	96.308
IV. Indus Tarbela Development Fund :												
1. Australia ..	—	—	26.916	—	—	—	—	—	—	—	—	—
2. Canada ..	—	—	37.003	—	—	—	—	—	—	—	—	—
3. Germany ..	—	—	18.451	17.041	1.427	4.840	2.181	0.593	—	—	—	—
4. India ..	—	—	86.884	81.919	—	—	—	—	—	—	—	—
5. New-Zealand	—	—	3.209	—	—	—	—	—	—	—	—	—
6. U.K. ..	—	—	34.649	35.184	2.779	8.562	4.190	3.724	2.602	5.682	—	—
7. U.S. (a) Dollars	—	—	104.996	106.613	8.421	20.546	10.000	9.000	9.000	9.000	18.000	—
(b) Rupees ..	—	—	153.819	81.181	—	—	—	—	—	—	—	—
Sub-Total (IV)..	—	—	465.927	321.938	12.627	33.948	16.371	13.317	11.602	14.682	18.000	—
Total (Grants).	215.594	578.155	1,105.169	703.967	95.348	61.508	48.755	69.413	100.042	102.004	187.205	96.308

Note:—Commitments in Case of Indus/Tarbela represents actual drawals from the Indus/Terbala Development Fund

Source.—Economic Affairs Division.

TABLE 11

TOTAL LOANS AND CREDITS CONTRACTED BY PAKISTAN SINCE INCEPTION OF FOREIGN AID TILL 1977-78

(Million US Dollars)

Name of the lending Country/Agency	Pre-1st Plan	1st Plan (1955-60)	2nd Plan (1960-65)	3rd Plan (1965-70)	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78 (July-March)
1	2	3	4	5	6	7	8	9	10	11	12	13
A. Consortium including outside consortium arrangements :												
(a) Bilateral :												
1. Belgium ..	—	—	0.439	6.645	1.500	—	2.480	12.686	4.153	4.304	4.008	4.292
2. Canada ..	—	—	7.299	113.315	10.571	—	10.000	78.375	54.400	70.500	11.636	166.000
3. France ..	—	23.045	21.169	57.067	30.583	—	21.720	23.892	26.064	64.643	51.464	44.928
4. Germany ..	—	—	181.401	160.030	24.933	2.471	24.825	61.192	22.793	39.306	35.627	25.369
5. Italy ..	—	—	5.317	118.492	23.087	4.396	3.844	0.280	9.301	7.657	9.584	3.476
6. Japan ..	—	25.210	108.915	101.700	19.453	—	30.960	—	22.956	54.779	78.063	58.960
7. Netherlands ..	—	5.254	11.621	12.795	4.420	3.426	4.931	6.506	10.958	31.159	17.537	—
8. Sweden ..	—	—	—	5.117	—	—	—	—	—	—	—	—
9. U.K. ..	28.000	28.000	100.150	131.910	69.937	5.863	15.634	68.255	72.627	—	10.000	17.928
10. U.S.A. :												
(a) Repayable in dollars ..	15.000	3.610	654.266	819.316	71.132	65.479	212.212	125.101	97.770	178.800	248.160	120.220
(b) Repayable in local currency ..	20.000	275.787	245.704	191.123								
Sub-Total (USA)	35.000	279.397	899.970	1,010.439	71.132	65.479	212.212	125.101	97.770	178.800	248.160	120.220

TABLE 44
TOTAL LOANS AND CREDITS CONTRACTED BY PAKISTAN SINCE INCEPTION OF FOREIGN AID TILL 1977-78

1	2	3	4	5	6	7	8	9	10	11	12	13
11. Suppliers credit from various countries ..	—	42.285	—	—	—	—	—	—	—	—	—	—
Sub-total (a) ..	63.000	403.191	1,336.281	1,717.510	255.616	81.635	326.606	376.287	321.022	451.148	466.079	451.181
(b) *Multilateral :*												
1. IBRD ..	58.227	92.026	202.662	191.326	—	—	—	60.000	60.000	50.000	70.000	—
2. IFC ..	—	1.380	9.352	7.119	—	—	—	—	—	—	—	—
3. IDA.. ..	—	—	187.220	158.494	23.125	—	97.275	53.055	82.000	107.600	94.000	74.700
4. ADB ..	—	—	—	4.146	23.350	—	38.500	82.360	70.510	119.000	73.600	139.000
Sub-total (b) ..	58.227	93.406	399.234	361.085	46.475	—	135.775	195.415	212.510	276.600	237.600	213.700
(Consortium) Sub-total (a+b).	121.227	496.597	1,735.515	2,078.595	302.091	81.635	462.381	571.702	533.532	727.748	703.679	654.873
C. Non-Consortium :												
1. Austria ..	—	—	—	—	—	—	—	0.713	—	—	1.732	—
2. Australia ..	—	—	—	—	—	—	—	—	—	1.257	10.328	20.870
3. Bulgaria ..	—	—	—	—	—	—	—	3.298	—	—	—	—
4. China ..	—	—	—	—	217.391	—	—	—	—	4.293	—	5.509

TABLE 44

TOTAL LOANS AND CREDITS CONTRACTED BY PAKISTAN SINCE INCEPTION OF FOREIGN AID TILL 1977-78

1	2	3	4	5	6	7	8	9	10	11	12	13
5. Czechoslovakia	—	—	—	30.878	—	—	—	—	—	—	—	—
6. Denmark ..	—	—	6.298	1.233	5.333	—	—	—	6.367	—	—	—
7. Germany D. R	—	—	—	—	—	—	—	—	2.818	2.550	- -	
8. Kuwait-Suppliers Credits ..	—	—		4.910	—	—	—	—	—	6.870	—	—
9. Poland ..	—	—	—	5.179		—	—	—	—	—	—	—
10. Romania ..	—	—	—	—	—	—	—	13.488	—	—	—	13.908
11. U.S.S.R. ..	—	—	35.911	78.406	246.848	—	32.026	—	214.464	3.459	0.107	—
12. Yugoslavia ..	—	—	16.753	20.011	2.410	—	—	—	—	—	—	—
13. Switzerland ..	—	—	10.630	13.834	3.458	—	—	—	—	—	1.444	2.032
Sub-total (c) ..	—	—	69.601	155.180	475.440	—	32.026	17.499	223.649	18.429	13.611	42.319
D. Islamic Countries												
1. Abu-Dhabi ..	—	—	—	—	—	—	—	—	100.000	—	13.000	40.000
2. Iran ..	—	—	—	—	—	—	—	580.000	48.641	—	150.000	—
3. Kuwait ..	—	—	—	—	—	—	—	—	—	44.000	25.000	—
4. Libya ..	—	—	—	—	—	—	—	30.000	50.000	—	—	—
5. Qatar ..	—	—	—	—	—	—	—	—	100.000	—	—	—
6. Saudi Arabia	—	—	—	—	—	—	—	—	100.000	30.000	0.700	- -
7. OPEC Fund ..	—	—	—	—	—	—	—	—	—	—	21.450	11.000
8. Islamic Dev. Bank.	- -		—	—	—	—	—	- -	- -	- -	—	15.000
Sub-total (D) ..	..	—	—	—	—	—	—	610.000	308.641	74.000	210.150	66.000
Total (Loans) ..	121.227	496.597	1,805.116	2,233.046	777.531	81.635	494.407	1,199.201	1,065.822	820.177	927.440	763.192

source : Economic Affairs Division.

TRANSPORT AND COMMUNICATIONS

TABLE 45

GROSS EARNINGS OF PAKISTAN RAILWAYS

(Million Rupees)

Year	Amount
1947-48 (April–March)	235.4
1948-49 ,,	245.1
1949-50 ,,	255.4
1950-51 ,,	266.3
1951-52 ,,	295.5
1952-53 ,,	321.3
1953-54 ,,	339.6
1954-55 ,,	353.0
1955-56 ,,	361.8
1956-57 ,,	389.2
1957-58 ,,	418.9
1958-59 ,,	469.3
1959-60 (July—une)	482.7
1960-6. ,,	484.2
1961-62 ,,	475.8
1962-63 ,,	493.4
1963-64 ,,	543.3
1964-65 ,,	582.5
1965-66 ,,	592.1
1966-67 ,,	615.6
1967-68 ,,	624.0
1968-69 ,	665.2
1969-70 ,	731.2
1970-71	716.3
1971-72 ,	785.4
1972-73 ,	973.7
1973-74 ,	1,026.0
1974-75 ,	1,345.0
1975-76 ,	1,633.0
1976-77 ,	1,720 0
1977-78(July—February)	1,358 0

Source : Statistics Division and Ministry of Railways.

TABLE 46

MOVEMENT OF PASSENGERS AND FREIGHT BY RAIL

Year	Number of Passengers Carried (Million)	Passenger Kilometres (Million)	Freight carried (long tons) (Million)
1947-48* (April—March)	81	7,844	0.3
1948-49 ,, ...	72	6,462	0.6
1949-50 ,, ...	68	5,929	0.7
1950-51 ,, ...	70	6,246	0.8
1951-52 ,, ...	80	7,043	0.9
1952-53 ,, ...	79	6,846	0.9
1953-54 ,, ...	82	6,743	10
1954-55 ,, ...	86	7,096	10
1955-56 ,, ...	88	7,152	10
1956-57 ,, ...	98	7,808	11
1957-58 ,, ...	104	8,333	12
1958-59 ,, ...	109	8,471	14
1959-60 July-June	121	8,994	12
1960-61 ,, ...	125	9,197	13
1961-62 ,, ...	120	8,919	14
1962-63 ,, ...	123	9,426	14
1963-64 ,, ...	132	10,045	14
1964-65 ,, ...	132	10,068	15
1965-66 ,, ...	123	9,660	16
1966-67 ,, ...	128	9,987	15
1967-68 ,, ...	133	10,096	15
1968-69 ,, ...	135	10,430	16
1969-70	129	9,564	12
1970-71 ,, ...	126	9,329	12
1971-72 ,, ...	124	9,514	13
1972-73 ,, ...	136	11,069	12
1973-74 ,, ...	141	11,693	11
1974-75 ,, ...	143	12,355	14
1975-76 ,, ...	147	12,957	15
1976-77 ,, ...	142	12,993	14
1977-78 (July—February)	100	10,111	9

Source : Statistics Division and Ministry of Railways.

TABLE 47

DEVELOPMENT OF RAILWAYS

Year	Route Kilometres	Loco-motives (No.)	Freight wagons (No.)
1	2	3	4
1948-'9 (April–March)	8,553.55	821	23,815
1949-'0 „	8,553.55	822	23,733
1950-'1 „	8,553.55	845	23,716
1951-'2 „	8,553.55	858	23,769
1952-'3 „	8,553.55	875	24,270
1953-'4 „	8,553.55	882	23,391
1954-'5 „	8,580.51	849	25,110
1955-'6 „	8,584.61	825	24,935
1956-'7 „	8,583.43	819	24,306
1957-'8 „	8,583.43	829	24,538
1958-'9 „	8,579.99	851	23,798
1959-'0 (July—June)	8,571.80	878	29,854
1960-'1	8,570 01	903	29,710
1961-'2	8,570.01	940	30,172
1962-'3	8,570.01	939	31,753
1963-'4	8,570.21	1,011	33,127
1964-'5	8,583.74	1,012	33,644
1965-'6	8,585.53	1,026	35,048
1966-'7	8,585.53	1,045	36,428
1967-'8	8,585.53	1,047	36,970
1968-'9	8,663.61	1,043	37,252
1969-'0	8,564.38	1,076	37,530
1970-'1	8,566.54	1,141	37,337
1971-'2	8,795.07	1,015	37,624
1972-'3	8,811.16	993	37,436
1973-'4	8,811.20	992	37,339
1974-'5	8,811.45	992	37,239
1975-'6	8,811.45	1,024	36,938
1976-'7	8,815.45	978	36,720
1977-'8 (July–February)	8,815.45	976	36,761

Source : Statistics Division, Planning Division and Ministry of Railways.

TABLE 48
ROAD KILOMETRE STATISTICS

(Kilometres)

	Total	High type	Low type
1947-48 (15-8-47 to 31-3-48)	22,238	8,130	14,108
1948-49 (April—March)	24,894	8,741	16,153
1949-50 ,, ...	25,303	9,049	16,254
1950-51 ,, ...	26,268	9,895	16,373
1951-52 ,, ...	27,597	10,706	16,891
1952-53 ,, ...	29,411	11,265	18,146
1953-54 ,, ...	29,959	11,977	17,982
1954-55 ,, ...	30,735	12,840	17,895
1955-56 ,, ...	31,253	12,933	18,320
1956-57 ,, ...	31,253	13,255	17,998
1957-58 ,, ...	31,253	13,535	17,718
1958-59a ,, ...	31,280	13,982	17,298
1959-60 (July—June)	30,854	14,114	16,740
1960-61 ,, ...	32,793	14,203	18,590
1961-62	33,773	14,484	19,289
1962-63 ,, ...	33,800	15,007	18,793
1963-64 ,, ...	34,428	15,197	19,231
1964-65 ,, ...	35,008	16,043	18,965
1965-66 ,, ...	35,456	16,306	19,150
1966-67 ,, ...	30,465	16,824	13,641
1967-68 ,, ...	31,662	17,223	14,439
1968-69 ,, ...	30,576	17,580	12,996
1969-70 ,, ...	31,673	17,483	14,190
1970-71 ,, ...	32,508	18,167	14,341
1971-72 ,, ...	34,741	19,311	15,430
1972-73 ,, ...	35,750	19,985	15,855
1973-74 ,, ...	38,983	22,629	16,354
1974-75 ,, ...	38,632	22,294	16,338
1975-76 ,, ...	49,773	27,111	22,662
1976-77	51,123	31,004	20,119
1977-78 (estimated)	57,494	34,104	23,390

aFigures relate to April 1958 to June 1959.

Source : Statistics Division and Planning Division.

N.B. Road Kilometre Statistics shown above do not include low type (Katcha) roads falling under District Council which were 44,075 km. in 1975-76 and 43,695 km. in 1976-77,

TABLE 49

CARGO HANDLED AT KARACHI PORT

(Thousand Tonnes)

Year	Import	Export	Total
1947-4	2215.90	1336.04	3551.94
1948-4	2225.04	1246.63	3471.67
1949-5	2238.25	1170.43	3408.68
1950-5	2338.83	1190.75	3529.58
1951-5	2731.00	1093.22	3824.22
1952-5	2065.27	911.35	2976.62
1953-5	2706.62	909.32	3615.94
1954-5	2181.35	906.27	3687.62
1955-5	2570.48	1113.54	3684.02
1956-5	3323.34	1033.27	4356.61
1957-5	3448.30	857.50	4305.80
1958-5	2683.26	982.47	3665.73
1959-6	3478.78	1095.25	4574.03
1960-6	3973.58	1085.09	5058.67
1961-6	3544.82	1134.87	4679.69
1962-6	4080.26	1569.72	5649.98
1963-6	4595.37	1352.29	5947.66
1964-6	6373.37	1557.53	7930.90
1965-6	5266.94	1898.90	7165.84
1966-6	6394.58	2321.56	8216.14
1967-6	6507.48	2294.13	8801.61
1968-6	5603.24	2832.61	8435.85
1969-7	6023.87	3425.95	9449.82
1970-7	6379.46	3207.51	9586.97
1971-7	6396.74	3058.16	9454.90
1972-7	7304.02	3208.53	10512.55
1973-7	7440.49	3045.89	10486.38
1974-7	7734 00	2266.61	10000.61
1975-7	7569.98	2355.31	9925.29
1976-7	7216.43	2374.33	9590.76
1977-7 (July—March)	6327.11	2059.43	8386.54

Source : Statistics Division and Communications Division (Ports and Shipping Wing).

TABLE 50

POST AND TELE-COMMUNICATIONS

Year	Number of post offices			Number of telegraph Offices			Number of telephones	Number of public call offices
	Urban	Rural	Total	Urban	Rural	Total		
1947-48 ..	—	—	3,036	7	Not available	Not available	12,346	Not available
1948-49 ..	—	—	3,008	7	,,	,,	13,302	
1949-50 ..	—	—	3,104	7	,,	,,	14,276	,,
1950-51 ..	—	—	3,678	7	,,	,,	15,706	,,
1951-52 ..	—	—	4,056	7	,,	,,	17,981	,,
1952-53 ..	—	—	4,409	7	,,	,,	20,643	,,
1953-54 ..	—	—	4,771	7	,,	,,	24,624	,,
1954-55 ..	—	—	5,089	10	,,	,,	31,287	,,
1955-56 ..	—	—	5,473	10	,,	,,	37,402	,,
1956-57 ..	—	—	5,942	10	,,	,,	43,704	,,
1957-58 ..	—	—	6,047	10	,,	,,	50,501	,,
1958-59 ..	—	—	6,051	15	,,	,,	54,321	,,
1959-60 ..	—	—	6,186	16	,,	,,	60,116	355
1960-61 ..	—	—	6,313	23	,,	,,	68,042	361
1961-62 ..	—	—	6,492	22	22	44	73,403	370
1962-63 ..	—	—	6,631	22	64	86	81,246	554
1963-64 ..	—	—	6,785	22	114	136	92,061	571
1964-65 ..	—	—	6,996	22	142	164	1,01,961	573
1965-66 ..	—	—	7,139	22	153	175	1,10,427	577
1966-67 ..	—	—	7,317	27	153	180	1,17,249	581
1967-68 ..	—	—	7,582	28	185	213	1,29,160	645
1968-69 ..	—	—	7,821	28	185	213	1,40,975	649
1969-70 ..	—	—	8,151	28	206	234	1,48,962	683
1970-71 ..	1,271	6,635	7,906	28	208	236	1,60,103	750
1971-72 ..	1,252	6,608	7,860	28	209	237	1,67,200	815
1972-73 ..	1,289	6,615	7,904	28	211	239	1,84,103	728
1973-74 ..	1,314	6,835	8,149	28	212	240	2,01,000	724
1974-75 ..	1,761	6,988	8,749	33	212	245	2,27,604	742
1975-76 ..	2,017	7,026	9,043	35	219	254	2,49,300	1,213
1976-77 ..	2,181	7,405	9,586	44	233	277	2,74,647	1,459
1977-78 (July—March)	2,196	7,459	9,655	44	233	277	2,81,900	1,559

Source : Communications Division.

Note : Separate figures for urban and rural areas were not maintained before 1970-71 in case of post offices and 1961-62 for telegraph offices. Number of telegraph Offices shown above are in addition to those located in the post offices'.

TABLE 51

NUMBER OF LICENCES ISSUED FOR RADIOS

Year	Number of radio licences issued
1960-61	3,14,405
1961-62	4,20,249
1962-63	4,47,089
1963-64	4,79,837
1964-65	5,52,099
1965-66	8,15,417
1966-67	7,24,955
1967-68	7,01,182
1968-69	11,39,140
1969-70	11,30,319
1970-71	9,57,721
1971-72	10,39,365
1972-73	15,72,185
1973-74	14,32,808
1974-75	13,38,916
1975-76	14,66,472
1976-77	16,54,163
1977-78 (estimat)	15,43,700

Source : Pakistan Broadcasting Corporation

TABLE 52

NUMBER OF T. V. SETS

Year	Number of television sets
1969	74,344
1970	92,398
1971	1,16,301
1972	1,29,023
1973	1,44,924
1974	2,43,205
1975-	3,03,663
1976	4,15,033
1977	4,68,896

Note—Data on T V sets is available only on calender year basis *Source :* Pakistan Television Corporation

PUBLIC FINANCE

TABLE 53

RECEIPTS AND EXPENDITURE OF THE FEDERAL GOVERNMENT ON REVENUE ACCOUNTS

(Million Rupees)

Heads	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54
REVENUE RECEIPTS							
Principal Heads of Revenue	161	539	718	1,093	1,269	1,098	826
Customs	113	329	423	776	822	659	361
Central Excise Duties	14	53	52	67	71	70	132
Income Tax & Corporation Tax	27	66	115	132	172	176	181
Sales Tax	—	42	89	71	145	130	87
Salt	4	38	24	22	25	23	24
Other Heads	3	11	15	24	34	40	42
Railways (Net)	(—)7	33	19	17	15	50	62
Post Office, (Net)	—	—	—	—	—	—	—
Telegraph & Telephone (Net)	(—)2	3	—	6	9	16	14
Debt Services	27	49	62	60	68	65	75
Civil Administration	2	7	8	12	14	19	26
Currency and Mint	—	—	11	10	7	8	19
Miscellaneous	4	8	7	9	13	16	26
Defence Services	12	22	55	48	48	49	53
Extra Ordinary Items	1	5	3	15	3	12	2
Other Heads	1	2	3	3	3	3	7
TOTAL REVENUE RECEIPTS	199	668	885	1,273	1,448	1,334	1,111
Expenditure Met from Revenue							
Direct Demand on Revenue	7	15	20	22	25	27	25
Debt Services	9	21	30	69	66	81	77

TABLE 53

RECEIPTS AND EXPENDITURE OF THE FEDERAL GOVERNMENT ON REVENUE ACCOUNTS

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54
Civil Administration	**49**	**109**	**139**	**169**	**210**	**237**	**822**
General Administration	8	20	22	29	34	41	37
Frontier Regions	21	43	54	58	67	72	63
Foreign Affairs	4	10	13	15	19	20	18
Education	1	3	6	6	10	12	10
Medical and Public Health	1	3	4	5	7	9	9
Other Beneficient & Social Services Department	5	14	16	24	29	34	40
Other Administrative Department	9	17	22	33	44	48	50
Currency and Mint	**1**	**4**	**5**	**5**	**5**	**5**	**4**
Civil Works and Central Road Fund	2	7	**10**	**16**	**17**	**11**	**16**
Miscellaneous	**8**	**15**	**10**	**298**	**238**	**115**	**81**
Pensions, Stationery and Printing	**3**	**10**	**5**	**—1**	**1**	7	9
Contribution to the Central and Special Funds for Rehabilitation	—	—	—	**6**	17	18	20
Other Miscellaneous Expenditure	5	4	5	292	207	**90**	52
Defence Services	**154**	**461**	**625**	**650**	779	**783**	653
Construction & Miscellaneous Adjustment between the Federal and Provincial Government	5	14	16	36	101	20	13
Development Expenditure	1	**1**	**1**	**1**	2	**41**	—
Other Heads	—	—	—	—	—	—	**12**
TOTAL EXPENDITURE MET FROM REVENUE	236	647	856	1,266	1,442	1,320	1,109
Surplus/Deficit	—37	21	29	7	6	14	2

TABLE 53
RECEIPTS AND EXPENDITURE OF THE FEDERAL GOVERNMENT ON REVENUE ACCOUNTS

(Million Rupees)

1954-55	1955-56	1956-57	1957-58	1958-59 (15 months)	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66
899	**1,113**	**1,022**	**1,648**	**1,390**	**1,399**	1,572	**1,717**	**1,681**	**1,877**	2,464	2,547
416	558	470	420	494	562	588	669	736	704	1,030	1,051
115	135	145	194	264	286	344	368	413	606	697	823
194	214	211	240	398	320	321	385	280	310	342	280
106	137	132	143	170	170	247	255	244	257	69	346
22	**24**	20	1	1	1	6	3	—	—	—	—
46	45	44	50	65	61	66	37	8	2	66	47
62	**77**	77	**102**	**104**	127	50	—	—	—	—	—
—	**—**	—	—	—	*	*	*	**13**	**2**	**-2**	—
7	**17**	**18**	**19**	**30**	**30**	**31**	**31**	**34**	**49**	**48**	**70**
88	**91**	**87**	**118**	**138**	**72**	**91**	**114**	**71**	**486**	**452**	**575**
19	**20**	**25**	**32**	**45**	**35**	**48**	**112**	**80**	**105**	**142**	**316**
21	**19**	**27**	**38**	**38**	**36**	**55**	**56**	**2**	**107**	**60**	**60**
15	**32**	**27**	**26**	**42**	**42**	**42**	**55**	**55**	**86**	**87**	**110**
40	**58**	**42**	**63**	**84**	**101**	**105**	**103**	**105**	**108**	**99**	**97**
14	**1**	**2**	**71**	**80**	**121**	**121**	**121**	**1**	**2**	**1**	**14**
8	**6**	**5**	**8**	**7**	**14**	**9**	**8**	**6**	**8**	**9**	**10**
1,173	1,435	13,321	1,525	1,959	1,978	2,122	2,317	2,046	2,830	3,301	3,798
27	**30**	**28**	**32**	**43**	**35**	**40**	**41**	**40**	**46**	**49**	**50**
94	**94**	**126**	**121**	**169**	**287**	**191**	**217**	**245**	**314**	**432**	**460**

1	2	3	4	5	6	7	8	9	10	11	12
232	**264**	**269**	**294**	**407**	375	**392**	**417**	**361**	**441**	**447**	465
42	50	54	66	69	60	67	69	66	93	111	107
68	**67**	56	58	72	60	67	76	74	82	91	98
19	26	31	32	39	32	28	29	28	31	34	36
20	18	22	26	30	36	36	18	12	14	17	10
9	10	10	13	17	23	19	19	12	14	19	20
28	41	46	47	66	70	88	74	62	74	97	95
46	52	50	49	95	73	87	133	93	135	80	100
3	**4**	**7**	**7**	**8**	**6**	**6**	**9**	**10**	**10**	**10**	**11**
20	**16**	**14**	**25**	**17**	**41**	**43**	**42**	**25**	**31**	**36**	54
76	**58**	**45**	**61**	65	**82**	**79**	**79**	**46**	**62**	**127**	179
11	**15**	**11**	**16**	**12**	23	**19**	**26**	**18**	**22**	27	33
22	23	19	25	27	29	31	35	6	3	53	41
43	**21**	15	20	27	31	29	18	22	37	46	106
635	**92**	**801**	**854**	**997**	**1,044**	**1,112**	**1,109**	**954**	**1,157**	**1,262**	**2,855**
57	49	23	37	40	42	27	24	49	45	35	45
—	—	—	—	—	—	—	50	66	121	215	297
28	**1**	**18**	**91**	**211**	15	3	—	—	**1,111**	**123**	**82**
1,172	1,433	1,331	1,522	1,957	1,847	1,894	1,987	1,795	2,337	2,736	4,498
1	**2**	**1**	3	**2**	131	228	330	251	492	565	—700

TABLE 53

RECEIPTS AND EXPENDITURE OF THE FEDERAL GOVERNMENT ON REVENUE ACCOUNTS

(Million Rupees)

1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
3,272	3,358	4200,	4,799	4,246	4,319	5,893	8,537	100,25	11,409	12,687	14,373
1,249	1,266	1,691	1,677	1,737	1,291	2,469	4,134	4,729	4,913	5,696	6,704
1,269	1,558	1,774	2,192	2,100	1,950	2,085	2,501	3,059	4,323	4,900	5,486
330	268	324	481	222	834	764	796	946	802	646	660
363	225	355	394	165	218	305	469	708	326	305	348
—	—	—	—	—	—	—	—	—	—	—	—
61	40	55	55	23	26	270*	634*	583*	1,045*	1,140*	1,175*
—	—	—	—	—	—	3	—	—	—	—	—
(—)4	(—)2	(—)11	(—)11	(—)18	5	(—)5	(—)16	(—)54	(—)38	(—)31	(—)21
82	89	103	124	85	155	163	162	172	227	266	624
659	745	897	1,057	1,085	699	706	635	977	1,738	2,677	3,831
141	136	141	183	212	349	50	52	67	92	157	117
67	73	78	84	96	103	108	160	239	355	371	365
124	110	173	240	136	116	198	268	322	427	467	527
116	128	136	146	160	139	272	338	425	483	392	418
7	52	42	28	1	168	1183	890	769	493	875	429
11	15	16	16	19	14	12	21	37	18	18	20
4,475	4,704	5,774	6,665	6,021	6,065	7,533	11,048	12,980	15,204	17,879	20,683
53	58	63	70	90	49	50	68	81	96	101	119
535	622	771	927	924	1,480	299	2,094	2,340	2,972	3,881	5,298

1	2	3	4	5	6	7	8	9	10	11	12
461	**493**	**526**	**658**	**807**	**675**	**819**	**1,118**	**1,564**	**1,875**	2,264	2,264
106	118	127	160	192	153	248	309	312	523	549	540
96	94	95	113	138	141	177	224	497	474	649	644
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	184
13	18	20	21	21	12	19	38	55	96	129	124
18	19	22	24	27	30	35	53	64	75	72	62
76	120	128	189	230	196	141	193	176	204	251	290
114	87	95	107	149	85	97	173	307	300	439	420
10	**11**	**11**	**14**	**12**	**12**	**13**	**23**	27	37	33	32
63	**68**	**80**	**97**	**69**	**67**	**88**	**85**	**74**	**65**	**85**	**111**
121	**120**	**182**	**174**	**147**	**153**	**337**	**2,430**	**3,138**	**1,984**	**1,115**	**1,754**
26	**43**	**47**	**43**	**32**	**49**	**44**	37	**57**	**67**	**67**	65
50	30	38	35	—	—	—	—	—	—	—	—
45	47	98	96	115	104	293	2,413	3,081	1,917	1,045	1,689
2,294	**2,187**	**2,427**	**2,749**	**3,202**	**3,726**	**4,440**	**4,949**	**6,914**	**8,103**	**7,987**	**9,150**
39	118	51	44	245	20	50	253	490	339	645	1,423
166	**293**	**251**	**374**	**253**	**117**	**357**	**672**	**1,496**	**2,117**	**2,387**	**3,110**
25	**37**	**7**	**4**	**4**	**5**	**28**	**14**	**14**	**26**	**48**	**131**
3,766	4,077	4,371	5,109	5,751	6,304	7,481	11,725	16,140	17,613	18,545	23,392
710	627	1,403	1,556	269	(—)239	(—)124	(—)677	(—)3,159	(—)2,409	(—)666	(—)2,709

Source : Finance Accounts(upto 1969-70) and Annual Budget Statement

* Included in Telegraph and Telephone (net).
** Includes receipts from Surcharges.

Note Includes Grants & Subsidies worth Rs. 2.185 million (for 1973-74) and Rs. 1,191 million (for 1974-75).
From 1959-60 post office,telegraph and telephone net were bifurcated in two heads as post office (net) and telegraph and telephone (net) & shown Separately from 1962-63.
From 1972-73 includes receipts from Surcharges.

N.B. Sub totals may not add up to totals because of rounding off.

TABLE

CAPITAL RECEIPTS OF THE

Heads	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
1. Internal Resources :						
Revenue Surplus/Deficit	—32	21	29	7	6	14
Public Debt-Debt raised in Pakistan..	318	567	631	287	373	307
Permanent Debt (net)	318	418	122	93	—	150
Floating Debt (net)	—	149	509	194	373	157
Unfunded Debt (net)	—50	17	28	22	30	15
Recoveries of loans and Advances ..	24	27	77	39	32	27
Provincial Governments	—	13	64	34	24	21
Semi-Independent Bodies, local Funds etc.	24	3	3	3	5	3
Other Debtors	—	11	10	2	3	4
Accretions to Reserve Funds ..	21	22	30	335	347	148
Other Deposits and Remittances (net). .—	280	72	—89	—59	—108	—22
State Trading (net)	—	—	—	—	—	—
Other Capital Receipts	—	—	3	70	3	3
Total—Internal Resources	—4	725	711	701	682	491
II. External Resources :						
A. Public Sectors :						
Public Debt raised-abroad ..	—	—	—	—	—	71
Loans	—	—	—	—	—	71
Project Loans (Foreign Exchange)	—	—	—	—	—	71
Non-Projects Loans (Rupee) ..	—	—	—	—	—	—
Commodity Loans	—	—	—	—	—	—
Grants	—	—	—	—	2	2
Project Grants (Foreign Exchange)	—	—	—	—	2	2
Non-Project Grants (Rupee releases out of Counterpart Funds)	—	—	—	—	—	—
CommodityGrants	—	—	—	—	—	—
Total—Public Sector	—	—	—	—	—	—
B. Non-Plan	—	—	—	—	—	—
C. Private Sector	—	—	—	—	2	73
Total—External Resources ..	—	—	—	—	—	—
Less : Foreign Grants transferred to Revenue Account and likely shortfall in resources	—	—	—	—	2	73
Net External Resources	—4	725	711	701	685	564
Total—Capital Resources ..	**125**	—	**353**	—	**222**	**300**
III. Use of Cash Balance	121	725	1064	701	906	864
Total—Receipts.. ..						

4

FEDERAL GOVERNMENT

1953-54	1954-55	1955-56	1956-57	1957-58	1958-59 (15 months)	1959-60	1960-61
2	—	2	1	3	2	131	228
145	241	—20	780	854	284	294	271
249	158	155	183	176	98	212	177
—104	83	—175	597	678	186	82	94
49	66	80	97	58	140	114	78
112	70	73	72	131	113	107	41
106	60	60	45	118	94	61	—
—	5	8	22	6	8	39	34
5	5	5	6	6	10	7	6
88	123	130	136	132	350	155	217
42	120	(—)53	(—)17	(—)73	74	83	40
—	—	—	—	—	—	—	—
318	33	329	5	12	264	4	3
755	653	541	1,075	1,117	1,227	888	877
17	39	15	34	37	514	271	173
17	39	15	34	37	514	271	173
17	39	15	34	37	293	98	78
—	—	—	—	—	222	121	79
—	—	—	—	—	—	52	17
2	4	29	68	175	449	549	907
2	4	29	5	28	—	88	129
—	—	—	63	147	449	413	714
—	—	—	—	—	—	48	66
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
20	42	43	102	212	964	820	1,081
—	—	—20	—63	—17	—121	—137	—197
20	42	23	39	195	843	683	884
775	695	564	1,114	1,312	2,070	1,572	1,761
139	—	**142**	—	**271**	—	**202**	**74**
913	695	707	1,114	1583	2,070	1,774	1,836

contd

TABLE

CAPITAL RECEIPTS OF THE

Heads	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
I. Internal Resources :						
Revenue Surplus/Deficit	330	251	492	56	—700	710
Public Debt-Debt raised in Pakistan	40	234	389	276	1,100	91
Permanent Debt (net)	25	29	583	101	151	105
Floating Debt (net)	15	206	—194	176	949	—13
Unfunded Debt (net)	111	120	158	178	127	206
Recoveries of loans and Advances ..	152	180	155	90	55	178
Provincial Government	130	170	144	75	25	122
Semi independent Bodies, Local funds etc.	15	3	4	8	22	48
Other Debtors	6	6	6	7	7	9
Accretions to reserve fund ..	347	76	74	179	303	132
Other deposits and remittances (net) ..	—12	—13	52	84	109	145
State Trading (Net)	—	—	—	—	—	—
Other Capital Receipts	3	11	130	54	202	44
Total—Resource	971	859	1,450	1,427	1,195	1,507
II. External Resources :						
A. Public Sector :						
Public Debt-Debt raised abroad ..	357	1,108	883	1,018	1,092	3,504
Loans	357	1,108	883	1,018	1,092	3,504
Project Loans	150	623	187	356	286	1,267
Non Project loans (Rupee) ..	127	194	155	140	126	312
Commodity Loans	81	290	540	522	680	1925
Grants	979	703	674	527	704	265
Project Grant (foreign Exchange)..	76	121	180	113	432	117
Non Project Grants (rupee releases out of Counterpart Funds)	865	531	475	323	256	117
Commodity Grant	38	50	18	91	16	32
Total—Public Sector	—	—	—	—	—	3,770
B. Non-Plan	—	—	—	—	—	—
C. Private Sector	—	—	—	—	—	—
Total External Resources ..	1,337	1,810	1,556	1,545	1,800	3,770
Less : Foreign Grants transferred to Revenue Account and likely shortfall in resources	—177	192	—243	—284	—129	—148
Net External Resources ..	1,159	1,618	1,313	1,260	1,667	3,622
Total—Capital Resources ..	2,130	2,478	2,763	2,687	2,862	5,129
III. Use of Cash Balance	—	**13**	**4**	—	**18**	—
Total—Receipts	2,130	2,491	2,767	2,687	2,881	5,129

54

FEDERAL GOVERNMENT

(Million Rupees)

196'-68	196-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
27	1,03	1,56	269	—239	52	—677	—3,159	—2,409	—666	—2,709
462	36	1,54	1,548	3,811	1,103	32	3,147	4,028	1,177	625
05	11	241	3,254	298	—198	165	876	311	937	346
57	25	1,13	1,706	3,513	1,301	—197	2,271	3,717	240	279
49	76	261	334	403	454	702	655	856	842	937
22	32	56	400	316	428	464	584	468	508	784
44	47	46	345	181	45	11	64	42	29	34
70	76	01	45	126	374	443	510	413	549	728
8	9	10	9	9	10	10	10	13	20	22
97	98	460	346	759	575	954	1,815	1,634	1,839	3,141
—43	—05	457	—109	—818	—785	—935	22	—356	—1	65
38	—	—	—	84	—	—	—	231	—	25
20	27	124	109	91	9	10	18	9	10	7
1,53	3,05	5,06	2,807	4,407	1,836	2,406	3,082	4,460	3,790	2,875
2,743	2,04	1,545	1,859	746	3,218	3,648	8,157	8,274	10,357	10,990
2,743	2,04	1,545	1,859	746	3,218	3,648	920	1,772	2,871	4,791
1,071	813	456	718	366	494	517	1,899	1,485	813	990
357	273	471	298	101	1,044	1,160	5,337	5,017	6,673	5,209
1,515	1,008	617	853	279	1,680	1,970	374	956	1,092	880
237	237	208	220	28	65	137	91	114	475	573
10	15	05	36	13	52	96	30	36	37	6
202	106	54	151	9	—	—	211	431	281	99
02	5	59	23	6	113	40	42	305	259	202
3,077	2,31	1,752	2,089	775	3,283	3,734	8,531	9,230	11,449	11,870
—	—	—	85	—	208	145	602	907	642	1,193
—	178	426	211	154	402	150	—	82	142	149
3,077	2,59	2,178	2,335	929	3,892	4,079	9,133	10,219	12,233	13,212
—366	—130	177	—	—	—	—	—	—	—	—
2,911	2,30	2,001	2,385	929	3,892	4,079	19,133	10,219	12,233	13,212
4,564	5,45	7,077	5,192	5,336	5,729	6,485	12,215	14,679	16,023	16,087
61	—	—	348	—	181	284	—	603	2,228	1,491
1,627	5,45	7,077	5,540	5,336	5,909	6,769	12,215	15,282	18,251	17,578

Source : Finance Accounts (upto) 1969-70 and Annual Budget Statement.

TABLE 55

CAPITAL EXPENDITURE OF THE FEDERAL GOVERNMENT

(Million Rupees)

Heads	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59 (Fifteen months)	1959-60
	1	2	3	4	5	6	7	8	9	10	11
I. DEVELOPMENT EXPENDITURE											
A. PLAN EXPENDITURE :											
(*i*) Direct Expenditure on Federal Projects ..	101	70	185	234	255	250	345	356	600	693	671
Railways	54	34	126	120	95	86	115	94	168	220	256
Irrigation	1	—	—	—	—	—	3	5	7	20	23*
Post Office Department	—	—	—	—	—	—	—	—	—	—	—
Telegraph & Telephone Deptt**	5	4	10	23	23	25	38	48	61	56	47
Agricultural Improvement and Research ..	—	—	—	5	5	2	20	3	10	11	45
Industrial Development	10	6	12	52	87	98	109	124	269	247	160
Civil Aviation	2	4	7	7	16	7	3	10	21	12	54
New Federal Capitals	—	—	—	—	—	—	—	—	—	—	—
Civil Works	26	17	8	15	20	28	21	33	25	49	40
Other Works	—	—	—	—	—	—	1	—	1	2	8
Miscellaneous Investments	—	—	6	8	6	—	31	32	33	32	29
Other Heads	2	5	5	4	3	4	4	5	4	45	8
(*ii*) Loans to Semi-Independent Bodies, Local Funds, Government Servants etc.	15	6	14	16	25	34	35	31	78	88	103
(*iii*) Expenditure on Federal Autonomous Organisations	—	—	—	—	—	—	—	—	—	—	—

(*iv*) Less Likely Shortfall	—	—	—	—	—	—	—	—	—	—	—
(*v*) Expenditure met from Foreign Aid and Reserve Funds	—	—	—	—	—	—	—	—	—	—	—
(*vi*) Development Assistance to Provinces ..	208	140	146	119	439	268	377	340	728	701	669
Cash Loans	198	134	116	105	404	221	333	285	586	456	498
Foreign Loan (Equipment, Services, etc) ..	—	—	—	—	—	—	—	—	—	115	88
Cash Grants	10	1	30	14	35	47	42	55	142	140	82
Reserve Funds	—	—	—	—	—	—	—	55	27	21	12
Counterpart Funds of Foreign Aid ..		1	30	14	35	47	42		115	118	46
Other Grants	—	—	—	—	—	—	—	—	—	—	25
Foreign Grants (Equipment, Services, etc) ..	—	—	—	—	—	—	—	—		—	—
Less : Assistance included in revenue account.	—	—	—	—	—	—	—	—	—	—	—
Less : Due to increase in share of Taxes ..	—	—	—	—	—	—	—	—	—	—	—
Total—Capital Account Development Assistance..	208	140	146	119	439	268	377	340	728	701	669
Less : Likely shortfall	—	—	—	—	—	—	—	—	—	—	—
Total—Plan Expenditure	324	216	345	369	719	553	757	727	1406	1481	1443
B. NON-PLAN EXPENDITURE											
Irrigation (net)	—	—	—	—	—	—	—	—	—	—	—
Electricity Scheme	—	—	—	—	—	—	21	28	35	32	33
Expenditure from Reserve Funds	—	—	22	1	1		13	23	16	9	10
Total—Non-Plan Expenditure	—	—	22	17	1	8	34	51	51	41	43
Total—Development Expenditure	324	216	367	386	720	561	791	778	1457	1522	1486

TABLE 55

CAPITAL EXPENDITURE OF THE FEDERAL GOVERNMENT

(Million Rupees)

	1	2	3	4	5	6	7	8	9	10	11
C. FOREIGN LOANS TO SEMI-INDEPENDENT BODIES, LOCAL FUNDS ETC. FOR PRIVATE SECTOR	—	—	—	—	—	—	—	—	—	—	—
II. NON-DEVELOPMENT EXPENDITURE :											
1. Direct Expenditure of Federal Government ..	738	280	536	475	152	87	88	173	120	96	282
Currency	543	226	320	16	—	—	—	—	—	—	168
Other Works	—	—	—	—	—	—	—	—	—	—	—
Commuted Value of Pensions	—	1	1	1	2	2	3	3	4	4	3
Defence Services	127	53	123	211	149	78	(—)103	(—)23	(—)110	50	(—)35
State Trading Schemes (net)	68	—	92	246	—	—	—	173	196	—	36
Miscellaneous Investments	—	—	—	—	—	—	—	—	—	—	—
Expenditure from Reserve Funds	—	—	—	—	—	—	—	—	—	—	—
Repayment of Foreign Loans	—	—	—	—	1	7	11	21	30	42	110
Repayment of Food Credits	—	—	—	—	—	—	—	—	—	—	—
Other Investments	—	—	—	—	—	—	—	—	—	—	—
Electricity Schemes	—	—	—	—	—	—	—	—	—	—	—
Loans to Semi-Independent Bodies, Local Funds, Government Servants	2	3	3	3	41	16	4	4	5	8	6
Cash Assistance to Provinces	—	—	—	—	—	—	—	—	—	—	—
Total—Non-Development Expenditure	740	283	540	478	193	103	(—)85	177	125	104	288
Total—Capital Expenditure	1064	499	906	864	913	664	707	955	1582	1626	1774
III. CASH BALANCE IMPROVEMENT	—	202	—	—	—	31	—	158	—	443	—
TOTAL—DISBURSEMENTS	1064	701	906	864	913	695	707	1114	1582	2070	1774

**Includes Post Office Department up till (1958-59)

*Includes Guaranteed loans not passed through Government Account.

Source : Finance Accounts

HEADS	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70
I DEVELOPMENT EXPENDITURE :										
A. PLAN EXPENDITURE :										
(*i*) Direct Expenditure on Federal Projects ..	593	781	353	469	498	476	569	551	639	654
Railways	173	384	—	—	—	—	—	—	—	—
Irrigation	62*	14*	28	25	—	—	—	—	—	—
Post Office Department	—	—	3	4	—	5	9	12	12	10
Telegraph & Telephone Deptt **	58	62	84	103	127	53	142	156	189	196
Agricultural Improvement and Research ..	24	31	19	—	—	5	—	—	—	—
Industrial Development	148	147	19	22	—	25	24	16	13	13
Civil Aviation	35	11	18	14	48	48	100	43	45	36
New Federal Capitals	15	48	71	111	119	130	115	96	112	78
Civil Works	24	42	30	80	39	30	39	51	32	34
Other Works	28	24	49	50	57	54	40	60	92	132
Miscellaneous Investments	18	46	39	52	70	106	67	72	104	118
Other Heads	7	8	13	7	30	19	33	45	41	38
(*ii*) Loans to Semi-Independent Bodies, Local Funds, Government Servants etc	67	73	29	46	86	184	771	187	22	15
(*iii*) Expenditure on Federal Autonomous Organisations	—	—	—	—	—	—	—	—	—	—

TABLE 55

CAPITAL EXPENDITURE OF THE FEDERAL GOVERNMENT

	1	2	3	4	5	6	7	8	9	10
(*iv*) Lees Likely Shortfall	—	—	—	—	—	—	—	—	—	—
(*v*) Expenditure met from Foreign Aid and Reserve Funds	—	—	—	—	—	—	—	—	—	—
(*vi*) Development Assistance to Provinces ..	921	1038	2123	2464	2140	1545	3108	2875	2900	3559
Cash Loans	593	667	1252	1584	1339	712	1583	1938	1839	2789
Foreign Loan (Equipment, Services, etc) ..	83	98	310	286	305	391	1300	621	665	490
Cash Grants	161	265	537	572	466	407	181	293	378	266
Reserve Funds	15	14	7	16	7	26	21	26	35	11
Counterpart Funds of Foreign Aid ..	139	209	506	480	459	345	110	181	186	66
Other Grants	7	42	25	76	—	—	51	86	157	189
Foreign Grants (Equipment, Services, etc.) ..	83	8	25	23	22	35	44	23	18	1
Less : Assistance included in reserve Account,	—	—	1 (—)15	(—)376	(—)404	(—)100	(—)9	(—)62	(—)157	(—)189
Less : Due to increase in share of Taxes	—	—	—	—	—	—	—	—	—	—
Total—Capital Account Development Assistance..	921	1038	2009	2088	1736	1445	3029	2813	2742	3369
Less : Likely Shortfall	—	—	—	—	—	—	—	—	—	—
Total—Plan Expenditure	1581	1892	2391	2603	2269	2104	4370	3551	3404	4038
B. NON-PLAN EXPENDITURE										
Irrigation (net)	—	—	—	—	155	236	407	686	914	884
Electricity Scheme	90	102	—	—	—	—	—	—	—	—
Expenditure from Reserve Funds	3	2	2	4	2	1	—	—	—	—
Total—Non-Plan Expenditure	93	104	2	4	157	237	407	686	914	884
Total—Development Expenditure	1674	1996	2393	2607	2426	2342	4777	4238	4317	4921

TABLE 55 (contd).

C. FOREIGN LOANS TO SEMI-INDEPENDENT BODIES, LOCAL FUNDS ETC. FOR PRIVATE SECTOR ..	—	—	—	—	—	—	—	—	198	426
II. NON-DEVELOPMENT EXPENDITURE :										
1. Direct Expenditure of Federal Government	154	90	90	150	244	533	245	374	422	406
Currency	11	—	17	9	1	277	—	—	—	—
Other Works	—	—	—	—	—	—	14	18	10	9
Commuted Value of Pensions ..	3	4	5	5	3	—	—	—	—	—
Defence Services	—63	—83	5	54	—	—	—	—	—	—
State Trading Schemes (net) ..	163	115	—	—	92	—	17	—	17	89
Miscellaneous Investments ..	—	—	4	—	—	2	15	16	14	34
Expenditure from Reserve Funds ..	7	—	—	8	67	143	84	74	56	24
Repayment of Foreign Loans ..	33	54	58	74	81	117	114	139	162	193
Repayment of Food Credits ..	—	—	—	—	—	—	—	129	153	28
Other Investments	—	—	—	—	—	—	—	—	10	28
Electricity Schemes	—	—	—	—	—	—	—	—	—	—
Loans to Semi-Independent Bodies Funds, Government Servants	7	7	7	10	11	5	68	9	416	1192
Cash Assistance to Provinces ..	—	—	—	—	—	—	—	6	—	—
Total Non-Development Expenditure ..	161	97	97	159	254	538	313	390	838	1598
Total Capital Expenditure	1836	2093	2491	2767	2680	2881	5090	4627	5353	6945
III. CASH BALANCE IMPROVEMENT.	—	37	—	—	7	—	39	—	92	131
TOTAL—DISBURSEMENTS ..	1836	2130	2491	2767	2687	2881	5129	4627	5445	7076

Source: Finance Accounts

TABLE 55
CAPITAL EXPENDITURE OF THE FEDERAL GOVERNMENT

HEADS	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
	1	2	3	4	5	6	7	8
I. DEVELOPMENT EXPENDITURE :								
A. PLAN EXPENDITURE :								
(*i*) Direct Expenditure on Federal Projects.. ..	610	447	669	1013	1551	1588	2994	3322
Railways	—	—	—	—	—	—	—	—
Irrigation	—	—	—	—	—	—	—	—
Post Office, Department	6	3	4	10	8	10	8	15
Telegraph and Telephone Department ** ..	182	177	245	276	307	256	471	430
Agricultural Improvement and Research	—	—	—	—	—	—	—	—
Industrial Development	6	1	2	8	10	25	18	24
Civil Aviation	37	22	28	22	28	38	86	92
New Federal Capitals	65	25	77	92	112	55	84	127
Civil Works	27	18	9	32	61	95	102	124
Other Works	138	98	110	172	322	440	752	1040
Miscellaneous Investments	116	98	188	347	581	599	1058	876
Other Heads	33	7	7	54	122	70	415	593
(*ii*) Loans to Semi-Independent Bodies, Local Funds, Government Servants etc.	13	14	55	235	306	355	384	701
(*iii*) Expenditure on Federal Autonomous Organisations	—	—	635	1255	3133	4800	6717	7124

(*iv*) Less Likely Shortfall	—	—	—	—	—	—	(—)453	(—)1565
(*v*) Expenditure met from Foreign Aid and Reserve Funds								
(*vi*) Development Assistance to provinces	3320	796	—	—	2539	3195	3609	3535
Cash Loans	220	623	1383	1650	2346	2945	3481	2459
Foreign Loan (Equipment, Services, etc) (a)	27	91	(—)40	560	(—)40	(—)59	(—)58	314
Cash Grants	2	77	192	56	231	307	162	732
Reserve Funds	94	—	—	—	—	—	—	—
Counterpart Funds of Foreign Aid	1	—	—	—	—	—	—	—
Other Grants	15	—	—	—	—	—	—	—
Foreign Grants (Equipment, Services, etc.)	—	6	6	5	2	1	24	30
Less : Assistance included to Revenue Account ..	(—)1	(—)39	192	(—)283	(—)231	(—)306	(—)163	(—)732
Less : Due to increase in share of Taxes	(—)4	—	—	—	—	—	—	—
Less : Likely Shortfall	—	—	—	—	—	—	—	—
Total Capital Account Development Assistance	2776	758	—	1599	2307	2888	3446	2776
Total—Plan Expenditure (b)	3399	1223	2708	4102	7298	9631	13088	12358
B. NON-PLAN EXPENDITURE :								
Irrigation (net)	868	816	839	732	1073	841	666	350
Electricity Scheme	—	—	—	—	—	—	—	—
Expenditure from Reserve Funds	—	—	—	—	—	—	—	—
Total—Non-Plan Expenditure	868	816	839	732	1073	841	666	350
Total—Development Expenditure (A+B) ..	4267	2039	3547	4833	8371	10472	13754	12707

TABLE 55 (contd).

	1	2	3	4	5	6	7	8
C. FOREIGN LOANS TO SEMI-INDEPENDENT BODIES, LOCAL FUNDS ETC: FOR PRIVATE SECTOR **	211	154	88	145	603	907	642	1193
II NON-DEVELOPMENT EXPENDITURE	799	2833	1934	1610	2781	2839	3776	3599
1. Direct Expenditure of Federal Government	224	2109	—	—	—	—	—	—
Currency	1	11	17	29	26	29	64	62
Other Works	—	—	—	—	—	—	—	—
Commuted Value of Pensions	—	—	—	—	—	—	—	—
Defence Services	217	—	1097	435	349	—	34	—
State Trading Schemes (net)	36	156	102	101	765	282	904	136
Miscellaneous Investments	27	74	382	311	679	755	852	824
Expenditure from Reserve Funds	271	474	128	513	822	794	964	2208
Repayment of Foreign Loans	13	8	—	72	142	197	814	220
Repayment of Food Credits	—	—	—	—	—	—	—	—
Other Investments	10	—	208	150	—	82	143	149
Electricity Schemes	179	134	340	183	59	64	79	79
Loans to Semi-Independent Bodies, Local Funds Government Servants	85	—	—	—	—	—	—	—
Cash Assistance to Provinces	1063	2967	2274	1792	2840	3903	3855	3678
Total—Non-Development Expenditure	5540	5160	5909	6769	11815	15282	18251	17578
Total—Capital Expenditure	—	176	—	—	402	—	—	—
III. CASH BALANCE IMPROVEMENT	5540	5336	5909	6769	12216	15282	18251	17578
Total—DISBURSEMENTS								

*Includes guaranteed Loans not pass through Government Account.
(a) Deduct Public Sector Guaranteed Loans

(b) (i + ii + iii + iv) plus total capital account
Development Assistance
** Deduct Private Sector Guaranteed Loans
N. B. Sub-Totals may not add up to total because of rounding off.

Source :—Finance Account up to (1969-70) and Annual Budget Statement.

TABLE 56

REVENUE RECEIPTS OF THE GOVERNMENT OF PUNJAB

(Million Rupees)

Heas	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
REVENUE RECEIPTS							
Principal Heas of Revenue							
Customs	12	66	20	107	151	—	119
Central Excse Duties ..	95	133	183	225	—	—	—
Corporation Tax ..	70	49	49	59	161	264	248
Taxes on Income other than Corporation Tax ..	138	156	165	170	639	834	791
Sales Tax	149	102	126	207	527	582	646
Land Revenue .. .	109	117	121	122	126	100	31
Stamps	50	74	102	154	196	194	194
Other Heads	217	202	319	452	480	435	701
Total Principal Heads ..	838	899	1,084	1,496	2,280	2,409	2,730
Other Heads of Revenue							
Irrigation, Navigation, Enbankment and Drainage Works for which Capital Accounts are kept ..	64	235	268	256	295	315	322
Irrigation etc for which Capital Acounts are not kept Debt Services are not kept	1	1	1	1	1	2	2
Debt Service	**10**	**35**	**14**	**36**	**21**	**55**	**57**
Civil Administration ..	14	21	24	40	54	49	45
Beneficent Departments ..	147	160	184	213	214	249	285
Civil Works	14	18	21	30	49	51	50
Miscellanous	24	47	25	43	108	65	62
Grants-in-aid from Federal Government	9	8	56	208	249	286	880
Extraordinry Items ..	—	—	—	—	—	—	—
Total Other Heads ..	283	524	592	827	990	1,072	1,709
Total Reenue Receipts ..	1,121	1,423	1,676	2,323	3,270	3,481	4,439

Source : **Public Finance Statistics**

TABLE 57

EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF PUNJAB

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
Expenditure Met from Revenue							
Direct Demand on Revenue	27	34	38	54	82	61	75
Irrigation (Excluding Interest)	11	195	213	333	375	394	439
Debt Services (inclusive of Interest on Capital Out-lay Commercial Departments)	90	179	84	147	501	553	758
Civil Administration ..	159	189	241	355	408	512	600
General Administration ..	52	56	64	87	100	119	190
Police	67	95	125	198	217	291	301
Frontier Regions ..	—	—	—	—	—	—	—
Other Heads	40	38	52	70	91	102	109
Beneficent Departments, Civil Works, etc, on Revenue Account	562	677	840	1,147	1,454	1,569	2,058
Education	274	325	437	615	771	856	1,197
Health Services	59	75	87	110	160	172	234
Agriculture	37	66	65	98	125	132	147
Veterinary	10	11	16	26	32	32	45
Industries	9	12	11	17	19	23	28
Civil Works and Miscellaneous Public Government	49	85	103	123	139	172	198
Other Heads	**124**	**104**	**122**	**157**	**208**	**182**	**209**
Miscellaneous	76	120	53	229	304	374	30
TOTAL (Non-Development)	926	1,394	1,468	2,265	3,124	3,463	4,232
Development Expenditure ...	145	500	568	623	678	321	805
Less.— Operational shortfall in Development Expenditure	—	—	—	—	—	—	(–)65
Total Expenditure met from Revenue	1 071	1,895	2,037	2,889	3,802	4,184	4,972
Surplus/Deficit ...	50	(–)472	(–)361	(–)565	(–)532	(–)703	(–)533
Total ...	1,121	1,423	1,676	2,323	3,270	3,481	4,439

Source : Public Finance Statistics

TABLE 58

CAPITAL RECEIPTS OF THE GOVERNMENT OF PUNJAB

(Million Rupees)

Heds	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
CAPITAL RECEIPTS							
Revenue Surplus/Deficit ..	50	(—)472	(—)361	(—)565	(—)532	(—)703	(—)533
Pernanent Debt (net) ..	22	4	8	(—) 8	—	(—) 5	—
Floating Debt (net) ..	(—)187	188	105	(—)176	977	54	517
Loans fron the Federal Government ..	113	793	(—)1627	1 198	1,581	1,932	1,567
Debt RaisedAbroad ..	—	—	—	—	—	4	—
Unfunded Debt (State Provident Fund-net) ..	32	41	49	38	57	62	62
Recoveries of loans and Advances	42	54	37	39	27	50	43
Accetions toReserveFunds including Apropriaton for Reduction or Avoidance of Debt and Dposits and Remitances (nt)	17	320	2 807	459	(—) 10	(—) 8	4
Extaordinay Receips ..	37	47	82	74	61	78	77
Total—Captal Recepts ..	127	975	1,101	1,059	2,161	1,464	1,737
Cash Balanc Utilizaton ..	(—) 62	119	(—)177	(—) 92	335	107	154
Tota.—Resources ..	65	1,094	923	967	2,496	1,571	1,891

Source : Public Finanee Statistics

TABLE 59

CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF PUNJAB

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
1.—DEVELOPMENT EXPENDITURE							
A.—Direct Expenditure							
65. Forests	—	—	—	—	—	—	—
65. A-Salt Works ..	—	—	—	—	—	—	—
68. Irrigation Works ..	32	41	135	124	237	239	113
70. Public Health ..	6	14	—	—	—	—	—
71. Agricultural Improvement and Research	18	3	18	10	86	51	62
72. Industrial Development	—	—	183	91	13	74	68
80. Town Development Schemes	3	20	46	79	94	78	87
80.A Capital Account of Communication Works	83	107	247	349	377	388	316
81. Civil Works ..	54	92	95	242	256	252	290
82. Other Provincial Works	—	—	—	—	—	—	—
90. Provincial Miscellaneous Investment ..	—	—	57	47	40	20	—
Total—Direct Expenditure ..	196	277	872	862	1103	1103	936
B.—Loans and Advances Loan and Advances by the Provincial Government ..	14	267	161	207	287	331	509
Total—Loans	14	267	161	207	287	331	509
Total—Development Expenditure	210	545	943	1,069	1,390	1,433	1,445
Less :—Likely shortfall in Development Expenditure ..	—	—	—	—	—	—	117
Net—Development Expenditure	210	545	943	1 069	1,390	1,433	1,328

Source : Public Finance Statistics

TABLE 59

CAPITAL DSBURSEMENTS OF THE GOVERNMENT OF PUNJAB

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
I.—NON-DEVELOPMENT EXPENDITURE							
70. Provincia Investment..	—	—	—	—	—	—	—
71. Agricultual Inpro-vement Rsarch ..	—	—	—	—	—	—	—
80. Town Development Schemes	—	—	—	—	—	—	—
80.A Capital Account of Communcation Works	—	—	—	—	—	41	12
81. Civil Wcks ..	—	—	—	—	—	—	—
83. Commutd Valu of Pensions	27	—	—	—	—	—	—
85. and 85. A—Schenes of State Trding ..	(—)223	503	(—) 48	(—)123	1063	48	508
Loans and Advances ..	5	2	2	4	4	13	8
Repiyment of Loans from Federal Government ..	46	34	3	4	25	16	20
Deb Raised Abroad ..	7	11	24	14	14	20	15
Industrial Deelopment ..	—	—	—	—	—	—	—
Agrcultural Development	—	—	—	—	—	—	—
Total Non-Development Expe-nditur	(—)144	550	(—) 19	102	1106	138	563
Total Capital Expnditure ..	65	1,094	924	967	2496	1571	1891
Total Diburseme.ts	65	1,094	924	967	2495	1571	1891

Source : Public Finance Statistics

TABLE 60
REVENUE RECEIPTS OF THE GOVERNMENT OF SIND

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
REVENUE RECEIPTS							
Principal Heads of Revenue							
Customs	5	15	7	44	57	—	45
Central Excise Duties ..	40	7	54	94	—	—	—
Corporation Tax ..	29	13	17	24	60	99	100
Texes on Income other than Corporation Tax ..	66	24	53	71	239	312	290
Sales Tax	62	39	44	86	197	217	241
Land Revenue	35	42	57	57	52	35	35
Stamps	36	38	49	81	98	105	110
Other Heads	137	154	205	290	399	442	455
Total Principal Heads ..	410	331	485	747	1,102	1,210	1276
Other Heads of Revenue							
Irrigation, Navigation, Embankment and Drainage works for which Capital Accounts are kept ..	25	19	46	(—)4	64	55	70
Irrigation etc, Works for which Capital Accounts are not kept	1	—	—	2	3	1	1
Debt Services	10	4	6	(—)2	21	16	30
Civil Administration ..	9	22	16	20	37	34	27
Beneficent Depatrments ..	36	34	74	110	64	61	69
Civil Works	6	9	8	2	17	13	13
Miscellaneous	21	8	67	74	18	29	35
Grants-in-Aid from Federal Government	5	(—) 25	139	190	135	85	380
Extraordinary Items ..	—	—	—	—	—	—	—
Other Heads	111	89	353	393	359	294	625
Total Revenue Receipts ..	521	421	837	1,141	1,461	1,504	1,901

Source : Public Finance Statistics

TABLE 61

EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF SIND

(Million Rupees)

Heas	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Bucget)
Expenditure Me from Revenue							
Direc Deman on Revenue	18	21	28	41	28	29	38
Irrigaion (Ecluding Interest	15	16	42	36	135	110	130
Debt Services (inclusive of Interest on Cpital Outlay of Commerial Depart-ment)	57	78	30	55	156	241	325
Civil Administation ...	88	109	139	218	238	260	304
Geneal Admiistration ...	22	21	31	49	56	63	70
Polic	45	64	82	135	144	154	183
Fronter Regios	—	—	—	—	—	—	—
Othe Heads	21	21	26	33	38	43	51
Beneficnt Depatments, Civil Works, etc., on Revenue							
Accounts	211	265	359	540	645	754	924
Eduction	122	161	224	349	411	435	590
Health Service	14	13	18	62	76	92	125
Agriculture	—	—	—	—	29	47	57
Veternary	2	2	4	5	6	6	9
Industries	2	2	2	2	3	3	4
Civil Works nd Miscellan-neou publ Improve-ment	11	17	22	50	63	77	73
Othe Heads	33	33	51	71	57	94	66
Miscllaneous	30	5	6	41	60	132	131
Extraordinary Items Inlud-ing Contingeny Item ..	7	—	—	—	—	—	—
TOTAL Non-Devdopment Ex-penditure	419	495	601	929	1262	1526	1852
Deveopment Expenditure	44	176	133	130	148	161	167
TOTAL Expenditre met from Revenie	463	671	737	1,059	1410	1687	2019
Surpus/ Defic (—) ...	58	(—)250	100	82	51	(—)183	(—)118
Total ..	521	421	837	1,141	1,461	1,504	1,901

Source : Public Finance Statistics

TABLE 62
CAPITAL RECEIPTS OF THE GOVERNMENT OF SIND

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
CAPITAL RECEIPTS							
Revenue Surplus/Deficit ..	58	250	100	82	51	(—)183	(—)118
Permanent Debt (net) ..	18	38	217	16	(—) 17	13	—
Floating Debt (net) ..	(—) 18	(—)493	500	281	393	4	15
Loans from the Federal Government	46	286	363	498	575	845	578
Unfunded State Provident Fund) (net)	5	6	11	8	11	13	15
Recoveries of Loans and Advances	3	7	9	29	17	27	33
State Trading	—	—	—	(—)546	—	—	—
Accretions to Reserve Funds (Including Appropriation of Debt and Deposits and Remittances (net) ..	(—) 24	160	158	351	370	35	30
Extraordinary Receipts ..	21	28	50	41	51	60	15
Total Capital Receipts ..	108	225	688	761	1451	810	508
Cash Balance Utilization ..	22	70	(—) 81	(—) 34	(—) 28	38	94
Total Resources	130	295	608	727	1423	848	662

Source : Public Finance Statistics

TABLE 63

CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF SIND

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
I. DEVELOPMENT EXPENDITURE							
A. Direct Expenditure ..							
65 Forest	—	—	—	—	—	—	—
68 Irrigaton Works ..	14	57	160	141	129	289	128
70 PublicHealth.. ..	6	19	16	32	53	27	39
71 Agricutural Improvement and Research ..	2	1	3	5	5	2	20
72 Industial Development.	—	1	1	10	21	36	55
80 Town Development Schemes	1	3	37	3	—	3	2
80—A. Cpital Account of Communicatio Works.	14	49	153	271	280	285	239
81 Civil Vorks . ..	31	39	47	121	153*	130	143
82 Other Provincial Works.	—	—	—	—	—	—	—
90 Provicial Miscellaneous Investment . .	—	—	—	—	3	—	—
Tota Direct Expenditure ..	68	169	417	583	644	772	626
B. Loans and advances							
Loan and Advances by the Provincal Government ..	—	—	—	95	61	37	49
Total Loas	—	—	—	95	61	37	49
Total Development Expenditure	68	169	417	678	705	809	675
less : Likly shortfall in Deelopmen Expenditur	—	—	—	—	—	—	(—)49
Net Development Expenditure	68	169	417	678	705	809	626
II. NON-DEVELOPMENT EXPENDTURE							
80 TownDevelopment Schemes	—	—	—	—	—	—	—
80A- Capial A/C of communiication	—	—	—	—	—	—	1
81 CivilWorks	—	—	—	—	—	4	—
83 Commuted Value of Pensons . ..	6	7	7	—	—	—	—
85 and 85-A. Schemes of StateTrading ..	20	—	—	—	704	—	15
90 Provacial Investment ..	—	—	—	—	—	15	(—)1
Loans and Advances ..	9	95	102	45	10	9	8
Repayment of Loans from Federa Government ..	26	25	81	1	4	9	10
Debt Raied Abroad ..	—	—	—	2	—	2	3
Industria Development ..	—	—	—	—	—	—	—
Agricultural Devebpment ..	—	—	—	—	—	—	—
Total NonDevelopment Expenditure	62	126	191	49	718	39	36
Toal Capita Expendture ..	130	295	608	727	1423	848	662
Toal Disbusement	130	295	608	727	1423	848	662

*—include Rs. 4 million for Electricity Schemes

Souree **: Public Finance Statistics**

TABLE 64
REVENUE RECEIPTS OF THE GOVERNMENT OF N.W.F.P.

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
REVENUE RECEIPTS							
Principal Heads of Revenue							
Customs	3	27	5	29	34	—	27
Central Excise Duties ...	26	28	37	62	—	—	—
Corporation Tax ...	19	14	13	16	36	59	55
Taxes on Income other than Corporation Tax ...	43	42	47	47	142	185	176
Sales Tax	41	24	32	57	117	129	144
Land Revenue	5	5	6	7	7	3	—
Stamps	16	20	23	28	36	22	23
Other Heads	21	21	16	28	38	59	65
Total—Principal Heads ...	175	181	189	274	410	457	490
Other Heads of Revenue Receipts							
Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept ...	(—) 2	1	(—)2	2	11	12	15
Irrigation etc. works for which capital accounts are not kept	3	3	—	1	—	—	—
Debt services	2	2	2	—	10	2	12
Civil Administration ...	34	24	24	9	9	12	10
Beneficent Department ...	30	36	64	76	70	57	74
Civil works including communications	2	4	3	3	5	4	4
Miscellaneous	14	4	3	5	5	7	12
Grants-in-aid from Federal Government	28	35	98	227	230	432	669
Extraordinary items ...	—	—	—	—	—	—	—
Total—Other Heads	102	106	193	315	340	526	796
Total—Revenue Receipts ...	277	286	383	594	750	983	1,286

Source : Public Finance Statistics.

TABLE 65

EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF N.W.F.P.

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
EXPENDITURE MET FROM REVENUE							
Direct Demand on Revenue ..	4	5	6	8	9	11	12
Irrigation Excluding Interest).	8	8	11	24	34	32	38
Debt Services (nclusive of Interest on Capital Outlay of Commercial Departments)	11	8	22	38	114	177	241
Civil Administration ..	75	90	117	154	161	189	208
General Administration ..	14	10	10	8	31	50	42
Police	20	25	34	68	104	108	127
Frontier Regions	33	41	55	44	9	10	4
Other Ieads	8	8	9	14	17	21	35
Beneficent Deparments, Civil Worksetc., on Revenue Account	118	131	163	267	351	398	508
Educatio	59	66	82	147	184	191	262
Health Srvices	14	14	20	33	47	65	89
Agricultre	8	10	10	14	28	38	35
Veterinay	2	3	3	4	6	7	9
Industris	1	1	1	1	1	3	3
Civil Works and Miscellaneous Publi Imprvements ..	16	18	23	33	37	38	45
Other Ieads	17	19	25	36	48	56	65
Miscellneous	34	41	9	45	35	149	142
Extraodinary Iems including Contngency Iems ..	—	—	—	—	—	—	—
Total—Non-Development Expenditre	250	283	328	536	704	956	1149
Development Expnditure ..	55	76	85	120	165	210	224
Less : Oerationa Shortfall in Dvelopment Expenditre	—	—	—	—	—	—	(—)19
Total Ixpenditure met from Revenie	304	359	413	656	869	1166	1354
Surplus/Deficit	(—)27	(—)727	(—) 30	(—) 62	(—)119	(—)183	(—)68
Total	277	286	383	594	750	983	1286

Source ; Public Finance Statistics

TABLE 66
CAPITAL RECEIPTS OF THE GOVERNMENT OF N.W.F.P.

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
CAPITAL RECEIPTS							
Revenue Surplus/Deficit ..	(—) 27	(—) 73	(—) 30	(—) 62	— 119	(—)183	(—)68
Permanent Debt (net) ..	(—) 1	8	78	2	—	5	(—)2
Floating Debt (net).. ..	40	(—) 5	36	(—)248	(—) 704	(—)8	—
Loans from the Federal Government	179	198	163	368	538	597	447
Unfunded Debt (State Provident Fund (net) ..	2	7	8	6	7	8	10
State Trading (net)	—	—	—	—	614	—	—
Recoveries of Loans and Advances	2	2	2	2	2	3	4
Debt Raised abroad	—	—	—	—	—	236	180
Accretions to Reserve Funds including Appropriation for Reduction of Avoidance of Debt and Deposits and Remittances (net) ..	(—) 35	(—) 10	14	391	47	(—)394	(—)144
Extraordinary Receipts ..	—	—	—	—	—	—	—
Total Capital Receipts ..	61	127	269	459	385	264	427
Cash Balance Utilizations ..	—	14	37	(—) 1	32	178	128
Total Resources	161	141	306	458	417	442	555

Source : Public Finance Statistics

TABLE 67
CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF N.W.F.P.

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
I. DEVELOMENT EXPENDITURE							
A. Direct Expenditue							
65 Forest	—	—	—	—	—	—	—
65 A. Sal Works ..	—	—	—	—	—	—	—
68 Irrigaton Works ..	3	13	24	42	40	46	33
70 PublicHealth.. ..	4	18	18	27	—	—	—
71 Agricutural Improvment ad research ..	1	1	2	2	3	7	17
72 Industial Deveopment	—	—	—	—	—	—	—
80 Town Develoment Schem	—	—	—	—	—	—	—
80 A. Caital Accounts of Communication Works..	13	30	54	97	132	120	106
8. Civil Vorks	15	29	53	83	122	153	207
82. Other Provincial Works	—	—	—	—	—	—	—
90. Provincial Miscellaneous Investrent	—	5	—	41	38	49	18
TotalDirect Ependiture ..	37	94	151	292	335	375	381
B. Loan and Advance							
Loans and Advance by the Provincial Covernment ..	—	25	—	31	74	56	71
Totil Loans	—	25	—	31	74	56	71
Totil Develoment Expenditure	37	119	151	323	409	431	452
Less : Likely shortfal in Develoment Ependiture ..	—	—	—	—	—	—	(—)39
NetDevelopnent Expenditure	37	119	151	323	409	431	413
II. NON-DEVILOPMENT EXPENDITURE							
68. Irrigaton Works ..	—	—	—	—	—	—	1
70. CapitaOutlay on Improvement of Public Health	—	—	—	—	—	—	—

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
80. A Capital Account of Communication Works	—	—	—	—	—	—	—
81. Civil Works ..	—	—	—	—	—	—	1
83. Commuted Value of Pensions ..	6	6	5	6	1	—	—
85. and 85 A. Scheme of State Trading ..	17	2	94	126	—	—	130
Loans and Advances ..	1	9	55	3	4	6	7
Repayment of Loans from Fedral Government ..	—	4	—	1	2	4	3
Debt Raised Abroad ..	—	1	1	1	2	1	—
Industrial Development ..	—	—	—	—	—	—	—
Agricultural Development ..	—	—	—	—	—	—	—
Total Non-Development Expenditure	24	22	155	135	8	11	142
Total Capital Expenditure ...	61	141	306	458	417	442	554
Total Disbursements	61	141	306	458	417	442	554

Source : Public Finance Statistics

TABLE 68

REVENUE RECEIPTS OF THE GOVERNMENT OF BALUCHISTAN

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
PROVINCIAL HEADS OF REVENUE							
Customs	1	8	2	9	12	—	8
Federal Exise Duties ..	8	8	14	18	—	—	—
Corporation Tax . ..	6	4	4	5	12	17	16
Taxes on Income other than Corporation Tax . ..	13	12	12	14	45	53	51
Sales Tax	12	7	10	17	37	37	41
Land Revenue . ..	3	3	3	3	12	3	4
Stamps	1	1	1	2	2	2	3
Other Heads . ..	5	6	7	204	251	257	284
Total Provinial Heads .	47	49	53	270	371	369	407
OTHER HEADS OF REVENUE							
Irrigation, Navigation, Embankment nd Drainage Works for which Capital Accounts are kept	(—) 72	3	(—) 4	(—) 5	2	3	3
Irrigation etc. Works for which Capital Acounts are not kept.	—	—	—	—	—	—	—
Debt Services . ..	—	1	—	1	—	—	—
Civil Administration .	3	2	4	5	4	3	4
Beneficent Department .	6	6	8	7	15	14	16
Civil Works . .	1	1	1	1	2	2	2
Miscellanous . .	3	9	3	6	4	—	—
Grants-in Aid from Federal Government . .	7	29	158	104	142	235	335
Extraordinary Items ..	—	—	—	—	—	—	—
Total Other Heads . ..	17	51	171	118	169	253	360
Total Revenue Receipts ..	65	100	223	389	540	627	767

Source : Public Finance Statistics

TABLE 69

EXPENDITURE MET FROM REVENUE OF THE GOVERNMENT OF BALUCHISTAN

(Million Rupees)

Heads	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
EXPENDITURE MET FROM REVENUE							
Direct Demand on Revenue ..	2	5	5	4	4	5	7
Irrigation (Excluding Interst)..	4	9	7	12	21	26	32
Debt Services (including of Interest on Capital Outlay of Commercial Departments) ..	—	19	—	--	88	109	137
Civil Administration ..	29	43	87	105	85	115	142
General Administration ..	12	15	19	57	26	41	41
Police	14	24	24	40	43	59	86
Frontier Regions	—	—	—	—	—	—	—
Other Heads	3	4	5	9	16	15	15
Beneficent Departments Civil Works etc. on Revenue Account	71	83	116	204	192	248	304
Education	23	27	33	56	58	81	106
Health Services	8	10	11	19	21	33	43
Agriculture	10	12	12	27	23	26	32
Veterinary	3	4	4	6	8	10	13
Industries	—	1	3	5	5	8	12
Civil Works and Miscellaneous Public Improvements ..	22	30	48	82	66	78	84
Other Heads	5	—	4	42	11	12	14
Miscellaneous	6	23	8	7	82	96	118
Extraordinary Items including Contingency Items ..	—	—	—	—	—	—	—
TOTAL Non-Development Expenditure	112	181	184	371	472	599	740
Development Expenditure ..	1	33	69	69	48	54	68
Total Expenditure met from Revenue	113	214	253	440	520	653	808
Surplus/Deficit	(—) 48	(—)114	(—) 30	(—) 52	20	(—) 26	(—) 41
Total	65	100	223	389	540	627	767

Source : Public Finance Statistics

TABLE 70

CAPITAL RECEIPTS OF THE GOVERNMENT OF BALUCHISTAN

(Million Rupees)

Heals	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
CAPITAL RECEPTS							
Revenue SurplusDeficit ..	(—) 48	(—)114	(—)30	(—)52	20	(—)26	(—)41
Permanent Debt(net) ..	—	—	13	—	—	2	—
Floating Debt (nt).. ..	(—) 59	—	45	(—)37	(—)153	80	10
Loans from the Feleral Government	172	208	1	344	255	321	256
Unfunded Deb State Provident Fund (ne)	1	1	2	3	3	2	3
Recoveies of lans and Advances	3	2	3	1	1	4	1
State Tading (nt) ..	53	—	176	67	134	—	—
Accretions to leserve unds (including Appropriation for Feductionor Avoidance of Debt and Deposits and Remittances (et) ..	(—)101	23	(—)198	(—)157	(—)17	(—)169	(—)114
Total Capital Receipts ..	22	120	10	189	243	214	115
Cash Balince Utilization ..	21	—	149	110	1	112	145
Total Reources	42	120	159	298	244	326	260

Source : Public Finance Statistics

TABLE 71

CAPITAL DISBURSEMENTS OF THE GOVERNMENT OF BALUCHISTAN

(Million Rupees)

Head	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77 (Revised)	1977-78 (Budget)
I. DEVELOPMENT EXPENDITURE							
A. Direct Expenditure							
65 Forests	—	—	—	—	—	—	—
68 Irrigation works.. ...	6	24	31	80	76	71	63
70 Public Health.. ..	4	5	16	17	16	13	10
71 Agricultural Improvement and Research ..	—	9	1	7	16	8	—
72 Industrial Development.	—	—	—	—	—	15	18
80 Town Development Schemes	—	—	—	—	—	—	—
80-A-Capital Accounts of Communication Works.	—	25	45	84	76	108	71
81 Civil Works	28*	28	57	105	53	88	72
82 Other Provincial Works.	—	—	—	—	—	—	—
90 Provincial Miscellaneous Investment	—	—	—	—	—	—	—
Total Direct Expenditure ..	33	95	151	293	237	303	234
B. Loans and Advances							
Loans and Advances by the Provincial Government ..	4	—	—	—	—	—	—
Total Loans	4	—	—	—	—	—	—
Total Development Expenditure	38	95	151	293	237	303	234
Less : Likely shortfall in Development Expenditure..	—	—	—	—	—	—	—
Net Development Expenditure	38	95	151	293	237	303	234
II. NON-DEVELOPMENT EXPENDITURE							
83 Commuted Value of Pensions	1	—	—	—	—	—	—
85 and 85-A. Schemes of State Trading	—	24	—	—	—	9	13
Loans and Advances ..	3	—	8	5	7	11	11
Re-Payment of Loans from Federal Government ..	1	1	—	—	—	—	1
Debt Raised Abroad ..	—	—	—	—	—	2	2
Industrial Development ..	—	—	—	—	—	—	—
Agricultural Development ..	—	—	—	—	—	—	—
Total Non-Development Expenditure	5	25	9	6	7	22	27
Total Capital Expenditure ..	42	120	159	298	244	326	260
Total Disbursements	42	120	159	298	244	326	260

Source : Public Finance Statistics

* Includes Rs. 4 million for Electricity Schemes

EDUCATION

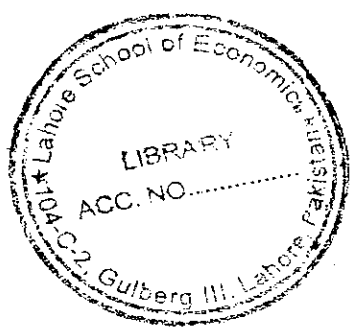

Lahore School of Economics
LIBRARY
ACC. NO.....
104-C-2, Gulberg III, Lahore, Pakistan

TABLE 72

NUMBER OF EDUCATIONAL INSTITUTIONS IN PAKISTAN BY KIND, LEVEL AND SEX (1947-48 TO 1977-78)

Year	Primary Schools		Middle Schools		High Schools		Secondary Vocational Institutions		Arts and Science Colleges		Professional Colleges		Universities
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total
1947-48	8,413	1,549	2,190	153	408	64	46	18	40				2
1948-49	9,073	1,564	2,174	154	411	70	49	20	42	5	19	2	2
1949-50	9,411	1,586	2,134	172	469	89	59	25	46	9	19	2	2
1954-55	14,162	2,474	1,517	196	747	148	90	40	77	19	24	2	4
1959-60	17,901	3,260	1,974	281	1,069	203	100	35	126	32	40	5	4
1960-61	20,909	4,057	1,798	275	1,172	225	109	47	131	33	42	5	4
1961-62	24,930	5,350	2,011	364	1,300	255	103	40	146	37	39	5	6
1962-63	28,338	6,715	2,237	423	1,349	275	103	41	159	39	41	5	6
1963-64	30,950	7,416	2,379	462	1,459	308	117	38	190	51	43	5	6
1964-65	32,589	8,021	2,701	589	1,622	367	145	58	225	62	45	5	6
1965-66	32,930	8,272	2,785	626	1,658	376	113	39	228	63	48	5	6
1966-67	34,678	8,535	2,970	659	1,776	423	142	62	258	76	48	5	7
1967-68	36,453	9,324	3,018	719	1,827	458	165	72	251	76	50	5	7
1968-69*	38,870	10,250	3,290	790	1,910	490	180	80	270	80	58	5	7
1969-70*	41,290	11,170	3,560	860	1,995	520	190	90	290	85	59	5	7
1970-71	43,710	12,097	3,822	928	2,063	529	206	97	314	87	73	6	7
1971-72	45,854	13,290	4,110	1,038	2,247	571	284	134	338	93	73	6	8
1972-73	49,580	14,437	4,406	1,163	2,498	621	291	152	334	89	76	7	8
1973-74	50,574	15,051	4,586	1,223	2,742	718	314	150	354	95	81	8	8
1974-75	52,042	15,632	4,770	1,269	2887	766	301	141	376	97	83	8	11
1975-76* (R)	54,384	16,413	5,008	1,284	3,147	854	352	156	385	99	86	9	12
1976-77*	56,831	17,233	5,268	1,348	3,430	839	359	158	419	114	86	9	14
1977-78**	59,388	18,094	5,542	1,416	3,739	1,033	374	170	425	120	86	9	1

**Provisional.
*Estimated.
R. Revised

Source : Education Division.

TABLE 73

ENROLMENT IN EDUCATIONAL INSTITUTIONS BY KIND, LEVEL AND SEX 1947-48 TO 1977-78

Year	Primary Stage (I—V) million		Middle Stage (VI—VIII) million		High Stage (IX-X) million		Secondary Vocational million		Art and Science Colleges (million)		Professional Colleges		Universities	
	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female	Total	Female
1947-48	0.77	0.11	0.22	0.02	0.06	0.01	0.004	0.002	0.014	0.001	4.368	327	644	56
1948-49	0.83	0.12	0.23	0.02	0.05	0.01	0.004	0.002	0.017	0.001	4,517	349	690	64
1949-50	0.92	0.12	0.25	0.03	0.07	0.01	0.005	0.002	0.021	0.002	4,925	394	737	71
1954-55	1.55	0 24	0.33	0.05	0.11	0.02	0.011	0.003	0.043	0.006	8,082	833	1,998	49
1959-60	1.89	0.37	0.42	0.06	0.15	0.02	0.013	0.003	0.076	0.012	12,434	1,851	4,092	778
1960-61	2.06	0.43	0.45	0.07	0.16	0.03	0.015	0.006	0.071	0.012	12,921	1,929	5,084	1,009
1961-62	2.27	0.48	0.46	0.08	0.16	0.02	0.019	0.008	0.072	0.014	13,950	2,265	7,214	1,335
1962-63	2.49	0.53	0.49	0.08	0.21	0.04	0.020	0.008	0.094	0.018	14,906	2,470	9,464	1,679
1963-64	2.75	0.57	0.58	0.12	0.22	0.05	0.023	0.007	0.119	0.021	17,677.	2,661	9,049	1,945
1964-65	3.05	0.70	0.62	0.13	0.22	0.05	0.021	0.006	0.127	0.024	17,372	2,990	13,221	2,730
1965-66	3.16	0.75	0.69	0.15	0.24	0.05	0.021	0.005	0.139	0.028	19,061	2,919	13,420	2,979
1966-67	3.38	0.79	0.76	0.17	0.27	0.06	0.022	0.007	0.148	0.032	19,840	3,121	12,807	2,522
1967-68	3.75	0.99	0.79	0.16	0.28	0.05	0.024	0.008	0.153	0.034	25,000	3,500	15,903	2,993
1968-69*	3.83	1.01	0.85	0.17	0.30	0.06	0.024	0.008	0.159	0.040	30,081	3,899	13,087	2,665
1969-70*	3.91	1.03	0.90	0.18	0.34	0.06	0.029	0.009	0.175	0.045	33,633	4,219	15,475	3,298
1970-71	3.96	1.04	0.93	0.18	0.34	0.07	0.035	0.010	0.199	0.050	37,245	4,612	17,057	3,753
1971-72	4.21	1.11	0.96	0.20	0.37	0.07	0.040	0.012	0.186	0.049	36,182	4,970	17,506	3,878
1972-73	4.46	1.27	1.04	0.23	0.39	0.08	0.059	0.017	0.186	0.047	37,596	5,450	18,678	4,212
1973-74	4.89	1.37	1.10	0.25	0.42	0.09	0.040	0.014	0.195	0.053	42,843	6,768	19,091	4,184
1974-75R	5.15	1.53	1.17	0.28	0.45	0.10	0.044	0.015	0.203	0.059	43,712	7,579	21,393	4,500
1975-76R	5.52	1.71	1.26	0.31	0.48	0.12	0.047	0.017	0.212	0.065	47,135	7,945	23,000	4,600
1976-77 *	5 61	1.72	1 40	0 34	0 59	0 14	0 038	0 016	0 224	0 067	48,000	100,00	25,000	5,300
1977-78*	5 95	1 88	1.51	0 38	0.65	0.16	0.051	0 017	0 250	0.070	50.000	11.000	26.000	6,000

Source: Education Division.

*Estimated.
R : Revised estimates.

One lakh—One hundred thousand—100,000.
Ten lakh—One milion—1,000,000.
One crore—Ten milion—10,000,000.
Million—Ten lakh.
Billion—One thousand million.
Trillon—One thousand bilion.

Weights

One Seer=2.057 lbs.=0.9331 kg.
One Maund=82.285 lbs.=37.324 kg.
One CWT (hundred weight)=112 lbs.=50.8011 kg.
One long ton=2240 lbs.=1.016 metric tons.

Area

One Acre=4840 sq. yards=0.4047 Hectare.
One cubic meter=35.315 cubic feet.

Length

One yard=36 Inches=0.9.4 Metre.
One Mile=1760 yards=1 709 kilometre.

Liquid Measure

One Imp. Gallon=4.561 liters=1.20094 American Gallons.
One American Barrel=34 9726 Imperial Gallons=42 American Gallons.
One ton of liquefed methane=50,000 cubic feet of natural gas=App. 16 barels.

Currency Equivlents

Prior to 1972

One Rupee=US $ 0.21
One US$=Rs. 4.76

Up to February 1973

One Rupee=$ 0.09
One US $=Rs. 1100

After February 1973

One Rupee=US $0.101
One US $ =9.9 rupees

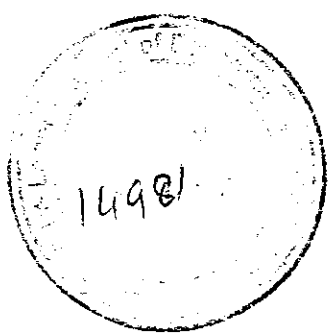
Years

Calender year—January 1 to December 31.
Fiscal/Trade/Agriculture year—July 1 to June 30.
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.


14981