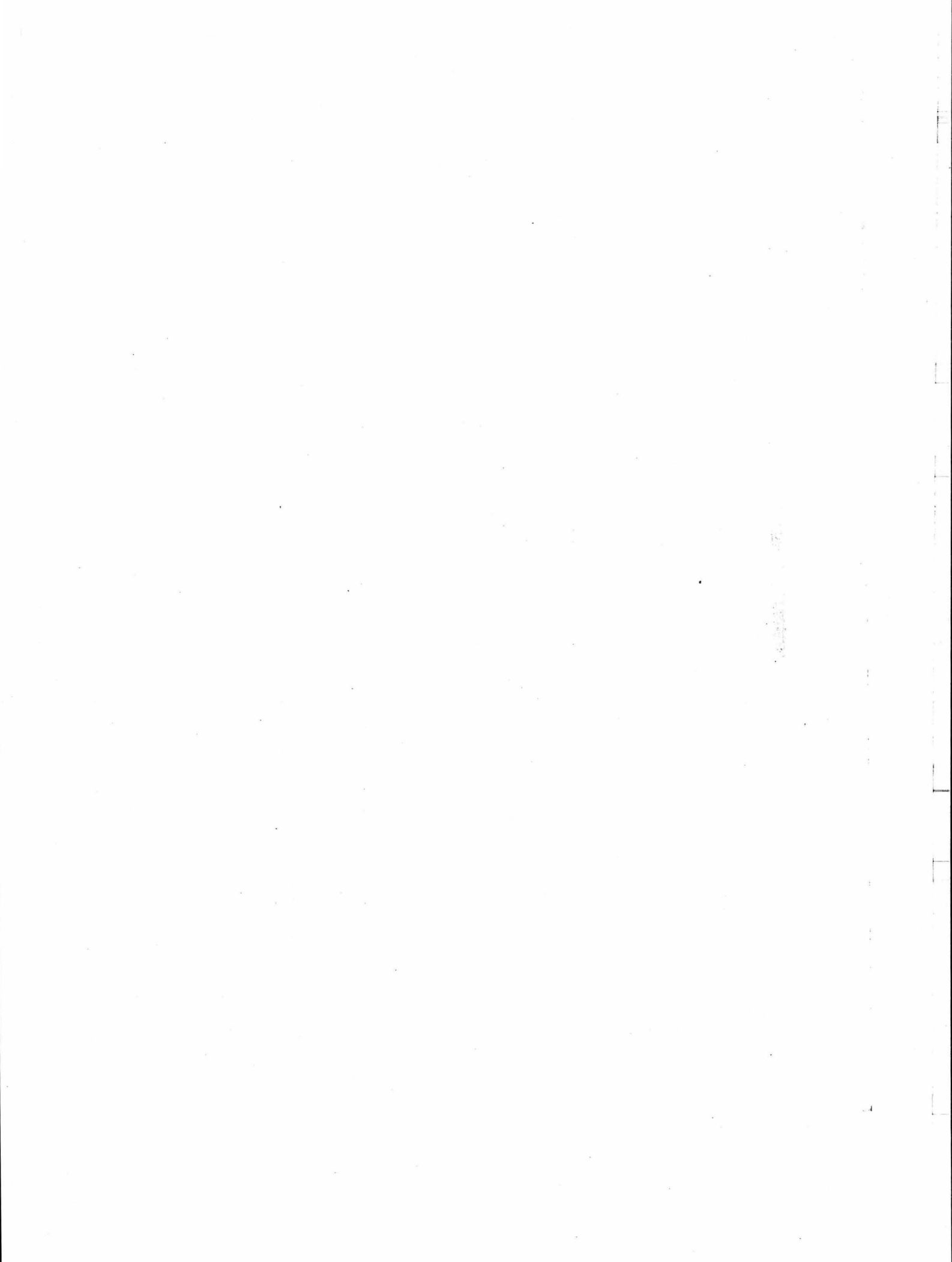


PAKISTAN—1962-63

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*Field-Marshal Mohammad Ayub Khan, N. Pk., H. J.
President of Pakistan*

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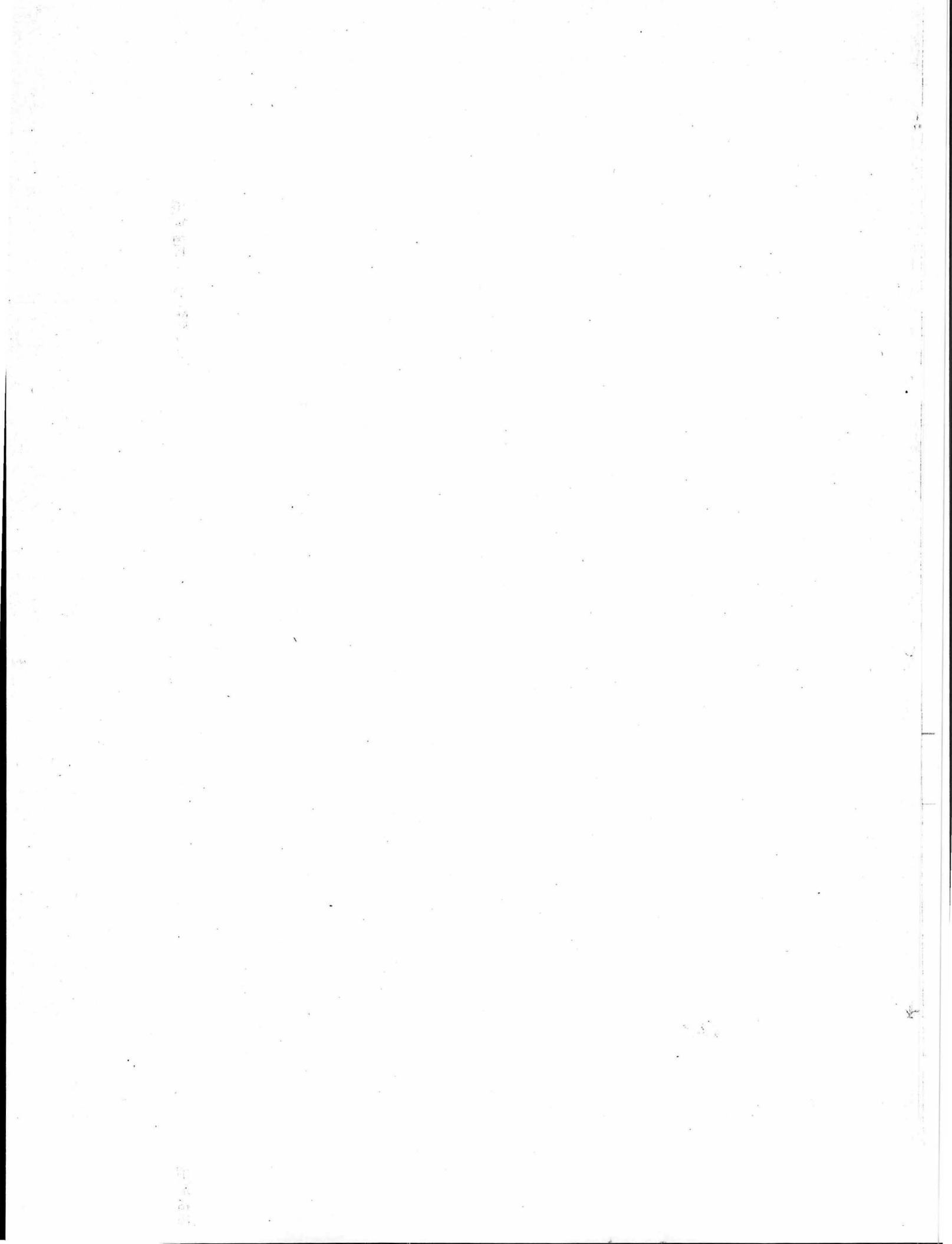
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PART ONE
THE CENTRE



I. LAW AND ADMINISTRATION

CIVIL SERVICES

Recruitment—Administrative Training Policy—Eradication of Bribery and Corruption—Pakistan Civil Awards—Rules Amended—Efficiency and O & M Wing—O & M Assignments—Initiation and Follow-up Measures—Periodical Review of Staff Position—Planning and Compilation of Statistics—Elimination of Delays—Standing Organisation Committee—O & M Seminar—Measures for Improvement of Administrative Efficiency—Simplification of Procedures and Forms—Establishment Manual—Codification of Rules—O & M-cum-Training Cadre—Staff Welfare.

Recruitment

The Establishment Division is concerned with making allocations to the various Central Superior and Engineering Services on the results of the competitive examination and recruitment held by the Central Public Service Commission. A combined competitive examination for making recruitment to the different Superior Services is held every year.

Administrative Training Policy

The complexity of the modern administration and the programmes of rapid economic and national development in the developing countries like Pakistan need the services of administrators with special skill involving

intensive training before entry and also during service. The emphasis is on economic development and reconstruction, and to achieve this objective, orientation of the administrator is essential to equip him for the new tasks ahead of him. Government, therefore, revised its training policy and took some very important decisions in February 1960.

In pursuance of these decisions, the existing training facilities were reviewed and re-examined and a co-ordinated plan was formulated by the Administrative Training Council set up under the new scheme. The Council has so far held two meetings and decisions of the Council are in the process of implementation.

The training of Government Officers at all levels is to be conducted in the following institutions:

Administrative Staff College, Lahore: This College

holds two sessions each year of 12 weeks' duration for Joint Secretaries, Commissioners and Officers of equivalent status who have put in more than 14 years' service. This College has held 6 sessions and the 7th session started in August 1963.

National Institutes of Public Administration : These Institutes located at Karachi, Lahore and Dacca, provide management and development training for middle-belt officers of the Central and Provincial Governments, autonomous agencies and private firms. Clientele consists of Deputy Secretaries, Deputy Commissioners and Officers of equivalent status who have put in about 7-14 years' service. These Institutes have also held a number of basic courses during the last two years.

Academies for Rural Development, Peshawar and Comilla : These Academies train administrative supervisory personnel of Village Aid and other nation building departments as well as Civil Service of Pakistan and Provincial Civil Service Officers for village development programme.

Civil Service Academy, Lahore : This Academy trains CSP probationers. The main objective is to acquaint the probationers with Law and Administration, to raise the probationers' educational standards, to broaden their out-look and to encourage them to think independently and to supply a proper theoretical background in Public Administration.

Secretariat Training Institute : This Institute trains ministerial personnel and newly recruited Section Officers.

The training of the first batch of directly recruited Section Officers came to an end on the 15th September, 1962 after which they were posted to the different Ministries/Divisions. The second batch was due to join on 1st July, 1963. Henceforth the Institute will be responsible for training in those subjects also which were previously entrusted to the National Institute of Public Administration, Karachi. In pursuance of the recommendation of the Administrative Reorganisation Committee, the Institute started courses in Public Relations for officers and staff whose duties involve dealings with the public. During the period under review, part-time courses were held. Two part-time courses, 5th and 6th in the series, were also held for stenographers. The number of trainees was 107.

A 3-month course for stenotypists also started in January, 1963 and was attended by 16 trainees. The second commenced on 20th May, 1963. Instructions are given in short-hand, English and office practices.

A two-month part-time course for Superintendents, Assistants and Senior Stenographers of the Civil Aviation Department was started on 4th January, 1961. Training was provided in noting and drafting, rules relating to conduct and discipline, office procedure, important financial rules and Public Relations. The trainees were 48 in number.

Two part-time courses were also held for Drawing and Disbursing Officers employed in different Ministries/Divisions, and training was imparted in financial and accounts matters with special emphasis on General Financial Rules, Central Treasury Rules, Provident

Fund Rules, and Audit Code and Accounts Code.

Eradication of Bribery and Corruption

A Committee to review anti-corruption measures was set up by the Governors' Conference towards the end of 1961. This committee examined the matter and prepared a scheme for eradication of corruption from services. The scheme was approved by the Governors' Conference held in May 1962. While the implementation of the scheme was being carried on by the Home Affairs Division, the introduction of new Constitution necessitated reconsideration of some of the proposals. For this purpose, a sub-committee was formed comprising a representative each of the Establishment, Law and Home Affairs Divisions. The sub-committee took up the examination of the Acts, Rules and Instructions prepared by the Home Affairs Division on the basis of the decision of the Governors' Conference. After prolonged deliberations, the sub-committee has finalised the drafting of the Acts, Rules and Instructions which will be further discussed in a meeting of the Secretaries of the Establishment Division, Home Affairs Division and the Law Division. The Home Affairs Division will subsequently take action to submit the necessary legislation to the National Assembly and to issue the Rules and executive Instructions in this behalf after obtaining the orders of the Cabinet.

In order to get rid of officials guilty of inefficiency, corruption and misconduct, all the officers and staff under the Central and Provincial Governments were screened in early 1959. Those found guilty were either dismissed, removed, compulsorily retired or reduced in rank.

Some officials were also placed on special reports. Persons employed in the various public statutory corporations were also screened. In all, about 6,600 persons were affected by screening.

Pakistan Civil Awards

The Establishment Division of the President's Secretariat is, *inter-alia*, concerned with the Pakistan Civil Awards which were instituted by the President of Pakistan in 1958 and at present comprise five Orders in the following precedence:

1. *The Order of Pakistan*—for services of the highest distinction to the State.
2. *The Order of Shujaat*—for acts of the greatest heroism and most conspicuous courage in circumstances of extreme danger.
3. *The Order of Imtiaz*—for conspicuously distinguished services in literature, art, sports, medicine, or science.
4. *The Order of Quaid-i-Azam*—for special merit or for eminent service in the civil, military, or any other field of national activity.
5. *The Order of Khidmat*—for meritorious service. Nationals and non-residents of Pakistan are alike eligible for all Civil Awards.

During the year 1962-63, the President was pleased

to hold 3 Investiture Ceremonies; the first one at Dacca on the 25th December, 1962, the second at Karachi on the 31st December, 1962, and the third at Rawalpindi on the 23rd March, 1963. At these Investitures, besides the recipients of Civil Awards, the recipients of higher Military Awards and President's Medal for Pride of Performance were also decorated by the President. At the Rawalpindi Investiture, the President was pleased to sanction at the spot cash rewards of Rs. 1,000.00 each for the widow of the late Master Allah Ditta of the District Council Middle School, Phillaura, and for the mother of the late Mr. Muhammad Sadiq, ex-watchman, P.A.F., the recipients of the posthumous awards of Sitara-i-Shuja'at.

Similar ceremonies were also held by the Governors of the two Provinces, and the Heads of Pakistan Missions in Switzerland, U.S.A., Australia, Belgium, Burma and Iran, on the Pakistan Day, 1963. The Pakistan High Commissioner in London also held an Investiture ceremony on the 27th March, 1963.

Republic Day Commemoration Medal: In 1960, Government decided that, *inter-alia*, all full time members of the Police Forces of the Provinces of Pakistan and of the Federal Capital, the Frontier Constabulary, the Civil Armed Forces and the East Pakistan Rifles, who were in service on the 23rd March, 1956, should be eligible for Republic Day Commemoration Medal. Accordingly, 52,001 Medals were minted during the year 1962-63 and distributed among the eligible persons.

Rules Amended

The following amendment was made to Rule 20(2) of the Government Servants' Conduct Rules:

"Provided that technical staff both Gazetted and non-Gazetted may publish research papers on technical subject if such papers do not express views on political issues or on Government policy and do not include any information of a classified nature".

On a directive of the President, instructions were issued to all concerned to put a stop to a large number of pointless functions at the time of the transfer of officer. The Home Affairs Division was also requested to issue instructions to put a check on unauthorised press statements by officials.

The Government decided to relax the ban on Government servants to marry foreign nationals in respect of marriages with Indian Nationals with the permission of Government.

Instructions were issued to the Ministries/Divisions to consult invariably the Establishment Division and Central Public Service Commission in cases relating to the fixation of seniority, as it is a statutory requirement. It was explained that any decisions taken by the Ministries/Divisions in contravention of these instructions will be open to challenge.

It has also been decided that the Provincial Governments will have power to withhold the petitions addressed to the President by the members of all Pakistan Services if they relate to matters arising out of promo-

tions and transfers within the Provinces except in cases relating to appointments and promotions to the rank of Commissioner and above. All other cases will be forwarded to the Establishment Division.

On a directive of the President, instructions have been issued to the effect that Government servants except Judges of the High Court and Supreme Court will not associate themselves with private Trusts, Foundations and similar other institutions which are not sponsored by the Government.

It has also been decided that normally all petitions against screening orders should be withheld except in cases where grave injustice and serious irregularity has been committed in which case the petition received may be dealt with under the general orders relating to the petitions.

Efficiency and O & M Wing

The Efficiency and O & M Wing was created in the Establishment Division in 1953. The activities of this Wing (now called the Efficiency and O&M Wing of the Establishment Division) have since been expanding considerably. The nature of the activities is described below.

O & M Assignments

These assignments are conducted periodically to review the organisational structures and procedures of Government offices with a view to securing maximum effectiveness in the operation of Governmental machinery. These investigations are conducted at the invitation, or with the agreement, of the Heads of the Ministries or Departments concerned in order to assist them in resolving their organisational and procedural problems.

Initiation and Follow-up Measures

This involves initiation of proposals for general improvement of efficiency to achieve better and more economical execution of Government business. In order to achieve these objectives, visits to Ministries and Departments are arranged to:

- (a) ensure expeditious compliance of Government orders issued from time to time for the improvement of efficiency;
- (b) examine procedures, files, etc., for suggesting improved methods for prompt disposal of cases; and
- (c) investigate complaints against Central Government offices for delays in the disposal of cases with a view to expediting action.

Periodical Review of Staff Position

The work in this field has been developed into a distinct activity following the devolution of financial control and wider delegation of financial powers to Ministries and Departments. In order to ensure that the

delegation of increased financial powers does not result in undue expansion of staff, the Efficiency and O & M Wing of the Establishment Division has been charged with the responsibility of carrying out a periodical review of staff position of the Ministries and Departments and report the result to the Ministry of Finance recommending decrease or increase of staff.

The agency for the implementation of the recommendations of the staff assessment unit is the Ministry of Finance, and Government has prescribed a procedure to secure speedy and effective implementation of these recommendations.

Planning and Compilation of Statistics

A Statistical Cell has been established in the Efficiency and O & M Wing to compile statistics regarding the Central Civil Services. Initially the Cell is collecting data regarding the number of Government servants according to grades, salary groups, geographical location and domicile. In due course, this Cell will also work out progressive rates of intake and wastage in various grades of the civil services and the average rate of increase or decrease in the total strength of Government servants.

Elimination of Delays

The Government has entrusted the Efficiency and O & M Wing with the responsibility of arranging expeditious disposal of inordinately delayed cases through the Departments concerned. A number of departmental expediting Committees have been set up in some of the heavy spending departments of the Central Government. These Committees work under the chairmanship of the Head of the Ministry or Department concerned and have as their members the Financial Advisor or Deputy Financial Advisor and a few senior officers of the Ministry or Department and one or two officers of the Efficiency and O & M Wing. The Committees probe into the causes of delay in the payment of bills of Government contractors and suppliers.

Standing Organisation Committee

In order to ensure that the organisation and structure of the Central Government are kept under continuous review, a Standing Organisation Committee has been set up by Government, under the chairmanship of the Central Minister for Finance to advise on all organisational and procedural problems in relation to the Ministries and offices of the Central Government.

The Efficiency and O & M Wing, which works as the secretariat of this Committee, performed the following main functions in this connection in the year 1962-63:—

- (i) The Wing examined the organisational structure of the various Ministries/Divisions and Departments of the Central Government immediately before the promulgation of the new Constitution in 1962, and suggested a number

of important changes therein in the light of the provisions of the new Constitution. Most of the suggestions were accepted by the Government resulting in a major reorganisation of the Central Government immediately before the promulgation of the new Constitution.

- (ii) The Wing completed staff reviews in respect of 21 Divisions and Departments of the Central Government. Reports on these offices were forwarded to the Ministries/Divisions and to the members of the Implementation Committee.
- (iii) The Wing maintained watch over the implementation of Government decisions on the various recommendations of the Administrative Reorganisation Committee. Progress reports were submitted to the Implementation Committee from time to time. An up-to-date report prepared by the Wing was submitted for consideration by the Standing Organisation Committee on the 22nd July 1963. The Committee decided to continue its deliberations after the session of the National Assembly in August 1963.

O & M Seminar

A Seminar on the Organisation and Management Practices in Pakistan was held in March 1963. The object of the Seminar was to stimulate interest in efficiency improvement measures. At the end of the Seminar, a number of committees were formed to consider certain important administrative problems, such as measures for the improvement of efficiency, eradication of corruption, reorientation of the outlook of Government servants, removal of inter-service jealousies, etc. The committees have since considered these problems and their reports are now being processed.

Measures for Improvement of Administrative Efficiency

With a view to improving the administrative efficiency of the offices of the Central and Provincial Governments and the autonomous organisations, a programme has been launched by the Efficiency and O & M Wing in collaboration with the US AID for the development of O & M services for the various administrative units. To achieve this purpose, the Government of Pakistan has entered into an agreement with the US AID. Under this agreement, the US AID will promote a programme of assistance covering O & M training of Pakistanis in the USA and provision of advisory and consultant services and supply of materials like books, office equipment and films, to the Central and Provincial Governments and the autonomous bodies under them.

Simplification of Procedures and Forms

One of the major causes of inefficiency and delay in Government offices is the complexity of procedures and forms currently in existence. Early in 1962, Government

felt that these procedures and forms needed a thorough review and revision, especially in those offices which had large-scale dealings with the public. The procedures *inter-alia* reviewed by the O & M teams are as follows:—

- (i) Procedure regarding elimination of delays in payment of bills to Government contractors and suppliers.
- (ii) Procedure regarding refund of customs duty and simplification of forms used in Custom-Houses.
- (iii) Procedure regarding elimination of delays in payment of pension to retired Government servants.
- (iv) Procedure for checking ad hoc appointments made by the Ministries and Divisions.
- (v) Procedure regarding the clearance of cargo from the Karachi Customs and Karachi Port Trust.
- (vi) Procedure for the maintenance of G.P. Fund accounts and the clearance and prevention of missing credits in G.P. Fund accounts.
- (vii) Procedure for the issue of import licences in the Office of the CCI & E.

Most of the recommendations of the O & M teams on the revision of these procedures have been accepted by the Expert Committee and the High Level Committee. Some of them, however, are being processed further in consultation with the authorities concerned.

Establishment Manual

Previously, Government orders regarding establishment matters, e.g. appointment, transfer, leave, pension etc., were on files and it was difficult to trace them. Inevitably this resulted in delay, and occasionally in wrong action. These orders have now been codified in the form of a book called the Establishment Manual, of which the first volume appeared in March 1963. Another volume is nearing completion.

Codification of Rules

Rules concerning various matters are not generally codified, with the result that the general public, as well as Government officials who have to deal with them, are put to inconvenience. Moreover, some of the rules are couched in language which is unnecessarily complicated. The Efficiency and O & M Wing has, therefore, started examining the various rules with a view to simplifying, rationalising and codifying them as far as possible. The long-term agreement with the US AID mentioned earlier, includes provision of assistance to the Central and Provincial Governments in this regard.

O & M-cum-Training Cadre

A proposal for the formation of a Central O & M-cum-Training Cadre which would meet the personnel requirements of the Central and Provincial Governments, Government-sponsored autonomous bodies, and the administrative training institutions, in O & M and allied fields, was drawn up and submitted to the Government for consideration.

Staff Welfare

The Staff Welfare Organisation which is functioning as a cell of the Establishment Division's Efficiency and O & M Wing, has taken a number of measures for the benefit of the low-paid employees of the Central Government and their families. These measures include provision of economic relief through sale of consumer goods at low prices, award of scholarships to the school and college-going children of the non-gazetted staff, extension of facilities for sports and recreational programmes, initiation of social security schemes, improvement of living conditions in Government employees colonies, and the offer of financial relief in the event of such distress as prolonged illness, physical incapacitation, death of the incumbent etc.

LAW

Ordinances—The Martial Law (Confirmation of Sentences) Ordinance, 1962 (Ordinance No. LXXII of 1962)—The Appellate Jurisdiction (High Courts and Supreme Court) (Amendment) Ordinance, 1962 (Ordinance No. LXXIII of 1962)—The Pakistan Penal Code (Third Amendment) Ordinance, 1962 (Ordinance No. LXXVI of 1962)—The Deputy Attorney-General and Standing Counsel (Amendment) Ordinance, 1962 (Ordinance No. LXXVII of 1962)—The Political Parties (Amendment) Ordinance, 1963 (Ordinance No. I of 1963)—The Elective Bodies Disqualification (Removal and Remission) Ordinance, 1963 (Ordinance No. III of 1963)—President's Orders—The Settlement of Disputes (First Elections) (Amendment) Order, 1962 (Presidential Order No. 35 of 1962)—The Settlement of Disputes (First Elections) (Second Amendment) Order, 1962 (Presidential Order No. 36 of 1962)—The removal of Difficulties (Public Service Commission) Order, 1962 (Presidential Order No. 37 of 1962)—The Election Laws Amendment Order, 1962, (Presidential Order No. 39 of 1962)—The Settlement of Disputes (First Election) (Amendment) Order, 1963 (Presidential Order No. 1 of 1963)—Acts—The Privileges of Members of National Assembly (Exemption from Preventive Detention and Personal Appearance) Act, 1963 (Act No. 1 of 1963)—The Code of Civil Procedure (Amendment) Act, 1963 (Act No. III of 1963)—The Appellate Jurisdiction (High Courts and Supreme Court) (Repeal) Act, 1963 (Act No. IV of 1963)—Delegation of Powers by the President to the Governors of the Provinces—Reciprocal Arrangement with the Government of New Zealand for the Examination of Witnesses on Commission in Criminal Matters—Advisory Council of Islamic Ideology—Franchise

Commission—Parliamentary Secretaries—Income-tax Appellate Tribunal—National Assembly—Dacca Session, 1963 —Resolutions—Adjournment Motions—Ordinances—Questions—Budget Session, 1963.

Some of the important Ordinances, Presidential Orders and Acts promulgated and enacted during the financial year 1962-63 are as follows:—

ORDINANCES

The Martial Law (Confirmation of Sentences) Ordinance, 1962, (Ordinance No. LXXII of 1962)

This Ordinance empowers the Commander-in-Chief to confirm sentences of death and transportation for life by Special Military Courts pending for confirmation immediately before the date of the commencement of the Constitution (commencing day) and to dispose of applications for review made in any such case.

The Ordinance came into force on the 28th July, 1962, and took effect retrospectively from the commencing day.

The Appellate Jurisdiction (High Courts and Supreme Court) (Amendment) Ordinance, 1962 (Ordinance No. LXXIII of 1962)

The Appellate Jurisdiction (High Courts and Supreme Court) Ordinance, 1962 (Ordinance L of 1962) provides that an appeal from the judgment of a single judge of High Court shall lie to the Supreme Court. Section 3 of the said Ordinance further provides that all such appeals pending before the High Courts immediately before the promulgation of the Ordinance shall stand transferred to the Supreme Court.

This Ordinance came into force on the 18th August, 1962.

The Pakistan Penal Code (Third Amendment) Ordinance, 1962, (Ordinance No. LXXVI of 1962)

The Pakistan Penal Code (Third Amendment) Ordinance, 1962, aims at fixing responsibility on the organisers and convenors of demonstrations, processions and meetings to keep out students by adding an explanation of the expression 'political activity' to section 153B of the Code.

The Ordinance came into force on the 17th October, 1962 (The Ordinance has since lapsed).

The Deputy Attorney-General and Standing Counsel (Amendment) Ordinance, 1962 (Ordinance No. LXXVII of 1962)

With a view to making available adequate assistance to the Supreme Court, the post of the Standing Counsel

in East Pakistan was, through the Ordinance, up-graded to that of the Deputy Attorney-General.

The Ordinance came into force on the 22nd October, 1962.

The Political Parties (Amendment) Ordinance, 1963 (Ordinance No. I of 1963)

The Political Parties Act, 1962 imposed certain disqualifications on persons (including those disqualified from being members of the Elective Bodies under the Elective Bodies (Disqualification) Order, 1959 from being members of political parties. The intention of the aforesaid Act was not only to impose disqualifications on a person to become a member or office bearer of any political party but also to prevent such a person from participating in the activities of the political parties. The provisions of the Act, however, did not achieve the desired object; hence the Ordinance was promulgated which came into force on the 7th January, 1963.

The Elective Bodies Disqualification (Removal and Remission) Ordinance, 1963 (Ordinance No. III of 1963)

This Ordinance provides an opportunity to the persons disqualified under the EBDO to apply to the President for removal of their disqualification and, upon such application, the President may reduce the period of such disqualification or remove it altogether.

This Ordinance came into force on the 7th January, 1963 (The Ordinance has since lapsed).

PRESIDENT'S ORDERS

The Settlement of Disputes (First Elections) (Amendment) Order, 1962 (Presidential Order No. 35 of 1962)

The Order empowers the Election Commission to appoint for each Province as many Tribunals as it may consider necessary and to refer any election petition to any such Tribunal.

The Tribunal shall consist of a Chairman, being a person who is or has been a Judge of the High Court, and two members, one of whom shall be a person qualified to be a Judge of the High Court, and the other a person who has been holding office as a District Judge or an Additional District Judge for a period of not less than three years.

This Order came into force on the 18th July, 1962.

The Settlement of Disputes (First Elections) (Second Amendment) Order, 1962 (Presidential Order No. 36 of 1962)

The Order provides that in case of difference of opinion among the members of the Election Tribunal, the opinion of the majority shall prevail. It also provides that in case of new appointment to fill any vacancy in the Election Tribunal, the trial shall continue before the Tribunal so constituted, and the evidence already on record shall be treated as evidence in the case and it shall not be necessary to re-examine the witnesses already examined and discharged.

This Order came into force on the 18th August, 1962 and was deemed to have taken effect from the 28th April, 1962.

The Removal of Difficulties (Public Service Commission) Order, 1962 (Presidential Order No. 37 of 1962)

Doubts were expressed as to whether, in the absence of any express provision in the Constitution, a Chairman of a Public Service Commission could be appointed. Such doubts had created a difficulty. The Order empowers the President, in the case of the Central Public Service Commission, and the Governor, in the case of the Provincial Public Service Commission, to appoint a Chairman of the respective Public Service Commissions.

The Order came into force on the 6th September, 1963, and was deemed to have taken effect from the 8th June, 1962.

The Election Laws Amendment Order, 1962 (Presidential Order No. 39 of 1962)

Some deficiencies and lacunae were found in the National and Provincial Assemblies (First Elections) Order, 1962, and the Removal of Difficulties (First Elections) Order, 1962. In order to meet the requirements it was necessary to provide for:

- (i) the return of deposits made by a candidate when he is elected unopposed or he dies after nomination;
- (ii) the empowering of the Commission to disqualify a person who has been found guilty by an Election Tribunal of corrupt or illegal practice without taking his case to Magistrate's Court for further determination of his guilt; and
- (iii) regularization of certain proceedings of the Election Commission in connection with the review of the rejection of the nomination of a candidate for election.

The Election Laws Amendment Order, 1962, was issued to provide for the above in the relevant Orders.

The Order came into force on the 8th December, 1962.

The Settlement of Disputes (First Elections) (Amendment) Order, 1963 (Presidential Order No. I of 1963)

It was proposed to amend the Settlement of Disputes (First Elections) Order, 1962, Presidential Order No. 13 of 1962 for providing periods of limitation for presenting an election petition.

The Order shall be operative retrospectively but shall not apply to petitions already decided and disposed of.

The Order came into force on the 2nd March, 1963.

ACTS

The Privileges of Members of National Assembly (Exemption from Preventive Detention and Personal Appearance) Act, 1963 (Act No. 1 of 1963)

The Act provides that the Members of the National Assembly shall be exempt from preventive detention, or from personal appearance in any Civil or Revenue Court or before an Election Tribunal during the period that the Assembly is in session as well as 14 days preceding and following such session, and also restrict the said Courts and the Tribunal from proceeding with any matter in which a Member of the National Assembly is a party during the aforesaid period unless the Member who is a party to the proceeding waives his privilege by a return application to such a Court or Tribunal.

This Act came into force on the 21st March, 1963 and shall stand repealed fourteen days after the conclusion of the Session of the National Assembly succeeding the Session in which it was passed.

The Code of Civil Procedure (Amendment) Act, 1963 (Act No. III of 1963)

Since the promulgation of the Code of Civil Procedure (Amendment) Ordinance, 1962 (XLIV of 1962) it has been generally felt that the purported object of making litigation less expensive and more expeditious has not been achieved. The provisions of sections 6, 7, 9 (as amended) 10, 13, 14 and 15 of the said Ordinance are, however, beneficial to the litigant public and are sought to be retained, while the others including sections 25-59, which relate to amendment of the First Schedule to the Civil Procedure Code, 1908 are to be dropped. The High Courts are competent under section 122 of the said Code to amend the Rules contained in the said Schedule and this power of the High Courts is not sought to be fettered.

The Act has achieved the aforesaid object. It came into force on the 3rd April, 1963.

The Appellate Jurisdiction (High Courts and Supreme Court) (Repeal) Act, 1963 (Act No. IV of 1963)

By providing for appeals to the Supreme Court from the judgments and decrees of a single Judge of the High Court the Appellate Jurisdiction (High Courts and Supreme Court) Ordinance, 1962 (L of 1962), has had the effect of making the Supreme Court a Court of appeal on questions of fact, besides questions of law. It is, however, being generally felt that the highest Court of the country should not be called upon to probe into issues of fact which should in all cases be determined finally at the earliest stage.

It was, therefore, necessary to repeal the aforesaid Ordinance as well as the Act. It came into force on the 3rd April, 1963.

Delegation of powers by the President to the Governors of the Provinces.

In exercise of the powers conferred by clause (5) of Article 225 of the Constitution, the President authorised the Governors to exercise in relation to their respective Province the powers conferred upon him by clause (4) of the said Article in respect of laws relating to matters with respect to which a Provincial Legislature has power to make laws. This has been done through a Notification in the Gazette.

Reciprocal Arrangement with the Government of New Zealand for the Examination of Witnesses on Commission in Criminal Matters.

In pursuance of Government decision, arrangement has been made with the Government of New Zealand to enable Courts in Pakistan to obtain in criminal matters, evidence of witnesses residing in New Zealand by issuing commission to the specified Court in that country on a basis of reciprocity.

Advisory Council of Islamic Ideology

In order to re-construct the Muslim Society on truly Islamic basis, the Government established an Advisory Council of Islamic Ideology on 1st August, 1962 (as required under Article 199 of the Constitution) to make recommendations to the Central Government and the Provincial Governments regarding means to enable, and encourage the Muslims of Pakistan to order their lives in accordance with the principles and concepts of Islam. The Council will also advise the National Assembly, Provincial Assemblies, the President and Governors as to whether a proposed law disregards or violates, or is otherwise not in accordance with the principles of law making, which *inter-alia* provide that no law shall be repugnant to Islam.

The Council consists of some eminent Jurists, Ulema and Educationists of Pakistan.

Franchise Commission

A Franchise Commission was set up by the Government on 4th August, 1962 to investigate into the under-mentioned problems and to offer their advice to Government:—

1. If in the circumstances and conditions obtaining in the country, the electoral system prescribed by Chapter II of Part VII of the Constitution, for the election of the President and Members of the Assemblies, is an efficacious and appropriate instrument for a realistic representation of the people.
2. If the answer to question No. (1) be in the affirmative, is an increase in the present number of members of the electoral college for the election of the President and the Assemblies desirable? If so, what increase does the commission recommend?
3. If the answer to question (1) is in the negative, and the alternative suggested is:—
 - (a) an addition to the members of the electoral college of persons with certain other qualifications, e.g., education and property, or
 - (b) restricted franchise recommended by the Constitution Commission, then
 - (i) how will parity between the two wings be maintained for the election of the President; and
 - (ii) what consequences, administrative or otherwise, will ensue from the alternative proposed and how does the commission propose to meet them?
4. If on the other hand, the Commission recommends election of the members of the Assemblies on the basis of universal suffrage, what should be the qualifications of the electors, and in that case how will parity in the number of electors in the two wings be maintained for the election of the President? If the Commission recommends a different electoral college for the election of the President, what should be the Constitution and what will be the comparative merits and demerits of such a college, the college prescribed by the Constitution and a college composed of the members of the three Assemblies?

The Commission consisted of the following:—

- | | | |
|---|----|----------|
| 1. Mr. Akhtar Hussain, Chief Election Commissioner. | .. | Chairman |
| 2. Mr. Justice M.R. Khan, a Judge of the High Court of East Pakistan | .. | Member. |
| 3. Mr. Justice Masud Ahmad, a Judge of the High Court of West Pakistan. | .. | .. |
| 4. Mr. Hassan Ali, Member National Assembly. | .. | .. |

5. Mr. Chaudhary Salahuddin,
Member National Assembly Member
In order to elicit public opinion on the issues involved, the Commission released a Questionnaire to the Press on the 27th August, 1962, and distributed its copies printed in English, Urdu and Bengali, to the persons of different walks of life. After considering the replies received from the public, the Commission undertook a tour of the country and held a series of discussions with the people of the various districts of the two Provinces. The Commission finalised and presented its report to the President of Pakistan on 4th March, 1963.

Parliamentary Secretaries

During the year 1962, 17 Parliamentary Secretaries were appointed at the Centre with one Chief Parliamentary Secretary to assist the Ministers in their Parliamentary duties.

Income-tax Appellate Tribunal

The Income-tax Appellate Tribunal is a quasi-judicial body, constituted by the Government in pursuance of section 5 A of the Income-tax Act, 1922. It hears and decides appeals and reference applications arising out of the following Acts:—

- (1) The Income-tax Act, 1922 (XI of 1922).
- (2) The Excess Profits Tax Act, 1940 (XV of 1940).
- (3) The Business Profits Tax Act, 1947 (XXI of 1947).
- (4) The Estate Duty Act, 1950 (X of 1950).
- (5) The Sales Tax Act, 1951 (III of 1951).

At present, the Tribunal consists of three fully constituted Benches at Lahore, Dacca and Karachi, each comprising a Judicial Member and an Accountant Member. The headquarters of the Tribunal is located at Lahore. The Government while creating and locating Benches of the Tribunal kept in view the best interests of the tax payers i.e. easy accessibility and speedy dispensation of justice.

With a view to ensuring impartiality and independent functioning of the Tribunal, the Government have placed it under the administrative control of the Ministry of Law and Parliamentary Affairs (Law Division). Manifold increase in the institution of appeals before the Tribunal is a pointer to the fact that this arrangement has inspired confidence among the tax payers.

During 1962-63 (May) 2,078 appeals were instituted and 1,582 disposed of.

National Assembly

A special session of the National Assembly was summoned on the 21st November, 1962, in order to review the situation arising out of the Sino-Indian border conflict and the supply of arms to India. The President addressed the Assembly in camera on that day. The Assembly again met in secret sittings on 22nd and 23rd November, 1962. The discussions on the subject continued till 4th December, 1962.

Some other business was also transacted by the Assembly from 5th to 8th December, 1962, during which period the Government introduced 8 official bills which could not be pushed through. The Government also laid before the Assembly the following ordinances which were approved by the Assembly pursuant to Article 29 (3) of the Constitution:

- (1) The Martial Law (Confirmation of Sentences) Ordinance, 1962 (No. LXXII of 1962).
- (2) The Manoeuvres, Field Firing and Artillery Practice (Amendment) Ordinance, 1962 (No. LXXV of 1962).
- (3) The Appellate Jurisdiction (High Courts and Supreme Court) (Amendment) Ordinance, 1962 (No. LXXIII of 1962).
- (4) The Deputy Attorney-General and Standing Counsel (Amendment) Ordinance, 1962 (No. LXXVII of 1962).
- (5) The Industrial Disputes (Amendment) Ordinance, 1962 (No. LXXIX of 1962).
- (6) The Jute Ordinance, 1962, (No. LXXIV of 1962).

Apart from the legislative business, a fairly large number of questions were asked and several Adjournment Motions moved in the Assembly.

Dacca Session, 1963

The National Assembly of Pakistan met at Dacca on 8th March, 1963 and continued its deliberations till 19th April, 1963. During this session, the Government introduced 15 Official Bills, out of which 11 were passed during the session. Notices of 142 Bills were received from private Members. Of these only 8 were introduced in the Assembly. Fifteen reports of the Standing Committees on private Members' Bill (which were introduced during the Budget Session 1962) were also presented to the National Assembly during the session.

Resolutions

Notices of 204 Resolutions were received during the Dacca Session. Of these, 178 were admitted and the remaining disallowed. Some resolutions were discussed, while the others lapsed on the prorogation of the session.

Adjournment Motions

Notices of ninety-six Adjournment Motions were received during the session. Some of these Motions were ruled out of order while others were discussed by the Assembly.

Ordinances

The following ordinances were approved by the Assembly under Article 29 (3) of the Constitution:—

1. The Registration of Claims (Displaced Persons) (Amendment) Ordinance, 1963.
2. The Political Parties (Amendment) Ordinance, 1963.

Questions

Notices of 1,027 Questions were received during the session. Of these, 286 were disallowed under the rules and the remaining were answered on the floor of the House.

Budget Session, 1963

The Assembly commenced its Budget Session on 25th May, 1963 and continued its deliberations till 16th August 1963. During this session, the Assembly approved the Budget estimates for the year 1963-64, and also passed the following Bills:—

1. The Indecent Advertisement Prohibition Bill, 1963.

2. The Public Debt (Amendment) Bill, 1963.
3. The Finance Bill, 1963.
4. The Wealth Tax Bill, 1963.
5. The Gift Tax Bill, 1963.
6. The State Bank of Pakistan Amendment Bill, 1963.
7. The Censorship of Films Bill, 1963.
8. The Medical Services of Pakistan Order (Repeal) Bill, 1963.
9. The Displaced Persons (Compensation and Rehabilitation) (Second Amendment) Bill, 1963.

A remarkable event during the current session was an address to the Assembly by Dr. Ahmed Soekarno, President of the Republic of Indonesia, given on 26th June, 1963.

ADMINISTRATION

Eradication of Corruption—Anti-Smuggling Measures—Treatment of Minorities in Pakistan—Expulsion of Muslims from India—Protection of Non-Muslim Shrines and Holy Places—Pilgrimages—Citizenship, Immigration and Passports—Civil Defence—Census.

Eradication of Corruption

As a result of the review of anti-corruption measures carried out during 1961-62, it has been decided to take more effective departmental action against corrupt Government servants and a new set of rules has accordingly been drafted. A whole time Senior Enquiry Officer and three whole time Enquiry Officers have been appointed to conduct departmental proceedings in such cases. These Enquiry Officers are stationed at Rawalpindi, Karachi and Dacca. The rules will also provide for the appointment of Tribunals to look into cases of Government servants who are generally known to be corrupt but against whom specific and concrete charges cannot be established. The rules will also deal effectively with those Government servants who have acquired property disproportionate to their known sources of income.

Anti-Smuggling Measures

After the lifting of the Martial Law, it was apprehend-

ed that smugglers would resume their activities. The Government, therefore, issued the Customs Act (Amendment) Ordinance, 1962. The Ordinance provides for stringent punishment including forfeiture of goods, imprisonment upto 10 years and heavy fines on smugglers. Various organizations like the East Pakistan Rifles, West Pakistan Border Police, Customs and Police, keep a check on smuggling operations. As a result of the measures adopted, smuggled goods of the value of approximately Rs. 2,850,000 were forfeited in East Pakistan during 1961. The value of such forfeitures during the period under review was about 1.8 million only. It is hoped that this downward trend will be maintained in future also.

Treatment of Minorities in Pakistan

Every citizen of Pakistan is entitled to equal rights and privileges irrespective of his religious affiliations. Under the new Constitution, which came into force on the 8th June 1962, one of the principles of policy is

that the legitimate rights and interests of the minorities will be safeguarded and the members of the minorities will be given due opportunity to enter the services of Pakistan.

No communal riot was reported in Pakistan during the year 1962-63, though, regrettably enough, a number of riots took place in India. During the year 1961-62, a number of riots took place in Jabalpur, Aligarh, Chandausi, Meerut, Hapur and Malda (West Bengal) in which more than 300 Muslims were killed, (six of them burnt alive) three Muslim girls abducted, four mosques destroyed, several Muslim women raped by Hindu hooligans and a large number of Muslims were wounded. There was considerable loss of property also. As a result of riots at Malda alone, about 12,000 Muslims migrated to East Pakistan.

During the year 1962-63, more than 15 riots took place in Vellayil, Calicut (Kerala State), Silchar (Assam), Antpur, Bareilly, Karle (Ratangari) and other parts of Maharashtra State and West Bengal in which about 26 Muslims were killed and more than 134 injured. There was considerable loss of property also.

Since the signing of Liaquat-Nehru Agreement in 1950, more than 565 communal riots have taken place in India.

Expulsion of Muslims from India

Eviction and migration of Indian Muslims continues unabated. There is a steady flow of Muslims from India to Pakistan due to the widespread and persistent persecution, anti-Muslim activities of the Rashtaria Sewak Sangh, and the oppression against Muslim population along the border villages of India by the Indian army, and their harassment by the local authorities.

During the last two years, the Indian Government and the Press have been carrying on a campaign designed to create an impression that there has been a large scale illegal infiltration of East Pakistani Muslims into India in recent years. The Tripura and Assam authorities have enforced a policy of ruthless expulsion. The circumstances are almost identical in all the cases of eviction. Indian troops along with the local police and members of the majority community cordoned the villages, assaulted the Muslims and evicted them by force from their long established hearths and homes. They were subsequently put in trucks and buses and brought to the border where they were unlawfully pushed into Pakistan—sometimes on the point of bayonet. According to official registered figures, 20,453 refugees from Tripura and 9,947 from Assam have so far been pushed into East Pakistan.

Protection of Non-Muslim Shrines and Holy Places

In order to restore the abandoned religious places of worship of non-Muslims in Pakistan and to maintain them in proper condition, necessary repairs have been carried out to important shrines. According to the latest available figures, about Rs. 850,000 have so far been spent on the maintenance of non-Muslim shrines

in West Pakistan alone. The Evacuee Property Trust Board has now taken over charge of all the important non-Muslim shrines in West Pakistan and the District and Divisional Committees have drawn up a programme for providing certain amenities such as electrification of the buildings, sanitary fittings, drinking water supply, maintenance of grounds and provision of living accommodation for pilgrims. Efforts are also being made to remove unauthorised occupants from a few holy places of non-Muslims by providing them with alternative accommodation.

In contrast to the above, a large number of mosques and Muslim shrines in India are still in unauthorised occupation or have been desecrated. Reports are still pouring in that mosques and other religious places of Muslims are being converted into temples, schools, shops, cattle sheds, etc. In some parts of India, Custodians of Evacuee Property have auctioned a large number of mosques and graveyards declaring them as "evacuee property".

Pilgrimages

There are a large number of Muslim religious shrines and holy places in India, and Hindu and Sikh religious shrines and holy places in Pakistan. Pilgrimages to these shrines and holy places are arranged at Government level on reciprocal basis. All possible facilities are provided by the Government of Pakistan for the safety, transportation, food and stay of the pilgrim parties visiting Pakistan. During the year 1962-63, more than 8,700 Indian pilgrims visited Pakistan and about 1,310 Pakistanis visited India.

Citizenship, Immigration and Passports

Centralization of all passport offices in East Pakistan functioning at Dacca, Sylhet, Rajshahi, Chittagong, Khulna, Comilla, Dinajpur and Rangpur has been completed. A proposal for centralising the passport offices functioning at Lahore, Quetta and Peshawar in West Pakistan is under consideration. The Hyderabad office which was previously located at Karachi was shifted to Hyderabad with effect from the 1st August, 1962, for providing better facilities for the people of Khairpur and Hyderabad Divisions. A Passport Office has also been set up at Rawalpindi from the 1st January, 1963, and it will now be possible for the people of Rawalpindi and adjoining areas to obtain passports, etc., locally instead of going to Lahore for the purpose.

A visa abolition agreement was concluded with the Government of Luxembourg on 15th March, 1963. Under this agreement, nationals of either country, holding valid passports, will be free to travel to the other country without visas for stays not exceeding three months at a time.

With a view to facilitating the performance of the religious rites of the Parsee community in Karachi, Government granted citizenship of Pakistan to five Parsee priests from abroad and allowed eight such

priests to visit Pakistan for the religious ceremony at the end of the Parsee year.

Civil Defence

During the period under review, 19 different types of Civil Defence Courses were held at the Civil Defence Training Institutions at Lahore and Dacca, and 329 persons received training in various branches of Civil Defence. Of these, 155 persons belonged to West Pakistan and 174 to East Pakistan.

The Officers Courses are intended for Civil Defence Controllers, their deputies, officers of allied services such as the Armed Forces and Police, officers of the Central and Provincial Governments, officials of the PIDC, industrial and commercial undertakings, and Social Service Organizations. Other courses are intended for those who are dealing, or may be required to deal with, the Civil Defence Services.

Census

Population Census is conducted in Pakistan once in 10 years. The second decennial census was taken in January 1961. It was preceded, for the first time, by a complete Housing Census during September-October 1960.

The data collected in Housing and Population Censuses has been processed manually and mechanically. Some of the basic findings have already been published.

The salient features of the population of Pakistan are as under:

Population, Sex and Religion: Pakistan's total population is 93,831,982: 50,853,721 in East Pakistan and 42,978,261 in West Pakistan. Compared with 1951, the population of Pakistan registered an increase of 23.8 per cent in 1961, which shows that the population in this country is increasing at a very high rate.

The density of population is 922 per sq. mile for East Pakistan and 138 for West Pakistan, giving an average of 256 per sq. mile for Pakistan as a whole.

Excess of males over females is a special characteristic of this region. Of the total population, 52.6 per cent are males and 47.4 per cent females.

88.1 per cent of the total population comprises Muslims. The Schedule Castes and the Caste Hindus are the second and third largest communities being respectively 5.8 per cent and 4.9 per cent of the total population. The Christians, Buddhists and others are only 1.2 per cent of the total population. Census Bulletin No. 2 contains detailed information about population, sex and religion.

Age and Marital Status: 49.5 per cent of total population of Pakistan falls in the age group of 15 to 60 years which is considered to be the productive age. Pakistan being an under-developed country and its economy being mainly agricultural, boys below the age of 15 years also

have to work to earn their livelihood. They either do some unskilled jobs in towns and cities or help their parents in their farm work. For this reason, the Census questions regarding economic characteristics were put to all persons aged 10 years and over. The age-group 10 to 15 years contains 9.4 per cent of the total population.

Children under 10 years of age constitute 35.1 per cent of the total population in 1961 as against 28.4 per cent in 1951. This indicates that better health conditions prevailed during the last decade resulting in increased survival rate.

The percentage of "ever married" is 47.1 of the total population and of "never married" 52.9. The percentage of "ever married" among females is 53.8 per cent as against 42.6 per cent among males.

The results of the 1961 Census in respect of age and marital status have been published in Census Bulletin No. 3.

Literacy: According to the 1961 Census, 14,335,009 persons are literate. Only 19.2 per cent of the population aged 5 years and over can either "write" or "read" with "understanding". The comparable percentages for East and West Pakistan are 21.5 per cent and 16.3 per cent respectively.

The Census results also show that there are 82,069 University Graduates in the country of whom 28,069 are in East Pakistan and 54,000 in West Pakistan. Census Bulletin No. 4 gives this information in detail.

Economic Characteristics: 33.5 per cent of the total population is economically active. As against 26,443,488 males, only 3,762,493 females are stated to be in the labour force. This means that 55.7 per cent of the total male population and 8.8 per cent of female population is represented in the labour force. The civilian labour force included 34.3 per cent of the population in East Pakistan and 32.4 per cent in West Pakistan. These figures show that the percentage of economically inactive or dependent persons is quite high. Every economically active person has to support at least 2 persons in addition to his own self. Detailed results on this aspect of the population have been published in Census Bulletin No. 5.

Besides the above basic features of the population, detailed information about mother tongue, languages of literacy, birth place, etc. has also been compiled and published in the District Census Reports. These reports contain information, *inter alia*, about the number of households, their composition, the number and types of houses, and interesting material on topography, flora, fauna, rivers, hills, mountains, crops, communications as well as the social and economic life of the people of each District.

In addition to these District volumes, the main Census Reports comprising 10 volumes giving District, Provincial and National totals of various characteristics of population and housing conditions in Pakistan will also be published by the middle of 1964.

II. ECONOMIC SURVEY

FINANCE

Financial Policy — Money Supply — Bank Credits — Foreign Exchange — Pay and Services Commission — National Income Commission — Central Budget 1963-64; Revenue Receipts — Revenue Expenditure — Capital Expenditure — Capital Receipts — Decimal Coinage — Savings — Banking — State Bank of Pakistan — National Investment Trust — Government Sponsored Corporations

When the Revolutionary Government took over in October 1958, the country was faced with a critical economic situation. Inflationary pressure, dwindling foreign exchange reserves, high prices, black-marketing and smuggling characterised the economy and tax evasion was rampant.

In order to provide immediate relief, the Government considered it necessary to adopt certain emergency measures. As a first step, price controls were re-enforced and a vigorous attack was made on corruption, black-marketing and smuggling. These measures resulted in bringing out the hidden wealth, foreign exchange and the recovery of huge tax arrears. This was, however, only a prelude to the thorough going and fundamental correctives of the economic situation which the Government adopted.

Financial Policy

The financial policy of the Government was based on

the following objectives:—

- (i) to stop the inflationary financing of Government expenditure, and to increase the availability of goods and services;
- (ii) to increase foreign exchange earnings, partly to rebuild the deflected reserves and partly to facilitate greater imports essential for domestic production and consumption, and to utilize the foreign exchange resources carefully with a view to avoiding wasteful expenditure;
- (iii) to create conditions conducive to an expansion of production and investment, and to provide for incentives and restoration of confidence in the domestic and foreign investors;
- (iv) to improve the administrative organization and efficiency of Government, so that economic development schemes in particular might be carried out more effectively; and
- (v) to make a thorough study of the problems pertain-

ing to food and agriculture, taxation, credit, public health, education and administration, so that well-regulated and effective programmes could be worked out.

As a result of the various measures adopted, the economy showed an all-round improvement. Inflationary financing of Government outlays has been stopped. Since 1960-61, for the first time in many years, the Government avoided any resort whatsoever to any form of inflationary financing.

During the year 1962-63, the economy of the country maintained a steady rate of progress. The industrial output continued to rise and investment opportunities were utilized on a growing scale. The agricultural production exhibited mixed trends. The yield of cash crops other than jute increased although that of food crops declined. The food situation, however, remained easy throughout. The availability of goods, both indigenous and imported, improved further. The prices remained stable notwithstanding a substantial expansion in money supply. The exports continued to expand. The foreign exchange reserve registered a notable rise. These encouraging trends brightened the prospects for further economic gains in the years to follow.

Money Supply

The year ended 31st March, 1963, witnessed a sharp rise in money supply. The rise was of the order of Rs. 513.8 million compared with Rs. 95.1 million in the preceding year and Rs. 268.2 million in 1960-61. It stemmed largely from a substantial expansion in bank credit to the domestic private sector and the expansionary influence of the foreign sector and the Indus Account operations. The domestic private sector was responsible for a net increase of Rs. 311.4 million while the foreign sector and Indus Account brought about an expansion of Rs. 192.7 million and Rs. 84.7 million respectively. The Government sector also accounted for an increase of Rs. 30.2 million.

Bank Credits

Bank credit to the private sector registered an increase of Rs. 758.3 million compared with Rs. 557.1 million in the preceding year. The expansion took place partly in response to larger seasonal requirements and partly on account of higher demand for funds generated by liberalised import policy and greater investment activity. Partial retirement of bank credit to the Government sector neutralized the expansion in the private sector to the extent of Rs. 164.6 million.

The net expansion of bank credit of Rs. 593.7 million was matched by a substantial increase in bank deposits which increased by Rs. 805 million against the rise of Rs. 332.7 million last year. Of this, time deposits accounted for Rs. 498.5 million. The appreciable increase in deposit resources enabled the scheduled banks to reduce significantly their dependence on State Bank's assistance.

Foreign Exchange

The foreign exchange position improved considerably during the year ended 31st December, 1962. The current account deficit which stood at Rs. 219.6 million during 1961 narrowed down to Rs. 90.8 million in 1962. This improvement was due to a rise in export earnings and a decline in the deficit on invisible account. Notwithstanding this deficit, the gold, dollar and sterling reserves rose from Rs. 1,133.0 million at the end of December 1961 to Rs. 1,184.1 million at the end of 1962. This rise was due to net inflow of foreign capital including drawals on foreign loans.

The payments in the year totalled Rs. 2,544.5 million against Rs. 2,539.5 million in 1961. Imports during this period amounted to Rs. 1,918.8 million and payments on invisible account to Rs. 625.7 million. The imports on private account fell from Rs. 1,346.1 million in 1961 to Rs. 1,282.6 million in 1962 but those on Government account increased from Rs. 572.3 million to Rs. 636.2 million. The level of total imports was higher by Rs. 400,000 than that in the preceding year.

Pay and Services Commission

In order to afford immediate relief to low-paid employees, pending the revision of their pay scales in the light of the recommendations of the Pay and Services' Commission, which was likely to take some time, an allowance to the extent of 10 per cent of basic pay subject to a minimum of Rs. 5 and a maximum of Rs. 25 was sanctioned to employees drawing pay up to Rs. 600 per mensem in August, 1962. The allowance was to be retrospectively paid from 1st July, 1962.

In November, 1962, Government decided on the basis of the recommendations made by the Secretaries' Committee, constituted to examine the Report of the Commission, to revise the pay scales of the non-gazetted employees on the following principles:

- (i) The scales of pay of non-gazetted civilian employees, including those paid from Defence Services Estimates, should be framed so as to give them an immediate increase from 10 to 12½ per cent and an average increase not exceeding 20 per cent.
- (ii) The above increase should be calculated on the basis of consolidated pay, including dearness allowance and existing interim relief. The new pay scales should take effect from 1st of December, 1962 from which date the allowance sanctioned to them as a measure of relief should cease to be admissible.

Action on similar lines was taken by the two Provincial Governments in regard to their employees.

A separate committee was set up for consideration of increase in the pay scales of Defence Services personnel.

As for the recommendation of the Commission relating to the structure and organisation of services, Government decided to seek the advice of administrative experts of international repute. The Secretaries' Committee dealing with this question was also enlarged to give

adequate representation to all sections of the civil services.

National Income Commission

With a view to making good the present deficiency in the availability of reliable statistics for the preparation of proper provincial and national accounts, Government decided in April, 1963 to set up a National Income Commission. The Commission was charged with the task of examining and reporting upon the available data and the requirements for the compilation of the national income accounts. Its terms of reference also stipulated that the Commission would particularly keep in view the need for separate statistics in the two Provinces and for areas in different stages of development in the two Provinces so as to assist the National Economic Council in fulfilling the obligation, placed on it under Article 145 (4) of the Constitution, for the removal of disparity and for the balanced economic growth of all parts of the country. The Commission will have the benefit of advice from international experts on the subject, in its scrutiny and deliberations.

Central Budget 1963-64 Revenue Receipts

Based on 1962-63 level of taxation, the Revenue Receipts for the year 1963-64 are projected at Rs. 2,240.4 million. The Revenue Expenditure for the same year is kept at 2,077.5 million. A surplus of Rs. 162.9 million is thus indicated for the next year.

The next year's estimated Revenue Receipts show an increase of Rs. 140.5 million over the current year's revised estimates. This is accounted for by a rise of Rs. 95.2 million in the proceeds of taxation, after deducting the Provincial shares, and an improvement of Rs. 45.3 million in the yield from other sources. The increase under tax heads is due to anticipated increases under Customs Rs. 28.5 million, Central Excise Duties Rs. 42.4 million, Income-tax and Corporation-tax Rs. 10.5 million, and Sales Tax Rs. 16.8 million, partly offset by a decrease of Rs. 3 million under other tax heads. These increases spring from larger imports under commodity aid programme, higher production of indigenous goods and accelerated tempo of economic activity in the country. The improvement in receipts from other sources is in the main on account of interest receipts due to payment of interest on central loans by the Provincial Governments—Rs. 51.8 million partly offset by a collective decrease of Rs. 5.6 million under various heads.

Revenue Expenditure

At Rs. 2,077.5 million, the estimates of Revenue Expenditure for 1963-64 have been pitched higher to the extent of Rs. 150.3 million compared with the Revised Estimates of Rs. 1,927.2 million for the year 1962-1963. The main excesses leading to this rise are Rs. 57.8 million under Debt Services as a conse-

quence of the growing size of public debt—Rs. 40.3 million under Civil Administration, partly on account of revision of pay scales and partly because of expansion in the activities of beneficent departments, and Rs. 66.2 million under Defence Services due chiefly to expected pay rise. These increases are, however, partly counter-balanced by smaller provision, *inter-alia*, for development expenditure on Revenue Account (Rs. 12.1 million) following the transfer of certain projects from the Centre to the two Provinces.

Capital Expenditure

The estimates of Capital Expenditure for 1963-64 have been placed at Rs. 3,888.9 million against the Revised Estimates of Rs. 2,900.9 million for 1962-63. The increase of Rs. 988 million is due to the rise of Rs. 938.8 million under Development Expenditure and of Rs. 49.3 million under Non-Development Expenditure. The former is due to an increase of Rs. 170.2 million under Direct Outlay, of Rs. 281.6 million under Loans to Semi-Independent Bodies, etc., and of Rs. 486.9 million on account of Development Assistance to the Provinces.

At Rs. 2,679.8 million, development assistance to the Provinces represents only such assistance as is provided to the two Provinces out of the Centre's Capital Budget. The total development assistance to the Provinces both on Revenue and Capital Accounts and that relating to Works Programme stands at Rs. 30 million. Out of this East Pakistan will get Rs. 15.5 million and West Pakistan Rs. 14.5 million. Compared with the assistance provided in the current year this indicates a rise of Rs. 3.3 million in the case of East Pakistan and of Rs. 2.5 million in the case of West Pakistan.

Capital Receipts

The Capital Receipts for the year 1963-64 are placed at Rs. 3,452 million against the current year's Revised Estimates of Rs. 2,742.5 million, to indicate a rise of Rs. 709.5 million. The receipts from Internal Resources are estimated at Rs. 637.7 million, and from External Resources at Rs. 2,814.3 million, compared with Rs. 832 million and Rs. 1,910.5 million respectively of the current year's Revised Estimates.

Decimal Coinage

The implementation of the decimal coinage programme made satisfactory progress.

The availability of new one-paisa coins appreciably improved and Government demonetized the old one-pice coins with effect from the 1st September, 1963. From the same date, new coins of 25 paisa and 50 paisa denominations have been introduced to supplement the existing supply of quarter rupee and half rupee coins. In order to reduce the total number of decimal coins to be minted and to bridge the rather large gap between the one-paisa and five-paisa coins, it has been decided to introduce a two-paisa-coin.

The production of decimal coins of various denominations is proceeding apace and it is hoped that complete replacement of the old 1/2 anna, one anna and two anna coins should be possible in about another year or so.

Savings

Government remained alive to the pressing need for mobilising small savings in the country and gave a serious thought to build up a genuine savings movement on a national plane.

The year under report saw considerable improvement in investments in the Post Office Savings Bank. The downward trend in the net receipts which had been a constant feature since 1958-59 was arrested. The gross realisations during the first nine months of the current financial year amounted to Rs. 264.4 million against Rs. 248.1 million in the corresponding period last year. Withdrawals remained high at Rs. 248.6 million but net realisations improved by Rs. 15.8 million over those of the last year. This was a creditable achievement as, during this period, the competition from commercial banks grew keener.

During the year 1961-62, for the first time since Independence, investments in Savings Certificates, carrying interest at the rate of 6% per annum, touched the Rs. 1 million mark. Fresh investments during the period July 1, 1962 to March 31, 1963 also improved and stood at Rs. 70.5 million, partly offset by encashments amounting to Rs. 36 million and resulting in net investment of Rs. 34.5 million. This reflected a small rise of Rs. 1.9 million over that of last year's corresponding period. The high rate of encashment, particularly in West Pakistan, was due to the availability of increased investment opportunities both in commerce and agriculture.

Banking

The country's banking system further expanded during the year. Four new Pakistani commercial banks, namely Union Bank, Standard Co-operative Bank, Standard Bank and Commerce Bank, were added to the list of scheduled banks raising the number of Pakistani scheduled banks from 12 to 16.

The total number of Scheduled Bank offices increased by 187 to 861 of which 599 were in West Pakistan and 262 in East Pakistan. This increase was due solely to the expansion of Pakistani Banks. The number of their branches rose from 600 to 787. Their business also expanded likewise. On 31st March, 1963, they held 71.34 per cent of total bank deposits against 69.03 per cent a year before. At the same time their investments accounted for 73.96 per cent of the total investments compared to 71.17 per cent at the end of March 1962. Moreover, at Rs. 2,472.8 million, their advances recorded an increase of 21.8 per cent over the past year's corresponding figure.

State Bank of Pakistan

The State Bank of Pakistan kept a vigilant watch on the credit situation. The existing credit control measures were continued with suitable modifications. The margin of 40 per cent on advances against manufactured goods was extended to advances against cotton textiles (both indigenous and imported) in May, 1962 and the banks were permitted in October, 1962 to raise the time limit of advances against wheat and rice from six months to one year in cases of genuine need.

National Investment Trust

An important development during the year was the setting up of the National Investment (Unit) Trust in December, 1962. It was sponsored by Government in association with leading financial institutions and industrialists. It aims at enabling people of modest means to pool their resources for investment in shares and securities. Its establishment is expected to encourage savings and enable a large number of small investors to gain from the industrial and commercial prosperity of the country.

Government Sponsored Corporation

The Pakistan Industrial Credit and Investment Corporation and the Industrial Development Bank of Pakistan continued to play an important role in meeting the foreign exchange requirements of the industry. The total loans sanctioned by the P.I.C.I.C. from its inception to 31st March, 1963 amounted to Rs. 4 million. Loans to industries located in East Pakistan attained the all time peak figures of 69 million during 1962 compared to Rs. 65.4 million during the previous four years.

The policy of the Industrial Development Bank is chiefly directed towards assisting small and medium industries. During the period 1st July, 1962 to 15th April, 1963, loans amounting to Rs. 115.8 million were sanctioned by the Bank. Of this, Rs. 72.5 million were in foreign currency.

The Agricultural Development Bank of Pakistan provided financial assistance to the agricultural sector on a growing scale. The number of the Bank's branches is expected to rise to 100 by the end of the current financial year against 79 at the commencement of the year. During the first eight months of the current financial year the loans granted by the Bank aggregated Rs. 54 million.

The House Building Finance Corporation also expanded its credit facilities. During the first nine months of the current financial year, Rs. 37.3 million, were sanctioned as loans for the construction of 1,732 houses. The number of cities where credit facilities are now available was raised by four each in the two Provinces to stand at 37 in East Pakistan and 41 in West Pakistan.

FOREIGN ECONOMIC ASSISTANCE

Aid-to-Pakistan-club—United Nations—U.S.A.—Capital/Project Assistance Under Colombo Plan—Technical Assistance Under Colombo Plan—Technical Assistance Received from other Countries/International Organisations—Pakistan's Assistance to African Countries.

Since its inception, Pakistan embarked on a planned programme of economic development with the aim of achieving self-sustained economy in the shortest possible time. Having limited resources, both internal and external, like most of the developing countries, Pakistan had to rely heavily on foreign assistance for the attainment of this goal.

Aid-to-Pakistan-Club

A significant event in the field of foreign aid has been the formation of a consortium of a number of countries, for helping Pakistan's economy. It is also known as Aid-to-Pakistan-Club. It has met three times since its formation and the breakdown of the committed amount is given at table A. At the last meeting held in May 1963, it was noted that Pakistan has profitably utilized the funds given by the consortium so far.

United Nations

Pakistan was admitted as a member of the United

Nations in September 1947 and since then it is eligible for Technical Assistance through its various specialised agencies. The aid offered under the U.N. Technical Assistance Programme consists in the provision of training facilities, equipment and technical personnel for utilization in the agricultural, industrial and public welfare sectors. The Expanded Programme of Technical Assistance was drawn up in 1950. Pakistan has so far received \$ 12,973,216 worth of Technical Assistance. During the year 1961-62, the aid consisted in 139 experts, 45 training facilities and \$ 40,882 worth of equipment. For the year 1963-64, the programme envisages 131 experts, 27 training facilities, and equipment valued at \$ 15,922.

U.S.A.

The Development Grant Programme: The purpose of this programme of the US Agency for International Development is to provide mainly for development in

Table A

(Figures in million dollars)

Name of Country	June 1961 Commit- ment	Jan. 1962 Commit- ment	May, 1963 Commit- ment	Total
Belgium	—	—	10.0	10.0
Canada	18.0	20.0	19.0	57.0
France	10.0	15.0	7.0	32.0
Germany	25.0	55.0	27.5	107.5
Italy	—	—	10.0	10.0
Japan	20.0	25.0	30.0	75.0
Netherlands	—	—	6.6	6.6
United Kingdom	19.0	28.0	22.4	70.0
AID (USA)	150.0	250.0	212.5	712.5
I.B.R.D. & I.D.A.	77.4	132.0	80.0	289.4
TOTAL:	319.4	525.0	425.0	1,370.0

the educational and human resources sector. For the year 1963, AID provided \$ 8.95 million and in 1964, \$ 9.00 million are expected to be made available.

Development Loan Fund: The Development Loans constitute an important feature of the U.S. economic aid to Pakistan. These loans, meant for economic growth, are interest-free and are repayable in dollars over a period of 40 years, including a grace period of 10 years. During the fiscal year 1962-63, Pakistan formally committed itself for Development Loans to the tune of \$ 144.63 million.

In addition to the above Loans, Pakistan has requested for a loan of \$ 59 million from AID against 1962-63 programme.

Commodity Assistance Programme: The purpose of this Programme is to enable the recipient country to import needed commodities with a view to saving foreign exchange. Since its inception in 1955, \$ 521.41 million worth of commodities have been imported. During the year 1963, \$ 481.00 million worth of commodities were imported. This type of aid was offered on grant basis upto 1961. Since 1962, it is being given as loan.

PL-480 Title I. Programme: The purpose of this Programme of the United States' Department of Agriculture is to provide their surplus agricultural commodities such as wheat, rice, cotton, cotton-seed oil, tobacco, tallow, dairy products and frozen poultry. During the year 1963, USA provided \$ 140.6 million worth of commodities and in 1964, goods valued at \$ 200.00 million are expected to be made available.

Relief Aid: The purpose of this aid is to provide food, clothings, medical supplies and other commodities to meet calamities created by floods, droughts and cyclones. During 1963, U.S.A. provided 610,000 tons of wheat to East Pakistan.

The Local Currency Programme: The Government of Pakistan is required to deposit in the Counterpart Funds, local currency in respect of procurement/purchase of U.S. financed commodities, and the money is kept in the State Bank of Pakistan. During the year 1963, AID provided Rs. 589.66 million, and in 1964, Rs. 650.00 million are expected to be made available

under this Programme.

Capital/Project Assistance Under Colombo Plan

Australia: Australia provided a total of £ 6,826,000 Project assistance with which Pakistan has implemented several important development projects. These projects among others relate to Power-Pump Irrigation, Rehabilitation and Development of Telecommunications and Pre-stressed Pipe Factory.

New Zealand: With the project assistance of £ 2,100,000 provided by New Zealand, Pakistan has successfully completed three projects namely, Nari-Bolan Project, Zeal-Pak Cement Factory, Hyderabad, and Zeal-Pak Sugar Mill, Dewanganj. Besides, another project concerning the establishment of a sugar mill in East Pakistan is under implementation.

Canada: Canada provided a total of \$ 83,396,000 project assistance to Pakistan and a number of important Projects aimed at industrial and power development have been completed in co-operation with the Government of Canada. Some of the important projects are: (1) Warsak Multipurpose Project, (2) Shadiwal Hydel Project, (3) Ganges-Kobadak Irrigation Project, (4) Maple-Leaf Cement Factory, Daud Khel, and (5) Commonwealth Livestock Farm, Thal. Pakistan's contribution in the implementation of these projects has been mainly in the shape of rupee expenditure on labour, provision of accommodation and ancillary technicians.

Technical Assistance Under Colombo Plan

So far Pakistan has availed of 3,046 training facilities offered under the Colombo Plan. Besides, she has also received 284 experts at a total value of £ (S) 4,542,377.

As a member of the Cooperative Scheme of the Colombo Plan, Pakistan is under obligation to provide whatever aid it can to other member countries. Upto June, 1963, Pakistan provided 138 training facilities to member countries, mainly in the fields of railway signalling, air traffic control, public administration, community development and oil refining. Attempts

are also being made to offer the services of some Pakistani experts for assisting in the establishment of new industries in the Colombo Plan countries. Pakistan has already provided one expert to the Government of Ceylon for assignment in Radio Ceylon and an expert in Railways to the Government of Malaya. In addition, Pakistan has also provided specialized breeds of livestock to Australia and Railway Code Books to the Government of Burma.

The following statement gives an account of the Technical Assistance received and provided by Pakistan during 1961-62 and 1962-63 (upto March, 1963 only) under the Colombo Plan Technical Co-operation:—

Equipment to the value of £ (S) 399,946 and £ (S) 179,849 approximately was received by Pakistan during 1961-62 and 1962-63 (until December, 1962) respectively.

Name of Country	Technical Assistance receiver.					
	Training		Facilities		Experts	
	1961-1962	1962-1963	1961-1962	1962-1963	1961-1962-1963	1961-62-63
U.K.	140	111	8	7		
Australia	33	33	1	—		
Canada	40	29	3	3		
New Zealand	1	3	—	—		
Japan	25	6	20	3		
Indonesia	1	—	—	—	3	—
Ceylon	—	1	—	—	—	1
Burma	—	—	—	—	6	—
Malaya	—	—	—	—	4	2
North Borneo	—	—	—	—	—	1
Cambodia	—	—	—	—	2	—
Philippines	—	—	—	—	—	2
Singapore	1	—	—	—	—	—
Total:	241	183	32	13	15	6

Technical Assistance Received From Other Countries International Organizations

France: France provided to Pakistan 65 fellowships/scholarships during 1962-63. But only 55 Pakistani candidates were sent to France for training in various fields. Training programme for the rest of the candidates is still to be arranged by the Government of France.

Germany: Against the offer of 30 scholarships during 1962-63, 20 persons from Pakistan have already been sent to Germany for training in various technical fields, while training of remaining 10 is still to be arranged by that country. Besides, German Government have invited 20 high-ranking officials as well as businessmen from Pakistan to attend various seminars in Germany.

Sweden: During the year 1962-63, Pakistan received an offer of 10 scholarships/fellowships from the Royal Swedish Government. Arrangements for the training of 10 Pakistani candidates are still to be made. Besides, an agreement has been concluded with the Royal Swedish Government for the establishment of Swedish-Pakistani Institute of Technology at Kaptai, East Pakistan. Foreign exchange cost of the project valued at Rs. 2,243,000 is to be fully met by the Royal Swedish Government in addition to the provision of a Swedish technical officer and other expenses. Agreement to this effect was signed on 5th November, 1962. The Royal Swedish Government also offered a gift of 3,000 tons of paper for printing of text books for Pakistani schools.

Netherlands: Six Pakistanis were sent to Netherlands during the year 1962-63, against the scholarships offered by that country.

Yugoslavia: An offer of 12 scholarships has been received from Yugoslavia.

Belgium: Efforts to obtain Technical Assistance from Belgium continued during the year 1962-63. Some offers have been received by Pakistan.

Ford Foundation: The Ford Foundation accepted about 40 candidates from various Ford Foundation-aided projects for higher foreign training. It also sanctioned grants amounting to \$ 4,846,500 during the year 1962-63 for various projects in Pakistan. Besides, it has also provided services of 25 experts to different Ford Foundation-aided projects in Pakistan.

Pakistan's Assistance to African Countries

In 1961, Pakistan embarked upon a programme of Technical Assistance to help the newly independent African countries. A provision of Rs. 100,000 was made during the year 1961-62 for Technical Assistance to the newly independent countries and dependent territories in Africa. In the initial stage of the execution of this programme, Pakistan was to provide fellowships and training facilities in various technical institutions in Pakistan to these countries. At present, particular emphasis is being placed on providing training facilities to the different nationals of Africa in the Pakistani technical institutions, but the programme is expected to expand at a later stage and will cover technical experts and equipment as well.

During the fiscal year 1962-63, the previous budgetary provision of Rs. 100,000 was increased to Rs. 250,000.

So far Pakistan has offered the following training facilities and expert/advisory services to the different African countries.

1961-62

- (a) Training of 10 Northern Nigerians in weaving.
- (b) Training of some Northern Nigerians at Co-operative Institute, Lyallpur.
- (c) Expert Services of a Jute expert from Pakistan to the Government of Ghana for setting up a

Jute Mill there.

1962-63.

- (a) Training fellowship to a Sudanese Police Officer.
- (b) One Nigerian Officer from Northern Regional Development Corporation (NRDC), visited Pakistan to study Agricultural and Industrial projects in Pakistan.
- (c) Training of three nationals of Ghana in jute technology.
- (d) Training of four Nigerians at West Pakistan Cooperative Training College, Lyallpur.

AGRICULTURE

*Agricultural Production—Irrigation and Reclamation—Land Reforms—Mechanization of Agriculture—
Agricultural Development Corporations—Agricultural Credit—Plant Protection—Fertilizers—Agricultural
Research and Education—Animal Husbandry—Fisheries—Forestry.*

As elsewhere in Asia, agriculture constitutes the main base of Pakistan's economy. More than 80 per cent of the country's population depends on land for its livelihood. Nearly 75 per cent of its civilian labour force is employed directly in agriculture; 71 per cent of Pakistan's total foreign exchange is derived from the sale abroad of agricultural commodities; and about 60 per cent of the country's total national income has agriculture as its source.

Pakistan has a total area of 234 million acres—36 million acres in East Pakistan and 198 million acres in West Pakistan. The total cultivated area is about 62 million acres, the remaining area is either uncultivated, under forests, un-reported or un-classified. Net area under crops is 21 million acres in East Pakistan and 31 million acres in West Pakistan; 10 million acres is fallow. Some of the culturable waste of about 24 million acres can be brought under cultivation, if irrigation, drainage and reclamation facilities can be

made available. About 10 million acres of cultivated area are sown more than once a year. Double cropping can be increased by provision of irrigation facilities.

In West Pakistan, the principal crops are wheat, sugarcane and cotton. The major problems in this part of the country are water-logging and salinity and in certain areas erosion. In East Pakistan, the principal crops are rice, jute, tea and sugarcane. The main problem in this part is the abundance of tropical rainfall—yearly flooding is a feature of farm life in summer and the reverse in winter.

The percentage of increase in population in Pakistan is 2.2, one of the highest in the world. The methods of cultivation in Pakistan, as in other developing countries in Asia, are mostly conventional, which cannot meet the growing demands of the population for food and fibre. Government policies and efforts in this country are, therefore, directed towards:

(a) developing the water resources of the country

for increasing irrigation facilities thereby bringing more area under cultivation and for controlling floods;

- (b) reclaiming land from water-logging and salinity in West Pakistan and from the saline inundation of sea water in East Pakistan;
- (c) freeing the country from the grip of feudalism through land reforms;
- (d) introducing mechanization in agriculture and co-operative farming;
- (e) improving organizational set up;
- (f) increasing investment in agriculture;
- (g) popularising the use of chemical fertilizers under State subsidy;
- (h) controlling pests and diseases of plants;
- (i) providing facilities for agricultural research and education;
- (j) improving the livestock wealth; and
- (k) developing the forest and fish resources of the country.

The above policies are fully reflected in the country's Second Five-Year Plan (July, 1960 to June, 1965), which has now crossed the mid-stream. The Plan envisages an expenditure of Rs. 3,420 million on agriculture, which is about 15 per cent of the total expenditure under the Plan. This, together with the expenditure of Rs. 4,391 million on the development of water resources which has a direct bearing on agriculture, accounts for about 34 per cent of the total expenditure under the Second Five-Year Plan. The Plan fixed the following physical targets to be attained by 1964-65:

- (a) 21 per cent increase in the out-put of foodgrains;
- (b) 22 per cent increase in the production of jute;
- (c) 38 per cent increase in the production of cotton;
- (d) 35 per cent increase in the production of sugarcane; and
- (e) 14 per cent increase in the production of tobacco.

The progress made in achieving these targets and advances made in other fields are described in the subsequent paragraphs.

Agricultural Production

In spite of heavy damage caused by floods and cyclones in East Pakistan and by locust in West Pakistan, the out-put of major agricultural crops during 1961-62 exceeded the base period production as well as that of 1960-61. The foodgrain out-put in 1961-62 almost reached the Plan target. The percentage achievements and targets for the main crops in relation to the base period out-put are shown below.

1961-62	Production	1964-65 Plan targets
Foodgrains	20.3	21
Jute	16.2	22
Cotton	10.4	38
Sugarcane	20.2	35
Tobacco	(—) 12.6	14

Tobacco was the only item which declined during the first two years of the Plan. Cotton also registered an increase but not very substantial.

The year 1962-63, however, witnessed a temporary set-back in the agricultural production. Its level, however, was still higher than the one in 1960-61. Some of the major crops of East Pakistan like jute, rice and tea suffered losses due to the recurrence of floods in summer and draught in winter. In West Pakistan, weather remained favourable and good harvests in sugarcane and cotton were obtained during the year. The production statistics of major agricultural crops during 1962-63 stood as follows.

Crop.	Production		
	1960-61.	1961-62.	1962-63.
	(In thousand tons)		
Rice	10,533	10,575	9,808
Wheat	3,786	4,064	3,961
Sugarcane	15,412	18,548	19,154
	(In thousand bales)		
Jute	4,457	6,969	5,145
Cotton	1,711	1,840	1,993
	(In million lbs.)		
Tea	42.3	58.8	57

Irrigation and Reclamation

Agriculture in Pakistan is highly susceptible to the vagaries of nature. There is rarely a year when in some part or the other of the country there is not a natural calamity such as floods or drought. Water-logging and salinity is a permanent problem in west Pakistan. Expansion of irrigation facilities, adoption of flood control measures and reclamation of land under water-logging and salinity are essential to diversify agriculture and to increase crop yield. The great importance attached to the development of water resources both in the First and Second Five-Year Plans indicates the anxiety of the planners to provide a solid basis for the rapid growth of agriculture. Funds provided for the development of water resources in the first two years of the Second Five-Year Plan (i.e. 1960-61 and 1961-62) were Rs. 907 million. The actual expenditure during these years amounted to Rs. 916 million. The financial target in this respect thus exceeded by about 1 per cent. Some of the notable achievements made in the development of water resources are:

- (a) About 255,000 acres of land was brought under the plough in West Pakistan during the first two years of the Plan period.
- (b) About 465,000 acres of cultivated land was provided with assured irrigation in both the Provinces during these years.

- (c) About 800 miles of embankments were raised, strengthened or newly constructed along the Bay of Bengal in East Pakistan, (i) affording protection to about 1.4 million acres of low lying delta lands along the shore line which hitherto was unsuitable for habitation or farming and (ii) providing drainage during the monsoon to prevent flood damage to standing crops. The Coastal Embankment Project, under which this work has been done, envisages construction of 3,000 miles of embankments which on completion will provide protection to 3.4 million acres of land. Appreciable headway was made in 1962-63.
- (d) Inauguration of the Guddu Barrage Project was held in March, 1963. This was the third great irrigation project completed in the country since Independence. Constructed at a cost of Rs.474.8 million, it is the second biggest barrage in the country. The barrage is 4,445 feet in length and has 3 main feeders. The barrage commands an area of 3.25 million acres of which 2.73 million acres are cultivable. The commanded area includes fresh cultivation in about a million acres of virgin land. Large forests are proposed to be developed in the barrage commanded area covering at least 225,000 acres.
- (e) Completion during 1962-63 of the first Project in the Rechna Doab area of West Pakistan for controlling water-logging and salinity in an area of 1.2 million acres. Under this Project, 1,800 tube-wells have been installed. The results achieved thereby were gratifying inasmuch as the water table in the project area was lowered by about 3 feet and about 50,000 acres of land was made cultivable once again. The work on another project in the Chaj Doab area was also taken up. This project envisages installation of 3,300 tube-wells for reclaiming an area of 2.1 million acres.

Land Reforms

Several land reforms have been introduced in the country since Independence, but by far the most important and the most far-reaching was the one instituted in West Pakistan early in 1959. Under these reforms, the extent of individual ownership was limited to 500 acres of irrigated and 1,000 acres of non-irrigated land. As a result of these measures, about 2.2 million acres of land has been resumed by Government from land owners holding land above the prescribed limits and about 1.1 million acres distributed to cultivators. Under these reforms, all *Jagirs* (numbering about 800), which existed in West Pakistan before the 7th February, 1959 were also abolished and transferred to Government without compensation. On the recommendation of the Land Reforms Commission, Government in 1959 also introduced a scheme for compulsory consolidation of

holdings and prohibited sub-division of holdings below 12½ acres in the former Punjab and below 16 acres in the former Sind. The scheme of consolidation of holdings is expected to be completed in 5 to 7 years.

Mechanisation of Agriculture

Agricultural land in the country is divided into small holdings and the methods of cultivation as stated above, are largely conventional. These methods cannot obviously keep pace with the growing requirements of population for foodgrains. The mechanisation of agriculture is the only solution. Since mechanisation, in its turn, requires large tracts of land for its success, the problem will be solved through consolidation of holdings and introduction of co-operatives on a large scale. Under the consolidation of holdings scheme, a total area of 5.65 million acres has been consolidated up to the end of March 1963.

As regards co-operative farming, two pilot projects—one in Comilla and the other in Multan—were launched to demonstrate the advantages of mechanisation to the farmers.

The demand for tractors in the country has been on the increase. To meet it, the import of tractors and spares has been liberalised. A factory for the manufacture of "Deutz" tractors is also being set up in the country. A licence for about Rs. 300,000 for the import of necessary machinery for this factory was issued during 1962-63. A number of power tillers are being tried in both the Provinces to determine their suitability. When these trials are complete, some of the makes of these tillers will be standardized for import.

Agricultural Development Corporations

On the recommendation of the Food and Agriculture Commission set up in 1959, during the Martial Law Regime, two semi-autonomous Agricultural Development Corporations were set up in East and West Pakistan in September/October 1961, as a means of ensuring quicker development of agriculture. The main functions assigned to the Corporations are to organise supplies needed by the farmer and to provide him with technical knowledge. To fulfil this responsibility each Corporation has a Supply Wing and a Field Wing. A Co-ordination Board headed by the Minister for Food and Agriculture has been set up at the Centre to co-ordinate the activities of the two Corporations. The Corporations after finalising their organizational problems have taken in hand the procurement and distribution of chemical fertilizers, agricultural implements, plant protection materials, improved seeds, etc. The Corporation in West Pakistan has also taken over areas commanded by the Ghulam Mohammad and Guddu Barrages and the Thal Area as its project areas. The three projects command a total area of 7.95 million acres. Appreciable headway was made during 1962-63 for the development of these areas.

Agricultural Credit

The main institution for providing credit facilities to the agriculturists in the country is the Agricultural Development Bank of Pakistan. The Bank was established in February 1961, by merging the former Agricultural Development Finance Corporation (established in 1952) and the Agricultural Bank of Pakistan (established in 1957) with enlarged functions. The Bank has an authorised share capital of Rs. 200 million, of which Rs. 100 million has been issued and fully subscribed by the Central and Provincial Governments. In addition to the share capital, the Bank is authorised to raise working capital by borrowing money against the security of its assets or otherwise and also to accept money on deposits. The Bank has about 100 branches in both the wings of the country. The Bank advances short-term loans to agriculturists for seasonal requirements like seeds, fertilizers, plant protection measures and hired labour charges at 7 per cent interest and long term loans for over 5 years at the rate of 6 per cent for items like development of land, installation of tube-wells, purchase of tractors and raising of orchards. The Bank also provides fixed deposits and savings Bank facilities in rural areas on attractive terms. During the first 9 months of 1962-63, the loans advanced by the Bank amounted to Rs. 58.9 million, the total amount of loans advanced since its inception being Rs. 288.4 million. In addition to the loans from the Agricultural Development Bank, credit facilities are being offered to cultivators in this country through the Co-operative Societies. Besides this, *Taccavi* Loans (Loans advanced by Government) amounting to Rs. 40 million were also given to cultivators during 1962-63.

Plant Protection

There was practically no plant protection service in the country at the time of Independence in 1947. Some demonstration and publicity work was being done by the Provincial Governments. Plant Protection first received impetus during 1953, when large scale pest control campaigns were organised throughout the country by pooling the Central and Provincial resources. The control measures taken in successive years against insect pests and diseases, weeds and rats created an awakening among the farmers and the demand for plant protection services increased. Thus, starting with 2 million acres of crops treated during 1954-55, it was possible to treat some 5.4 million acres of important food and cash crops during 1960-61. Control operations undertaken during the last few years in the country have established beyond doubt that plant protection is one of the quickest and the cheapest means to increase production. The plant protection service is provided to farmers free of cost by Government. The Plan target was to cover about 6 million acres by ground and aerial operations by 1964-65. In 1961-62 treatment of crops covered 3.5 million acres as against 1.78 million acres in 1959-60 and in 1962-63 this coverage increased to about 7.8 million acres of both

food and cash crops.

West Pakistan experienced one of the severest locust invasions in 1961-62 both from across its Western as well as Eastern borders. The invasion was so heavy that the Army and the Air Force had to be called in for help. An area of about 20,000 sq. miles was infested. As a result of joint efforts, some 412,000 hopper bands were destroyed; an area of about 554 sq. miles was sprayed by air, and 222,000 acres of space was sprayed against flying swarms. The anticipated locust invasion in the summer of 1962-63 was averted by effective control measures taken not only in Pakistan but also in India. Egg-laying which took place in an area of 23,741 sq. miles was cleared by timely action. Two Missions were sent during 1962-63 to Saudi Arabia and Oman for controlling locust breeding in those areas. As a result of these operations, the spring breeding were comparatively mild. A unit of the FAO is also working in Pakistan and in India to assist in improving the control techniques.

Fertilizers

Like plant protection service, the use of chemical fertilizers is one of the quickest means of increasing agricultural production. The use of fertilizer in Pakistan upto 1951-52 was very limited. Only 10-12 thousand tons of fertilizer was used which was mostly on Tea Estates in East Pakistan. As a result of the steps taken by Government to popularise its use, the farmers in the country have begun to appreciate its value and the demand for chemical fertilizers is on the increase. There are at present five fertilizer factories in the country—4 in West Pakistan with a total annual installed capacity of 230,000 tons and one in East Pakistan with an annual capacity of 117,000 tons. The estimated requirement of fertilizer in 1962-63 was placed at 400,000 tons for West Pakistan and 285,000 tons for East Pakistan. To supplement the quantities of fertilizer available from local production, 145,200 tons was imported by the Central Government during 1962-63 for West Pakistan and 73,000 tons for East Pakistan. During 1963-64, the requirements of fertilizer are estimated at 522,000 tons for West Pakistan and 329,000 for East Pakistan.

Agricultural Research and Education

On the recommendations of the Scientific Commission, and the Food and Agriculture Commission, a proposal for the setting up of an Agricultural Research Council for planned and co-ordinated research in agriculture on a national basis is under consideration. To raise the standard of education in the field of agriculture and to provide opportunities in specialisation, two Agricultural Universities—one at Mymensingh (East Pakistan) and the other at Lyallpur (West Pakistan) were set up during 1961-62. These Universities, besides their normal teaching work, undertook fairly comprehensive research programmes during 1962-63.

Experiments conducted at various agricultural research

stations in the country during 1962-63 gave useful results, the notable amongst them being:

- (a) Evolution of some capsularis and olitorius types of jute in East Pakistan which showed superiority to the existing improved varieties;
- (b) Evolution of a disease resistant and early maturing variety of jute in East Pakistan which might help in raising two crops in a year.
- (c) Evolution of a variety of Basmati Rice in West Pakistan which showed superiority in respect of yield, and cooking qualities.
- (d) Evolution of a variety of Maize in West Pakistan which gave 40 per cent more yield.
- (e) Evolution of high quality grapes in West Pakistan which may lead to production of grapes in the Lyallpur region; and
- (f) Evolution of improved methods of jute retting in East Pakistan which may lead to raising the quality of the fibre.

Animal Husbandry

Cattle Breeding—Pakistan is deficient in cattle wealth. Demand for draught cattle is increasing as newly irrigated areas are coming under the plough and demand for livestock products is increasing with the increase in population and the standard of living of the people. For improving the livestock wealth in East Pakistan, the Provincial Government are, (i) procuring improved breeds of cattle from West Pakistan and (ii) establishing veterinary hospitals at sub-divisional headquarters and at thana level. During 1962-63, the East Pakistan Government were expected to procure cattle worth Rs. 200,000 from West Pakistan and establish 18 hospitals. Besides, the work of producing vaccines was accelerated by the Provincial Government for launching a massive attack on animal diseases. In West Pakistan, 65 schemes were in operation during 1962-63 for improving the cattle wealth of the Province. Under a new scheme introduced in that Province during 1962-63, arrangements are being made to provide veterinary aid in remote areas of the province. Artificial insemination methods are also being tried in the country for improving cattle breeds. These methods are gaining popularity among the breeders.

Dairying—For increasing milk supplies in the principal towns in the country, Milk Toning Plants are being set up at Karachi, Lahore and Dacca. The plants at Karachi and Lahore are under installation and for the Dacca plant a survey was recently arranged through an FAO expert. Efforts are also being made for the procurement of experts and equipment from West Germany and Switzerland for, (i) improving the Dairy and Cattle Farm at Savar (East Pakistan), (ii) improving the fodder situation in East Pakistan, and (iii) installing a cheese plant at Lahore.

Poultry—Government is also encouraging the development of poultry industry. The possibilities of attracting foreign investment for poultry farming are also being examined. A number of parties have come forward to invest money and a U.K. firm has already

concluded an agreement with a Pakistani party for setting up a poultry unit in West Pakistan. The services of an FAO expert have been obtained to help the Provincial Governments and private parties in the preparation of schemes for broiler industry and for the re-organization of existing poultry farms in the country.

Export of Livestock Products: Pakistan is at present exporting wool worth about Rs. 77 million per annum to foreign countries and hides and skins worth about Rs. 60 million. Among the livestock products, animal hair is also an export item. To ensure supplies of quality goods to foreign buyers, a scheme for the grading of wool before export is in operation in the country since 1954 and a scheme for the grading of animal hair was introduced from April, 1963. A scheme for the grading of hides and skins before export is likely to be introduced shortly.

Fisheries

The country's fish resources are rich and abundant and it is one of the objectives of the Second Five-Year Plan to exploit this wealth to the utmost extent possible. The following are some of the measures taken by the Central Government for stepping up the fisheries industry:

- (a) Construction of Fish Harbours.
- (b) Construction of modern fish curing yards, cold storages and ice plants.
- (c) Encouraging fishermen in forming co-operative societies.
- (d) Arranging procurement and distribution of fishing material among the fishermen.
- (e) Arranging training of fishermen in modern techniques and mechanization of boats.
- (f) Exploration of new fishing grounds and conducting of surveys of fish resources with the help of foreign experts.

A fish harbour at a cost of Rs. 14.1 million has been constructed at Karachi and is now operating. A similar fish harbour is planned for Chittagong in East Pakistan. As a result of steps being taken by Government to develop fish industry, the production of fish and its export to foreign countries is increasing. Fish harbour at Karachi alone is handling about 100 tons of fish daily valued at about Rs. 80,000. The export of fish from Pakistan has also increased from Rs. 56 million in 1960 to Rs. 106.3 million in 1962. In addition to the existing facilities, a fish factory ship for catching and processing of shrimp was commissioned in April, 1963.

Forestry

About 8.7 million acres, which constitute about 3.72 per cent of the total land area of Pakistan, are covered with forests. Owing to the poor yield, partly due to insufficient forests and partly due to inefficient exploitation, foreign timber worth about Rs. 35 million is imported every year. The Second Five-Year

Plan envisages an expenditure of Rs. 159 million on the development of forestry in the country. The Plan target for the extraction of timber from Chittagong Hill Tracts is 45,000 tons. This target was nearly achieved when in 1961-62, 42,000 tons of timber was extracted. During 1962-63 about 13,000 acres of land was brought under forests in East Pakistan. A game sanctuary in Sundarbans and a tourist resort at Ramsagar, Dinajpur were also completed and are now open to visitors. A National Park at Modhupur (East Pakistan) was also under construction.

West Pakistan is sorely deficient in natural forests. Measures are being taken to make up this deficiency by raising new plantations and by expanding forests along roads, canals, railway tracks and riverain areas. The slow growing species in the hills and scrub forests are being replaced by quick growing and economic species. Afforestation of private lands is being encouraged by free supply of plants. About 20 million plants were supplied on the occasion of tree planting weeks organised during 1962-63. Besides, new irrigated plantations on about 20,000 acres were raised during that year.

FOOD

West Pakistan—East Pakistan—Sugar—Vegetable Oil Products.

The food position in the country during the period under review remained, on the whole, satisfactory. There were, however, heavy floods in East Pakistan during the later part of the year 1962, which caused damage to standing crop. The food situation was kept under control by timely action both by the Central as well as Provincial Governments and there was no shortage of foodgrains in the Provinces. In the month of May 1963, there was a severe cyclonic storm in Chittagong and the adjoining areas, causing heavy damage to life and property. The Provincial and the Central Governments took immediate steps to provide relief. The breach in the Chittagong-Cox's Bazar Road completely disrupted movement of foodgrains to Cox's Bazar. The situation was, however, controlled successfully by opening special supply depots on both sides of the breached portion of the road to facilitate movement of foodgrains to Cox's Bazar. Besides, substantial quantity of foodgrains was also air-dropped at Cox's Bazar with the help of Army authorities.

West Pakistan

Wheat Stocks and Supplies : The Government of West

Pakistan had a stock of about 285,487 tons of Wheat in the beginning of July, 1962. During the period under review, a quantity of 605,350 tons of imported wheat was supplied to West Pakistan. The production of wheat during the *Rabi* year 1962-63 was estimated at 3,961,000 tons. The food position in West Pakistan remained satisfactory and the consumers were able to meet their requirements from the open market at reasonable prices.

Wheat Prices : During the period under review, the market price of indigenous wheat in important *mandies* (local markets) ranged between Rs. 9 to Rs. 16.50 per maund. The fall in prices at some places below the floor price of Rs. 13.50 necessitated purchases by Government and a quantity of 29,000 tons of wheat was procured till March 1963.

The issue price of imported and indigenous wheat in West Pakistan was fixed at Rs. 15 per maund with effect from 18th May, 1963. The Government of West Pakistan procured 64,692 tons of new crop wheat from April 1963 to the end of June, 1963 at the floor price of Rs. 13.50 per maund on voluntary basis.

Wheat Imports : During the period under review, wheat imports were as follows:

Country	Quantity (in tons)	Value (Rs.)
USA		
Under PL-480		
Title I.	862,693	291,656,000
Under PL-480		
Title II.	60,000	21,600,000
Australia		
(Cash resources)	113,190	28,861,000
	<hr/>	<hr/>
	1,035,883	342,117,000

Rice Procurement : The under-mentioned quantities of different varieties of rice were procured by Government during 1962-63 (ending 21st June, 1963):

Basmati	89,611	tons.
Parmal	18,022	,,
Begmi	30,426	,,
Kangni	67,000	,,
Joshi	180,000	,,
	<hr/>	<hr/>
Total:	385,059	tons

The procurement price of Basmati rice (1962-63 crop) was fixed at Rs. 26 per maund. It was decided to raise the procurement price of Basmati further to Rs. 28 per maund for 1963-64 crop, while the procurement prices of Parmal, Begmi, Kangni and Joshi rice were maintained at Rs. 18, 16, 16, and 15.50 per maund respectively.

Rice exports : Rice exports during the period under review were as follows:

Variety	Quantity (tons)	Value
Basmati	79,273	£ 6,690,621 + Rs. 9,700,910
Parmal	4,320	£ 23,900 + Rs. 574,125
Begmi	10,284	£ 480,649 + Rs. 1,342,557
Joshi	40,754	£ 1,592,614 + Rs. 4,053,115
Kangni	30	£ 1,275 + Rs. 3,150
	<hr/>	<hr/>
Total:	134,661	£ 8,789,059 + Rs. 15,673,857

East Pakistan

Rice/Wheat Stocks and Supplies : The Government of East Pakistan had in stock 98,935 tons of rice and 135,400 tons of wheat and wheat products on 1st January, 1963. The supplies of rice arranged during January-June 1963 amounted to 377,500 tons which included 234,500 tons of Sind Kangni/Joshi rice from West Pakistan and 143,000 tons from Burma. A quantity of 519,971 tons of wheat and wheat flour was also supplied during this period. The off-take of rice and wheat and wheat products during January-June 1963 was as under:

Rice	313,200	tons
Wheat/Wheat products	355,223	tons

Rice Prices : The average Sub-Divisional prices during the period July, 1962 to June 1963 ranged between Rs. 24.67 and Rs. 36.13 per maund. The provincial average prices of rice ranged during January-June 1963 between Rs. 25.18 and Rs. 29.45 per maund. The prices of rice, however, continued to maintain an upward trend due to greater purchasing power of the

people and general rise in the prices of other consumer goods.

Rice Imports : The Government of Burma had agreed to supply 225,000 tons of rice to East Pakistan during the calendar year 1963. They also promised to supply an additional quantity of 25,000 tons, if possible. This additional quantity was later made available by them and the total supplies from Burma during the year 1963 are estimated at 250,000 tons. The Central Government also decided to earmark all the surplus quantity of Sind Kangni and Joshi rice for shipment to East Pakistan and it was expected that a quantity of about 350,000 tons of this rice would be shipped to East Pakistan during 1963.

Wheat Consumption : Due to reduction in the issue price of wheat from Rs. 18.12 to Rs. 12.50 per maund, the consumption of wheat in East Pakistan increased considerably. The actual offtake during 1962 was 470,000 tons as against 210,232 tons during 1961. The offtake during the period January-June 1963 was 355,223 tons.

Foodgrains Storage : Under the Second Five-Year Plan, the Central Government is implementing a scheme for the construction of 283,000 tons capacity foodgrains storage accommodation at an estimated cost of Rs. 60.5 million at the under-mentioned places:

Khulna	40,000	tons capacity
Chittagong	60,000	,,
Pipri	110,000	,,
Karachi Port	30,000	,,
Landhi	40,000	,,
Azad Kashmir	3,000	,,

The godowns at Khulna were almost complete except for the ancillary work including railway sidings etc. Construction at Chittagong and other places is in progress.

Sugar

The supply position of white sugar in the country remained satisfactory during the year 1962. This was due to a combination of factors. The measures taken by Government in 1962 to step up indigenous sugar production by offering incentives to the mills proved fruitful and about 190,000 tons of sugar was produced in the 1961-62 season as against 110,000 tons in the previous season. In addition, about 114,000 tons of sugar was imported on bonus vouchers during 1962, mainly due to low prices prevailing in the international sugar market. The easy availability of sugar in the country was reflected in a drop in its price.

There was a steep rise in the prices of sugar in the international market during the first half of 1963, which rose from £ 22 to 24 per ton C&F prevailing in 1962 to £ 90 to 100 per ton C&F prevailing in June, 1963. This is attributed to heavy short falls in production in Cuba and Europe due to unfavourable weather conditions and planned reduction in output by certain countries. Imports of sugar on bonus vouchers are, therefore, likely to be substantially curtailed during 1963 as these are un-economical. The landed cost of sugar imported on

bonus vouchers at the current international price works out to about Rs. 130 per maund.

Full impact of the steep rise in the international sugar price has not, however, been felt in Pakistan. This has been mainly due to fine performance by the local sugar mills during the 1962-63 season. Helped by favourable weather conditions and liberal incentives offered by Government for increasing indigenous production, sugar mills have produced a record quantity of about 271,000 tons of sugar during the current season, against 190,000 tons produced during the previous season. The local traders also imported about 50,000 tons of sugar on bonus vouchers during the first half of the year, mostly against contracts entered into earlier, when the prices in the international market were low. Availability of white sugar in the country during 1963 is estimated to be slightly more than that in 1962. The present wholesale rates of white sugar in the free market are between Rs. 62 and Rs. 70 per maund against the controlled wholesale rate of Rs. 59.37 in West Pakistan and Rs. 63.95 in East Pakistan. The higher rates prevailing during 1963 are partly due to increase in excise duty on indigenous sugar and partly in sympathy with the high prices prevailing in the international markets.

While the supply of white sugar in the country is steadily increasing, the demand for it is also increasing due to increase in population, urbanisation, change in taste, increase in national income, industrialisation, etc. It has, therefore, been decided to raise the target of white sugar production in the country in the Second Five-Year Plan from 315,000 tons per annum to 500,000 tons per annum. West and East Pakistan have been allotted 64% and 36% respectively of the revised target. The present cane production in the two Wings is 79% and 21% respectively of the total production.

A partial decontrol of sugar has already been introduced and a free market for it has been created in the country side by side with its rationed distribution. The question of completely decontrolling sugar is constantly under review and as soon as the gap between supply and demand is bridged, all controls on sugar will be lifted.

Vegetable Oil Products

Production : A quantity of approximately 71,120 tons of Vanaspati was produced during the period under review. The total capacity for production of Vanaspati sanctioned by Government was 120,000 tons, against which approximately 75,000 tons capacity had already been installed and the balance was under installation. It was also decided by Government to allow export of Vanaspati from Pakistan.

Import of Cotton Seed/Soya Bean Oil Under PL-480 : The U.S. Government issued Purchase Authorization for 50,000 tons of cotton seed/soya bean oil during 1962-63. This quantity was distributed to the Provincial Governments on 50:50 basis. Another Purchase Authorization for a quantity of 75,000 tons was also issued by the U.S. Government with terminal contracting and delivery dates as 31st August, 1963 and 30th September, 1963 respectively. With a view to encouraging larger imports and greater consumption of edible oils in East Pakistan, the import of cotton seed/soya bean oil was placed on O.G.L. in East Pakistan.

Shipment of Edible Oils Oil Seeds from West Pakistan to East Pakistan : The total quantity of mustard/rape seeds and edible oils shipped from West Pakistan to East Pakistan during the period under review was 3,073,396 maunds and 639,117 maunds respectively.

INDUSTRIES

Industrial Policy—Industrial Development in the Private Sector—Foreign Private Investment—Foreign Loans and Credits—Industrial Development in the Public Sector—Development of Small Industries—Review of Important Industries—Credit Agencies—Industrial Research, Technical Assistance and Training—Patents and Designs—Price Control.

The year under review was characterised by a visible and all round improvement in the industrial development of the country. The index of industrial production which stood at 107.8 in 1960-61 rose to 119.2 in 1961-62 and to 129.5 in July-December 1962 (base year 1959-60). This rise in the industrial production was shared by almost all industries.

The production of cloth increased from 699 million yards in 1961 to 725 million yards in 1962; cotton yarn from 4.13 million lbs. to 4.32 million lbs; art silk from 22 million sq. yds. to 24.7 million sq. yds; jute manufactures from 0.250 million tons to 0.286 million tons; sugar from 0.123 million tons to 0.188 million tons; hydrogenated vegetable oil from 0.045 million tons to 0.063 million tons; paper from 0.032 million tons to 0.033 million tons; newsprint from 0.029 million tons to 0.031 million tons; cigarettes from 12,060 million to 13,700 million; cement from 1,223 million tons to 1,373 million tons and fertilizers from 0.065 million

tons to 0.163 million tons.

Sanctions in the case of large number of industries have exceeded the Plan targets. The target for iron and steel has been exceeded by 0.1 million tons, jute manufactures by 2,000 looms (the Plan target has now been raised from 12,000 to 18,000 looms), cotton spinning by 0.320 million spindles, cotton weaving by 2,500 looms, sugar by 0.015 million tons (the Plan target has now been raised from 0.3 to 0.5 million tons), hydrogenated vegetable oil by 0.068 million tons, cigarettes by 4,000 million, soda ash by 0.026 million tons, caustic soda by 0.012 million tons and paper and newsprint by 0.019 million tons.

The stable conditions prevailing in the country, combined with the availability of substantial quantities of foreign exchange through loans and foreign investment, made it possible for the private sector to forge ahead with the industrial development of the country. Government's policy of giving maximum possible freedom

to the private enterprise paid rich dividends. During the first 2½ years of the Plan period (July 1960-December 1962), 143% of the provision made in the Industrial Investment Schedule had been committed in the sense that projects had been approved and foreign exchange arranged. Against the total provision of Rs. 2,844 million, the amount committed in this period was Rs. 4,075 million. The progress made in the implementation of the Schedule and availability of new studies and projects necessitated the revision of the Schedule. A revised Schedule envisaging an investment of Rs. 1,530 million has been issued recently. In addition provision has been made for several large industries without specifying monetary targets. Up to 15th June 1963, sanctions amounting to Rs. 353 million (Rs. 176 million external) have been issued against the revised Industrial Investment Schedule.

The public sector, too, has not been lagging behind. The Pakistan Industrial Development Corporation played a leading role in the industrial development of the country not only by setting up a large number of industries but also by associating private enterprise as far as possible. Up to June 1962, the undivided Pakistan Industrial Development Corporation had undertaken the establishment of 55 projects either on its own account or in partnership with private enterprise at a total cost of Rs. 1,720 million. The two provincial Industrial Development Corporations have presently in hand several projects. These include twelve jute mills, five sugar mills, a steel mill, a fertilizer factory, a hard board factory, a pharmaceutical factory, a D.D.T. factory, a sulphuric acid and super-phosphate plant and expansion of ten jute mills, newsprint factory, a dockyard and a cement factory.

Government continued to give special attention to the industrial development of less developed areas, establishment of heavy industries and promotion of small industries. Projects for some heavy industries such as trucks and machine tools have already been sanctioned. In order to avoid congestion in bigger cities and to ensure dispersal of industries, a number of large industrial estates are being set up. Incentives in the shape of larger tax concessions have been provided and infrastructural facilities are being developed for the industrial development of less developed areas. The development and rationalisation of small industries is being encouraged in such a way as to ensure that they do not have to face unfair competition from large industries.

Agencies connected with the industrial development of the country such as Pakistan Industrial Credit and Investment Corporation, Industrial Development Bank of Pakistan, Investment Promotion Wing of the Department of Investment Promotion and Supplies, Pakistan Council of Scientific and Industrial Research, Pakistan Industrial Technical Assistance Centre, etc., made considerable progress during the period under review. Since its inception upto March 1963, Pakistan Industrial Credit and Investment Corporation provided assistance to industries amounting to Rs. 480 million. The total loans sanctioned by Industrial Development Bank of

Pakistan from August 1961 to March 1963 amounted to Rs. 284.7 million (Rs. 99 million in local currency). The Investment Promotion Wing of the Department of Investment Promotion and Supplies issued sanctions aggregating Rs. 747 million during April 1959 to March 1963 including foreign loan amounting to Rs. 432 million. Pakistan Council of Scientific and Industrial Research, Pakistan Industrial Technical Assistance Centre, Swedish Pakistani Institute of Technology and other agencies continued their efforts in the field of technical training and research and improving the quality of indigenous products.

Industrial Policy

The objective of Government's industrial policy is to maximise the production of manufactured goods within the country and to accelerate the pace of development in the less developed regions of the country.

Industrial Development in the Private Sector

In order to accelerate the progress of industrial development, Government announced in 1960 an Industrial Investment Schedule in the private sector for the period July 1960 to June 1965. This Schedule was subject to revision by Government from time to time. The progress made in the implementation of the Industrial Investment Schedule during the first two and a half years of the Second Plan period showed that, as against a total provision of Rs. 2,844 million (Rs. 1,695 million external) made in the Schedule, sanctions amounting to Rs. 4,075 million (Rs. 2,464 million external) have been issued. The amount so far sanctioned has exceeded the provision made in the Schedule by 43% of the 107 industries provided for in the Schedule; provision in respect of 69 industries has either been fully committed or over utilised.

The progress made in the implementation of the Schedule and availability of new studies and projects necessitated the revision of the Schedule. A revised Schedule envisaging an investment of Rs. 1,530 million was issued in February, 1963. Provision has also been made in this Schedule for several large industries without specifying monetary target. Upto 15th June 1963 sanctions amounting to Rs. 353 million have been issued against the revised Schedule.

Foreign Private Investment

Government recognises that foreign investment has a useful role to play in promoting economic development. A number of safeguards and concessions have been extended to the foreign investors. Remittance of current profits to the country of origin is allowed without any restriction. Foreign capital in approved industries established after 1st September, 1954, can be repatriated at any time to the extent of the original investment. There is no rigidity about the participation of Pakistani capital in any industry where foreign

investment is approved by the Government. Government has no intention of nationalising such industries. If circumstances necessitate nationalisation, just and fair compensation is allowed in the currency of the country concerned.

During the year 1962, the Investment Promotion Wing of the Department of Investment Promotion and Supplies accorded approval to 76 investment proposals with a total investment of Rs. 240.2 million (Rs. 91.3 million foreign private investment) excluding foreign loans/credits amounting to Rs. 218.8 million associated with equity investment as against 77 investment proposals sanctioned during the preceding year, with a total investment of Rs. 159.4 million (Rs. 73.8 million foreign private investment).

Foreign Loans and Credits

Foreign loans and credits to the tune of \$ 578 million were allocated for industrial purposes during the period 1st July, 1960 to 30th April, 1963. The amount allocated from the various credits is indicated below:

Countries/Agencies	Allocation in Million \$
i. Germany	116.45
ii. Japan	70.50
iii. U.S.A.	237.40
iv. U.K.	52.48
v. France	22.44
vi. Yugoslavia	10.00
vii. Canada	10.40
viii. World Bank/IDA	48.60
ix. Switzerland	10.00
Total:	578.27

Utilisation of foreign loans and credits allocated for industrial purposes is gathering momentum and most of the credits are being committed quickly.

Industrial Development in the Public Sector

Pakistan Industrial Development Corporation : The Industrial development in the public sector was the responsibility of the Pakistan Industrial Development Corporation which has been bifurcated into two provincial organisations. Up to June 1962, the undivided Pakistan Industrial Development Corporation had undertaken the establishment of 55 projects at a total cost of Rs. 1,720 million.

The West Pakistan Industrial Development Corporation has presently in hand a number of projects. They comprise a fertiliser factory, iron ore prospecting in Kalabagh, two sugar mills, expansion of Zeal-Pak Cement Factory, development of collieries (Sor Range Deghari and Sharigh) and rock salt mines and quarries. Further development of Sui Multan Gas distribution is taking place. Besides, a number of development-cum-promotional projects in the field of small industries are being set up. These involve a total capital investment of Rs. 489 million. During 1962-63 completed projects are expected to produce goods worth Rs. 382 million

as against Rs. 304 million in 1961-62.

The East Pakistan Industrial Development Corporation has also several projects in hand. These include setting up of 12 new jute mills, a hard board factory, three sugar mills, Chittagong Steel Mills, a pharmaceutical factory, a D.D.T. factory, a streptomycin factory, a sulphuric acid and super-phosphate factory at Chittagong and the expansion of 10 jute mills, Muslim Cotton Mills, Khulna Newsprint Factory, Narayanganj Dockyard and Thakurgaon Sugar Mills.

Large Industrial Estates : In order to relieve and avoid congestion in the bigger cities and to ensure dispersal of industries, a number of large industrial estates are being developed. These include the industrial estates at Jhelum, Multan, Sukkur, Rahimyar Khan, Nowshera and Sargodha in West Pakistan, and Khulna, Fougdarhat Tejgaon and Tongi (Dacca) in East Pakistan.

Development of Small Industries

In pursuance of the decentralisation policy of the Government, the Directorate General of Small Industries Pakistan was abolished and its work transferred to provinces. The National and the West Pakistan Small Industries Corporations have also been merged with WPIDC. Government announced an Industrial Investment Schedule for small industries in November, 1960. It provided for an investment of Rs. 180 million. Governmental agencies are assisting small industries by arranging training programmes, fairs and exhibitions, technical assistance and export promotion advice. Rural industrial centres have been set up to improve techniques and equipment of rural industries. Socio-economic studies of certain projects areas have been carried out, and 24 small industrial estates (16 in East Pakistan, 8 in West Pakistan) are being established within the Second Plan Period. A number of common facilities centres are also being established.

Review of Important Industries

Steel : Government has approved the projects for the Karachi and Chittagong steel mills with an installed capacity of 0.35 and 0.15 million tons respectively. The estimated cost of the Karachi Steel Mill is Rs. 650 million (Rs. 455 million in foreign exchange). It is expected to produce billets, medium sections, rails, black and galvanised sheets, tubestrips and tin plates. It will use imported pig iron and scrap. The annual net saving in foreign exchange is estimated at Rs. 100 million. The estimated cost of the Chittagong plant is Rs. 270 million (Rs. 170 million in foreign exchange). It will also use imported pig iron and scrap, and is expected to produce bars, sheets plates castings and forgings. On normal operation, it will effect an annual foreign exchange saving of Rs. 26.5 million.

Assembly and Production of Mechanically Propelled Vehicles : Government has recently accorded sanction to M/s Mack of U.S.A. for setting up a truck manufacturing plant with a capacity of 2,000 trucks per annum. Another project for the progressive manufacture of jeeps

has been sanctioned. Sanction has also been accorded for setting up two plants, one in each wing of the country, for the assembly/manufacture of tri-wheelers and motor cycles. Proposals for the manufacture of cars have also been invited.

Tractors : A unit is being set up for the progressive manufacture of tractors at a total cost of Rs. 4.8 million of which Rs. 2.1 million is in foreign exchange. This unit will also utilise the production facilities available at Wah. When in full production it will produce 1,500 tractors, per annum. In the first stage the unit will produce 5% of the components which will be raised to 55% in 5 years. The setting up of a garden type tractor unit in East Pakistan is under examination. Pakistan Industrial Credit and Investment Corporation is also considering a project for the manufacture of power tillers. Tractors worth Rs. 47 million were imported during 1961-62. When the sanctioned units come into production the import figures will be reduced considerably.

Machine Tool: Machine tool is a basic industry which provides machine tools and vital finished items to be used in important industries like trucks and motor cars and a wide range of other engineering industries. A number of units are in operation but most of them are manufacturing ungraded machine tools to meet the requirements of low priced machines. Government has approved the setting up of a machine tool factory in the country, the details of which are being worked out.

G. I. Pipes: The installed capacity in the country for G.I. Pipes is 0.012 million tons per annum on single shift basis. Two units, one for East Pakistan with a capacity of 0.005 million tons and the other for West Pakistan with a capacity of 0.006 million tons, have been sanctioned. In addition a seam welded spiral pipe plant with a capacity of 0.009 million tons has also been sanctioned. When these units come into production, the total installed capacity will increase to 0.032 million tons per annum.

Ship Building : The Karachi shipyard has got both ship building and ship repair facilities. The shipyard is designed for constructing ships upto 0.01 million tons D.W. It can complete one ship every year. Proposals for expansion, balancing and modernisation of the Karachi Shipyard have been approved. The Khulna Shipyard offers facilities for repairs and building craft upto 300 feet in length. The yard is at present constructing barges, tugs and launches, and undertaking repairs for existing concerns such as East Pakistan River Steamer Ltd., and East Pakistan WAPDA, etc. The shipyard at Narayanganj is being modernised and expanded to undertake all kinds of repairs to machinery and hull, including under-water parts of small and medium sized vessels. The yard would also undertake construction of small crafts. The yard at Karachi and Khulna and the dockyard at Narayanganj continued to work on the construction of barges and tugs, ship repairs and other miscellaneous jobs. The estimated value of the works undertaken by these yards increased from Rs. 18.3 million in 1961-62 to Rs. 25.4 million in 1962-63. Besides, a project for

setting up a Dry Dock at Chittagong is also under consideration.

Oil Refinery : An oil refinery has been set up at Karachi with a total capacity of 1.5 million tons. It will be expanded to 2.1 million tons by the end of the year. A similar refinery with a capacity of one million tons has been sanctioned for Chittagong. Another refinery for the production of 0.350 million ton of asphalt, lubricants, etc. has been sanctioned for Karachi.

Fertilizers : The requirements of fertilizers are estimated at 0.685 million tons in 1962-63 and 0.889 million tons by the end of the Second Plan period. Capacity exists in the country for the manufacture of 0.562 million tons equivalent of ammonium sulphate per annum. The expansion of two fertilizer factories has been approved. A unit with a capacity of 0.080 million tons of super-phosphate has been sanctioned for Chittagong. The question of setting up two natural gas fertilizer factories one in each wing of the country, is under consideration. When all the proposals for the expansion of existing factories and setting up of new factories materialise, the total production capacity will increase to 1.240 million tons equivalent of ammonium sulphate. The production of fertilizers during 1962 was 0.163 million tons.

Petro-chemicals: The development of the petrochemicals and synthetic fibre industry is a landmark in the industrial development of the country since these involve complex technological know-how and have extremely favourable effects on the balance of payments situation.

An acetylene plant with a capacity of 16 tons per day has been sanctioned at a total cost of Rs. 32 million. This plant will feed the polyvinyl-chloride (PVC) and polyacrylonitrile (PAN) plants.

A polyvinyl-chloride plant with a capacity of 4,950 tons per annum has been sanctioned at a total cost of Rs. 26.9 million. This project will effect a foreign exchange saving of Rs. 2.24 million and will export 1,000 tons of polyvinyl-chloride finished goods valued at Rs. 5.0 million.

A polythelene plant with a capacity of 5,000 tons per annum is being set up at an estimated cost of Rs. 75.5 million. When in production, the unit will substantially reduce the imports of plastic compounds.

A urea formaldehyde plant has been sanctioned in East Pakistan with a capacity of 2,400 tons at a total cost of Rs. 11.6 million. The unit will effect a net foreign exchange saving of Rs. 2.4 million.

Efforts are also being made to develop a synthetic rubber industry in the country.

Synthetic Fibers :—A polyacrylonitrile (PAN unit with a capacity of 4,950 tons per annum has been sanctioned at a total cost of Rs. 124.3 million. When in production the proposed unit will effect foreign exchange saving worth Rs. 13.7 million through replacement of import of wool tops and nylon twine. The unit is also expected to export 3,150 tons of staple fibre thereby earning foreign exchange worth Rs. 31.5 million.

An acetate rayon plant is being set up with an annual installed capacity of 3,000 tons at a total cost of

Rs. 136.0 million.

A viscose rayon plant has been sanctioned in East Pakistan with a capacity of 35 tons of pulp, 10 tons of rayon and 5 tons of cellophane per day at a total cost of Rs. 75.5 million. The unit is expected to export 1,000 tons of rayon yarn valued at Rs. 3.0 million and effect foreign exchange saving of Rs. 9.3 million.

A polyester fibre plant has been sanctioned at an estimated cost of Rs. 112.8 million. It aims at a production capacity of 1,750 tons of staple fibres and 1,750 tons of filament. The unit is expected to effect sizeable exports and also bring about some saving in foreign exchange by substituting current imports.

Caustic Soda and Soda Ash : The installed/sanctioned capacity for soda ash and caustic soda is 0.1 million tons and 0.047 million tons respectively as against the Second Plan target of 0.074 million tons and 0.035 million tons. This will be sufficient to meet the country's requirements.

Cement : The existing effective capacity of cement production in the country is estimated at 1.450 million tons per annum. Production of cement increased from 1.223 million tons in 1961 and 1.373 million tons in 1962. Three new cement factories (Manghopir, Gharibwal and Hattar) and the expansion of another cement factory have been sanctioned. A white cement plant with an installed capacity of 70,000 tons per annum has also been sanctioned. When all the sanctioned capacity goes into production the annual cement production capacity will increase to about 2.40 million tons.

Paper and Board : The production of newsprint during 1962 is estimated at 0.031 million tons as against 0.029 million tons in 1961, of paper at 0.033 million tons as against 0.032 million tons and that of paper and corrugated boards at 0.018 million tons as against 0.018 million tons. A large project for the manufacture of paper from bagasse with a capacity of 0.018 million tons per annum has been sanctioned at Mardan. A duplex board project with a capacity of 0.005 million tons and a straw board unit with a capacity of 0.002 million tons per annum have also been sanctioned recently. The import of paper and board during 1961-62 amounted to 23.5 million. When all these sanctioned units come into production, the import of these items will be reduced substantially. The possibility of exports cannot also be ruled out.

Sugar : The Second Five-Year Plan proposed an increase in the sugar manufacturing capacity to 0.3 million tons. The capacity so far sanctioned and installed is 0.315 million tons. The target has recently been raised to 0.5 million tons. The production of sugar has increased from 0.123 million tons in 1961 to 0.188 million tons in 1962.

Jute Manufactures : The Second Five-Year Plan proposed to increase the jute goods manufacturing capacity from 0.008 million looms to 0.012 million looms. This capacity is under installation for achieving the Second Five-Year Plan target. Government have decided to further increase the target to 0.018 million looms. Sanctions are being issued for 2,171 looms—2,000 looms in East Pakistan and 171 looms in West Pakistan.

In addition, it has also been decided to instal 600 broad looms for the manufacture of carpet backing cloth.

Production of jute manufactures increased from 0.25 million tons in 1961 to 0.286 million tons in 1962. Export of jute manufactures has increased from Rs. 319 million in 1960-61 to 339 million in 1961-62.

Cotton Textiles : The Second Five-Year Plan proposed to increase the cotton textile manufacturing capacity from 1.914 million spindles and 0.030 million looms in 1960 to 2.5 million spindles and 0.040 million looms during the Second Plan period. The capacity installed and sanctioned at present stands at 2.817 million spindles and 0.043 million looms. The production of cotton cloth and yarn has increased from 699 million yards and 413 million lbs. in 1961 to 725 million yards and 432 million lbs. in 1962 respectively. In 1963, the production of cloth is expected to rise further to 778 million yards and that of yarn to 566 million lbs. The export of cotton yarn and cloth declined from Rs. 116 million in 1960-61 to Rs. 40 million in 1961-62. During 1962-63, it is expected to increase to Rs. 136 million.

Credit Agencies

Pakistan Industrial Credit and Investment Corporation : The Pakistan Industrial Credit and Investment Corporation was set up in 1957 with an authorised capital of Rs. 150 million to help the industrial development of the country by providing financial assistance to the new and existing industries. The paid up capital of the Corporation is Rs. 30 million which is subscribed to the extent of 60% by private Pakistani investors and the remaining 40% is held by private interests in U.S.A., Japan, and Western Germany. It has also received two long term loans totalling Rs. 60 million from the Central Government. The Corporation is authorised to provide long and medium term loans in foreign and local currencies in addition to direct equity participation.

Since its inception up to March, 1963, the Corporation sanctioned 329 loans totalling Rs. 435.4 million of which Rs. 398.3 million were in foreign currency. It has also assisted 10 projects through direct participation in their equity and has under written 4 public issues. The total assistance provided by Pakistan Industrial Credit and Investment Corporation up to March, 1963 amounted to Rs. 480 million. The foreign loans received by Pakistan Industrial Credit and Investment Corporation up to March, 1963 amounted to U.S. \$110.4 million.

Industrial Development Bank of Pakistan : The Industrial Development Bank of Pakistan finances the establishment of new units besides modernisation and balancing of existing industries. Recently the scope of the Bank has been broadened by raising the limit of loan advances from 1.0 million to Rs. 2.5 million. The total accommodation sanctioned by the Bank since its inception in August, 1961 to March 1963 amounted to Rs. 284.7 million (Rs. 99 million local currency) compared to Rs. 146 million sanctioned during the period from 1st July, 1960 to 31st July, 1961 by the Pakistan Industrial Finance Corporation, its predecessor. The policy of

the Industrial Development Bank of Pakistan has been directed towards meeting the long-term credit requirements of small and medium industries. The share of the smaller loans i.e. loans upto Rs. 0.5 million has been about 69 per cent of loans sanctioned during 1961-62.

Industrial Research, Technical Assistance and Training

Pakistan Council of Scientific and Industrial Research: The research activities of the various sections of the Council of Scientific and Industrial Research Laboratories were considerably expanded during 1962. A large number of processes evolved by the Council have been leased out to industry. While some of them relating to manufacture of products like Jutoid, Cemto and gas plants have already gone into production, others are making fair progress. In regard to building materials, the Council may well claim credit for having introduced cellular concrete to the building and construction engineers of Pakistan through its air-entraining agent (Balcrete). Several thousand pounds of this product have already been supplied from the Pilot Plant of Pakistan Council of Scientific and Industrial Research Laboratories. The jutoid matting is being supplied to various consumers for the last two years. The Council has obtained so far 93 patents out of which 54 have been obtained in foreign countries.

The Pakistan National Scientific and Technical Documentation Centre (PANSDOC) under the Council provides scientific and technical workers with a whole range of documentation services to help them keep in touch with progress in their special fields.

The Council has in hand a number of schemes including Pak-Swiss Precision Mechanics and Instrumentation Centre, Natural Drug Research Institute, Chittagong, and Lac, Wax and Fibre Research Institute, Rajshahi.

Pakistan Industrial Technical Assistance Centre: With a view to provide technical assistance to industries, particularly small and medium and to raise their productivity, Government in collaboration with I.C.A. (U.S. Aid Mission) established in 1957 the Pakistan Industrial Productivity Services (Karachi) and the Pakistan Industrial Development Services (Lahore), later merged into one organisation—Pakistan Industrial Technical Assistance Centre (PITAC). PITAC'S broad objective are to train and upgrade the skills of industrial personnel in technical and management fields; to disseminate modern technical know-how through seminars, group discussions, demonstrations, publications, film shows, etc., to extend advisory services to industrial organisations and industries and to introduce modern manufacturing techniques and production methods along with producing newly designed tools and products.

PITAC trained and upgraded 94 technical personnel and handled 3,000 production orders during the period 1958-62. It developed a number of special machines and machine aids and prepared several economic schemes to serve as a guide to prospective investors. Pakistan is a member of the Asian Productivity Organisation. All the work connected with the activities of this organisa-

tion is also handled by the PITAC.

Swedish Pakistani Institute of Technology: The Swedish Pakistani Institute of Technology, Landhi, was established in 1955-56 to assist in the development of small industries in Pakistan by training foremen, instructors and small scale entrepreneurs in selected fields such as wood-working, ready-to-wear garments, electric and gas welding and electric technology.

In view of the success achieved by the Landhi Institute, two similar institutes one at Kaptai (East Pakistan) and the other at Gujrat (West Pakistan) are being set up at an estimated cost of Rs. 5.1 million and 5.8 million respectively.

Pakistan Standards Institution: Pakistan Standards Institution is playing a very important role in guiding the manufacturing industries by laying down National Standard specification with a view to improve the quality of indigenous products at lower cost. The Institution has so far finalised 225 standard specifications out of which 145 have been published and are available for sale. A Certification Marks Division is being added to the Institution. Certification of locally produced articles will furnish a third party guarantee to the consumers both within the country and abroad. A branch office of the Institution is being opened in East Pakistan to give further fillip to its activities.

Patents and Designs

The Patent Office is playing a useful role in the industrial progress of the country by granting patents to new inventions and registering new industrial designs from all over the world. During March, 1962 to February, 1963, the Patent Office granted Patents to 944 new inventions and registered 365 new designs. This brings the total number of patents to 5,886 and designs to 2,029.

Price Control

In the beginning of 1962, price and distribution control under Martial Law Regulations was exercised in respect of 9 items including bicycles, tyres and tubes, cycle parts and accessories, mechanically propelled vehicles, sewing machines, batteries, gramophone records, woollen cloth and yarn and bidi leaves. In addition, price control on tea was also being exercised under Tea (Control of Prices and Distribution and Movement) Ordinance, 1960. With the easing of the supply position, controls on bicycles and sewing machines imported in West Pakistan, non-standard cycle tyres and tubes, batteries and locally manufactured gramophone records was lifted in March/April 1962. With lifting of the Martial Law in June, 1962 control exercised under Martial Law Regulation No. 42 ceased to be operative. At present, however, price control is being exercised under the Essential Commodities Distribution Order 1953 on bicycles and sewing machines imported in East Pakistan and those manufactured in the country and on mechanically propelled vehicles.

LABOUR

*International Labour Affairs—156th Session of the I.L.O. Governing Body—Industrial Relations—
Technical Assistance —Seamen's Welfare—Technical Training—East Pakistan Management Development
Centre, Dacca.*

At the time of Independence, Pakistan inherited a comprehensive labour code. As there were very few industries in Pakistan at that time and trade unions were not strong, the labour code was found sufficient to deal with the labour problems in the country. In the subsequent years, rapid industrialization warranted the need for suitable amendment and enactment of labour laws to deal with the new labour problems. The first labour policy of the Government was announced in August, 1955, and the Industrial Disputes Act was amended several times in the context of this Policy. The second (Revised) Labour Policy was announced in February, 1959, and a number of legislative measures such as, the Industrial Disputes Ordinance, Industrial and Commercial Employment (Standing Orders) Ordinance, Trade Unions (Amendment) Ordinance, Working Journalists (Condition of Service) Ordinance, Minimum Wages Ordinance, Coal Mines (Fixation of Rates of Wages) Ordinance, Road Transport Workers Ordinance, Tea Plantation Labour Ordinance Appren-

ticeship Ordinance and the Employees' Social Insurance Ordinance, were adopted.

Under the Constitution, the powers to enact laws in the fields of labour and social welfare have been primarily vested in the Provinces. The Provincial Governments have also been made responsible for the administration of labour and social welfare laws and projects in all spheres including the central sphere.

In exercise of special powers under the Constitution, the Central Government promulgated the Industrial Disputes (Amendment) Ordinance in 1962 providing for an appeal to High Courts against awards of Industrial Courts.

International Labour Affairs

At the 44th Session of the International Labour Conference held in June, 1960, in Geneva, Pakistan was elected as Deputy Member of the Governing Body of the I.L.O. During the period under review, Pakistan

participated in the following International Labour Conferences:

- (i) 153rd, 154th and 155th Sessions of the Governing Body of the I.L.O., held at Geneva in October, 1962, March, 1963 and May—June, 1963 respectively.
- (ii) Tenth International Conference of Labour Statisticians (Geneva—October, 1962).
- (iii) I.L.O. Tripartite Technical Meeting of Printing and Allied Trades (Geneva—November, 1962).
- (iv) Fifth I.L.O. Asian Regional Conference held at Melbourne, Australia (November—December, 1962).
- (v) Seventh Session of the I.L.O. Textiles Committee, (Geneva—May, 1963).

Secretary of the Ministry of Health, Labour and Social Welfare, who was leader of the Pakistan delegation to the 5th Asian Labour Conference, was elected Vice-President of the Session. Deputy Secretary, Labour and Social Welfare Division, Leader of the Pakistan Delegation to the 7th Session of the Textiles Committee, was elected as the Chairman of the Government group.

Pakistan sent a seven-man tripartite delegation to the 47th Session of the International Labour Conference. The Session was an important one as the triennial elections to the I.L.O. Governing Body were held this time. Pakistan was elected as full member in all the three groups viz: government, employers and workers. This is a spectacular victory and a unique achievement, as it is for the first time that Pakistan has been able to secure full membership in all the three groups. Moreover, except for Pakistan no other country, which is not a permanent member of the Governing Body, could achieve this distinction this year.

The elections to the I.L.O. Governing Body were held in 1962-63 under the new rules providing for expansion of the Governing Body by increasing the number of its members from 40 to 48 (24 governments', 12 employers' and 12 workers'). The proposal for the expansion of the Governing Body was made by the then Minister for Health, Labour and Social Welfare, in 1960, in view of the increased number of members from Afro-Asian countries. An amendment to the I.L.O. Constitution to meet the proposal was adopted by the Conference last year. Pakistan's election as full member of the Governing Body in all the groups this year is indicative of the recognition by the Afro-Asian countries of Pakistan's efforts in furtherance of their interests in the international labour field.

156th Session of the I.L.O. Governing Body

This was the first meeting of the newly elected Governing Body. In one of its sittings, the Governing Body decided to exclude South Africa from virtually all I.L.O. meetings. The Governing Body also gave a mandate to the Director-General of the I.L.O. to confer with the Secretary General of the United Nations on a common approach to the problem of South Africa's membership of the two Organisations.

The Pakistan Government's representative at this

meeting was elected as one of the members of the Tripartite Committee which is to accompany the Director-General for meeting the Secretary-General of the United Nations on the question of apartheid policy of South Africa.

The inclusion of Pakistan's representative in this Committee is a special distinction to Pakistan and is a sign of Pakistan's growing importance in the I.L.O.

Industrial Relations

During the period 1st July, 1962 to 20th April, 1963, when the administration of labour laws in the central sphere was transferred to the Provincial Governments, the Central Conciliation machinery handled 48 industrial disputes. As a result of the efforts of the conciliation machinery, 13 strikes were called off and 8 apprehended strikes were averted. Ten cases were settled and 8 were withdrawn. Failure certificates were issued in four cases.

The Central Industrial Court was set up in Karachi in March, 1960 under the Industrial Disputes Ordinance, 1959 to deal with adjudication of disputes arising in Karachi and those pertaining to undertakings managed by or under the authority of Central Government throughout Pakistan. During the period 15th March, 1960 to 31st July, 1963, the Court disposed of 985 cases out of 1,278 filed.

Technical Assistance

An expert in the field of vocational guidance and employment counselling and another expert in the field of social security arrived in Pakistan to advise the Government in their respective fields. The expert in social security is assisting the Government in framing the rules and regulations under the Employee's Social Insurance Ordinance, 1962. After the finalisation of the rules and regulations, the social security scheme is expected to be started in Karachi and Dacca in the first instance.

Seamen's Welfare

The Seamen's Hostel at Chittagong has been completed on a plot measuring about 6½ acres at a cost of Rs. 1,384,000. The hostel would provide living accommodation for about 250 seamen at a time.

Technical Training

Before the reorganisation of the Central Government in the light of the new Constitution, there were five Technical Training Centres under the Labour and Social Welfare Division with a total seating capacity of 1,250. These Training Centres impart training in various engineering and building trades at craftsman level to meet the requirement of industry for skilled manpower. It was proposed to reorganise the existing Training Centres and to establish five new ones with a target of 3,900 seats. Under the reorgani-

sation of the Central Government three existing Technical Training Centres at Mughalpura, Lahore and Peshawar were transferred to the Government of West Pakistan in May, 1962. The Centres at Karachi and Dacca which were in the process of reorganisation with the assistance from SEATO/AID were retained by the Central Government until their completion. These two Centres were later transferred to the respective Provincial Governments in January, 1963. The seating capacity of each Centre is 425. The scheme for the reorganisation of Technical Training Centres at Lahore, Mughalpura and Peshawar and setting up of new Training Centres at Hyderabad, Multan, Dacca and Rajshahi has been under the consideration of the Government.

Under the East Pakistan Management Development Supervisory and Instructors Training Project, a Vocational and Staff Training Centre has been set up at Chittagong at a cost of about Rs. 5.2 million, including an amount of Rs. 600,000 in foreign exchange, with the assistance from the U.N. Special Fund. The first course has started at the Centre with 100 trainees. The total

seating capacity of the Centre is, however, 330 including 50 seats for instructor trainees. The Centre would conduct intensive courses on short term basis in 15 mechanical, electrical and wood working trades.

East Pakistan Management Development Centre, Dacca

The East Pakistan Management Development Centre is one of the Units of the East Pakistan Management Development, Supervisory and Instructors Training Project. During the period under review, the Centre conducted courses in the fields of personnel management, vocational and instructor training, jute manufacture, technology and calculation, industrial organisation, apprentice training, productivity improvement techniques, method study, production planning and control and dynamics of supervision and safety. In addition, Training Courses for senior and middle supervisors were conducted in various industries in East Pakistan.

TRADE AND COMMERCE

Import Policy During 1962-63—Export Bonus Scheme—Export Credits Guarantee Scheme—Reorganization of Chambers and Associations of Trade and Industry—Elimination of mushroom Trade Organisations—Export Promotion Drive—Trade with Western European Countries—Trade Agreements—Trade Delegation from Belgium—Delegation from Italy—Trade with Communist Countries—Trade Delegations—Trade with the Countries in Asia, South-East Asia, and Far East—Trade with Africa and Middle East Countries—Outgoing Trade Delegations—European Common Market—Jute—Jute Ordinance, 1962—Jute Manufactures—Prospects for 1963-64—Cotton Policy—Cotton Textiles—Tea—Wool—Hides and Skins—Minor Commodities—Fairs and Exhibitions Abroad—Sales and Display Centres—Fairs within Pakistan—Accountancy—Company Law—Insurance Industry—Tax Concession to Insurance Industry—Pakistan Insurance Corporation—Tariff Protection to Indigenous Industries—Tourism.

Import Policy During 1962-63

Despite balance of payments difficulties, the process of liberalisation of imports was continued during 1962-63. In the first half of the year (i.e. July-December, 1962) five new items were added to the licensable list. A new item was also added to the Open General Licensing list, raising the total to 49. Minimum units for the issue of licences for certain items on Open General Licensing were also raised. The list of items on automatic licensing was kept intact at 14, but the scope of

this facility in the industrial sector was extended from 36 to 52 industries. The number of industries whose licensing was linked with export performance was increased from 31 to 35. These industries were entitled to initial licensing on the formula applicable from January-June, 1962 and additional licensing at 100 per cent of f.o.b. value of export orders/performance.

The number of industries licensed on request basis was raised from seven to nine by adding fish canning and preservation and Kapok ginning to the list. All these facilities enabled nearly four-fifth of the industrial

sector to meet its full import requirements. To benefit the agricultural sector, the foreign exchange allocation for the import of tractors was raised and enhanced provisions were made for wood and timber, marine diesel engines and nylon twine to meet the requirements of boat and fishing industries. To give an incentive to the film industry and to provide amenities in the Cinema halls, provision was made for the issue of licences for studio equipment to the film producers and for air-conditioning equipment to the cinema owners on first-come-first-served basis.

The import policy for the second half of the year (i.e. January-June, 1963) while continuing to be liberal, was more export-oriented and rational in character than the earlier policy. Some of the goods which were being produced in the country in adequate quantity or which could be equally well imported under bonus vouchers were removed from normal licensing list and placed exclusively on the bonus import list. As a result, the number of items on the licensable list was reduced to 166 from 178. The number of items on the Open General Licensing list was maintained at 49 but the minimum units for the issue of license were raised for a number of essential items to increase their availability. In March, 1963 six more items importable from the U.S.A. under PL 480 Title I Programme were placed on Open General Licensing. These were cotton seed/soyabean oil (for East Pakistan only), dried milk (non-fat), dried eggs, frozen poultry (for West Pakistan only), butter oil (ghee), peas and beans. In the industrial sector, the number of industries licensed on request basis was raised from 9 to 10 by adding wool scouring and cleaning industry to the list. Two industries, namely pharmaceutical and Biscuits and Confectionery were, however, excluded from the list of export industries whose licensing was linked with export performance, thereby reducing the total number of such industries from 35 to 33.

A token cut of 10 per cent on the initial import licences of those export industries which had failed to show satisfactory export performance, was imposed in order to make the industries export conscious. Four industries which were based mainly on the local raw materials were removed from the normal licensing list in order to save foreign exchange for other essential imports. The facility of import licences for studio equipment and air-conditioning equipment to the film industry and cinema houses was continued. The import of publicity material and technical literature, spares for machinery intended for the replacement of original parts and unsolicited gift parcels of certain articles upto the value of Rs. 300 per annum was freed from the requirement of import permits.

Export Bonus Scheme

The Export Bonus Scheme was introduced from 15th January, 1959. Under the Scheme, exporters of Pakistani products except for certain major commodities, are entitled to use a certain percentage of their export earnings for

the import of a large variety of foreign goods needed in the country for industrial and consumers' use. They can also transfer their export bonus vouchers to other needy persons. The percentage of export earning that can be so used is 20 for primary commodities, semi-manufactured goods, bye-products and goods involving simple manufacturing process; 10 for cotton yarn; 20 for other cotton manufactures and jute manufactures; 30 for mercerised, dyed and printed cotton fabrics; 35 for fresh fruits and potatoes and 40 for fully manufactured goods. Industries, like shipping, ship repairs, salvage operations and aircraft repairs, also earn bonus at 20 per cent.

The total earning from the export of goods covered by the Scheme has been as follows:—

<i>Earning before the Scheme</i>		(Rs. million)
1958	.. ..	251.8
<i>Earning since the Scheme</i>		
1959	.. ..	551.6
1960	.. ..	672.2
1961	.. ..	724.7
1962	.. ..	775.9

The table below shows the amount of bonus vouchers earned and the import licences issued against them:—

<i>Year</i>	<i>Bonus vouchers Issued</i>	<i>Import licences issued</i>
1959	.. 95.8	7.36
1960	.. 138.0	143.4
1961	.. 151.3	155.2
1962	.. 175.1	193.1

Note:—Value of licences issued has been more than the availability of vouchers because of advance licensing in some cases.

Of the total bonus vouchers of Rs. 560 million issued since 1959, nearly three fourth have been utilized for the import of raw materials, machinery and spare parts for industrial use and the balance for the import of consumer goods. The Scheme has thus materially contributed towards industrial development and maintenance of industries. It has stimulated interest in the export business and increased the industrial production of the country and its foreign exchange earnings. It has also introduced a positive element of freedom in the export/import business. Indirectly, it has served to provide employment and means of livelihood for a large number of people.

Export Credits Guarantee Scheme

This Scheme, introduced in March, 1962, is designed to promote the export trade by providing guarantee against certain financial risks of the exporters in realising sale proceeds of their goods from foreign countries, which are not covered by normal insurance. The percentage of loss which may be made good under the scheme is seventy-five for commercial risks and eighty-five for political risks, the balance remaining the liability of the exporters. The security provided by the scheme is expected to encourage the exporters to explore new avenues of export and also to receive more liberal bank advances against the value of their goods exported than those received otherwise.

The administration and execution of the scheme has been entrusted to the Pakistan Insurance Corporation. During the first year, efforts were mainly directed to launching and establishment of the scheme on a firm basis. Being an entirely new venture, it was necessary to publicize the scheme, both within and outside the country, and train the necessary staff for this specialised field. This has largely been done and branches have been set up in all the main industrial centres of the country under the Export Credits Guarantee Scheme. The following table shows the position of business done under the Scheme during 1962:—

Region	No. of proposals received	Policies issued	Face value Rs.	Premium Rs.
Karachi	28	19	2,997,000	4,232
Lahore	20	17	4,052,500	4,966
Dacca	7	40	825,000	830
Total	55	76	7,874,500	10,028

Although the amount of business handled was small, there is no doubt that, given due publicity, it is bound to become popular with the business community. One difficulty which it has encountered is that in Pakistan the traditional mode of trading is on cash-before-export or confirmed irrevocable letter of credit basis, leaving a small portion of the total export trade which can be handled on the basis other than these. Besides, the exporters doing business on such terms are mostly people of limited means and find it rather difficult to pay even the low premiums laid down under the scheme.

Moreover, raw jute, jute manufactures, raw wool and raw cotton are at present excluded from the scope of the scheme. The question of bringing these items within the purview of the scheme is under consideration of the Government.

Reorganization of Chambers and Associations of Trade and Industry

Before the promulgation of Martial Law in October, 1958, Pakistan had a very large number of trade and industrial Chambers and Associations, numbering about 1,500. These bodies neither adequately served the genuine interests of trade and industry nor were they of any effective help to Government in the formation of commercial and economic policies. Government, therefore, introduced a scheme in November 1958 to overhaul and reorganize these bodies with a view to making them more effective and enhancing the value of their advice on import, export and other commercial problems. Under this scheme, 14 Chambers, 52 all-Pakistan Associations representing specific trades and/or industries, 11 Town Associations, 9 Trade Groups and 1 Federation of Pakistan Chambers of Commerce and Industry to which all the other trade organizations are affiliated either directly or indirectly, have so far been licensed under the Trade Organisations Ordinance, 1961.

Elimination of Mush-room Trade Organizations

One of the objects of the Trade Organizations Ordinance, 1961 was to eliminate mush-room trade organizations in the country. Over 1,200 such organizations were eliminated immediately after promulgation of the Ordinance. During the year under review, 26 more of such organizations have been eliminated. With the elimination of unauthorised and unrepresentative bodies, only the new type trade organizations licensed by Government are left in the field to represent trade, commerce and industry.

Export Promotion Drive

To consider the problems of export trade exclusively, the Minister for Commerce called a Conference in Karachi on the 23rd June, 1963. The Conference was attended by representatives of the Chambers and Associations of trade and industry and a number of other prominent businessmen and industrialists of the country. The non-official participants in the Conference gave a frank account of some of the problems confronting the export trade in general. Their views are being sifted and will receive due consideration.

Trade with Western European Countries

In export trade with Western European countries during the last financial year, it had been possible to introduce certain new items such as usage casings, gums and resins, Karakuli, skins, hoofs and claws etc. Pakistan's exports to Italy, Netherlands, U.K. and Switzerland in July-December, 1962 recorded an increase over the corresponding period in 1961.

Trade Agreements

A Trade Agreement with France, valid for one year,

was concluded on the 24th July, 1962. Under this Agreement, France was to issue licences amounting to £ 90,000 for the imports of carpets and sports goods of Pakistani origin. In exchange, Pakistan agreed to issues within the framework of its import ceiling, licences for the import of French dyes, tanning products, motor cars and spare parts and bicycles with ancillary engines for a total amount of £ 52,500.

General type of goodwill Trade Agreements were concluded with Finland and Greece during the year 1962-63. These agreements provide for-most-favoured nation treatment to each other in respect of customs duties and all other charges applicable to importation, exportation or transit of commodities. These agreements are expected to contribute to better and more effective trade relations between Pakistan and these countries.

Trade Delegation from Belgium

Mr. M. Brasseur, Belgian Minister for External Trade, paid a short goodwill visit to Pakistan in November 1962. The purpose of his visit was to explore the possibilities of expansion of trade between Belgium and Pakistan and the grant of long-term credit and technical assistance to Pakistan. Pakistan's point of view with regard to European Common Market was explained to the Belgian Minister and a hope was expressed that Belgium will lend her support to Pakistan in her just and reasonable demand from the ECM.

Delegation from Italy

Two officials of the Italian Ministry of Foreign Trade arrived in Karachi in May, 1963, to see the development plans of Pakistan and to explore the possibilities of expanding trade between Pakistan and Italy to mutual benefit. A list of exportable items from Pakistan for which market exists in Italy was furnished to Italians. They showed interest in chrome ore and chemical analysis of both metallurgical and refractory grades of chrome ore was furnished to them. The Italians were also keen on participating in fairs and exhibitions to be held in Pakistan.

Trade with Communist Countries

Pakistan has entered into Trade Agreements with Bulgaria, People's Republic of China, Czechoslovakia, Hungary, Poland, the USSR and Yugoslavia providing for normal exchange of commodities and the grant of most-favoured nation treatment in regard to imports and exports and shipping between Pakistan and the respective countries. All these agreements continue in force from year to year under the relevant clause in the respective agreements unless an advance notice of termination is given by either country.

Trade Delegations

A high-powered trade delegation from the People's

Republic of China led by the vice-Minister of Foreign Trade, Mr. Lin Hai-Yun came to Pakistan in January, 1963 at the invitation of the Government of Pakistan. The main purpose of the visit of the delegation was to conclude a Trade Agreement with Pakistan which was signed on the 5th January, 1963. In order to facilitate trade contracts between the nationals of the two countries, the Federation of Pakistan Chamber of Commerce and Industry, was recently given permission to send a team to China to attend the Export Commodities Fair which was held in Canton from 15th May, 1962 to 14th June, 1963.

A four-man non-official Trade Delegation from Czechoslovakia headed by Mr. Joseph Horn, President of the Czechoslovak Chamber of Commerce visited Pakistan in January, 1963 and expressed a keen desire to expand trade relations with Pakistan.

In order to promote Pakistan's foreign trade especially with countries which have identical economy, the question of concluding triangular deals is being examined. It is proposed to introduce in these markets Pakistan's finished and semi-finished products through these transactions. It is also proposed to send a delegation to Eastern European countries to expand Pakistan's trade contracts and open up new outlets for her raw commodities and finished products.

Trade with the Countries in Asia, South-East Asia, and Far East

The impact of the E.C.M. and the prospect of Britain joining it has made it absolutely incumbent on Pakistan to diversify its trade. Accordingly, Pakistan is concentrating on the expansion of trade with the countries in Asia, South East Asia and the Far East. To that end, the country's export promotion activities include exchange of Trade Delegations, both official and non-official, entering into Trade Agreements with individual countries, holding of Trade Fairs and Exhibitions in foreign countries to introduce and popularize exports, and development of business contacts with the trading communities in the countries of those regions.

Currently, Pakistan has Trade Agreements with Burma, Ceylon, India, Indonesia, the Philippines and Nepal. The Agreements with India and Nepal also include special protocols providing for rupee payment arrangements. Such payment arrangements have been found of advantage in promoting trade with countries which have foreign exchange difficulties. A Trade Agreement of a general goodwill nature is also being negotiated with Thailand.

During 1961-63, Pakistan played host to as many as ten Trade Delegations from Burma, Ceylon, India, Nepal and Indonesia. During the same period, six Trade Delegations were sent out to Burma, India and Nepal.

A Trade Delegation, comprising both officials and non-officials, is to visit several countries of South East Asia. The proposed Trade Delegation, which is likely to be led by the Minister for

Commerce, will cover Burma, Malaya, Singapore, Indonesia, Thailand and the Philippines.

Trade with Africa and Middle East Countries

The newly independent African countries which are on the look out for new avenues of trade and commerce, offer a good potential market for Pakistan's manufactured goods. Pakistan is laying emphasis on the development of trade relation with the Middle East and Africa. It is heartening to know that the volume of trade with African countries has been increasing steadily. During the year 1960-61, Pakistan's total exports to African region excluding Egypt and Sudan amounted to Rs. 146.1 million and in the year 1961-62, it increased to Rs. 160.9 million. Exports to African region during the first six months of 1962-63 amounted to Rs. 82.1 million as against only Rs. 12 million during the last year.

Outgoing Trade Delegations

Pakistan's first Trade Delegation to Africa visited the East African countries of Kenya, Uganda, Tanganyika and Zanzibar during the year 1957. Another Delegation of businessmen with an Official Adviser visited countries of West Africa viz., Nigeria, Ghana, Dahomey, Ivory Coast, Mali, Guinea, Liberia and Sierra Leone during December, 1962. Suggestions and recommendations made by the Delegation for expansion of trade in their report are being processed and implemented by the Ministry of Commerce.

A Trade Delegation of businessmen with an official Adviser visited the countries of the Middle East viz., Lebanon, Jordan, Saudi Arabia, U.A.R. and Iraq and also Somalia and Sudan during December, 1961—January 1962. The visit of the Delegation proved very useful in the establishment of fresh commercial contacts between Pakistan and these countries. The observations made by the Delegation on the basis of their on the spot study of the market conditions and their potential scope for consumption of Pakistani manufactured goods are being examined and implemented as far as possible. These countries offer a great scope for most of Pakistan's manufactured goods.

Recently at the invitation of the Government of Kuwait, the Commerce Minister paid a visit to Kuwait in May 1963. During his stay, the Commerce Minister held fruitful discussions with the authorities concerned in Kuwait for increasing Pakistan's exports to that country and for attracting Kuwaiti capital for investment in Pakistan. The possibilities of establishing projects with joint capital in both the countries were also explored.

European Common Market

The United Kingdom applied for accession to the Treaty of Rome in August 1961. The problems that would have arisen for the Asian members of the Commonwealth had U.K.'s application for accession been

admitted, remained under constant consideration of Government during the year under review. The agreements which were provisionally reached between the U.K. and the Six members of the European Economic Community regarding the export trade of Pakistan, India and Ceylon fell into two broad categories; (i) transitional or short-term arrangements and (ii) long term arrangements. The short term arrangements which were expected to remain in force till 1966, *inter alia*, visualised the complete dismantling of the existing preferential trade relations between U.K. and the three Asian countries of the commonwealth and its gradual substitution by the Common External Tariff of the Community. The long term arrangements envisaged the conclusion of a comprehensive trade agreement that would regulate the trade relations between these countries and the Community. The objectives of the comprehensive trade agreement were defined as the development of mutual trade for the purpose of maintaining and, as much as possible, increasing the level of foreign currency receipts of these countries, and in general facilitating the implementation of their development plans.

As the short term arrangements were not satisfactory, Pakistan along with India and Ceylon resisted them, mainly on the ground that the dismantling of the preferential system and the imposition of the CET would adversely affect Pakistan's export trade, diminish the country's foreign exchange earnings and further aggravate the deficits in the balance of payments, leading to the slowing down of development programmes. At the last Prime Ministers' Conference held in London in September 1962, the President of Pakistan, speaking on behalf of the developing countries of the Commonwealth very forcefully put forward this point of view and emphasized that the members of the Community should define their economic philosophy clearly so that the developing countries might Plan their future with confidence. The President of Pakistan also put forward two practical suggestions that the negotiations on the comprehensive agreement be started immediately after U.K.'s accession to the Community and that the application of the CET be suspended till the conclusion of the Agreement. Although the first proposal was accepted, the second was not. Negotiations which were being carried on in Brussels between U.K. and the EEC, broke down in January 1963. However, indications have been given by the Community that they still adhere to the decision to conclude a comprehensive trade agreement with Pakistan and the other Asian members of the Commonwealth.

Pakistan is one of the sponsors of the United Nations Resolution of 8th December, 1962 which recommended the holding of a United Nations Conference on Trade and Development towards the end of 1963 or early in 1964. The chief objective of the Conference is to consider measures for the expansion of international trade in general and the expansion of trade between the developing and the advanced countries in particular. The preparatory Committee of Conference consisting of 30 members including Pakistan, has already met in New York in January 1963 and drawn up a provisional

agenda of the Conference. Pakistan also participated in the second session of the Preparatory Committee which was held in Geneva towards the end of May, 1963.

Jute

High Powered Jute Board: The Jute Enquiry Commission in its report recommended *inter-alia* the setting up of a high powered Central Authority to deal with all aspects of jute. A high powered Jute Board has accordingly been set up with vastly increased powers and functions. The control over internal trade which was previously exercised by the Provincial Government has been transferred to the Jute Board which has also been made responsible for supervision of trade in jute manufactures and development of jute industry except the actual setting up of mills.

The Jute Directorate of the Government of East Pakistan has been taken over by the Jute Board. In addition, two separate Divisions have been created to look after external marketing and industries and research and statistics.

Jute Ordinance, 1962

A new Jute Ordinance known as the Jute Ordinance, 1962 has been passed to replace the old Act. The Ordinance, *inter-alia*, provides for powers to fix minimum prices at the growers' level and the carrying out of buffer stock operations which are necessary for stabilising the jute market and ensuring a fair return to the grower.

The main object of the jute policy is to encourage production of jute to a level that after meeting the internal requirements Pakistan is able to meet the maximum of foreign demand at stable and reasonable prices with a view to ensuring a fair return to the grower and an economic price for the spinner.

During the last jute season 1962-63 (July-June), there was no control on jute acreage nor any ban on the cultivation of mesta or the cultivation of jute in the border areas. But on account of low prices received by the growers for their jute during the sowing season, the acreage sown last year was 15 per cent less than the acreage sown in 1961-62. On top of this, there was some loss in production due to destruction and damage by floods. The total production last season was about 6.3 million bales. With a carry over of about Rs. 1.1 million bales from the 1961-62 season, the total availability came to about 7.4 million bales. Out of this about 2.15 million were consumed by the local mills and cottage industries while about 4,128 million bales were exported upto the end of May as against 3,952 million bales exported during the same period in 1961-62.

Jute Manufactures

Pakistan's policy is to expand the jute industry gradually to meet the increasing demand for the country's jute manufactures. The expansion of industry has also

a stabilising effect on the prices of raw jute in the internal market.

The Second Five-Year Plan had proposed an increase in the jute loomage from 8,000 to 12,000 during the plan period. Arrangements have been made for the proposed increase in the jute looms which were to come into production by the end of 1962-63.

It has since been decided by Government to increase the target for the jute industry from 12,000 to 14,000 looms at the end of the Second Plan period.

The availability of jute manufactures in 1962-63 including a carry over of 26,000 tons was about 320,000 tons. Out of this about 60,000 tons were consumed locally. The total export of jute manufactures from July, 1962 to April, 1963 amounted to 190,000 tons as against 186,000 tons during the same period last year. Export of jute manufactures is on Open General Licence and there is no duty on their export.

Prospects for 1963-64.

The jute growers this year were advised to grow a sufficiently large crop. Reports, however, indicate that sowings have been about 15 per cent less than the last season. It is too early to give accurate estimate of the production. Rough estimates, however, indicate production of about 6 millions bales.

It is estimated that about 345,000 tons of jute manufactures will be produced in the 1963-64 season (July-June), out of which 270,000 tons are likely to be exported.

Cotton Policy

The Cotton Policy of the season 1962-63, was announced on the 23rd September, 1962. There was no deviation from the last season's policy except that sales tax of 3-1/8 per cent *ad valorem* was shifted from the ginning stage to the export stage. Export remained on OGL and subject to the old rate of duty. This policy was based on the early crop estimate of 1.775 million bales (1.625 million bales of staple and 150,000 bales of *desi*) but later, it was found that the crop would be much bigger. The large production and substantial increase in the world cotton production with static global consumption had a depressing effect on the prices. By 23rd November, 1962, the price of N.T.R. which started around Rs. 91 per maund declined to Rs. 72 registering a fall of Rs. 19 per maund. This affected the growers badly. Government, therefore, announced the reduction of export duty on staple cotton from Rs. 75 to Rs. 25 per bale with effect from the 23rd November, 1962. This reduction had a salutary effect on the local prices and exports. The latest position is that current year's heavy exportable surplus of about 850,000 bales out of the production of 2,124,000 bales (compared to surplus of about 475,000 bales of last year) has practically been sold off. The prices are also ruling at almost the same level as in the previous seasons. The grower has benefited not only from reasonable prices but he also got higher yield this season which averaged 248 lbs.

per acre as compared to 214 lbs. in 1960 to 1962. The greater output was brought about by the favourable weather conditions; application of improved agricultural practices; introduction of high yielding cotton varieties; supply of fertilizers at subsidised rates; plant protection measures etc. It is hoped that production in the next season will be still better.

Cotton Textiles

To step up exports of cotton textiles in 1962, an export quota of 80 million yds. of cloth was fixed for that year. The All Pakistan Textile Mills' Association undertook to ensure exports upto the target through the composite mills in West Pakistan. It is gratifying to note that actual exports during the year 1962 amounted, according to the Association's statistics, to 83.1 million yds. and this exceeded the overall quota by 3.1 million yds. in spite of the failure of some of the mills to attain their individual targets.

For the year 1963, the overall export quota was fixed at 100 million sq. yds. Actual exports from the beginning of the year upto the end of May 1963 have amounted to 58.6 million sq. yds. and commitments for further exports have been outstanding at the end of that month for over 88 million sq. yds. out of which about 57 million sq. yds. were for U.K. and 20 million sq. yds. for U.S.A. At this rate of exports, there were chances of exceeding the target by 100 per cent but since U. K. and U.S.A. have restricted imports from Pakistan to 42.4 million sq. yds. and 11.4 million sq. yds. respectively, there is not much scope for further exports to these two countries. It is, however, expected that the overall export target of 100 million sq. yds. will be achieved by the end of the year.

Hitherto Pakistani mills have been concentrating on export of grey cloth mainly to U.K. and U.S.A. as it was very difficult for them to sell processed and finished cloth in other markets at competitive prices due to the high cost of production. In order, therefore, to improve their competitive position and to diversify exports, the bonus on processed cotton cloth has been increased from 20 per cent to 30 per cent of F.O.B. value of exports.

The long term Cotton Textiles Arrangement, which was made under the auspices of the GATT to regulate international trade in cotton textiles, came into force with effect from 1st October 1962 for a period of 5 years. This agreement lays emphasis on provision of greater opportunities to under-developed countries for increasing their exports of cotton textiles, but at the same time it confers powers on importing countries to restrict imports from developing countries on the plea of market disruption. Under this Agreement, the U.S. Government have restricted imports of carded cotton sheeting from Pakistan to a level of 11.4 million sq. yds. for one year period from 1st March 1963.

TEA

When the tea policy for the year 1962-63 tea season

(April to March) was announced on the 4th May, 1962, it was estimated that the production in the season would be 59 million lbs. and, with the carry over from the previous season, the supply position was expected to be comfortable. In view of this, the price control on tea was removed with effect from the 25th April, 1962, and an export allotment of 10 million lbs. was fixed. However, due to an unexpected decline in production, which became apparent in May, 1962, and due to the removal of price control, reports of shortage of tea in the various parts of the country were received and the internal prices rose high. The average price at Chittagong internal auctions also rose from Rs. 2.37 per lb. in June, 1962, to Rs. 4.19 in September, 1962.

Government kept a close watch on the situation and took various measures to augment supplies in the market. Among other measures, the export quota was reduced to 5 million lbs. in September, 1962, and, in December, it was decided to stop further export of tea (except that which had already been sold in the export auctions by that time). In December, it was also decided to import 1 million lbs. of tea on barter basis.

As a result, the situation eased to a considerable extent towards the end of the season. The average price at the last internal auction of the season, held on 6th March, 1963, was Rs. 3.22 per lb.

Measures for development of tea production are progressing.

About 17,500 acres of new land was also allotted in 1961-62 for establishment of new tea gardens in the Balisera area in Sylhet. Steps are being taken to rehabilitate 4 derelict tea gardens and also to bring under tea land lying fallow with the existing tea estates.

The Pakistan Tea Board was experimenting in cultivation of tea in West Pakistan at Baffa, Hazara District for several years. But it has been found that production of tea in the area, on a commercial scale, is not possible. Therefore the experiment has been abandoned. The experiment in Swat was considered a failure and given up earlier in 1961.

The production of tea in 1962-63 was 51.50 million lbs. as against 59 million lbs. in 1961-62. The export was 4.1 million lbs. against 12.5 million lbs. in the previous season.

Wool

During the period July, 1962 to April, 1963, 23.20 million lbs. of wool of the value of Rs. 57.4 million, was exported as against 25.72 million lbs., valued at Rs. 61.2 million exported in the corresponding period in 1961-62. Export of wool continues to be subject to compulsory grading and quality control under the Wool Grading Scheme and no wool is allowed to be exported unless it has been graded and a certificate of quality obtained from the authorities concerned.

Hides and Skins

During the period July, 1962 to April, 1963, hides

and skins of the value of Rs. 40.7 million were exported, as against 52.1 million the value of the hides and skins exported in the corresponding period in 1961-62. Work on the scheme for grading and standardization of hides and skins is progressing and is expected to be completed in 1964.

Minor Commodities

Pakistan's exports broadly consist of major commodities viz. jute, cotton, wool, hides and skins, tea, jute manufactures, cotton yarn and piece-goods and other minor commodities. A statement of export of major and minor commodities from 1958-59 to July-December, 1962 is given below.

STATEMENT OF EXPORT OF MAJOR AND MINOR COMMODITIES

Figures are for trade year July-June (Value in 000 rupees)

	1958-59	1959-60	1960-61	1961-62	1962-63 (July-Dec.)
Total Exports.	1,325,330	1,842,724	1,799,553	1,843,400	1,037,100
1. Major Commodities:					
(Jute, cotton, wool, tea, raw hides and skins).	988,606	1,111,631	1,113,456	1,122,100	1,582,726
2. Jute Manufactures	155,171	227,131	313,904	321,773	162,252
3. Cotton yarn and piece-goods.	61,505	227,620	116,465	39,871	29,461
4. *Other minor commodities	120,048	276,342	255,728	359,656	262,661

*Detailed statement of export of important minor commodities is given below:

STATEMENT OF EXPORT OF IMPORTANT MINOR COMMODITIES

(Value in 000 rupees)

	1959-60	1960-61	1961-62	1962-63 July-December
1. Fish (excluding canned).	46,700	56,900	72,100	53,500
2. Rice	68,000	49,000	86,500	95,200
3. Fruits and Vegetables	1,900	4,500	5,700	3,100
4. Cotton waste	17,100	15,100	24,300	13,000
5. Manures	7,000	8,800	10,000	3,700
6. Chromite	1,000	1,800	1,500	500
7. Gums and Resins	5,200	9,000	5,700	5,000
8. Animal Hairs	8,200	5,300	7,500	5,400
9. Oil Cakes	17,400	8,400	9,100	6,700
10. Kapok	500	1,100	1,100	900
11. Drugs and Medicines	2,300	1,300	800	1,300
12. Cutlery and Hardware	1,600	2,700	1,500	1,200
13. Musical instruments	900	700	500	400
14. Surgical instruments	1,500	1,900	4,300	2,500
15. Sports goods	11,800	11,500	13,300	7,600
16. Carpets and Rugs	6,100	9,000	13,300	6,400

Fairs and Exhibitions Abroad

With a view to publicising Pakistan's exportable products in foreign markets, participation was organized in twelve important International Trade Fairs and Exhibitions abroad during the period 1st July, 1962 to 30th June, 1963:—

Participation in all of these, except for, two was organised at official level.

It has also been decided to participate in the New York World Fair, 1964-65. The total expenditure on Pakistan's participation in the Fair will be to the tune of Rs. 2.5 million.

Sales and Display Centres

Government is encouraging the establishment abroad of Sales and Display Centres of Pakistani products by Pakistani businessmen either independently or in collaboration with foreign firms. A Lahore firm has been allowed to open such a Centre at Geneva. The Centre is reported to be running satisfactorily. Another Centre is expected to be opened shortly at Bahrain in collaboration with Pakistani and Bahrain traders. Possibility of setting up similar centres at Teheran, Aden, Beirut, Rangoon, Montreal and other important places is also being explored.

Fairs within Pakistan

Pakistan International Fair 1962 was held at Karachi in October-November 1962. U.S.A., West Germany, Japan, Hungary, Poland, Austria, Italy and France participated in the Fair.

Accountancy

In order to place accountancy on sound and efficient lines, an Institute of Chartered Accountants of Pakistan was established on 1st July, 1961. The Institute is a statutory, autonomous body and is administered by a Council consisting of representatives of the profession and Government.

The Institute arranges training classes in Chartered Accountancy. Regular training courses of sufficiently long duration have been held at Karachi where candidates are being prepared for Intermediate and Final Examinations. Refresher courses of short duration were also held at Dacca and Lahore. The Institute is also going to start training by correspondence which will help those who are engaged in the profession in districts and are not able to attend training classes at Karachi, Lahore or Dacca.

Company Law

A Company Law Commission was constituted by the Government in October, 1959 for examining the provisions of the Companies Act with a view to suggesting modifications.

The Commission submitted its Report to the President in December, 1961, and a special cell was created in the Ministry of Commerce to examine its recommendations. The Report has since been examined and will now be submitted to the Cabinet for decision and a new Company Law will be enacted according to the decisions of the Government. The contemplated reforms are aimed at placing the system on a sound keel so as to accelerate the pace of development and safeguard the interests of the common man who has invested his hard-earned money in the share capital of Joint Stock Companies.

Insurance Industry

The life insurance business in 1961 amounted to Rs. 373 million, the share of indigenous insurers being Rs. 241 million. The premium derived from general i.e. non-life insurance business in that year was Rs. 84 million of which Rs. 45 million was of local insurers.

The total assets held invested by the insurers under the Insurance Act by the end of 1961 in respect of business stood at Rs. 233 million out of which the share of the local insurers was Rs. 105 million. The total assets held invested by all insurers including general insurance were Rs. 418 million of which Rs. 202 million were shared by Pakistani insurers.

During the year 1962-63, one new foreign insurer was registered for transacting general insurance business. During that period registration of one foreign insurer was cancelled.

Tax Concession to Insurance Industry

Government have agreed that insurance policies taken out for the sole purpose of meeting Estate Duty liability and assigned to Government will be exempt from Estate Duty to the extent of the duty which becomes actually payable. This concession will further encourage life insurance in the country.

Pakistan Insurance Corporation

The Pakistan Insurance Corporation was set up by an Act of Parliament with the main object of developing and providing reinsurance facilities in Pakistan and for promotion of new insurance companies by subscribing to a part of their capital. It commenced business in July, 1953 by taking 10 per cent of the total Fire, Marine and Miscellaneous reinsurance of all insurers operating in Pakistan.

It is estimated that net annual saving of foreign exchange affected by reinsurance activities of the Corporation is approximately Rs. 5 million a year.

The Corporation's financial and underwriting reserves which are accumulating satisfactorily are as under:—

Paid up capital (as from January 1, 1963)	5.0 million
Financial and other reserves	6.3 "
Technical Reserves	10.7 "
Total Capital and Reserves:	22 million

The Corporation floated one insurance Company at Karachi during the year, 1959, and actively assisted the promotion of 3 insurance companies in East Pakistan by participating in their share capital, granting re-insurance treaties on favourable terms and rendering advice on technical matters.

With the triple purpose of saving foreign exchange, assisting the national insurance companies, and providing adequate insurance covers on competitive rates to Government and Semi-Government Departments and other institutions in which the Government have shareholding interest, the National Co-insurance Scheme was brought into action early in 1955. All the national insurance companies who have sound financial structure and which are members of the insurance Association of Pakistan, are the members of the Scheme. The business accepted by the Scheme is distributed amongst all the member companies in proportion to their respective shares which are fixed from year to year with due regard to the capital structure of the companies concerned, their underwriting experience and the premium income etc.

During 1962, the Scheme's Premium income was doubled from Rs. 6.2 million in 1961 to Rs. 13 million and extended its activities to the Engineering Insurance which is important for the development of modern industries and big development projects such as the Mangla Dam. The Scheme hopes to underwrite the remaining Indus Basin Projects including the Terbel Dam in the ensuing years.

Since the year 1960, the Corporation secured the insurance of the entire fleet of the Pakistan International Airlines Corporation in the face of severe competition. Besides earning an overriding commission on the business reinsured abroad, the Corporation retains a portion of the business within the country which reduces Pakistan's foreign exchange expenditure on this account proportionately.

Tariff Protection to Indigenous Industries

In pursuance of the Industrial Policy announced in 1948, the Tariff Commission of Pakistan was established for the first time in early 1950 and was reorganized in August 1961.

Apart from the normal duties of considering and recommending protection, the Commission is now charged with certain additional functions, like investiga-

ting into the administration of custom tariffs and excise duties, inquiring into the allegations of dumping and complaints about undue advantage being taken of protection, advising on production at the most economical cost, appraising the export potential of industries and recommending measure to improve export prospects.

Tourism

During the period under review, new reception offices of the Department of Tourism were opened at Cox's Bazar, Kaptai, Shahbagh Hotel, Dacca, and Gilgit. These and the already existing reception offices of the Department of Tourism are kept well-informed on all matters a tourist may require information about. Besides, the reception staff also makes accommodation reservations and prepares itineraries for tourists. The opening of tourist offices abroad has again been recommended by the Development Working Party and a provision of Rs. 500,000 has been included for the purpose in the current year's budget. Efforts would be made to open these offices immediately on receipt of the approval of Executive Committee of the National Economic Council.

The function of the tourist offices abroad would be far wider than merely looking after individuals who visit the reception rooms. It would primarily consist in developing business relations with foreign travel agencies and carriers.

The tourist officers would also be expected to make personal appearances on TV and deliver lectures in clubs, schools and colleges on tourist attractions in Pakistan with the help of audio-visual material.

The general governmental policy is to allow the development of the tourist industry mainly through private enterprise. Development schemes such as construction of rest houses, provision of land and water transport and organising sports centres are undertaken in the public sector only where private investment is shy due to such factors as lack of sufficient clientele at remote tourist spots, difficult terrain and severe weather conditions. Government policy aims at developing tourist conveniences at such tourist spots and, at a later stage, when sufficient number of local and foreign tourists start visiting such spots and private investment becomes economically viable, to hand them over to private parties and recover Government investment.

PLANNING AND DEVELOPMENT

Objectives of Planning—The First Five-Year Plan—The Second Five-Year Plan—First Two Years of the Second Plan—Third Year of the Second Plan—The First Three Years—Structural Changes—Prospects and Problems.

Objectives of Planning

The economic and social objectives of planning in Pakistan are to develop the resources of the country as rapidly as possible so as to promote the welfare of the people; to provide adequate living standards and social services; and to secure social justice and equal opportunity for all. It also aims at the widest and most equitable distribution of income and wealth. With these objectives in view, the process of economic development commenced in Pakistan almost immediately after Independence in 1947, and continued through the period 1955-60 with the launching of First Five-Year Plan, followed by the Second Plan (1960-65).

The First Five-Year Plan

The First Five-Year Plan (1955-60) was the first comprehensive and coordinated blueprint for the country's economic and social development. It aimed at

increasing national income by 15 per cent, which, given the then anticipated rate of population growth, would have resulted in 7 per cent rise in income *per caput*. A total development expenditure of Rs. 10,800 million (7,500 million in the Government sector and 3,300 million in the private sector) was envisaged.

Financially the plan target was realised to the extent of 90 per cent, but the increase in national income was only about 12 per cent. Because population increased by 10 per cent, the increase in national income *per caput* was only 1.6 per cent. Although this rate of increase in income *per caput* was modest, the experience gained in the process of planning has been a significant factor in preparing for future economic development. The first plan also laid the foundations for accelerated development. In particular, there was a remarkable progress in the Government planning machinery and in recognition of planning and its importance in national life.

The Second Five-Year Plan

The Second Five-Year Plan, covering the period July 1960 to June 1965, was approved by the Economic Council on June 21, 1960. A total development programme of Rs. 19,000 million was proposed. But following a review, the financial requirements were raised to Rs. 23,000 million, and the Economic Council accorded its general approval to the Revised Plan in June 1961. The main reasons for the change were:—

- (i) Price increases since the original formulation in 1959;
- (ii) under-estimation of the cost of several projects as revealed by subsequent engineering reports;
- (iii) higher than expected rate of population growth indicated by the 1961 census; and
- (iv) some expansion in the physical dimensions of the Plan.

The Revised Plan envisages a development out-lay of Rs. 14,620 million in the Government financed sector and Rs. 8,380 million in the privately financed sector. It is anticipated that domestic savings will finance about 55 per cent of the Plan, and external aid and foreign private investment will provide for the remaining 45%.

Sector-wise distribution of the total development expenditure during the Second Plan period is shown in the table below:—

Sector	Expendi- ture	Percen- tage
	1960-61—1964-65 (Rs. million)	
Agriculture	3,420	15
Water and Power	4,390	19
Industry	5,120	22
Fuels and Minerals	1,000	4
Transport and Communications	4,050	18
Housing and Settlements	3,410	15
Education and Training	1,055	5
Health	420	2
Social Services	100	—
Manpower and Employment	35	—
	23,000	100

The principal objectives of the Second Five-Year Plan are:—

- (i) 24 per cent increase in the National Income and 12 per cent in its share per head of the population.
- (ii) 10 per cent rise in the average rate of domestic saving and in the marginal rate of 25 per cent;
- (iii) 21 per cent rise in foodgrains production for moving towards self-sufficiency;
- (iv) 60 per cent increase in the output of large-scale industry;
- (v) 3 million new employment opportunities; and,
- (vi) acceleration in the economic growth of relatively less developed areas in both the Provinces.

First Two Years of the Second Plan

Utilization of Funds:—Total utilization of Government development funds during the first two years of the Plan was Rs. 4,311 million i.e., 90 per cent of the budgetary provision during 1960/61—1961/62. This amounted to about 30 per cent of the Second Plan's total anticipated Government development expenditure. A sector-wise breakdown of the government development expenditure is given in the table below:—

Sectors	1960/61-1961/62	(Rs. million)
		Percentage distribution.
Agriculture	584	14
Water and Power	1,391	32
Mining and Manufacturing	434	10
Transport and Communications	963	22
Housing and Settlements	583	14
Education and Training	232	5
Health and Medical Services	109	3
Social Welfare and Manpower	15	—
	4,311	100

Private capital formation (including changes in stocks) in the monetized sector amounted to about Rs. 2,850 million during the years 1960/61-1961/62. This constitutes about 34 per cent of the Plan's anticipated total of Rs. 8,380 million in the private sector.

Achievements:—The national income of Pakistan (Net National Product at factor cost) at constant (average of 1949/50-1952/53) prices increased from Rs. 22,740 million in 1959-60 to Rs. 24,960 million in 1961-62, showing a rate of growth of about 10 per cent. With an estimated population growth of 2.2 per cent a year, the national income *per caput* at constant prices increased by about 5.5 per cent. It is estimated that during the two years gross investment at constant prices increased by about 37 per cent showing an average annual growth rate of 18.5 per cent. This was mainly due to an increase in the rate of domestic saving from 6.4 per cent of Gross National Product in 1959-60 to 8.1 per cent in 1961-62. The rate of investment financed by external resources also increased from 2.7 per cent of Gross National Product in 1959-60 to 3.1 per cent in 1961-62. Thus, the rate of aggregate gross capital formation rose from 9.1 per cent in 1959-60 to 11.2 per cent in 1961-62.

Physical achievements in various sectors of the economy were also quite satisfactory. Both agriculture and industry registered an encouraging rate of growth during the first two years of the Plan. The rise in output of foodgrains was 20.3 per cent above the average of the First Plan period, which nearly touched the Plan target of 21 per cent. Particularly significant was the increase in rice output (26.8 per cent). Among commercial crops, Sugarcane production increased by approximately 20 per cent, jute by 16 per cent and cotton

by 10 per cent.

According to the recently revised index of industrial production, industrial output in 1961-62 increased by about 20 per cent. Almost all industries contributed to this steady increase over 1959-60. The installed and sanctioned capacity for the manufacture of cotton textiles exceeded the Second Plan target of 2,500,000 spindles and 40,000 looms and rose to 2,817,000 spindles and 42,500 looms. Production of jute goods reached a new peak of 286,000 tons and cement of 1,346,000 tons.

Third Year of the Second Plan

Allocation and Utilization of funds:—The 1962-63 development programme envisaged an outlay of Rs. 3,510 million with an anticipated shortfall of Rs. 250 million. The revised government development expenditure was, however, estimated at Rs. 3,222 million with a likely shortfall of about Rs. 300 million. Thus, the utilization during the third year of the plan was 83 per cent of the budget allocation for the year and 20 per cent of the total anticipated Government development expenditure in the Second Plan. A sectoral breakdown of the estimated Government development expenditure in 1962-63 is given in the table below:-

Sectors	1962-63 (Revised estimates) (Rs. million)	Percent- age distribu- tion
Agriculture	510	16
Water and Power	937	29
Mining and Manufacturing	362	11
Transport and Communications	716	22
Housing and Settlements	377	12
Education and Training	228	7
Health and Medical Services	83	3
Social Welfare Services	9	—
Manpower and Employment		
	3,222	100
Less likely shortfall due to shortage of funds	300	9
	2,922	91

Gross domestic formation in the private (monetized) sector (including changes in stocks) has been estimated at Rs. 2,000 million, or about 24 per cent of the total private investment anticipated during the Plan period.

Owing to a shortfall in the Government development expenditure and unfavourable weather conditions, progress in the year 1962-63 was less heartening. The National Income (Net National Product at factor cost) at constant (1949/50-1952/53) prices rose from Rs. 24,960 million in 1961-62 to Rs. 25,250 million in 1962-63. This gives a rate of growth of about one per cent, resulting in a decline of about one per cent in the

national income *per caput*.

Sectoral progress showed a mixed trend. The index of agricultural production which had risen steadily to 131 in 1961-62 dropped to 126 in 1962-63. There was a decline of about 4 per cent in foodgrains, 26 per cent in jute and 12 per cent in tea. This decline was, however, partly offset by an increase of about 8.3 per cent in cotton, 5 per cent in minor foodgrains, 3.5 per cent in sugarcane and 32 per cent in mustard. The industrial sector maintained a steady growth in 1962-63. A 6 per cent increase has been indicated in this sector. The main increase has taken place in vegetable-ghee, jute, cement, cigarettes and cotton textiles.

The First Three Years

During the first three years, performance has matched promise for the Second Plan. The total development expenditure in the Government sector was around Rs. 7,250 million. Thus, about 50 per cent of the financial target of the Plan for this sector has been achieved. This expenditure, together with the allocation of Rs. 4,280 million (with the likely shortfall of Rs. 760 million) in 1963-64, will give a total of about Rs. 11,000 million or about 75 per cent of the financial target of the Plan. Gross investment in the private (monetized) sector, which is estimated to be of the order of Rs. 4,850 million (including changes in stocks) during the first three years of the Plan, was about 58 per cent of the total allocation of Rs. 8,380 million in the private sector. This, together with the expected investment of Rs. 2,125 million in the fourth year of the Plan, will total about Rs. 7,000 million or about 85 per cent of the financial target of Rs. 8,380 million in the private sector. Thus, in the fifth and final year of the Plan, an expenditure of about Rs. 3,500 million in the Government sector and about Rs. 1,380 million in the private sector will be needed. It is expected that this target will be realized in the Government sector and exceeded in the private sector.

Growth in the economy during the first two years of the plan almost met the objectives. But the third year brought some set-backs, which may mainly be attributed to the large decline in the production of the major agricultural crops resulting from bad weather conditions. However, the overall achievement during the three years is not discouraging and the Plan targets are likely to be realized.

The national income of Pakistan (Net National Product at factor cost) at constant (1949/50-1952/53) prices increased from Rs. 22,740 million in 1959-60 to Rs. 25,250 million in 1962-63. Thus, during the first three years of the Second Plan, the national income increased by about 11 per cent, showing an average annual rate of growth of about 3.5 per cent. The estimated population growth during this period was about 7 per cent. The improvement in national income *per caput* was about 4 per cent. This lower rate of growth was mainly due to the set-back suffered in 1962-63. If the rate of progress achieved in the first two years of the Plan had been maintained in the third

year, the trend in the increase in national income would have been satisfactory. However, the accelerated programme of Government investment and the considerable measure of private investment raise the expectation that the anticipated increase in national income of 24 per cent will be realised by the end of Second Plan.

The production of major items in agriculture and manufacturing sectors in 1962/63 indicate that the plan targets have nearly been achieved in some cases and in certain cases even exceeded.

The table below shows the production in 1962-63 and the Plan target in 1964-65.

	1959-60 Production	1962-63 Production	Percentage increase	1964-65 Plan target
Foodgrains (000 tons)	13,189	15,811	20	21
Jute (000 bales)	6,000	5,145	—14	22
Cotton (000 bales)	1,666	1,995	20	38
Sugarcane (000 tons)	14,430	19,154	24	35
Tea (million lbs.)	54	52	—4	18
Cotton yarn (million lbs.)	380	432	14	36
Jute goods (000 tons)	250	286	14	52
White sugar (000 tons)	150	185	23	100
Vegetable-ghee (000 tons)	22	63	186	127
Cigarettes (million)	9,000	13,700	52	67
Cement (000 tons)	1,050	1,373	31	186
Paper and Board (000 tons)	53	81	53	98

Structural Changes

It should be emphasized that in the initial stage of planning, the actual growth rate is not so significant as the change in the structure of the economy achieved through planning. A break-through in the traditional pattern of agricultural economy—an essential characteristic of an under-developed economy—should be taken as a positive sign of progress towards economic development. A structural analysis of Pakistan's economy shows that the contribution of agriculture has fallen from 53 per cent of Net Domestic Product in 1959-60 to 50 per cent in 1962-63, while the rest of the sector showed an increase from 47 per cent in 1959-60 to 50 per cent in 1962-63. Even more significant is the growth in the manufacturing

sector, especially in large scale manufacturing. The sector as a whole contributed 13 per cent of N.D.P. in 1959-60 which increased to 15 per cent in 1962-63. All these facts indicate that there has been a gratifying structural change in the economy during the last three years.

Prospects and Problems

From the progress so far made in the different sectors of the economy and the allocation and utilization of the financial resources in the Government and private sectors, there is reason to believe that the achievements of the targets set in the Second Plan will not be difficult to realize. But in view of the problems faced during the last three years, far more concerted efforts are required. There is still much to be done to reach the stage of self-sustaining growth by achieving further diversification in the economy and by reducing the rate of population growth which is covering a major portion of income growth. Since more than 50 per cent of the Gross Domestic Product is dependent on agricultural output, which is vulnerable to natural calamities and bad weather conditions, there is always a danger of cyclical setbacks which may upset the planned pace of economic progress. Thus, in the third year of the Plan, there was only one per cent increase in national income. This was mainly due to the heavy decline in the output of major agricultural crops which offset the considerable growth in other sectors. Sustained efforts are therefore needed to enlarge the industrial base of the economy.

The second main problem is the rapid increase in the rate of population growth which is keeping down per capita income. The 11 per cent increase in national income in the first three years of the Plan resulted in the improvement of national income per *caput* by only 4 per cent i.e. an annual increase of about 1.3 per cent since the population probably grew by 7 per cent. Per capita national income would be even lower if annual population growth were taken at 2.6 per cent, which is accepted as being more realistic, instead of the official figure of 2.2 per cent, which reflects under-nenumeration in the 1961 Census. The implication of these figures point clearly to the need for an energetic campaign in favour of extensive family planning.

However, despite these difficulties, the economy of Pakistan is moving vigorously ahead. Pakistan can take pride in the fact that she, despite her initial economic backwardness, has achieved considerable industrial progress. A new class of entrepreneurs and skilled workers has emerged and peasants are awakening to the vast possibilities of modern farming methods.

The aforesaid account presents a brief record of basic achievements, which give rise to the expectation that in the next 20 years Pakistan will be self-sufficient in all respects.

The broad aims during the period ahead include the creation of a wide range of producer goods, a petrochemical complex and a host of new durable goods industries.

III. PUBLIC SERVICES

SURVEY OF PAKISTAN

Topographical Surveys—Project Survey—Boundary Demarcation—Geodesy—Triangulation—Levelling—Magnetic Survey—Gravity Observation—Astronomical Observation—Air Survey—Air Survey Organization—Training—Map Printing—Mathematical Instrument Office.

The primary function of the Survey of Pakistan is to prepare and maintain the geographical and topographical maps of the whole of Pakistan. Apart from the obvious necessity of maps for defence, administration, trade and industry, accurate maps are a prerequisite for the proper planning and execution of development projects. Other functions include development surveys for irrigation, reclamation, and hydel projects, large-scale surveys of cantonments, towns and industrial areas, miscellaneous surveys for oil prospecting companies and for geological purposes, cadastral survey and revenues surveys, survey and demarcation of international boundaries, forest surveys and geodesy.

Topographical Surveys

Prior to the year 1905, the pre-Independence Survey of India was responsible for revenue surveys as well as for the production of small-scale (e.g. 1-inch scale) maps which at that time were compiled from the revenue

surveys. In 1905, however, as a result of the recommendations of a Survey Committee appointed by the Government of India, revenue surveys were made a provincial responsibility and the Survey of India was left free to concentrate on the production of a series of up-to-date topographical maps, in full colours, (called "Modern Style") of what is now the Indo-Pakistan sub-continent and Burma.

It was intended that the Survey undertaken in 1905 should be completed in twenty-five years and then revised periodically every thirty years. Owing, however, to the two World Wars and to the retrenchment in 1931, and also to increasing demands in recent years for special surveys in connection with engineering projects, the programme fell seriously into arrears in the sub-continent, and at Independence, of the 365,500 sq. miles, now constituting Pakistan, about 158,000 sq. miles remained uncovered by modern survey on the half-inch or one-inch scale. Moreover, of the areas covered by modern (Post 1905) surveys, about half was already in

need of revision. So far the resources of the Department were mainly, of necessity, employed for extra-departmental project surveys which were of national importance. Full attention, therefore, could not be given to new topographical surveys and revision surveys. However, the coverage of West Pakistan by aerial photography under the Colombo Plan has been of great advantage. The regular Departmental series of topographical maps of about 80 per cent area of West Pakistan and about 90 per cent area of East Pakistan have been completely revised up-to-date. During the year under review, topographical survey covering an area of about 31,000 sq. miles mostly in former Sind and Baluchistan Provinces was completed.

Project Survey

One of the most important tasks assigned to the Survey of Pakistan is the preparation of large-scale maps for the vast development projects. Since Independence, survey of over 125 separate development projects has been completed. During the year under review, the following important projects were undertaken:—

1. The Kachhi Plain Project.
2. The Federal Capital Site Survey at Islamabad.
3. Sialkot Flood Control.
4. Large scale survey of AMN. depot at Sargodha.
5. Bridge site survey over rivers Sutlej, Ravi and Jhelum.
6. The Teesta Project.
7. The Sangu Valley Project.
8. The Water Development Project in East Pakistan.
9. Contour Survey in Dacca and Kushtia Districts.
10. The Matamuhari Project.
11. Preparation of Master Plan of Lahore, Peshawar, Lyallpur and Hyderabad Towns.

Boundary Demarcation

At Independence, Pakistan's international boundaries were undemarcated except with Afghanistan where the Durand Line existed. The boundary between East Pakistan and India with regard to Bagge Award in disputes I and II was demarcated in 1951, while demarcation in other sectors is now in hand. Demarcation of boundary with Iran from Gwadar Bay to Koh-i-Malik-Siah has been completed. The position of demarcation of international boundary in other sectors is given below:—

- (i) The entire boundary between West Pakistan-Punjab (India) has been demarcated with pillars, and maps have been exchanged with India.
- (ii) Demarcation of Pakistan's frontier with India on the West Pakistan-Rajasthan Sector has been completed and the work of re-laying the pillars washed away by flood, and the fixation of pillars in the riverain areas on the West Pakistan-Punjab Sector is in progress.
- (iii) Joint Survey Operation with the Survey of India of Karnaphuli submergence area, and mapping along Chittagong Hill Tract/Mizo Hill Tract continued.

- (iv) With successful conclusion of a boundary treaty with the People's Republic of China for demarcation of the common boundary, the Boundary Commission has been set up by the two Governments and arrangements for joint survey work are underway.

Geodesy

Geodesy means the investigation of the size, shape and structure of the earth, and the geodetic work of the Department of Survey consists of primary or geodetic triangulation, latitude, longitude and gravity determination. From these the exact 'figure' of the earth is obtained, whereby points fixed by triangulation can be accurately located on its curved surface.

Although the essential geodetic framework exists for Pakistan, it requires improvement and extension in some areas. A beginning has already been made in this field.

Triangulation

Pakistan has a fairly good cover of primary triangulation. The work is of high quality, but requires further break up and extension. The reconnaissance of first order triangulation of Bolan series was started in 1961-62. A little more than half of the series has been observed. Part of Mekran longitudinal series to Pakistan-Iran border has also been observed. This series will connect triangulation on the Pak-Iran boundary and from there onwards provide connection through Iran to Europe. The reconnaissance of Calcutta Longitudinal series has been completed and will be observed during 1963-64.

Levelling

The aim of geodetic levelling is to provide a basis for the height control of a country in addition to its scientific application to various geodetic problems. Levelling has been divided in Pakistan into three general categories viz. (i) Primary Levelling (High Precision), (ii) Secondary Levelling (Precision), and (iii) Tertiary Levelling.

In Pakistan, a small but well-adjusted geodetic levelling net exists which was carried out before 1947. However to meet all the present day requirements of Pakistan, the existing levelling data is inadequate. Additional levelling is, therefore, in progress. For irrigation projects, flood control, etc. a primary geodetic levelling line in East Pakistan from Chittagong to Burma border has been completed. Two survey detachments were raised to carry out levelling for East Pakistan Water and Power Development Authority during 1961-62.

The following levelling lines have been completed:

- (i) Mianwali to Jhang.
- (ii) Sargodha to Mianwali.
- (iii) Sargodha to Jhang.
- (iv) Lahore-Okara-Jhang.
- (v) Lahore to Sargodha.

To help the Oil and Gas Development Corporation

in the exploration of oil in West Pakistan, the following lines have also been completed:

Height Control	Mianwali to Injra-Talagang.
„ „	Injra to Fateh Jang-Golra.
„ „	Sohawa to Chakwal.

Magnetic Survey

Until 1956, the Survey of Pakistan could not take up magnetic survey because of the total absence of magnetic instruments and personnel trained in the field. The final general Geomagnetic field survey of the whole of Pakistan was commenced in November, 1959 and completed in March, 1963. Repeat observations will be done at 5-year intervals.

A 10-mile grid of magnetic stations covering the whole of the country will be provided to serve as a basis for scientific and navigational uses and for Geophysical prospecting. The printing of magnetic declination chart for West Pakistan is under way, while compilation of the chart for East Pakistan has been started.

Gravity Observation

Gravimetric observation is very useful for the determination of figure and shape of the earth, for prospecting oil and minerals and for the study of deep-seated geological structures below the alluvium. The intensity of gravity had been observed by the Survey of India during pre-independence period at 564 pendulum stations evenly distributed over the whole of Pakistan, India and Burma. Of these, Pakistan has 110 gravity stations at 100 to 200 miles apart. This control is inadequate for geological and scientific studies. Unfortunately, no progress was possible in this particular field till 1952, when a Wordon Gravimeter was made available to the Department through UNESCO. Gravity calibration lines from Karachi to Bahawalpur and onwards to Rawalpindi and Peshawar and back to Rohri and upto Quetta were observed with Norgaard and Wordon Gravimeters.

Astronomical Observation

An astronomical theodolite was procured in 1956. Training in its use was imparted to the officers by two foreign experts of UNTAA Organisation. Field Observation at 4 stations was taken up in 1959 and the results were satisfactory. A programme for covering the country with latitude, longitude and Azimuth, deflection and Laplace stations has been drawn up but unfortunately it has not been possible to do any productive work in the field.

Air Survey

Considering the great advantages of air photography, the whole of Pakistan has been air photographed through the indigenous resources or through the foreign technical assistance programmes. Mapping from air photography is being carried out by the Survey of Pakistan. In addition to this, some of the latest type equipment has been

purchased from abroad and attempts are being made to obtain more under various foreign Technical Assistance Schemes. Staff members were also sent to foreign countries for study and foreign experts were attached to the department for training the personnel in the compilation of maps from aerial photographs by latest techniques.

Air Survey Organization

Until recently, Pakistan has been depending on foreign agencies to carry out photography in the country. The Air Survey Organisation Scheme has now partly been implemented. The Air Flight Agency which is a part of the scheme is also being established. The purchase of aircraft for aerial photography is being arranged and with its purchase the scheme will be finally completed. The scheme when implemented will increase Pakistan's map-making potential manifold and would result in the saving of considerable foreign exchange. An Air Photographic Camera of the latest model has been obtained under U.N. Technical Assistance Programme.

Training

All grades of recruits are trained in the Department of Survey as there are no educational institutions in Pakistan for Survey and allied subjects. Training has also been imparted to personnel belonging to Defence Services and to other Government Departments. Students from foreign countries specially from the Middle East have also been trained. A number of Pakistani Officers have been sent to the U.K., European countries and to U.S.A. to learn modern methods of survey and to get more experience specially in Geodesy, Photogrammetry and Photo Litho Printing.

Map Printing

In spite of the fact that most of Pakistan's share of the printing machines was left in India at the time of Independence, more than 9 million copies of about 3,000 different maps and charts have been printed. Besides English, some of these maps have been printed in Urdu and Bengali. The Department has also taken over the responsibility of preparing certain aeronautical charts and maps allotted by the I.C.A.O. New Map-printing equipment and instruments have been purchased from abroad and installed. Printing on cloth, useful to Defence Services and Aviation, has been recently introduced. It is also proposed to introduce plastic maps in three dimensions.

Mathematical Instrument Office

A large variety of minor instruments was manufactured in the Mathematical Instrument Office of the Survey Department. It is also contemplated to expand the existing Mathematical Instrument Office in order to carry out repairs to the surveying and mathematical instruments.

RAILWAYS

Financial Progress—Pakistan Western Railway—Rehabilitation of Track—Rehabilitation of Bridges—Lansdown Bridge—Modernisation of Signalling and Measures to Increase Line Capacity—Karachi Circular Railway—Heavy Repair Diesel Electric Locomotives Backshop—Creation of Sukkur Division—Rail Facilities for Indus Basin Replacement Works—Survey of New Railway Lines—Pakistan Eastern Railway—Bridge Works—Engineering and Structural Works—New Constructions.

Financial Progress

During 1962-63, the budget allotment for Pakistan Western Railway was Rs. 284.2 million, and the expenditure is expected to be Rs. 282.1 million, which is about 99% of the total allocation. On the Pakistan Eastern Railway, the expenditure is expected to be Rs. 109.2 million against the budget allotment of Rs. 129 million, which is approximately 85% of the total allocation.

Pakistan Western Railway

Rolling Stock Purchases: The following new Rolling Stock was placed on line during 1962-63:—

Luggage Vans	—	12
Motor Vans	—	29
Shop Manufactured Passenger Coach	—	1

Shop Manufactured Third, Luggage and Brake Van	—	1
Wagons	—	2,850

Orders were placed for the following Rolling Stock during 1962-63:—

No.	Items	Progress
1.	82 B. G. D. E. Locomotives.	Delivery was to commence in May, 1963.
2.	171 Passenger Carriages (dismantled).	Delivery was to commence in May, 1963.
3.	378 Wagons (dismantled)	Delivery was to commence in June, 1963.
4.	2,107 Wagons Material	Major portion of the material has been delivered.

Rehabilitation of Track

Out of 1,054 track miles of rail renewals and 1,779 track miles of sleeper renewals approved for execution during the 2nd Plan period, 481 miles of rail renewals and 598 miles of sleeper renewals have been carried out since the commencement of the Plan. The track on Karachi—Lala Musa main line is not only being rehabilitated but also strengthened by replacement of 90 lb. rails with 100 lb. rails increasing sleeper density and ballast cushion with the object of raising the speed of trains to 75 m.p.h.

Provision has also been made for welding of rail joints which will not only increase passenger comfort but will also decrease maintenance and prolong rail life.

It was previously proposed to renew 400 miles of existing 90 lb. rails with heavier 100 lb. rails during the 2nd Plan. About 200 miles of track renewals with heavier rails have already been carried out and it is expected that about 200 miles more would be completed by the end of June, 1964. A scheme is being finalised for additional 100 miles of track renewals with 100 lb. rails during the 2nd Plan.

Rehabilitation of Bridges

The existing railway bridges over the Sukkur Channel of River Indus and the Sher Shah Bridge over the River Chenab are of wrought iron construction, and are weak for the present day loading and speed. It is proposed to replace them so as to enable unrestricted movement of rail traffic. It is also proposed to have independent decking for road traffic.

Lansdown Bridge

Lansdown Bridge between Rohri and Sukkur, released from railway traffic after the completion of Ayub Bridge, is proposed to be retained for the exclusive use of road vehicles for which the necessary decking will be provided.

A number of large bridges on Jand-Daud Khel Section, are also due for renewal. The Sunny Bridge has already been renewed and work on Uchhri has been taken in hand. A new bridge to take the spill water from River Chenab near Wazirabad was constructed and opened to traffic during 1962-63.

The Line between Temple-Dera and Jhatpat on Sukkur-Sibi Section is being made flood-proof and a lot of work on raising the railway embankment and providing waterways is being carried out. The dips on the main line between Karachi and Kotri are also being replaced by bridges at a cost of Rs. 980,000 in order to avoid interruption to traffic.

Modernisation of Signalling and Measures to Increase Line Capacity

Station yards of important junction stations like Kotri, Khanewal, Samasata, Kundian, Daud Khel and

Campbellpur have been remodelled and re-signalled with full interlocking so as to increase their operational capacities. Other important junction stations like Rohri and Hyderabad are in the process of remodelling.

To increase the capacity of certain sections, new stations are being opened and flag stations are being converted into block stations all over the Railway. The progress on these works has been satisfactory.

Karachi Circular Railway

Karachi Circular Railway Project consisted of two phases viz:—

Phase I: Drigh Road—Khadda Railway.

Phase II: Khadda—Karachi City Railway Link.

Construction of Phase I of the project was commenced early in 1960 and the line has been completed and was open for goods traffic on 27th January, 1963. The remaining works of Phase I mainly consisting of road over bridges, foot over bridges, signalling etc., are in progress.

Heavy Repair Diesel Electric Locomotives Backshop

At present facilities for undertaking periodical overhauling of diesel electric locomotives of the Pakistan Western Railway exist at Karachi for approximately 130 locomotives only. The number of diesel locomotives is expected to go up to 300 by the end of 1966 and the existing repair facilities would soon become inadequate to cater for the entire fleet of diesel locomotives on the Pakistan Western Railway. A heavy repairs shop at Rawalpindi is, therefore, being constructed at an estimated cost of Rs. 12.1 million including foreign exchange of about Rs. 7 million to cater for the heavy repairs of about 100 locomotives. The scheme has been so planned as to enable progressive extension of the facilities in the future.

The work on this project commenced early in 1961 and the upto-date position is that all machinery has been received from abroad and the steel sheds are being erected. The shops are expected to come into operation by early 1964.

Creation of Sukkur Division

The scheme for opening a new Division at Sukkur was approved by the Government. The creation of a new Division was considered necessary to provide for more efficient operation and effective supervision, which is becoming increasingly difficult with the existing far-flung Divisions and rapidly increasing traffic.

The project comprises construction of a Divisional Office building and residential accommodation for the staff. About 70% of the quarters have already been built and the rest are under construction. The Divisional Office is a three-storeyed air-conditioned building designed by a leading architect. Work on it is expected to start shortly.

Rail Facilities for Indus Basin Replacement Works.

Certain works and facilities at various stations were considered necessary in connection with Indus Basin Replacement Works. During 1962-63, additional sidings were provided at Shikhanwala, Mahmuniwala, Durkhana, Mailsi and Abdul Hakim. A new 'B' class station has been opened between Sohawa and Missa Keswal. Other works are in progress.

Survey for New Railway Lines

Survey has been carried out for the provision of a railway spur to Islamabad to enable building materials to be transported to the Capital site.

Pakistan Eastern Railway

Rolling Stock : Out of 45 M.G. diesel electric locomotives provided in the 2nd Five-Year Plan, 15 were received in 1960-61, while the remaining 30 are to be received. Procurement of 14 B.G. diesel electric locomotives provided in the Plan is under consideration.

Orders for the entire lot of 300 M.G. passenger coaches provided in the 2nd Five-Year Plan have already been placed. Supply is expected to be completed by December, 1964. All the 63 B.G. carriages provided in the Plan have also been ordered. Of these, 20 carriages are under shipment while the delivery of the remaining 43 carriages is to be completed by December, 1964.

The 2nd Five-Year Plan provides for procurement of 4,793 M.G. and 1,044 B.G. wagons. Out of 4,793 M.G. wagons, 2,156 were received upto the end of the year 1962-63. For the remaining 2,637 M.G. wagons, orders have already been placed for delivery of 2,019 in assembled condition and the remaining 618 in dismantled condition to be assembled in the Railway Workshops. Of the 1,044 B.G. wagons provided in the Plan, 765 were received till 1962-63, these wagons include 200 B.G. wagons manufactured in Moghalpura Workshop for Pakistan Eastern Railway. The remaining 279 B.G. wagons are on order and are expected to be delivered during the first half of the year 1963-64.

Bridge Works

Phase IV of the protection work on Hardinge Bridge, replacement of weak girders on Chittagong-Akhaura-Tangi Section, provision of step bearings on 66 bridges, rebuilding of bridge No. 43 on Kulaura-Akhaura Section, and replacement of 3 bridges on Akhaura-Tangi Section were taken in hand during the year under

review and are in progress.

Engineering and Structural Works

Improved signalling : A contract for the provision of relay interlocking and tokenless block working at 33 stations between Chittagong and Tangi has been placed on the Telephone Industries of Pakistan who will carry out this work in collaboration with Messrs Siemens & Halske of West Germany. Orders have also been placed on the same firm for relay interlocking of 8 more stations between Bhairab Bazar and Tangi. The Plan also provided for improvement of standard of interlocking of 13 stations, conversion of non-interlocked stations into interlocked stations and provision of block instruments. Bulk of the material for these works has already been received and actual installation is expected to start in October, 1963.

Rehabilitation of Workshops : Blue-prints are under preparation for the re-modelling, modernization and expansion of Workshops to make the country self-sufficient in the manufacture of carriages and wagons.

Track Renewals : The 2nd Five-Year Plan provides for 163 miles of rail renewals and 464 miles of sleeper renewals against which 136.85 miles of rail renewals and 308 miles of sleeper renewals were carried out until the year 1962-63.

Staff Quarters : Subsequent to severe damage caused by the cyclone which hit Chittagong on 31st October 1960, it was decided to replace all the *Kutch* quarters with *Pucca* ones on a programme basis. Construction of 360 *Pucca* quarters for Class III staff and 340 *Pucca* quarters for Class IV staff at Chittagong has already been completed, while the construction of 330 Class III, 380 Class IV quarters and the replacement of 200 staff quarters is in progress.

New Construction

Dacca Realignment Scheme : Diversion between Tejgaon and Gandaria was opened for goods traffic from June, 1962. But further progress has been held up due to stay orders passed by Courts on the suits filed by landlords whose lands were acquired for construction.

Kurigram-Chilmari M.G. Railway Extension : The project Kurigram-Chilmari Railway extension was sanctioned only in May, 1963.

Bholaganj Ropeway : A contractor has been appointed and the acquisition of land is in progress.

Narsingdhi-Madanganj M.G. Railway Line : Earth work has been started from Narsingdhi and Madanganj end and land for 2 miles from Narsingdhi end and 2½ miles from Madanganj end has been handed over to the Railway.

TELECOMMUNICATIONS

Telephone Services—Equipped Capacity—Subscribers Services—Trunk Traffic—Trunk Exchanges—Long-Distance System—Automatic Subscribers Trunk Dialling—Telegraph Services—Telegraph Offices—Telex Service—Leased Teleprinter Circuits—Wireless Service—Production of Line Stores—Telephone Industries of Pakistan—Extension of Factory and Allied Buildings—Microwave Link between Karachi-Teheran-Ankara—Underground Coaxial Telephone Cables—Future Projects—Sub-marine Cable between Karachi and Chittagong—Dacca-Khatmandu Radio Telephone and Teleprinter Circuits—Extension of Telecommunication Facilities in Rural Areas—Installation of Aut Exchange at Islamabad—Establishment of Satellite Tracking Stations—Pakistan Post Offices—Speed of Mails—Foreign Insurance Service—Foreign Air Parcel Service—Remittance Service—Mechanisation—Postal Savings—Postal Life Insurance—Postal Training—Philately—Post Office Buildings—Universal Postal Union Conferences—National and International Exhibitions—Payment to the Pensioners of Armed Forces—Withdrawal of Surcharge on Commercial Broadcast Receiver Licenses—Staff Welfare.

During the year 1962-63, the tempo of progress in the various branches of telecommunications was maintained according to the Second Five-Year Plan.

Telephone Services

New Exchanges : 2,085 lines were added by opening

34 new telephone exchanges at Kurigram, Noagaon, Sarisabari, Jaipurhat, Setabgonj, Thakurgaon, Satkhera, Lalmanirhat, Kaler Kot, Jhikargacha, Bheramara, Nawapara, Badergonj, Saradah, Goalando, Darsana, Bagerhat, Manikgonj, Chapai Nawabgonj, Akkelpur, Meherpur, Fulbari, Jalalpur Jattan, Kacha Khuh, Murideke, Nawan-

kali, Lahore, (Gulberg), Ghari Khairo, Kazi Ahmed, Tharushah, Jamshoro, Sumundri, Mirpur (Azad Kashmir) and Muzaffarabad city.

Expansion of local telephone system : 8,210 lines were added by expanding of 14 existing telephone exchanges at Daulatpur, Barisal, Dacca, Pabna, Cox's Bazar, Tangail in East Pakistan and at Gujjar Khan, Karachi (Garden), Renala Khurd, Lyallpur, Toba Tek Singh, Peshawar (University), Parachinar and Lieah in West Pakistan during 1962-63 as against 7,800 lines during the previous financial year.

Equipped Capacity

The equipped capacity of the exchange was increased during the year by 10,295 lines as compared to 10,524 lines in 1961-62. The total equipped capacity at the end of the year stood at 98,145 lines.

Subscribers Services

9,432 telephone connections were provided during the year as against 7,009 during the year 1961-62. The total number of telephones at the end of the year was 105,294 as against 91,300 by the end of the last financial year.

Trunk Traffic

The effective Inland Trunk Calls put through during the year under review were 7,865,135 and the overseas outward and inward trunk calls during the year were 13,509 and 8,655 respectively. The number of outward and inward Pakistan-India trunk calls during the year was 171,338 and 104,976 respectively.

Trunk Exchanges

To meet the demand for the increased trunk traffic, it was proposed to expand 3 trunk exchanges by 37 positions and by installing 4 new exchanges during the year. Of these, one trunk exchange of 6 positions has been installed at Saidpur in East Pakistan and the rest are being installed.

Long-Distance System

Three channels were added between Rohri/Larkana, Rohri/Jacobabad, Rawalpindi/Nowshera, Multan/Bahawalpur, and Lahore/Okara. Six channels were added between Sargodha/Mianwali and Hyderabad/Rohri, and 12 channels between Hyderabad and Lyallpur. This has resulted in the increase of channel mileage by 16,621 which includes an increase of 5,815 miles due to the introduction of Karachi-Hyderabad subscribers' trunk dialling system.

Automatic Subscribers Trunk Dialling

Subscribers trunk dialling system was introduced between the telephone subscribers of Karachi and Hyder-

abad by providing 24 channels in each of the directions.

The work on providing long-distance trunk dialling facility between Dacca and Chittagong is in progress and is likely to be made available to the public shortly.

Similarly the work on providing point to point direct dialling for Lahore, Lyallpur, Sargodha-Multan and Rawalpindi is also in progress and is likely to be made available to the public shortly.

Telegraph Services

Expansion of VFT Equipment : Four channels were added between Rawalpindi/D. I. Khan and Lahore/Mangla with an increase in channel mileage by 375.

Telegraph Offices

59 independent telegraph offices were opened (43 in West Pakistan and 16 in East Pakistan) by taking over the telegraph and telephone work from the Post Office Department. There was a total of 93 independent telegraph offices throughout the country at the end of the financial year 1962-63. In addition, telegraph facility is available in 997 Post Offices, at 362 Railway Stations and 183 Canal Telegraph Offices throughout the country.

Telex Service

The telex service is getting very popular due to the increased activity in the business and industry. This was extended to Puerto-Rico, Ghana, Canada, Argentina, Sudan, Thailand, Lebanon, Bermuda, and South Korea during 1963.

Leased Teleprinter Circuits

The demand for the lease of long distance teleprinter circuits continued to be on the increase, and as a consequence, the following new circuits were provided during 1963:—

<i>Subscribers</i>	<i>Stations</i>
(i) Koh-i-Noor Industries	Karachi—Lahore
(ii) M. M. Isphani Ltd.	Dacca—Khulna
(iii) Urdu Press Service	Rawalpindi—Lahore
(iv) Oil Gas Corporation	Karachi—Rawalpindi
(v) National Bank of Pakistan	Karachi—Lahore—Rawalpindi.
(vi) Mangla Dam Construction	Karachi—Mangla
(vii) Associated Press of Pakistan	Karachi—Rawalpindi
(viii) Pakistan International Airlines Corporation	Lahore—Mangla Lahore—Multan Lahore—Lyallpur. Dacca—Jessore
(ix) Pakistan Press Association	Karachi—Khairpur
(x) Pakistan Western Railways	Lahore—Rawalpindi

Wireless Service

In the field of Wireless Communication, a new wireless transmitting and receiving station was opened at Rawalpindi and four radio telephone circuits were brought into commission between Rawalpindi and Dacca. A direct radio telephone circuit was also opened between Karachi and Chittagong to further strengthen the communication facilities between the two wings of Pakistan. Radio Telephone service was also extended from Pakistan to Singapore, Brazil, and Iceland. Phototelegraph service was extended to Morocco and West Germany.

Production of Line Stores

The average monthly value of stores manufactured at Telegraph Workshop at, Kotri, during the year under review, was Rs. 308,000 as compared to Rs. 281,000 during the previous year. Similarly, the monthly average value of the stores manufactured at Telegraph Workshop, Dacca, during the year under review, was Rs. 70,000 as compared to the stores worth Rs. 30,800 manufactured during the year 1961-62.

Value of Stores Issued : The Telegraph Stores Organisation of West Pakistan issued Stores worth Rs. 18,332,500 during the year under review as compared to Rs. 20,100,000 during 1961-62. The Telegraph Stores Organisation of East Pakistan also issued stores worth Rs. 7,300,000 during the year under review as compared to Rs. 4,314,700 during 1961-62.

Telephone Industries of Pakistan

Production of Carrier and Exchange Equipment : The main items of production planned and achieved for the half year ending 30th June, 1963 are shown below. Planned production against these items for next 6 months is also given below. Items of production like spare parts, installation material, repairs etc., are not included in these figures.

Description	Half year ending June 30, 1963		Half year ending Dec. 31, 1963	
	Planned	Actual		
Telephones.	8,700	7,715	9,800	
Auto Exchange Lines	3,900	5,500	4,000	
Manual Exchange Lines	240	850	920	
PABXs.	1,300	1,050	1,000	
Trunk board and allied equipment	18	54	20	
Carrier (Channels)	174	132	234	

Railway Signalling Equipment : Production of Railway signalling equipment has been started and will be in full swing in the next 6 months.

Paper Condensers: For the manufacturing of paper condensers in TIP, the required machinery and plants were installed during the half year under review. Plans for

the production of condensers will be in full swing in the next half year (1963).

Extension of Factory and Allied Building

Extension of existing factory building was taken in hand in November, 1962. The construction work is going apace according to the programme and is expected to be completed during the next 6 months.

Training : The capacity of the Staff College at Haripur and regional training centres at Karachi, Lahore and Dacca was increased. During the year under review, 350 Engineering Supervisors including 27 Technicians, were trained at Staff College, Haripur. 500 Technicians, including Inspectors, Telephone Operators, Mistries, Linemen etc., completed their training in the regional training centres at Karachi, Lahore and Dacca. A new training centre for the Microwave is also being established in Karachi.

Research : A telecommunication research centre is to be established at Haripur in collaboration with the Japanese tele-communication authorities. The work on the construction of the quarters for the staff of research centre has been started and the construction of the building will be taken shortly.

Building : Five telecommunication buildings were constructed during the year under review. Two wards of the Dispensary building at Motijheel, Dacca were constructed for providing amenities to the staff.

Microwave Link Between Karachi-Teheran-Ankara

This scheme will connect Pakistan with CENTO countries and can be extended to Middle East and other European countries. The work on this project is almost complete. The Microwave links are likely to be brought into commission by April, 1964.

Underground Coaxial Telephone Cables

This scheme provides for laying an underground cable between Karachi and Rawalpindi covering a distance of 1,000 miles. The work on connecting Multan with Hyderabad is in progress and the laying of cables in rest of the sections is almost complete. The project when completed will provide 180 channels connecting Karachi, Hyderabad, Rohri, Multan, Sargodha, Lyallpur, Lahore and Rawalpindi. It will also provide point to point subscribers for direct dialling.

Future Projects

Four undermentioned major radio projects costing about Rs. 40 million have been approved by the National Economic Council for execution during the current Five-Year Plan:—

- Opening of Microwave training centre in Karachi.
- Strengthening radio communication in the

- southern districts of East Pakistan (Cyclone effected areas).
- (c) Expansion and extension of Radio Relay system in East Pakistan.
 - (d) Expansion and extension of inter-wing and international radio telephone and telegraph facilities.

Sub-marine Cable Between Karachi and Chittagong

The project for carrying out survey for the laying of sub-marine cable linking Karachi and Chittagong for opening 80 telephone channels has been approved for execution during the current plan period. The main project would cost between Rs. 150 to 200 million and would be undertaken after examining the feasibility, of, survey report in the Third Five year plan.

Dacca-Khatmandu Radio Telephone and Teleprinter Circuits

Work on the project for linking Khatmandu with Dacca on Radio telephone and teleprinter circuit is likely to be carried out during 1963-64.

Extension of Telecommunication Facilities in Rural Areas

So far the telecommunication services are concentrated in the urban areas while the services in the rural areas are inadequate. In order to extend telecommunication services to the rural areas on liberal basis, the Department has prepared an over-all project for providing telecommunication facilities to all the *thana* headquarters of East Pakistan at an estimated cost of Rs. 14.2 million. This project has been approved by the Executive Committee of National Economic Committee and has been included in the annual development programme of 1963-64.

Installation of Auto Exchange at Islamabad

A project for the installation of 5,000 telephone lines at Islamabad has been prepared at an estimated cost of Rs. 22.4 million and included in the annual development programme of 1963-64.

Establishment of Satellite Tracking Stations

A project for setting up satellite tracking stations at Dacca and Karachi has been prepared for execution during the Third Five-Year Plan. This would provide for the long-term telecommunication facilities between the two wings of the country.

Pakistan Post Offices

During the year 1962-63, postal services in the country continued to make satisfactory progress. Emphasis on the extension of postal services was maintained and 350 post offices were opened in the country. At

the close of the year, the total number of post offices in the country stood at 11,077 against 6,474 at Independence. During the next year, another 300 new post offices, 150 in each wing of the country, are scheduled to be opened.

Speed of Mails

The position regarding postal traffic continued to improve both in volume as well as speed. All the frequencies of the internal air network of the P.I.A. were utilised for the service of the All-Up Airmail Scheme under which letters are given airlift to destinations wherever such airlift is available. There is now a daily airmail link between Karachi, Quetta, Multan, Lyallpur, Lahore, Rawalpindi, Peshawar, Dacca, Chittagong, Comilla, Jessore, Cox's Bazar, Ishurdi and Sylhet. In addition, air connections also exist for Mangla, Chitral, Gilgit, and Skardu.

In the sphere of international airmails, a daily link was maintained with almost all parts of the world, both as regards letter mail as well as parcel mail. With effect from the 26th March, 1963, the P.I.A. introduced once-a-week service between Dacca and Khatmandu which is being utilized for conveyance of mails between Pakistan and Nepal. This service has enabled Nepal to use Pakistan as a transit country for her incoming as well as outgoing air mail. From 1st June, 1963, the frequency of Karachi-New York air service was increased by the P.I.A.C. from one to two services per week.

This additional service of the national carrier was included in the Post Office schedule in replacement of another service of a foreign airline.

Foreign Insurance Service

With effect from 1st September 1962, insured air parcel service was introduced for the Irish Republic subject to the maximum insurance limit of £ 320 per parcel.

Foreign Air Parcel Service

With effect from 1st June, 1963, the air parcel service was extended to ten more countries. The service is now available to 116 countries. There is a proposal to extend the air parcel service to many more countries of the world and to introduce Parcel Post service to Nepal.

Remittance Service

With effect from 1st August, 1962, Burmese nationals gainfully employed in Pakistan were permitted to remit to their dependents in Burma by money-order service a sum of Rs. 20/- per month against permits issued by the State Bank of Pakistan. The outward money-order service to other countries remained suspended during the year due to the Exchange Control restrictions. The inward money-order service from 26 countries, however, continued to operate during the year. Sterling money-

orders worth more than Rs. 25 million were received and paid promptly in the country.

Mechanization

Under this scheme, three Electro-Mechanical Letter Sorting Machines will be installed one each at Karachi, Dacca and Lahore. Two such machines are likely to be installed during the year 1963-64. The third machine for Lahore will be purchased during the year 1964-65. Ten new machines were also introduced in post offices for the franking of mail, thus saving the public from the inconvenience of purchasing postage stamps. Those machines have proved very useful and ten more machines would be installed at important post offices in both the wings of the country during the year 1963-64. During the next year, 36 counter machines are proposed to be installed (18 in each wing of the country) to mechanize the receipt granting procedure in respect of money-orders and registered articles. Three mobile post offices in East Pakistan and three in West Pakistan are also included in the scheme for the next financial year.

Postal Savings

With a network of over 8,000 Head, Sub and Branch Banks, the Post Office Savings Bank continues to spread the message of thrift to the masses. Though in the recent past the number of commercial banks has increased and the local bodies that formerly kept their deposits with the Post Office Savings Bank have now been allowed to do so with the commercial banks with the consequence that the Post Office Savings Bank is practically converted into just the poor man's bank. Yet it continues to flourish. As a matter of fact, it is working as a pilot project to make the lower middle classes, especially in the smaller towns and rural areas, bank-minded. During the year 1962-63 the amount of transactions approximated to Rs. 700 million with a net increase in deposits of Rs. 27 million and this is a very good performance as against Rs. 2.5 million during the previous year.

Savings Certificates :—Postal Savings Certificates which are a form of Government Securities have been much popular with the public. The attractive rate of interest viz: 6% on maturity on the National Development Savings Certificates and their purchase value being included in the investments for rebate in income-tax is well appreciated by the public. Total amount of transactions during 1962-63 approximated to Rs. 151 million with a net increase of Rs. 48 million in investments.

With a view to further popularising Postal Saving, a number of facilities were given during the year under review, the more important being:—

- i) All Night Post Offices have been allowed to transact Post Office Savings Bank and certificate business.
- ii) Withdrawal of Rs. 100 at an Extra-Departmental Sub Office and upto Rs. 50 at a Branch Post Office has been allowed. Previously it was limited to withdrawals upto Rs. 50 and Rs. 25 respectively.

A number of proposals are under consideration for further improving the utility of Postal Savings to the common man. Some of the important measures in view are as below:—

- i) Introduction of the system of withdrawal by cheque.
- ii) Sale and encashment of National Prize Bonds through Post Offices.
- iii) Extension of Savings Banks to more Post Offices particularly in rural areas with a view to conveying the savings message to the masses.

Postal Life Insurance

Postal Life Insurance is a welfare organization of the Government. It is run on cost basis mainly as a pilot project working specially among the middle and lower middle classes in the urban as well as rural areas that are not generally catered for by the commercial concerns. It is the single biggest Life Insurance Organization in the country having in force about 82,000 policies for a sum assured of Rs. 260 million at the end of May, 1963.

Non-Medical Policies :—Postal Life Insurance offers simple types of policies providing life insurance cover to the people. Recently non-medical policies have also been added to the list in order to cover the villages where medical officers to examine the proposers are not at hand. With the introduction of this scheme, Postal Life Insurance has made a good headway in the rural areas. Efforts are being made through special publicity campaigns to create life insurance consciousness among the entire rural population of the country.

Field Organization :—“Service to the policy-holders” is the motto of Postal Life. Recently Public Relations aspect of this organization has been strengthened and gazetted officers have been stationed at Lahore and Dacca to have closer contact with the policy holders and their families and in order to render them necessary help in their problems and difficulties in case of claims and other matters relating to their policies through the field staff. The field force has also been increased for affording better service to the policy holders.

Grant of Loan :—As a step to further stabilise Postal Life cover, it has been decided to advance loans to the policy holders on the security of their policies so that they can tide over temporary monetary difficulties and continue their insurance cover.

Many new plans and schemes such as group insurance, Life Annuities etc. are also under consideration for bringing life insurance within the reach of every family particularly those in the rural areas and the labour force of the country.

Postal Training

The Postal Training Organization was brought into being in 1953. It has at present six Training Centres, one each at Karachi, Lahore, Rawalpindi, Dacca, Chittagong and Rajshahi.

During the year 1962-63, 2,597 officials of different categories of staff right from gazetted officers to the

class IV employees were trained in both the wings of Pakistan. The number of staff trained during the last year (1961-62) was 2,225. Since the establishment of the Training Organization, 18,346 of all categories of staff (operative as well as non-operative) have completed the departmental training imparted through the Postal Training Centres.

Philately

Pakistan postage stamps have attained considerable popularity among the stamp collectors abroad. Their designs, and get up have been well appreciated by international critics.

New Issues :—Designs of the postage stamps for general use remain current for long periods. Specially designed attractive stamps in reasonable number and in popular denominations are, however, issued on special occasions. During the year 1962-63, eight sets of commemoratives were brought out to mark events of national and international importance as stated below:

<i>Date of Issues</i>	<i>Particulars</i>
14-8-1962	Sports Series
10-11-1962	Small Industries Series
11-12-1962	The 16th Anniversary of UNICEF
15-2-1963	U.N. Force, West Irian
13-3-1963	National Horse and Cattle Show, 1963
21-3-1963	Freedom from Hunger Campaign.
23-3-1963	International Dacca Stamp Exhibition, 1963
25-6-1963	Centenary of the Red-Cross

Total number of commemoratives printed was 11.05 million. The sale to the philatelists is estimated at Rs. 600,000.

Post Office Buildings

Due to increase in postal traffic from year to year, the existing post office buildings, the majority of which have become very old and dilapidated, needed extension, renovation and replacement in most of the urban areas. At present 110 building projects in various stages of completion are in hand, out of which 14 are expected to be completed shortly. The remaining projects are expected to be completed within the current Second Five-Year Plan. Two important projects on which construction work is about to commence are:

1. Reconstruction of the Karachi GPO building; and

2. Construction of Mail and Sorting Office at the Lahore Railway Station.

During the next year, 20 new post office buildings will be constructed in East Pakistan and 11 in West Pakistan. Among the new projects is also a project for the construction of a new General Post Office building at Islamabad.

Universal Postal Union Conferences

During the year, the Director General, Pakistan Post Office, represented the country at the Annual Sessions of the Executive and Liaison Committee of the Universal Postal Union as well as the Rate Structure Sub-Committee and Airmails Sub-Committee held at Berne (Switzerland).

National and International Exhibitions

The Department continued to participate in important Fairs and Exhibitions held in the country during the year. In the International sphere also, the Department participated in the International Exhibition of Postage Stamps held at Luxembourg in April, 1963.

Payment to the Pensioners of Armed Forces

With effect from 1st January, 1963 the Department launched, as an experimental measure, a new system under which pensioners of the Armed Forces below the commissioned rank receive their pensions through money-orders. For the present, the experiment is confined to Jhelum District.

Withdrawal of Surcharge on Commercial Broadcast Receiver Licenses

The fee of Rs. 45.00 which was being charged on Commercial Broadcast Receiver Licenses since 1950 was reduced by Rs. 20.00 with effect from 1st July, 1962. The fee for such a license is now Rs. 25.00 only.

Staff Welfare

The Pakistan Post Office Welfare Fund constituted during the year 1962-63 with an initial non-lapsing grant of Rs. 115,000 has been operating for the benefit of low paid staff in the shape of educational grants, financial assistance in cases of distress, and grants to Departmental Recreational Clubs and Canteens.

PORTS AND ROADS

*Shipping—New Shipping Policy—Mercantile Marine—Training of Seamen—Karachi Port—Chittagong Port
—Chalna Anchorage—Hajj Traffic—Inland Water Transport—Roads—East Pakistan—West Pakistan—
Statistics.*

The development of a country's transport system is a prerequisite of its economic growth. The Second Five-Year Plan, therefore, emphasised that a long-term transport development plan should be evolved. The successive Five-Year Plans would then lead to these long term goals. Comprehensive transport surveys have been completed with the aid of foreign experts and recommendations made envisaging the requirements till 1975-1980.

Transport patterns of the East and West Pakistan differ vastly. West Pakistan has a well-developed railway system supplemented increasingly by road transport, while in East Pakistan, the principal channels are the inland waterways and the railways. At the time of Independence, only 16% of railway track mileage and 10% of the total surface roads of the sub-continent were within Pakistan. Similarly, the external trade had to depend upon the war-ravished Karachi Port and ill-equipped Chittagong Port. National shipping was almost non-existent.

Shipping

At the time of Independence, Pakistan had a small fleet of three old ships with a total dead-weight of about 18,000 tons. To meet the demand of the fast expanding inter-zonal and international trade, additional tonnage had to be procured. Today Pakistan has a fleet of 43 ships with a total dead-weight tonnage of about 400,000. Pakistani ships are now plying on trade routes to the U.K., the Continent, U.S.A. and East Africa.

To encourage the development of national shipping, domestic trade was reserved for national flag-ships. It was also considered vital for country's foreign trade so as to reduce reliance on the foreign carriers, which were prone to resort to monopolistic abuses like arbitrary increases in freight rates. Accordingly, the Government secured membership of the U.K./Continent Conference Lines. To achieve the desired expansion of the fleet, the Government permitted purchase of a large number of ships.

Today as many as 30 ships are catering for the inter-
 wing traffic and the imports from Burma. The fleet is
 large, comprising assorted ships, most of which are 20
 years old. The operational costs are, therefore, high. The
 prevailing imbalance of trade between the two Wings
 of Pakistan is also responsible to some extent for the
 existing level of freight rates. To produce an economical
 ocean transportation, it is necessary to modernise
 and reorganise the fleet.

Twelve ships are operating on the foreign routes, six
 on the U.K./Continent, two on East Africa and two on
 U.S. routes, besides two tankers which are importing
 oil from the Persian Gulf.

As a result of the enhanced share secured by Govern-
 ment on the U.K./Continent, Pakistan is committed to
 provide 14 modern and fast ships for that route. Efforts
 are also to be made to handle more oil imports
 from the U.S. under the expanded PL-480 Programme.

New Shipping Policy

To achieve these objectives, a new Shipping Policy
 has been finalised by the Ministry of Communications.

The Policy envisages effective and larger participation
 of Pakistani flag-ships in the existing and new foreign
 routes, renovation and modernization of the existing
 fleet, reorganization of the domestic services and stream-
 lining of procedures and practices in the field of shipping.

The Policy seeks to enhance the current Plan ceiling
 from Rs. 103 million to Rs. 324 million so as to permit
 acquisition of 10 new and 25 second-hand modern
 fast ships. Of these, 16 will replace the existing old
 uneconomic units of the fleet and the balance of 19
 would augment the fleet on U.K.,—USA,—East Africa
 liner cargo services and open new service between
 Pakistan and Japan.

Due to route participation on the U.K./North
 Continent, the foreign exchange earnings of the country
 increased from Rs. 4.3 million during January-
 June, 1962 to Rs. 18 million during July-December,
 1962. After the implementation of the new Policy,
 the earnings would increase roughly to Rs. 60 million
 annually.

The Policy also envisages the creation of a National
 Shipping Corporation with 51% Government shares for
 handling the liner trade in some of the foreign routes
 where the existing private companies are providing
 inefficient or inadequate services.

Mercantile Marine

In order to provide adequately for the manning of
 Pakistani ships by suitably trained and qualified personnel,
 a Mercantile Marine Academy has been established at
 Juldia Point near Chittagong.

Previously candidates had to go to the United Kingdom
 for training as Nautical Officers and Engineers and the
 total expenditure incurred in training of one Nautical
 and one Engineer cadet amounted to Rs. 16,240 and
 Rs. 31,680 respectively in foreign exchange. Against
 this, the expenditure in Pakistan for each of the cadet

in the Academy will be about Rs. 3,800 per term
 in Pakistani currency. Pakistani trained personnel will
 thus replace foreigners employed in Pakistani ships in
 due course.

The Mercantile Marine Academy has started function-
 ing from September, 1962 and the first batch comprising
 41 cadets is now receiving training there. Entrance
 Examination for recruitment of the second batch was
 held at Karachi, Lahore, Rawalpindi, Peshawar, Dacca,
 Rajshahi, Sylhet and Chittagong. The second term at the
 Academy was due to start from October, 1963.

The examinations of Masters and Mates are now being
 held in Pakistan at regular intervals from January
 14, 1963.

Training of Seamen

To produce efficient sailors to man and operate
 Pakistani Merchant Ships, two training centres—one
 at the Karachi Port and the other at the Chittagong
 Port—were set up. At present, these training centres
 are giving basic training to the seamen.

A Seamen's Employment Board at Karachi was set up
 in February, 1963. A similar Board is being set up shortly
 at the Chittagong Port. The main objectives of these
 Boards are :

- (a) To adjust differences between the ship-owners
 and the seamen.
- (b) To advise the Government on all matters relating
 to the recruitment of seamen.
- (c) To advise the Government on all matters relating
 to the question of registration and issue of new
 C.D.C. books to the freshers and their recruit-
 ment.

A National Pool for Pakistani ships recruiting
 crew at the port of Karachi has been set up and is func-
 tioning. A similar pool at the Chittagong Port has also
 been set up. At present 43 national ships have 1,800
 seamen to which will be added 20 per cent reserves, thus
 bringing the total figure for the National Pool to 2,300.

There are three major ports in Pakistan. The Karachi
 Port is located in the West Wing and the Chittagong
 and Chalna Ports in the East Wing.

Karachi Port

After the establishment of Pakistan in August 1947,
 the Karachi Port was called upon to handle the entire
 sea-borne trade of West Pakistan as well as that of Azad
 Kashmir. In addition, it also handled, till recently, the
 transit trade of land-locked Afghanistan.

The Karachi Port has 21 berths with a handling
 capacity of about 3.5 million tons. The West Wharves
 of the Port were built recently, while the East Wharves
 were constructed more than 50 years ago and had out-
 lived their usefulness. Thirteen out of the seventeen berths
 have, therefore, been reconstructed and modernised
 along with the handling gear, railway yard, storage
 accommodation, etc. The work on remaining berths is
 expected to be completed during 1963-64.

The Second Five-Year Plan provides for the recons-

struction of the remaining four passenger berths of East Wharves and Bulk Oil Pier, rehabilitation of Manora Breakwater, reconstruction of Keamari village, replacement of craft and equipment, reclamation of land for oil refinery, etc., at an estimated cost of Rs. 124 million. The question of providing additional berths at West Wharves and deepening and widening of navigational channel is also under consideration.

In 1947-48, the Karachi Port handled 2,183,874 tons of cargo as against nearly five million tons in 1960-61 and 4.6 million in 1961-62. The figure for 1963-64 is expected to be about 5.5 million tons.

Chittagong Port

The Chittagong Port was actually an ancillary Port of Calcutta till the emergence of Pakistan. It had four worn-out berths with a handling capacity of about half a million tons per annum. These four berths had suffered considerable wear and tear during the last World War.

Since Independence eight new jetties have been added along with two light and two pontoon jetties and one jetty for lighters. The Port can now handle 24 ships at a time, 17 at jetty berths and seven at the moorings, and has a designed capacity of 2.5 million tons per annum. The Chittagong Port handled 2.89 million tons of cargo during 1961-62 as against about half a million tons in 1947-48. It was expected to reach three million tons during 1962-63.

The Second Five-Year Plan provides for the introduction of a night navigation scheme, acquisition of a new dredger, anchor hoy, pilot launch, tugs and barges and the construction of quarters for employees and river training works at an estimated cost of Rs. 15.4 million.

Orders for the manufacture of anchor hoy and pilot launch have been placed at Karachi Shipyard. A petrol launch and some barges have already been received by the Chittagong Port Trust, and are now in use. Night navigation in respect of outgoing ships has also been introduced from December 7, 1961. This facilitates utilisation of favourable night tides, resulting in quicker turn round. The construction of quarters for employees has been completed at a cost of Rs. one million.

Apart from the Second Five-Year Plan, the Executive Committee of the National Economic Council has recently approved a scheme for the reconstruction of old jetties 1-6, some of which were severely damaged and put out of commission by the October, 1960 cyclone. The implementation of the scheme will cost Rs. 28.72 million with a foreign exchange component of Rs. 15.6 million. Construction of slipway and workshop at a cost of Rs. 10 million (foreign exchange component Rs. 6 million) is also under consideration.

Chittagong Port also sustained damage by the severe cyclone which hit on 28th-29th May, 1963. The damage has since been made good and the Port is now functioning normally.

Chalna Anchorage

The Chalna anchorage was established in 1950 to

supplement the facilities for import and export traffic at Chittagong and also to meet more expeditiously the traffic demands of the western districts of East Pakistan. It has worked very satisfactorily.

The allocation for the Chalna anchorage in the Second Five-Year Plan was Rs. 15 million, but to quicken the pace of development, the allocation was raised to Rs. 29 million.

An agreement for a loan of \$ 3.6 million was signed in March, 1963 and some port craft and equipment against the loan during 1963-64 and 1964-65 is hoped to be received. Works requiring a little or no foreign exchange, like construction of residential buildings, water supply arrangements and provision of electricity are already under way.

The handling capacity of the Port has increased from 761,000 tons in 1957-58 to 1.5 million tons during 1962-63.

Feasibility studies for permanent port facilities for the Chalna anchorage are likely to be started soon. The work is proposed to be entrusted to Port Consultants with whom an agreement was signed in March, 1963.

Hajj Traffic

Till the year 1957, Pakistan was solely dependent on foreign shipping for the transportation of Hajj pilgrims. With the acquisition of the *Safina-e-Hujjaj* in 1957 by the Pan Islamic Steamship Company, Pakistani pilgrims sailed, for the first time, by the national shipping transport. The addition of another pilgrim ship "*Safina-e-Arab*" in 1961 has further eased the position.

During the year under review, the number of Pakistani pilgrims who performed the Hajj was 17,678 (4,929 from East Pakistan and 12,749 from West Pakistan) as against 15,023 during 1962 Hajj season.

The number of pilgrims who travelled by air increased to 1,700 from 1,400 during 1962 Hajj season. Air pilgrims were, for the first time, lifted by Jet Boeing aircrafts instead of super constellations used during the previous years.

An official Hajj delegation led by the Secretary, Ministry of Communications visited Saudi Arabia during the 1963 Hajj season. The delegation visited establishments of important *muallims* at Mecca, Mina and Medina, and inspected arrangements made by them for the stay and welfare of Pakistani pilgrims. The delegation also inspected arrangements made to provide medical facilities to pilgrims. The delegation on return submitted a report offering useful suggestions for improvement.

As a result of negotiations with the Railway authorities, deck pilgrims travelling to and from the Ports of embarkation singly were allowed concession which was previously admissible to a party consisting of four or more pilgrims. Similarly during the year under review, this concession was extended to those travelling in the Inter Class. Special trains and bogies were arranged at the time of departure and arrival of pilgrims ships from important points and junctions both in East and West Pakistan.

The scheme for the construction of a permanent Hajj

Camp at Karachi has been approved by the Development Working Party of the Planning Commission and has been submitted to the National Economic Committee of the Cabinet for final sanction. It is hoped that Haji Camp facilities will be available to pilgrims at the new site during 1965 Hajj season.

Inland Water Transport

The development of inland water transport, which is the principal means of transport in East Pakistan, has been emphasised in the Second Five-Year Plan, which makes a provision of Rs. 90 million in the semi-public sector and Rs. 140 million in the private sector for the purpose.

An amount of Rs. 38.6 million was spent in 1962-63, raising the total expenditure during the first three years of the Plan to Rs. 58.6 million and a further amount of Rs. 21.9 million is planned to be spent during the year 1963-64 on the various development projects in the semi-public sector in East Pakistan.

The Central Government have assisted the East Pakistan Inland Water Transport Authority in the implementation of this development programme through an out-right grant of about Rs. 15 million during the first three years of the Plan, and also by arranging necessary foreign loans.

Twelve ferries to connect certain important routes in East Pakistan are presently under construction in West Germany with the German loan of DM 11 million (Rs. 13.1 million).

A further credit of DM 18 million (Rs. 21.4 million) has been arranged for the construction of eight vessels and 10 motor life boats for a regular steamer service between the mainland and the off-shore islands.

Work on the programme of modernization and expansion of private I.W.T. fleet and the dockyard and repair facilities in East Pakistan is also in progress. An amount of about Rs. 9.4 million allocated from the Second U.K. Credit for this programme has been utilised fully. Four hundred diesel engines imported under the U.S. Excess Property have also been utilised and an additional U.K. Credit of about Rs. 3.3 million is being negotiated for the import of marine diesel engines. Arrangements are also being made to release a further loan of Rs. 37.5 million in foreign exchange to the I.W.T. private sector through P.I.C.I.C.

As a result of the various measures adopted, the passenger and cargo capacity of the registered I.W.T. craft increased by 28% and 16% respectively during 1960-62. The organised river transport fleet in 1962 comprised over 1,600 vessels and barges with a carrying capacity of 1,57,000 tons of cargo and 89,000 passengers. The I.W.T. perennial route-mileage also increased from 2,200 in 1960 to 2,700 in 1962. The total route mileage now extends to approximately 4,000 including the estuary rough waters and seasonal waterways.

Roads

At Independence, only 16 per cent of the total railway

track mileage and 10 per cent of the surface roads in the Indo-Pakistan sub-continent fell to the share of Pakistan. These were in poor shape and had, therefore, to be rehabilitated, modernised and expanded to meet the economy of a separate independent State. The port of Chittagong, which had all along remained subsidiary to the port of Calcutta, had suddenly to play the role of the only major port of the Eastern Zone of Pakistan. In West Pakistan also, the port of Karachi required a lot of rehabilitation to cater for the increasing export and import traffic of the Western Zone.

The need for modernizing and expanding the transportation system in Pakistan was recognised both in the First and the Second Five-Year Plans.

In the Second Five-Year Plan (1960-65), a provision of Rs. 545 million has been made for the development of roads. This provision has been revised recently in the following manner:-

	(In million Rs.)	
	Original	Revised
(a) East Pakistan	250	250
(b) West Pakistan	250	250
(c) Central Government Areas	45	62.5
Total	545	562.5

However, to achieve the physical target set in the Plan and to undertake certain additional works, it is expected that this provision would further increase by about Rs. 100 million, thereby bringing the total expenditure to be incurred during the Second Plan period to about Rs. 662 million.

At the end of the First Five-Year Plan (1955-60), it was realized that accomplishment within the transport sector was satisfactory, but there was little co-ordination between the various means of transport. In order, therefore, to study the nature and extent of this problem as well as to ensure that the limited available finances are spent on developing only that mode of transportation which would contribute mostly to the economic development of the country, comprehensive transport surveys of East and West Pakistan were sponsored by the Government of Pakistan. The survey reports have recommended a twenty year programme of development. In the field of roads, an expenditure of Rs. 54.8 million for East Pakistan and Rs. 128.7 million for West Pakistan has been proposed during the Second Plan period. While making these recommendations, the development of other modes of transportation, such as waterways in East Pakistan, has also been given due consideration.

Road construction problems in the two wings of Pakistan differ greatly because of the terrain, climatic conditions, rainfall and recurrence of floods. In East Pakistan construction of roads is considered to be a difficult problem, because of excessive rainfall, short working season, high embankments, innumerable river crossings and absence of construction material. In West Pakistan, climatic factors are not unfavourable and work can be done throughout the year.

East Pakistan

So far as East Pakistan is concerned, the main objective during the Second Plan period is to complete the system of five trunk arterial roads work on which had started during the First Plan period. The Second Plan envisages the completion of 740 miles of ongoing and 130 miles of new road works i.e., a total of 870 miles. By the end of the Third Year of the Plan, 502 miles of roads were completed. This gives an average of 167 miles of roads completed per year. The annual allocation and expenditure on roads in East Pakistan is as follows:—

Year	(In million Rs.)	
	Allocated	Expended
1960-61	46	48.5
1961-62	45	65.6
1962-63	60.6	75.6

The increase in expenditure incurred is due to the fact that certain unused funds from other sectors have been transferred to road works and it is expected that this trend would continue during the last two years of the Second Plan. It is, therefore, certain that in order to achieve the physical target, increase in present allocation of funds would be inevitable. In addition, considerable amount is expected to be spent on the repairs of road work which were badly damaged by floods and cyclones.

A notable development in the field of roads in East Pakistan is the initiation of feasibility studies of about 1,400 miles of trunk roads in the Province. Three foreign consulting firms are working on economic and engineering feasibility study reports on the basis of which projects considered suitable from economic and engineering point of view will be submitted to international agencies for financing.

In addition to the physical target set in the Second Plan, an enlarged road programme in East Pakistan has also been prepared. This programme envisages the construction of a two-lane highway between Dacca and Chittagong, widening of Dacca-Narayanganj road, and construction of a large number of secondary and tertiary roads. It also provides for the acquisition of modern equipment for the establishment of a workshop of Dacca and construction of a two-lane highway from Comilla to Sylhet. The total additional cost of is estimated at Rs. 250 million.

Some of the main roads completed in East Pakistan include Dacca-Chittagong road, Khulna-Jessore road, Dacca-Mymensingh road, and a major portion of Dacca-Aricha road. With the provision of ferries on major rivers, which are expected to be in operation by early 1965, direct road communication will be possible between Dacca and other main cities.

West Pakistan

In West Pakistan, about 3,500 miles of roads will either be constructed or improved during the Second Plan period. By the end of the Second Year of the Plan, 683 miles of roads had been completed and work was in progress on 900 miles. The annual allocation of expenditure on road works in West Pakistan during the last three years has been as follows:—

Year	Allocated	Expended	(In million Rs.)
1960-61	50	41	
1961-62	59	45	
1962-63	55	55	(Estimated)

A significant development in West Pakistan has been the initiation of work on the new highway connecting Karachi and Hyderabad. The Central Ministry of Communications has already completed the topographical survey and certain preliminary investigations of the route via Thano Bula Khan. A firm of consultants has been appointed to prepare an engineering and economic feasibility report for the new highway. On the basis of the preliminary data, the International Bank for Reconstruction and Development has shown considerable interest in financing this work. This highway when completed would provide a direct link between Karachi and Hyderabad and would reduce the present distance by about 25 to 30 miles. It would initially be constructed as a two-lane highway with a provision for its eventual development to fourlanes.

Road transport in West Pakistan is developing so rapidly that road construction has not been able to keep pace with it. The intensity and weight of commercial vehicles has increased to such an extent that most of the main roads are in danger of collapse, and major improvements in arterial roads have become imperative. To handle this problem, emphasis is being laid on developing research facilities in the Province. The existing B & R laboratory has been split into separate independent units, dealing with road and building research. A scheme for the expansion of the road research unit into a full-fledged research institute is under consideration.

A number of important projects which were initiated during the last year include engineering and economic feasibility studies of Karachi-Hyderabad road, Lahore-Multan road, Lahore-Lyallpur road and, bridges across the rivers Jhelum, Ravi and Sutlej.

Statistics

The following two tables give road mileage statistics for the period 1947 to 1961 for East and West Pakistan separately and indicate a progressive increase in the road mileage of the country.

ROAD MILEAGE— EAST PAKISTAN*
1947 to 1961

Year	Total	Maintained By		
		Communications and Buildings Department.	District Councils	Municipal & Town Committees
1947	357	357	Not available	Not available
1948	407	407	"	"
1949	507	07	"	"
1950	620	620	"	"
1951	537	537	"	"
1952	27,013	562	25,628	825
1953	27,103	630	25,628	845
1954	27,226	715	25,632	879
1955	27,351	860	25,627	864
1956	27,503	990	25,621	892
1957	27,679	1,137	25,630	912
1958	27,820	1,259	25,633	928
1959	28,133	1,381	25,817	935
1960	28,642	1,531	26,166	945
1961	28,230	1,640	26,715	895

Note: — There are about 4,000 miles of 'Katcha' tracks in East Pakistan which are submerged during monsoon season (May to November.)

*Roads under Union Councils are not included in the table.

ROAD MILEAGE—WEST PAKISTAN
1947 to 1961

Year	Total	Maintained by		
		Public Works Department	District Councils*	Municipal & Town Committees**
1947	13,781	13,781	Not available	Not available
1948	13,821	13,821	"	"
1949	15,472	15,472	"	"
1950	15,726	15,726	"	"
1951	16,326	16,326	"	"
1952	38,089	17,152	20,068	869
1953	39,310	18,279	20,112	919
1954	39,738	18,620	20,152	966
1955	40,293	19,102	20,187	1,004
1956	40,720	19,424	20,239	1,057
1957	40,792	19,424	20,263	1,105
1958	40,878	19,424	20,288	1,166
1959	40,432	19,933	20,335	1,164
1960	40,755	19,176	20,399	1,180
1961	42,685	20,381	21,029	1,275

*Data relate to 32 out of 45 District Councils in West Pakistan.

**Out of 273 Municipal Committees and Town Committees, only 118 have been reported.

CIVIL AVIATION

*Runways—Installation of Navigational Aids—Flying Clubs—National Airlines—Foreign Airlines
—Bilateral Air Services Agreements—Future Plans—Lahore International Airport—Dacca International
Airport—Capital Equipment Programme—CENTO Airways Project.*

The rapid advancement in the field of international Civil Aviation has made it necessary to provide modern and improved facilities at the airports for the operation of jet aircraft in Pakistan. A number of projects were accordingly planned for completion during the Second Five-Year Plan period (1960-65). Progress made in Civil Aviation during the year 1962-63 is as follows:-

Runways

Nawabshah: Recarpetting and extension of the runway at Nawabshah has been completed. The runway lighting has also been completed and the work concerning the approach lights for the new extended runway is being undertaken.

Lahore: Extension and recarpetting of the runway to cater for the needs of jet aircraft has been completed. The secondary runway is also to be recarpetted and will serve as a taxi track. The major portion of the

approach road to the Airport has been widened. Action is under way to fence the extended portion of the new runway with barbed wire.

Dacca (Tejgaon): The entire work on the extension of the runway has been completed and opened for the operation of PIA Boeings. Approach lights for the runway are also being installed.

Chittagoug: Runway lighting arrangements have been completed.

Installation of Navigational Aids

A Very High Frequency Omni-Directional Radio Range called "VOR", has been developed recently. This aid provides accurate bearings to flying aircrafts in all directions. Few years back this navigational aid was adopted as a Standard Navigational Aid by the International Civil Aviation Organization. VORs were installed and commissioned, during the Year 1962-63, at the Lahore Cantonment, as well as at

Chittagong, Chaklala, Nawabshah, Multan and Rahimyar Khan airports.

Stations like Karachi, Dacca, Jiwani and Ishurdi had been equipped with VORs earlier.

A new Instrument Landing System was received for Karachi Airport in the year 1960-61. The installation was started in 1961 after the completion of the new jet runway. It was completed and commissioned in the middle of 1962. The other I.L.S. equipment was sent to Dacca and installed at the Tejgaon Airfield, and was commissioned in August, 1962.

Non-Directional Radio Beacons were installed and commissioned at Hyderabad, Cape Monze, Ormara and Ishurdi during the financial year 1962-63.

A new Inter-Communication System was set up at Karachi Airport, linking the various offices directly. A Radio Teletype Circuit was opened between Karachi and London. This is designed to expedite disposal of traffic to Europe. A Remote Receiving Station was established at Dacca Airport with a Radio Teletype link operating between Karachi and Dacca.

Flying Clubs

Seven Flying Clubs at Karachi, Dacca, Lahore, Rawalpindi, Peshawar, Multan and Quetta operate in Pakistan. The Government grants substantial financial assistance to these clubs. The Flying Clubs have also been duly authorised to undertake light taxi and charter work.

Flying Clubs are now to extend their scope of activity by introducing training in Glider flying, and for this purpose, they have been provided with Gliders.

A total of 14 Cessna type of aircraft is proposed to be purchased by 1964-65 for allocation to the Flying Clubs. Two of these have already arrived and three more are expected shortly. These will greatly assist the flying clubs in undertaking chartered flights.

National Airlines

Pakistan International Airlines is the national Airline of Pakistan and is responsible for the operation of all air routes within Pakistan as well as the operation of Pakistan's international air services. During the Hajj Season 1963, PIA carried 1,672 pilgrims to Jedda and back. The Hajj flights are an annual feature of PIA's operation during the Hajj Season.

Pakistan International Airlines Corporation introduced Boeing 707 modern jet transport aircraft on the Karachi/London and Karachi/London/New York routes from 7th March, 1960. With the arrival of three Boeing 720-B aircraft, PIA has started jet services between Karachi/Dacca and Dacca/Lahore with a frequency of 11 and 7 flights per week respectively.

The Air Bus Services introduced in East Pakistan in 1961 on reduced rates are being increasingly utilized by the public. Their routes and frequency are as follows:—

Routes	Frequency per week
Dacca/Sylhet/Dacca	.. .. 6
Chittagong/Cox's Bazar	.. .. 3
Dacca/Comilla/Chittagong	.. .. 6
Dacca/Ishurdi/Chittagong	.. .. 13
Dacca/Comilla/Dacca	.. .. 6
Dacca/Cox's Bazar	.. .. 6

With the arrival of Fokker Friendship aircraft, PIA has introduced the following new air services to meet the increased demand for air transportation in the country:

- Rawalpindi/Gilgit
- Rawalpindi/Skardu
- Rawalpindi/Chitral
- Dacca/Khatmandu/Dacca
- Lahore/Mangla/Rawalpindi

Foreign Airlines

Karachi, Lahore, Dacca and Chittagong airports are open to operations by the following foreign airlines:—

1. Air France.
2. Air India International
3. Air Ceylon.
4. Ariana Afghan Airlines
5. Alitalia
6. British Overseas Airways Corporation
7. Deutsche Lufthansa A.G
8. East African Airways
9. Iranian Airways
10. Iraqi Airways
11. Indian Airlines Corporation
12. K.L.M. Royal Dutch Airlines
13. Kuwait Airways
14. Middle East Airlines
15. Pan American World Airways
16. Qantas Empire Airways
17. Scandinavian Airlines System
18. Swissair
19. Transport Aeriens Intercontinentaux
20. Union of Burma Airways
21. United Arab Airlines
22. Japan Airlines Co. Ltd
23. Nepalese Airlines

Bilateral Air Services Agreements

Operations of scheduled air services by foreign international airlines through Pakistan, as also by PIA to foreign countries, are governed by bilateral air services agreements entered into by the Government of Pakistan with a number of foreign countries. Until the 30th June, 1963, Pakistan had air agreements with Afghanistan, Australia, Belgium, Burma (temporary), Canada, Ceylon, Denmark, Ethiopia, France, India, Iran, Iraq, Italy, Japan, Netherlands, Norway, Philippines, Portugal, Sweden, Switzerland, Syria, Turkey, United Arab Republic, United Kingdom, United States of America and West Germany. An Air Agreement has also been recently concluded with the Peoples Republic of China.

Future Plans

During the year 1962-63, a project for the establishment of a modern Terminal Building to cater for the needs of the large transport jet aircraft at Karachi airport was formulated. Another project for the provision of necessary facilities for operation of International Air Services to medium distance airports was formulated. Both the Karachi Terminal Building and Chittagong International Airport Projects are awaiting administrative approval. Projects for providing minimum facilities for operation of air transport services through Hyderabad and Sukkur aerodromes have been finalised and approved for immediate implementation.

Project planning has reached the stage of practical finalisation in respect of establishment of jet commercial transport facilities at the new capital of Pakistan, Islamabad.

Lahore International Airport

A proposal regarding the provision of international facilities at Lahore has been accepted by the Central Development Working Party. Action was also taken to acquire necessary land for the establishment of this project at a cost of about Rs. one million.

Dacca International Airport

In April 1963, an offer of foreign aid for the establishment of international airport at Dacca (Kurmitola) was received for its external financing to the extent of \$4.3

million or about Rs. 12.8 million. It is expected that the detailed design will be completed and actual construction work will start during the financial year 1963-64.

Capital Equipment Programme

Another Loan Agreement signed with the U.S. Aid relates to Airport and Airways Service Equipment Programme. Under this Agreement, external aid financing to the tune of \$ 2.1 million or about Rs. 10 million is expected to be provided. The programme is a complementary project and aims at providing additional equipment for safe navigation of aircraft operating within and through Pakistan, and for adequate safety facilities on ground at all airports in Pakistan.

Procurement of some parts of equipment is currently under negotiation with West Germany, and it is expected to be finalised within the financial year 1963-64.

CENTO Airways Project

Pakistan received a grant from the United States through the Central Treaty Organization for establishing necessary aeronautical communication and navigational facilities for operation of flights on the Karachi—Teheran route. The purpose of this project is to establish an all time contact between Ground Air Traffic Controller and the aircraft in flight between Karachi and Teheran. All requisitions for the necessary equipment have already been placed and equipment valued at Rs. 0.73 million has been received.

METEOROLOGY

Forecasting Service—Flood Forecasting—Forecast Statistics during 1962-63—Climatology—Machine Computation—Library, Publications and Inquiries—Oceanography—Sferics—Agricultural Meteorology—Geomagnetism—Atmospheric Physics—Seismology—Arid Zone Investigations—Training—Workshop—Schemes under Second Five-Year Plan.

The Department of Meteorology and Geophysics is responsible for the collection of meteorological and geophysical data, issuing of weather forecasts and warnings and supply of meteorological and geophysical information. For this purpose a huge network of observatories is maintained which gives meteorological advice to various services like the aviation, navigation, agriculture, transport and communications, public works commerce and industry.

A statement showing the growth of observatory organisation since 1947 is given below:-

	1947	1963
Surface Meteorological Observatories	98	134
Pilot Balloon Observatories	15	25
Rawin/Radio Sonde Observatories	—	6
Sferics Observatories	—	6
Seismological Observatories	—	6

	1947	1963
Geomagnetic Observatories	—	2
Ionospheric Observatory	—	1
Solar Radiation Observatories	—	6
Agrometeorological Observatories	—	9
Hydrometeorological Observatories	—	45
Microclimatic Observatories	—	24
Storm Warning Radar	—	2
Rainfall Recording Stations	500	970
Snowfall Recording Stations	—	1
Aerometeorological Stations	—	18

Forecasting Service

Forecasting service is rendered by Forecasting Offices at Karachi, Lahore, Chittagong and Dacca as well as those located at Pakistan Air Force aerodromes. Arrange-

ments for opening Forecasting Offices at Multan and Gilgit are under way. An aeronautical meteorological station has also been established at Khatmandu (Nepal) to cater for the aeronautical requirement of the PIA for service between Dacca and Khatmandu.

The main forecasting centre known as the Weather Central is situated at Karachi and is responsible for issuing directives on the techniques and methods of weather forecasting to various forecasting offices in Pakistan. It also carries out investigation and research on new techniques and methods for short, medium and long-range forecasting. The Weather Central is also preparing weekly forecasts of weather for South Asia on an experimental basis since 1962.

On the basis of Weather Conditions prevailing over certain parts of the world, forecasts for probable amounts of rainfall in West Pakistan are issued both for the winter as well as Monsoon period.

A notable feature of forecasting services pertains to the issue of storm warnings for coastal areas particularly in East Pakistan. East Pakistan faces weather hazards every year. On 29th May, 1963 a severe storm hit the coastal areas of Chittagong and caused heavy damage to life and property. Warnings were issued well in advance to local authorities to enable them to take steps for the safety of life and property.

Flood Forecasting

Heavy floods in most of the former Punjab during the years 1947-1951 caused a colossal loss worth about Rs. 200 million. A Flood Commission was set up in 1951 with the object of devising ways and means for controlling floods.

As recommended by the Punjab Flood Commission (1951) a flood computation organisation has been set up at Regional Meteorological Centre, Lahore for devising suitable methods of flood forecasting.

Arrangements for the issue of special weather forecasts were made for the Tokyo University Karakorum Expedition to the peak of Baltore Kangri-I.

Forecast Statistics during 1962-63

Number of route forecasts issued to aviators	20,000
Number of Pilots briefed for air route weather	21,000
Number of local area forecasts issued	28,000
Number of aviation warnings issued	425
Number of current weather reports issued	26,000
Number of oceans weather bulletins issued	1,000
Number of warnings issued to inland addresses	350

Climatology

In view of the prime necessity of climatological data for the economic development of the country, the Department has made concerted efforts to improve not only the climatological network in the country but also the frequency of the observational programme. This can be judged from the fact that the number of observing

stations increased from 98 in 1947 to 150 in 1963 and the number of observations recorded, increased from about 91,000 in 1947 to 372,300 in 1963.

The daily data is published in Pakistan Daily Weather Report. The analysis of monthly data is published in Pakistan Weather Review.

Machine Computation

A machine computation centre equipped with I.B.M. punched card system has been set up in 1958, for processing climatological information.

So far 292,000 cards have been punched processing daily as well as monthly data.

Library, Publications and Inquiries

Ever since its reorganisation in 1955, a concerted effort has been made to develop the library to meet the expanding national needs for relevant literature as well as world climatological data. Vigorous attempts have been made for the exchange of publications with scientific and technical organisations all over the world. By the end of June, 1963, 249 exchange agreements had been concluded. As a result of these agreements, over 970 periodicals, publications, reports etc., are being received free of cost in exchange for the scientific and technical publications produced by the Department.

The library extends loan service to all Government offices, scientific and technical organisations and educational institutions in the country. To its own departmental staff, the library extends translation, photo-copy, microfilm, and bibliographical services.

The Department provides free of cost advice, information and data regarding the climatological potential of the country and its impact on the development and industrialisation of the country. During 1962-63, about 1,300 inquiries were handled by the various offices of the Department.

Oceanography

Oceanography Division with its limited resources started functioning in July, 1957 to study the physical and chemical properties of the sea-water and meteorological conditions over the ocean. Pakistan is a participating member of the Indian Ocean Expedition 1962-64. Two oceanographic cruises were undertaken during the 1962-63 programme, one in the North Arabian Sea from 18th to 22nd October, 1962 and the other in the Arabian Sea and the Bay of Bengal en route to East Pakistan from 5th to 15th December, 1962. In these cruises, meteorological, synoptic, radiation, evaporation, transparency (by means of Sechi Disc and Meter), sea surface and deep sea temperatures to a depth of 450 ft. and wave observations were recorded. Water samples from surface to depth of about 1,800 ft. were also collected and analysed for dissolved oxygen,

salinity, chlorinity, nitrate and phosphorous on board the ship and for other elements at shore Laboratory.

A new shore wave recording station was established at Chillimpur (Chittagong) in November, 1962, besides the other two, functioning at P.B.O. Cox's Bazar and P.N.S. Himalaya, Karachi. Such a shore wave recording station is planned to be established at Jiwani/Gwadar on the West coast of the West Wing of the country.

Radiation equipment has been installed by the University of Michigan at the Institute of Meteorology and Geophysics, Karachi as a part of International Indian Ocean Expedition programme. The University of Michigan will also equip the oceanographic vessel P.N.S. *Zulfiquar* with a self-recording unit of meteorological elements.

Arrangements are also in progress for the establishment of a National Data Centre.

Sferics

The lightning in thunder clouds produces electromagnetic waves, generally of frequencies 10 to 50 KC. known as sferics. The phenomenon of sferics is correlated to cyclones, thunder storms, clouds and rains. Sferics data is, therefore, of great value to the meteorological offices for issuing route forecasts for aviation, and warnings about impending storms.

Two sferics networks equipped with radio direction finders known as goniographs have been established at Dacca, Chittagong and Sylhet in East Pakistan and Lahore, Quetta and Karachi in West Pakistan.

It has been found that goniographs can detect and locate sferics sources from a distance of about 1,000 miles during the day and 1,500 miles or more during the night depending, among other conditions, upon the distance between the observing stations.

Agricultural Meteorology

The Agricultural Meteorology Section studies the climatic peculiarities of different zones in the country, and their effect on different varieties of crops, as well as associated insects and pests.

Experiments on the evaporation from the soil surface and transpiration through cotton plants are under way by using the Naqvi's Evapo-transpiration Balance.

A dew recorder was manufactured in the departmental workshop for recording the duration of wetness of surface.

A comprehensive scheme was prepared for the establishment of an Agricultural Meteorological Unit at Lyallpur for teaching and research. Two members of staff nominated by the University were given three months' training in Meteorology and Geophysics at Nazimabad Division.

A group of M.Sc. students of the Agriculture College, Tando Jam, was given preliminary training in the instrumentation for recording different elements and techniques of using them for agricultural problems.

The Meteorological and crop observation at Quetta continued to be recorded on regular basis and

preliminary experiments on the soil moisture depletion from various depths were started at the Headquarters.

Two Agricultural Meteorological Observatories were established at Raiwind and Haroonabad Cotton Research Farms of the Pakistan Central Cotton Committee. These observatories are functioning since March, 1963.

Studies on desert locust in relation to weather and physical aspects such as sound, light etc., were made at the Headquarters. Study of phenology of desert locust was also made simultaneously on the locusts reared in captivity.

Geomagnetism

Routine geomagnetic observations were carried out at Quetta and Chittagong. Monthly Bulletins of geomagnetic data were forwarded to the International Centre. Geological Survey of Pakistan was provided necessary facilities for calibrating their field magnetometer. Action is being taken to open a third observatory in Gilgit. Investigation on diurnal variation in the amplitude and frequency of Magnetic sudden commencement and sudden impulses at Quetta was completed.

Atmospheric Physics

The main field of study was Surface Air Physics and Atmospheric Ozone. Six solar radiation observatories were in operation in the country which enabled collection of data on solar radiation climate of Pakistan for application in solar energy as a power source and for the use in meteorological research. Processing of data of all observatories was carried out at Quetta. Work on Atmospheric Ozone continued and Ozone data for 1960 and 1961 was processed. Relative measurement of radioactive fall-out continued for the study of air-mass movement.

Seismology

Two standard seismographic stations of the world-wide network were established at Quetta and Lahore and calibration and modification carried out. Chittagong seismological Observatory was also calibrated. Earthquake data of all seismological observatories was processed at Quetta and issued in the form of weekly provisional readings and mailed by air to about 20 international seismological organizations. Printing of monthly seismological bulletin of Pakistan was continued. Data of important earthquakes was cabled to U.S. Coast and Geodetic Survey, Washington, twice a week. Twenty six queries on 'seismological research problems' and fifteen on Earthquake Engineering both from Pakistan and abroad, were attended to. Investigation on "Earthquakes produced by Russian Nuclear Explosions" was completed.

Arid Zone Investigations

Two scientists at the Geophysical Institute, Quetta, were trained in geomorphological aspects of arid zone

investigation by Mr. R. L. Wright, the UNESCO Geomorphologist, who was attached to the Institute during the year under review. The UNESCO geomorphologist, accompanied by two scientists, also carried out field survey for about a month in Nagarparker Area of Tharparkar Desert. Field data collected is being processed and the report will be completed shortly.

Training

The Institute of Meteorology and Geophysics trained a number of departmental and army officials. An observatory was also established at the Institute where 24 hour observational watch was maintained. During May-June, 1963, a fortnight's training course in Geomorphology of Arid and Semi Arid region was conducted at Quetta in which almost all the universities in West Pakistan and a number of Government Departments, sent participants. Post-graduate geophysics students of the Department of Geology, Panjab University, Lahore, were also trained in Seismology and Geomagnetism during May-June, 1963.

Workshop

A Workshop for the manufacture of Meteorological instruments and a Laboratory to carry out calibration of equipment as well as to maintain the departmental standards has been established at Karachi.

Efforts are being made to manufacture some instruments in the Workshop which are normally imported from abroad with a view to saving foreign exchange.

Buildings for the Workshop have been constructed at Country Club Road, Karachi, and the machinery is

in the process of installation.

A lot of foreign exchange is being spent on the import of chemicals for the preparation of hydrogen gas for filling balloons, used for aerological ascent. Electrifier plant valued at \$ 75,700 obtained under ICA Aid will be installed in the near future in the buildings constructed for the purpose at Country Club Road, Karachi.

Schemes under Second Five-Year Plan

The Government allotted Rs. 14 million for the development of meteorology and geophysics in Pakistan during the Second Plan period 1960-65.

The Government has already approved the following schemes:—

1. Improvement of Meteorological facilities for aviation at a cost of Rs. 9,000,000
2. Establishment of Hydrogen factory in East Pakistan at a cost of Rs. 800,000.
3. Establishment of two Storm Warning Radar Stations at Cherat and Sargodha and three Radar Wind Stations at Sargodha, Panjgur and Khanpur.

The following stations were established during the year:

1. A main meteorological office at Dacca.
2. Aeronautical Meteorological stations at Chittagong, Dacca, Jessore, Ishurdi, Cox's Bazar, and Sylhet in East Pakistan and Nawabshah and Gilgit in West Pakistan.
3. Pilot Balloon Observatories at Ishurdi and Barisal in East Pakistan.
4. Supplementary meteorological stations at Ishurdi, Cox's Bazar and Jessore in East Pakistan.

BROADCASTING

*Programmes—Cultural Programmes—Publicity Themes—Religious and Anniversaries Programmes—News—
External Services—Monitoring Department—Transcription Service—Commercial Service—Staff and Technical
Training Schools—General.*

Radio Pakistan was equipped with only three low-powered transmitters at Peshawar, Lahore and Dacca at the time of Independence. Today Pakistan has 10 Broadcasting Stations with 11 mediumwave and 10 shortwave transmitters operating on regular schedules.

The extent of the growth of this Service can be gauged by the fact that today the power radiated from the transmitters comes to 350 kilowatts whereas in 1947 this was only 20 kilowatts. The total number of transmission hours during 1962 was over 58,000 in Home Service and 3,300 in External Services. These hours in 1947 were only about 4,000 in Home Service, and no External Service existed at that time. The present Service does not cover more than 60 per cent of the population in West Pakistan. In East Pakistan, however, almost the whole area is within the effective range of a mediumwave service. To fill this gap, a number of projects are in hand under the Second Five-Year Plan and the work on the Third Five-Year Plan has started. It is contemplated to set up high powered

medium-wave transmitters in important towns which will serve as regional stations. These regional stations will be linked with low-powered mediumwave transmitters in other towns by means of telephone lines.

Programmes

The year 1962-63 was of great significance for Pakistan. Only a few months before the beginning of the year, the country's Constitution was enacted which was followed by elections for the Central and Provincial Assemblies. The Constitution which provided for a Presidential form of Government and marked the return of democracy after a period of about three years was effectively projected through the programmes of Radio Pakistan. A large number of programmes had to be arranged from all stations to educate the people about this new system. The emergency sessions of the National Assembly at Dacca and the Budget Sessions at Rawalpindi, as well as the proceedings of the Provincial Assemblies were

adequately covered through regular Radio reports on national hook-up. Special representatives were deputed to prepare these reports. All policy speeches of the President were invariably recorded and broadcast later in the national hook-up. On the international front, the negotiations with India over the question of Kashmir and massive arms aid provided by the Western Bloc to India, were given extensive coverage. A number of news reviews and statements made by the President and the Minister for External Affairs on these questions were broadcast. An agreement with Afghanistan over the resumption of diplomatic relations was reached through the mediation of Shahinshah of Iran. Due publicity was given to this agreement through the news and general programmes. Adequate publicity was given to the visits to Pakistan of President of Philippines, Shahinshah of Iran, Prime Minister of Malaya, Crown Princess of Netherlands, the President of Germany, the Lebanese Prime Minister and the President of Indonesia during the year. Besides, the participation of President Field Marshal Ayub Khan in the Commonwealth Prime Ministers' Conference in London and his visits to France, Canada and U.S.A. were highlighted and Pakistan's views on various international problems were duly projected. President's visit to Nepal was also given extensive coverage.

Cultural Programmes

Music festivals were broadcast from almost all stations of Radio Pakistan. In these festivals eminent musicians of the country participated. Many stations of Radio Pakistan also arranged Drama Festivals. Lahore Station gave an elaborate coverage to Horse and Cattle Show, an annual feature of national importance. The anniversaries of Mirza Ghalib, Hazrat Amir Khusro, and Hasrat Mohani offered opportunities to acquaint the listeners with the country's cultural heritage. Special programmes to mark the anniversary of Moulvi Nazir Ahmad were introduced in three stations viz; Karachi, Lahore and Rawalpindi in 1963.

Publicity Themes

Publicity themes covered during the year were: Second Five-Year Plan, development of backward areas, fight against waterlogging and salinity, Basic Democracies, social uplift and adult education, on the basis of which numerous programmes were designed for the promotion of a healthy national life.

Religious and Anniversaries Programmes

Special programmes were arranged on national days like Independence Day, Pakistan Day and Iqbal Day. Programmes of particular interest to the listeners were arranged on important religious festivals like Rabi-ul-Awwal, Ramzan, Eid and Muharram. The proceedings of the annual *Urs* of important saints like Hazrat Data Gang Bakhsh and Shah Abdul Latif Bhitai were also broadcast from various stations of Radio Pakistan.

News

Radio Pakistan broadcasts today as many as 52 bulletins in 16 languages for home and foreign listeners. The languages in which these news bulletins are broadcast are: English, Urdu, Bengali, Pushto, Sindhi, Baluchi, Kashmiri, Panjabi, Gujrati, Arabic, Iranian, Afghan-Persian, Turkish, Burmese, Balti and Shina. One of the important changes introduced in the news service during the period—a change which has been hailed by all sections of the listeners—was that the Urdu and Bengali news bulletins were given precedence over the English newscasts.

In the field of national activities, Radio Pakistan news bulletins reported the proceedings of the National and Provincial Assemblies with characteristic objectivity and effectiveness. Striking achievements in the fields of industrial, agricultural, health, education and social welfare were also spotlighted. Adequate coverage was arranged for the President's "meet-the-people" tours and his visits abroad.

In foreign news, the Sino-Indian armed conflict was objectively covered giving an assessment of the issues involved. Revolutions in Iraq, Syria, Yemen and in some South American countries were promptly and objectively covered.

The national resentment over the massive arms aid to India by the western powers in the wake of the Sino-Indian border dispute was suitably covered.

The year also saw the revival of the Indo-Pakistan talks on Kashmir alternatively held in India and Pakistan. One of the senior News Editors was deputed to cover these talks.

External Services

Starting from 5:30 in the morning until midnight, with short intervals, a number of External Services are broadcast directed to East and South-East Africa, Indonesia, Far-East, Burma, South Asia, South-East Asia, Afghanistan, Iran, Arabian countries, Turkey and the U.K. These services project the culture and progress of Pakistan to other countries.

Monitoring Department

The Monitoring Department is what may be called a window on the world through which can be viewed political developments taking place in different countries of the world. The Monitoring Department listens to all that is radiated through the Radio transmitters in various countries and provides the Government with the latest reports on events from foreign radio stations and the views expressed in foreign broadcasts about this country. Reports compiled by the Monitoring Department are supplied to over 80 Government Departments and senior officers.

Transcription Service

The total output of the Transcription Service almost doubled during the course of this year. Today there

are as many as 58 countries on the list of the Transcription Service to which specially produced programmes are supplied. The total duration of the recordings supplied during this year comes to approximately 8,000 minutes of recording. This is besides the 12,000 minutes' recordings of specially prepared music programmes supplied to various stations of Radio Pakistan.

Transcription Service is also building a recording library with a view to preserve what is best in the country's music and literature. Accordingly 500 tapes containing recordings of various categories of programmes have been added to this library and voices of a large number of literary and other figures have been preserved on the tape.

Commercial Service

The Service was started in November, 1961. At that stage, it utilised a total of 60 minutes of broadcast time. This duration has since been increased to 120 minutes including seven sponsored programmes of 15 minutes and two of 30 minutes. The rest of the time is utilised in spot-programming with gramophone records of popular music.

Staff and Technical Training Schools

Staff Training School has so far trained nearly 70 members on the staff of Radio Pakistan in the techniques of planning and production of music programmes, radio talks, plays and feature programmes, special audience programmes, documentary programmes and general administration. Radio Pakistan has also been providing training facilities to broadcasters from foreign countries.

General

The Director-General, Radio Pakistan attended a Conference of the Commonwealth countries held from May 26 to June 16, 1963. The venue of this Conference was Montreal, Quebec and Toronto in Canada. The Chief Engineer was invited by the Japanese Telecommunication Consulting Association to visit that country in January, 1963, while Deputy Chief Engineer attended meetings of the Study Groups of the International Radio Consultative Committee, International Telecommunication Union, Geneva, held during January and February, 1963. The Deputy Director General attended the Asian Broadcasters Conference held in Kuala Lumpur. He also attended a meeting of the Committee on Draft of the Constitution held in Japan in March, 1963.

IV. WELFARE

REHABILITATION AND WORKS

Compensation — Agricultural Land — Trust Property — Movable Property Agreement — Rehabilitation of Jammu and Kashmir Refugees — Housing for Refugees — Islamabad — Pakistan's New Federal Capital — Second Capital — Public Works.

Compensation

About ten million people migrated to Pakistan from India after Independence. All claims of these displaced persons who had abandoned immovable property in India and whose claims for such property were verified by the Claims Organisation some years ago are being satisfied by the Settlement Organisation under the Displaced Persons (Compensation and Rehabilitation) Act, 1959, by adjustment against the transfer price of evacuee property in Pakistan obtained by the claimants concerned in their own names or by association with others, or by cash payment.

So far, out of the total amount of Rs. 1,950 million compensation payable to claimants, a sum of Rs. 1,230 million has been adjusted against the transfer price of property. Besides, about Rs. 70 million has been paid as cash compensation.

The Government is anxious to settle all the remaining claims either by transfer of properties not so far disposed

of, or by making cash payments, and it is hoped that this work will be completed by the end of 1964.

Agricultural Land

Almost all the claimants who had abandoned agricultural land in India have been allotted land in Pakistan. A small percentage still remains to be settled and it is expected that allotment of agricultural land against their claims would be made shortly.

Trust Property

A separate scheme has been formulated for the management and disposal of properties attached to religious, charitable and educational institutions. The Evacuee Property Trust Board consisting of five members, including the Chairman, has been constituted for the maintenance, control, administration and disposal of such property and for the appropriation of the funds

that may accrue therefrom for purposes provided in the scheme.

Movable Property Agreement

The Indo-Pakistan Movable Property Agreement was concluded in June, 1950, and the Consolidated Implementation Instructions issued in 1955 provide for the restoration of movable properties like house-hold and personal effects, trade goods and merchandise, seized property including fire-arms, lockers and safe-deposits, postal accounts and certificates, buried treasures, properties of joint stock companies, shares, securities, debentures and insurance policies, revenue records and court deposits abandoned by displaced persons in either country.

The Agreement has been implemented in respect of most of the items stated above. Among the items on which no settlement has so far been arrived at relate to the properties of joint stock companies and the shares, securities, debentures etc., deposited in the banks. These items are expected to be finalised shortly.

Rehabilitation of Jammu and Kashmir Refugees

A large number of Jammu and Kashmir refugee families are occupying trust properties such as *Gurdawaras*, *Mandirs* and School Buildings in the border districts of West Pakistan. These buildings are required to be vacated in pursuance of an Indo-Pakistan Agreement. In order to provide alternative accommodation for the Jammu and Kashmir refugees occupying the aforementioned buildings, it is proposed to construct colonies for them. Such colonies are being set up at Uggoki (District Sialkot) Dhingranwali (District Gujranwala) and Rathin (District Jhelum) and will accommodate about 1,700 Jammu and Kashmir families. These schemes will cost about 10 million of rupees and are expected to be completed in three years.

Besides, residential and commercial plots are also being reserved for Jammu and Kashmir displaced persons in the satellite towns of Rawalpindi and Gujranwala.

Housing for Refugees

Government of Pakistan approved the following schemes during 1962-63:-

- (a) Construction of 3,500 one-room houses and development of 500 plots at Saidpur (East Pakistan) for rehabilitation of displaced persons. The scheme will take four years to complete and cost about Rs. 22.345 million.
- (b) Construction of 1,500 one-room houses and development of 500 plots at Parbatipur (East Pakistan) for the rehabilitation of displaced persons. This scheme will cost about Rs. 9.5 million.

Under the Canadian Capital Aid Programme for 1962-63, an amount of 1.1 million dollars has been provided to the Government of West Pakistan to import building materials and machinery for the execu-

tion of the following projects:-

1. Lahore Township Project
2. Jammu and Kashmir Refugee Colony at Dhingranwali near Gujranwala
3. Jammu and Kashmir Refugee Colony at Uggoki near Sialkot

Islamabad—Pakistan's New Federal Capital

Capital building was a long standing national problem. Successive Governments at the centre tried to resolve this problem at different times but nothing tangible resulted. Sites like Mauripur, Gizri and Gadap were considered but the work was never started.

The Government of President Ayub appointed in February 1959 an 8-man Site Selection Commission to report on the location of the national capital. The Commission was given the following terms of reference:-

- (a) to consider the suitability of Karachi as capital of Pakistan from the point of view of geographical location, communication, defence, climate and availability of a productive hinterland,
- (b) to recommend another site if the Commission considered Karachi as unsuitable.

The Commission recommended that Karachi was unsuitable to remain the national capital and suggested Potwar Plateau near Rawalpindi as the most suitable site for the Federal Capital. Its recommendations were accepted, and Islamabad was chosen as the name of the Capital. The construction of the new Capital is in progress.

Second Capital

The Governors' Conference held at Nathiagali in June, 1959 decided *inter alia* that a Second Capital be located in East Pakistan. A Committee was set up under the Chairmanship of the then Governor of East Pakistan to report on the location of the Second Capital and other connected matters.

The new Constitution provides that the seat of the National Assembly of Pakistan shall be at Dacca. Besides, it also provides that the Second Capital of Pakistan will also be established at Dacca in East Pakistan. The Government have taken steps to give effect to the provisions of the Constitution.

The Second Capital Project envisages the construction of National Assembly Building, the MNA's Hostel, offices and residential accommodation for the National Assembly Secretariat, residences for the Speaker, the Deputy Speakers and Secretary, National Assembly and a hostel for Ministers and Secretaries.

The Second Capital Project is estimated to cost Rs. 60 million during the current plan period. A sum of Rs. 16 million was spent on this account till the end of last financial year. The current year's (1963-64) budget provides Rs. 23.5 million for the purpose.

Public Works

During the period under review (January 1963 to June 1963) the Pakistan Public Works Department completed the following important works estimated to cost Rs. 12,7,95,246.

<i>Particulars of Work</i>	<i>Estimated cost</i>		
1. Construction of Additional Parking Area and Taxi Tract at Civil Airport, Peshawar.	Rs. 563,620		
2. Strengthening and extending the Runway at Nawabshah.	Rs. 1,941,500		
3. Strengthening of apron in front of the Terminal Building at Karachi Airport, Karachi.	Rs. 753,100		
4. Broadcasting House at Rajshahi	Rs. 755,000		
5. Re-construction of apron and drains and construction of turning circle at the end of the runway of Lahore Airport.	Rs. 1,091,300		
6. Extending and strengthening of runway and taxi track at Pakistan Air Force Airfields Lahore.	Rs. 1860,000		
7. Construction of Industrial Research Institute at Tejgaon, Dacca (1st Phase)		Rs.	208,859
8. Construction of High Power Transmitting Station at Dacca.		Rs.	833,800
9. Construction of High Power Transmitting Station at Savar, Dacca.		Rs.	613,000
10. Construction of Hostel and Staff Quarters at Technical Training Centre, Karachi.		Rs.	610,530
11. Construction of Technical Centre at Dacca.		Rs.	666,500
12. Construction of a permanent building for East Pakistan Management and Development Supervisory and Instructor Training Centre, Dacca.		Rs.	597,200
13. Construction of Geological Survey of Pakistan Building, Blocks No. II, IV, V, VI and X at Quetta.		Rs.	2,300,837
		Rs.	<u>12,795,246</u>

EDUCATION

General—Educational Expenditure—Higher Education—Seminars—Grants-in-Aid—Technical Education—Secondary Education—Primary Education—Nurture of National Talent—Study of Foreign Languages—National Archives of Pakistan—Liaquat National Library—National Library of Pakistan—Central Bureau of Education—Cultural Activities—Learned Bodies—Awards for Families of Deceased Artists, Journalists and Men of Letters—President's Welfare Fund—Literary Pensions—Audio-Visual Techniques—UNESCO.

General

Education made appreciable headway during 1962-63, the third year of the nation's Second Five-Year Plan (1960-65). The direction given by the Report of the Commission on National Education has been well maintained, particularly in the sphere of technical education. The chief objective of the educational policy during 1962-63 continued to be an increasing emphasis on technical education, consolidation and expansion of educational facilities, and improvement of the curriculum and teaching methods in the schools, colleges and universities.

Educational Expenditure

Investment in education in 1962-63 was almost double of that in 1958-59. The total expenditure on education has risen from Rs. 253 million in 1958-59 to Rs. 560 million in 1962-63, showing a remarkable increase of 124%. The development expenditure of Rs. 44 million in 1958-59 rose to Rs. 260 million in 1962-63. A particularly gratifying feature is the tremendous educational development in East Pakistan where development expenditure has jumped from Rs. 16 million in 1959 to Rs. 138 million in 1963.

Higher Education

The programme of reforms in the sphere of higher education rests on the assumption that the most essential aspect of college and university education is a single-minded pursuit of quality, and that the end-products of the country's colleges and universities should be comparable in achievement and competence to those of the advanced countries of the world.

It was with these objectives in mind that the process of the separation of Intermediate from the Universities was effected. The Universities are now being gradually reoriented to draw up their own programme of research and advanced studies.

Large sums of money have been sanctioned for the development of the Universities. As a result of larger budgets, new and better campuses, buildings, classrooms, laboratories and libraries are being built up. In all the Universities new tutorial rooms, private study rooms, hostels, cafeterias, student-teacher centres, sports grounds and stadia are rapidly coming up. The total expenditure on Universities in Pakistan has risen from Rs. 19 million in 1958-59 to Rs. 94 million in 1962-63. In 1962-63, the following provision was made in the budgetary allocation of the Central and Provincial Governments for the development of Universities and their maintenance:

East Pakistan	.. ..	Rs. 42 million
West Pakistan	.. ..	Rs. 47 million
Central Government	.. ..	Rs. 4.4 million

The total provision of about Rs. 94 million compares favourably with the provision of Rs. 19 million and Rs. 22 million, made by the Central and the Provincial Governments in 1958-59 and 1959-60 respectively.

Special attention is being paid to the introduction of tutorial system in the Colleges and Universities.

Seminars

University and College teachers met together for summer seminars at Rajshahi University in East Pakistan, and Baragali in the Murree Hills in West Pakistan. Each seminar was led by three distinguished scholars and was attended by about 40 participants evenly chosen from the two Provinces of the country. So far 252 College and University teachers have participated in these useful seminars.

Grants-in-Aid

A maintenance grant of Rs. 400,000 was given to the Institute of Development Economics during 1962-63 which is also in receipt of substantial foreign aid from the Ford Foundation.

The College of Home Economics, Karachi, received a maintenance grant of Rs. 200,000 from the Central Government during 1962-63. Similar institutions have also been set up at Lahore and Dacca which receive grants-in-aid from the Provincial Governments. The

total enrolment in these colleges increased from 373 in 1959-60 to 609 in 1961-62.

Technical Education

The development of technical education has been most remarkable. In 1962-63, 16 Polytechnics were in operation, as against only three in 1958, with an annual intake of 1,400 students. By the end of 1965, there will be 35 Polytechnic institutions—17 in East and 18 in West Pakistan with an annual intake of 4,800 students. The Polytechnics have also started evening programmes offering various types of courses. Full-fledged departments of Technical Education have been established in both the Provinces. Each Province has now Engineering and Agricultural Universities. New Engineering Colleges are being established at Rajshahi and Hyderabad in the current Plan period in addition to the expansion of existing Colleges elsewhere. A scheme for an Engineering College at Chittagong has also been approved by the Central Development Working Party. The Economic Committee of the Cabinet has approved a scheme for the establishment of a College of Mineral Technology at Quetta.

Secondary Education

Primary and Secondary Education in Pakistan made notable advance during the year 1962-63. The chief objective of the educational policy during 1962-63 continued to be the consolidation and expansion of educational facilities, improvement of the curriculum, and reorientation of teaching methods. Religious education has been made compulsory upto VIII standard. Science and Mathematics have been introduced as compulsory subjects in the Secondary schools' curriculum.

The academic aspect of Secondary education continues to be managed by the Boards of Intermediate and Secondary Education which prescribe Syllabii, lay down standards and rules for recognition and conduct examinations of classes IX to XII. In East Pakistan, two new Boards have been established raising their number from one to three in that Province and from five to seven in the country as a whole. The Regional Directorates of Education exercise administrative and budgetary control over Government Secondary Schools and the non-Government schools through grants-in-aid.

The total allocation made for Secondary Education during 1962-63 was Rs. 52.53 million. The number of Secondary Schools increased by about 400 and the enrolment of students by about 64,000 i.e. by 4% over the previous year's enrolment of 1,560,000.

Primary Education

The number of primary schools has increased by 4,000 and their enrolment by about 300,000, i.e. by 6% over previous year's enrolment of 5.3 million. The total allocation made for Primary Education during 1962-63 was Rs. 23.92 million.

The programme of universal primary education is now being pushed ahead with the aid of local communi-

ties. In rural areas, during 1962-63, District Education Committees were set up to plan and administer programmes for the expansion of primary education. This work has been carried out with the assistance and co-operation of the elected representatives of the particular areas. In urban areas, the primary education has been made the responsibility of Municipal authorities.

Nurture of National Talent

Government has given the utmost attention to the problem of discovering talent and grooming it through various stages of education. A scheme of scholarships for talented students, the cost of which will ultimately rise to Rs. 15 million a year, is already in operation.

The programmes of education abroad under Pakistan Government scholarships or the scholarships and fellowships offered by Foreign Governments and Agencies have continued satisfactorily. Steps have been taken to ensure that these facilities are equitably available to the two Provinces of the country.

Study of Foreign Languages

English has been, by and large, the most widely known language in this country. But in a rapidly shrinking world of today, knowledge of other foreign languages is essential. The Universities are now busy expanding their departments of foreign languages other than English. The Government has also decided to establish an Institute of Foreign Language at Karachi.

National Archives of Pakistan

The revised Development Scheme of the National Archives of Pakistan was approved by the Economic Committee of the Cabinet at a total cost of Rs. 4.9 million, of which a sum of Rs. 3.9 million is meant for the construction of Archives building at Islamabad. A site has already been allotted for the National Archives of Pakistan at Islamabad. During the Second Five-Year Plan period, a sum of Rs. 1,280,000 has been allocated for the acquisition and development of land and preparation of designs of the buildings.

Most of the microscopic and photostatic machinery and other equipment has been installed for the preservation of valuable national records and archives.

Liaquat National Library

A National Bibliographical Unit has been set up in this Library. A scheme for a new building for the Library in a centrally located part of Karachi has also been approved.

National Library of Pakistan

The scheme for the establishment of the National Library of Pakistan at Islamabad has been approved by the Central Development Working Party at an estimated cost of Rs. 5,560,000. A sum of Rs. one million has

been allocated during the Second Five-Year Plan for the acquisition of land, preparation of designs of the building etc.

Central Bureau of Education

The Central Bureau of Education which collects and collates information on national education made further progress in its documental, statistical and audio-visual aid services. Two specialist, one in educational documentation and the other in educational statistics, were appointed during the year. Two UNESCO Experts, one in educational publication and the other in statistics, were assigned to the Bureau to guide its various programmes. During the year, the Bureau collected and disseminated general information on national education as well as educational statistics for 1960-61 and 1961-62.

Books on educational subjects worth more than Rs. 8,000 were purchased for the Bureau's Library.

Cultural Activities

Cultural Pacts: Cultural Pacts with Iraq, Turkey, Iran, Japan, U.A.R., Indonesia, Spain, West Germany and Philippines have been successfully maintained. A similar pact was also concluded with Cameroon during the year under review. Besides, Cultural Agreements are being negotiated with the Lebanon, Morocco, Brazil and Belgium.

These Cultural Agreements envisage exchange at the bilateral level of students, teachers, reading materials, cultural exhibitions, and visits of delegations of scientists, educationists etc.

Cultural Associations: With a view to strengthening social and cultural relations, associations with the following countries were formed: (i) Japan, (ii) Thailand, (iii) Greece, (iv) Australia, and (v) Turkey.

Chairs in Pakistani Studies: Pakistan is also assisting financially and encouraging otherwise the establishment of Chairs in Pakistani Studies at important Universities in friendly countries to promote the study of Pakistan's history, civilization, way of life and culture.

Cultural Scholarships: Under the scheme of Cultural Scholarships, 125 students were studying in Pakistani institutions during 1962-63. Apart from students who come to Pakistan under Pakistan Government scholarship awards, other foreign students also continue to seek admission to the country's universities. During the year 1962-63, 60 such students joined Pakistani institutions.

Foreign Visitors: A youth delegation from Japan visited Pakistan in October-November, 1962. At the invitation of the Government of Pakistan a delegation consisting of 50 students and teachers from Iran visited Pakistan in March-April, 1963.

Lt. Col. L. H. M. Gragory, M.B.E., a retired British Army Officer, Dr. Mustafa (U.A.R.) Director, Museum of Islamic Art in Cairo, Edith Dizon, a music expert from Philippines and Dr. Ahmad Nazirzada Kirimani, Professor of Literature, Teheran University, visited

Pakistan and delivered lectures on their respective subjects in the different educational institutions.

Promotion of Arts: Every possible assistance is being given for the promotion of arts in Pakistan. Generous financial assistance has been given to the Pakistan Arts Councils at Dacca, Lahore and Karachi and to Bulbul Academy of Fine Arts, Dacca, the Contemporary Art Galleries, Rawalpindi, and similar other organisations engaged in the maintenance and promotion of arts in Pakistan.

The President has instituted the President's Awards in Painting, Child Art and Photography.

International Meetings: Pakistan continued to participate in numerous educational and cultural symposia and conferences abroad. Financial assistance was also provided to Pakistani delegates for participation in (i) the Millenary Celebration of the City of Baghdad, (ii) Afro-Asian Writers' Conference at Djakarta, (iii) Cultural Seminar at Khatmandu, and (iv) Quran Reading Competition at Kuala Lumpur. A suitable grant was also made for the Pak-Canada Joint Seminar arranged by the National Committee for the World University Services in Pakistan.

Free Exchange of Literature with Foreign Countries: Books on Pakistan have been provided to educational institutions, libraries and cultural organisations abroad. A grant-in-aid of Rs. 47,000 was also sanctioned for the purchase of 300 copies of the History of Muslim Philosophy.

Literature on Pakistan and Islam was sent to eight foreign countries, as well as to all the Pakistani Missions abroad.

Learned Bodies

Government has continued to give substantial grants to learned bodies which play an important role in supplementing Government effort in promoting culture and learning. Some of the important learned bodies are (i) Pakistan Historical Society, (ii) Pakistan Philosophical Congress, (iii) Academy of Sciences, and (iv) Society for the Advancement of Science.

Government has also constituted a number of autonomous Boards to undertake special projects. The Board for the preparation of History of Muslim Philosophy has completed its task in two volumes. The manuscript was presented to the President with due ceremony. The book is now under print by a well-known foreign publishing firm.

Government has established two Boards, one for Urdu and the other for Bengali, to develop the two languages so that eventually they may replace English as the medium of instruction at the higher stage. The annual grant earmarked for these Boards is Rs. 500,000 each.

In addition, Government continues to give grants to the Urdu Board at Karachi for the compilation of a comprehensive Urdu Dictionary and to the Bengali Academy and the Universities of Dacca and Rajshahi.

Government has also established a high ranking Institute of Islamic Research. This Institute has now been

assigned an added responsibility of advising the Council of Islamic Ideology on all references made to it by the Central and the Provincial Governments.

Awards for Families of Deceased Artists, Journalists and Men of Letters

Families of thirty-two deceased artists, journalists and men of letters were granted allowance amounting to Rs. 54,000 for maintenance of their families and the education of their children.

President's Welfare Fund

Another contribution of Rs. 35,000 was made to the President's Welfare Fund for giving financial assistance to living artists, journalists and men of letters in indigent circumstances.

Literary Pensions

Poet Jasimuddin of Dacca was sanctioned a life pension of Rs. 300/- per mensem in recognition of his valuable contribution to the Bengali literature.

Audio-Visual Techniques

The Audio-Visual Centre in the Central Bureau of Education, Karachi, printed and distributed 16 mm films' catalogues among the educational institutions. Educational films were supplied on loan to the various institutions in both the wings. UNESCO presented 12 sets of art slides to the Centre. The Centre also provided film shows and tape-recording services to the officers participating in the training courses conducted by Efficiency and O & M Wing (Establishment Division).

UNESCO

UNESCO has continued to help Pakistan in a number of ways. UNESCO has established a Centre for the Reading Material for South-East Asia at Karachi. This Centre is engaged in studying the problem of publication and popularising of low cost reading materials. The Centre has held a series of meetings in various countries of the region and has written a useful report. The Pakistan National Book Centre, established by Government to promote the publication of reading material and habits of study, is functioning satisfactorily. A branch has been opened at Dacca, and next year another branch will be opened in Lahore.

A number of outstanding scholars visited Pakistan in 1962-63 under UNESCO's major project on Mutual Appreciation of the Eastern and Western Cultural Values. Pakistan received 17 UNESCO fellowships in various fields of physical and social sciences. UNESCO also contributed equipment of the value of £12,000. Pakistan contributed £50,000 to the Emergency Fund Programme, and also participated in all the important Conferences/Seminars convened by UNESCO and other allied organisations during 1962-63.

ARCHAEOLOGY

Excavations—Exploration—Foreign Archaeological Missions—Conservation—Museums and Auxiliary Buildings—Exhibitions—Acquisitions—Epigraphy—Scholarships and Training—Publications.

During the year under review, large scale excavations were undertaken at the early Islamic site of Banbhore near Karachi and the Buddhist sites of Mainamati near Comilla. Explorations were made in the Chittagong Hill Tracts in East Pakistan and Kalat, Las Bela, Thatta, Mirpur Khas and Nawabshah in West Pakistan, while a number of foreign Archaeological Missions continued their researches and field work in Pakistan with the close collaboration and assistance of the Department of Archaeology.

Excavations

Banbhore: During the fifth phase of excavations at Banbhore, work continued in and around the Grand Mosque—the earliest known mosque of the sub-continent—in order to establish its date and chronological development. Investigations made in regard to the eastern gate of the mosque proved that it was built in the early 8th Century A.C. The gate remained in use in all the four successive periods of the mosque. At a later stage, its width was reduced and an entrance porch was added to it. The eastern boundary wall of the mosque has been

cleared revealing a complex of structures at its north-eastern corner.

Another gateway of the mosque has come to light on the northern side. It is 7-foot wide and each of its 5 treads measures 1'-2" in width. Later on, when in course of time the level in the northern street rose, this width was reduced to 3½-foot and there were no steps in front, the access being provided direct from the street.

The northern gate faces a large building which on the basis of its plan appears to be of institutional character like a *maktab* or *madrassah* attached to the mosque. Diggings have laid bare its full plan. Covering a large area, it runs parallel to the northern boundary wall of the mosque and consists of rows of small rooms on either side of the broad corridors. The search on the western side, i.e. outside the '*Qibla*' wall of the mosque, has revealed many solid structures of stone which appear to be an annexe of the *maktab*. On the southern side, the excavations have revealed mud-brick and stone houses built against the boundary wall of the mosque.

In the western area of excavations, efforts were made to clear the full plan of the Shiva Temple which was

partially uncovered in the previous seasons. As a result of diggings during 1962-63, the plan of the Temple is almost completely clear now. Its exposed walls with several coats of red paint show effects of heavy burning. Two votive Siva lingams and a few stone and terracotta human figurines were recovered from this building. In one of the rooms a well preserved floor of sea-shell decoration has been discovered.

An interesting variety of minor objects was also recovered from the temple area. Small tinkling bells of silver, beads of semi-precious stone and stamped and incised pottery of beautiful designs need special mention. Finds from the upper Muslim levels include numerous copper coins of Umayyad and Abbasid periods, and a variety of glass, ivory, shell and stone objects.

The entire eastern and northern face of the fortification wall with semi-circular bastions has been fully exposed now. Its origin is attributed to the advent of Arabs in the 8th century A.C. At two points vertical digging across the defence wall has been carried down to the subsoil water-level establishing the cultural sequence of the site as well as of the defensive system. It has four clear periods of repairs and rebuilding. There is a very broad and $7\frac{1}{2}$ -foot high stone revetment at the base of the fortification wall to give it strength and protection from water and occasional flood.

Mainamati: In East Pakistan, the 4th phase of excavations at Salban Vihara near Comilla was resumed in December, 1962, which continued for four months. This large Buddhist monastery with 115 cells is datable between the 8th to 13th Century A.C. As a result of the recent diggings, the central shrine of the monastery has been almost completely cleared and significant discoveries have been made regarding the history and chronology of the site. The most important is the discovery of two definite building levels below the cruciform shrine which goes to prove that the place remained under Buddhist occupation for a considerably long time.

The earliest shrines are built of beautifully cut and moulded bricks, representing floriated and geometric designs on the outer walls with a well preserved *Pradakshina* path and small but beautiful niches for keeping oil lamps to light the circumambulatory passage. From the associated levels, a huge number of miniature unbaked clay stupas—many stamped with circular seal of the Buddhist creed—and images of Buddha and goddess Tara have been found. These early shrines, probably destroyed by a natural calamity, were completely rebuilt on a cruciform plan with four cells on four sides and a $7\frac{1}{2}$ -foot wide *Pradakshina* path around, resembling exactly the gigantic shrine at Paharpur in Rajshahi district. It remained in use for a fairly long time during which three projections measuring 21' x 14' were added on the eastern, western and southern sides.

The southern and western sides were exposed earlier. Excavations have fully exposed the eastern part of the shrine with its projection decorated with a number of burnt clay plaques depicting human, animal, bird and mythological figures in bas-relief. The representations

include tortoise, antelope, horse, bull, peacock, lion, wild bear, elephant, *rajhansa*, double fish, male and female dancers.

The excavations in the cells, besides establishing many building and occupation periods, have yielded a rich harvest of objects comprising two dozen bronze images of Buddha, Bodhisattva, goddess Tara, Pattikera-type silver coins, terracotta sealings and a variety of pottery specimens. The most important among the finds is an inscribed copper plate measuring $10\frac{1}{2}$ " x $16\frac{1}{2}$ " with an emblem showing a seated bull. It is the seventh copper plate to be discovered at Mainamati. The six earlier plates have thrown considerable light on the history and chronology of ancient Bengal. A 114-foot long trench across the eastern side of the monastery was laid to connect the central shrine with the cells and to study the stratigraphy. It afforded important evidence regarding the relationship and date of the shrine with the cells and revealed subsidiary structural remains in the courtyard.

The excavations at Mainamati though not yet complete, have brought to light valuable archaeological and chronological evidence for the reconstruction of the history of ancient Bengal.

Paharpur: Limited Excavations were also undertaken in April, 1963 at the Buddhist site at Paharpur in Rajshahi district to determine the successive building periods of the central shrine and to recover the finds from the lower levels for a comparative study with Mainamati objects. The investigations inside the cells revealed four periods each marked by a floor and reconstruction of walls. The building of the earliest period which appeared at the depth of 15 feet from the surface was heavily damaged by a flood and the structures were covered with 6-foot thick silt. The later occupation were marked by rammed and plastered floor of concrete. In the last phase pedestals for images were provided in most of the cells. The pottery finds recovered from different levels are purely of utilitarian type consisting of bowls, cooking pots, small vases and oil lamps. An interesting find was the blue-green coloured imported alkaline glazed pottery in the early levels, probably indicating trade relations with the Arabs in the early 7th-8th Century A.C.

Exploration

Extensive explorations were carried out in the Las Bela and Kalat districts, where the discovery of a number of pre-historic and Islamic sites has made valuable contribution to the knowledge of cultures of that region. Many pre-historic sites, some of them having strong affinities with the Kulli, Nal and Harappan cultures and datable from 2350 B.C. to 1500 B.C. have been located. Another pure Harappan site was recorded near Sonmiani on the Arabian Sea coast which together with the Harappan outposts of Sotka Koh near Pasni and Sutkagen-Dor near Gwadar, affords yet another evidence of maritime activities of the Indus Valley people with the contemporary civilizations of the Middle East about 5,000 years ago.

Numerous megalithic burial sites were discovered

along the eastern bank of the Hub River, while as a result of explorations along the entire coast from the Hub to Hingol rivers, a number of Islamic sites came to light. These evidences attest to the impact Islam made on this region during the period from 8th to 17th century A.C.

Exploration in the districts of Nawabshah, Hyderabad, and Thatta also brought to light many early Arab settlements and forts. At Bhiro-Bham in Nawabshah, trial excavations were carried out to determine the history and chronology of a site which presents a rectangular citadel well-defended by a strong fortification wall with semi-circular bastions at regular intervals. The collected objects resemble those from the upper levels of Banbhore.

In East Pakistan, an Ethnological Survey was conducted in the Chittagong Hill tracts from where interesting ethnological materials, particularly of Murang tribe, have been collected.

Foreign Archaeological Missions

A number of foreign Archaeological Missions are working in Pakistan and as a result of combined efforts, many important discoveries were made. The Italian Archaeological Mission working since 1955 at a number of Buddhist sites in Swat excavated the hitherto unknown burial sites of pre-Buddhist date. The Japanese Archaeological Mission of Kyoto University, after completing the work at the Buddhist site of Chanaka Dheri, continued their investigations in Mardan district and excavated a number of caves of great antiquity. The French Archaeological Mission started fresh excavations at the pre-historic site of Nindo-Damb in the Ornach valley of Kalat Division to determine the extent of the Harappan and Nal cultures. The discovery of impressive fortification of Harappan civilisation has been reported.

Conservation

Conservation of the monuments in both the wings of the country ranging from the pre-historic sites like Moenjo-Daro and Harappa to the remains of the Buddhist period, and the mosque, mausoleums, forts etc. of the Islamic period constitutes an important charge of the Department of Archaeology. Special repairs of the monuments were carried out in and around Lahore viz. Nur Jehan's and Jehangir's tombs, Shalamar Gardens, Shish Mahal and Mai Jindan's Haveli inside the Fort. The last named monument has been thoroughly renovated and given the original look in all respects. The residence of Dr. Mohammad Iqbal poet philosopher of Pakistan, has been repaired to make it suitable for maintaining a Library and a small Museum.

Repairs have also been carried out to Hiran Minar and Tank in Sheikhpura; Kalhoras' tombs and Fort at Hyderabad, the tombs of Isa Khan III, Jani Beg and Diwan Shurfa Khan at Makli Hill, Thatta, and the Attock and Rohtas Forts.

In East Pakistan, special attention was paid to the upkeep and conservation of several monuments. Fol-

lowing were conserved; Satgumbad mosque at Satmasjid, Fort at Sonakanda, Khandakar's mosque at Bandar, Hajiganj Fort and Galdi mosque in Dacca district; Taba Khana at Ferozpur, *Dargah* of Shah Niamat-ullah Wali at Ferozpur in Gaur; Khaniadighi mosque and excavated remains at Paharpur in Rajshahi district; Bara-Sharifpur mosque and excavated remains at Salban Vihara and Kotila Mura in Comilla district; fortifications of Mahasthan, remains of Govinda Bhita and Gokul in Bogra district; Haman Khana at Iswaripur in Khulna district; Mosque at Atia in Mymensingh; Jore Bengla and Navaratna temples at Potazia in Bakarganj. The house of late Dr. R. N. Tagore at Shilaidah in Kushtia district was renovated.

Museums and Auxiliary Buildings

The National Museum of Pakistan in Karachi continued to extend facilities and assistance to both Pakistanis and foreign scholars in research work and for preparing documentary films depicting various aspects of Pakistan's cultural heritage. Plan to construct the National Museum at Islamabad is in hand. The construction of a Central Museum at Karachi has already been undertaken and the work is in progress. Rest houses at Harappa, Moenjodaro and Banbhore were completed. The site Museum at Harappa is being constructed. Construction work on a Rest House and Museum at Mahasthangarh, a site Museum at Mainamati and an Ethnological museum at Chittagong is also in progress. The rest house at Paharpur is nearing completion.

Exhibitions

An Exhibition of Pakistan's cultural heritage ranging in date from pre-historic to Islamic periods was sent to West Germany where it evoked great interest.

The anthropological and ethnographical objects collected from Kafiristan were put on display on the occasion of the 13th All Pakistan Museums Conference at Rawalpindi, attended by a large number of people. The Sikh period treasures were exhibited at Lahore.

Plaster casts of the unique Muslim objects were prepared and sent to the Islamic Centre in Washington as well as to various other Museums in U.S.A. and Ceylon for display.

Acquisitions

The National Museum acquired a rich collection of Chinese porcelain pottery of the Mughal and late Mughal periods and a large number of valuable manuscripts. Mentionable among them are the Holy Quran transcribed by Abdul Baqi Haddad, a contemporary of Emperor Aurangzeb, illustrated copy of *Shahnama* of Firdausi, illustrated copy of *Mahabharata* in Devnagri, and large number of silver and copper coins of the Sultanate and Mughal periods.

Epigraphy

Marked progress was made in the study of inscriptions from Thatta. A list of all the known inscriptions in West Pakistan was prepared as a first step to carry out an Epigraphical Survey by the Department.

Scholarships and Training

The Department selected Archaeological Scholars from various Universities in Pakistan to impart training in archaeology. After successful training in Pakistan four young officers were sent for advanced studies and training to U.K., U.S.A., and Italy in Museology and

Anthropology. A Chemical Assistant was sent to the British Museum Research Laboratories for advanced training in chemical treatment of antiquities.

Publications

The Department of Archaeology has created a Publication Branch which started its job in the beginning of 1962. Its programme includes publication of historical and archaeological research work of the Department as well as of other scholars engaged in this field. Its regular publications will include, in addition to the usual reports and memoirs, a half yearly Journal to be called 'Pakistan Archaeology'.

HEALTH AND MEDICAL CARE

Medical Reforms Commission — Malaria Eradication — Family Planning Programme — Rural Health Centres—National Health Laboratories, Islamabad—Smallpox Eradication Programme—Tuberculosis and BCG Vaccination—Cholera Control—Trachoma Control—Leprosy Control—Curative Services—Medical Education and Research—University of Maryland, Pakistan Medical Research Unit, Lahore—Pakistan Medical Research Council—School of Medical Technology, Karachi—Conference on Teaching of Preventive Medicine—School of Physiotherapy—Higher Training Abroad—Nursing—Nutrition Survey and Research—Pharmaceutical Industry—DDT Factory, Nowshera—International Organisations—Appointments Under WHO—UNICEF Executive Board—World Health Day.

During the year 1962-63, an allocation of Rs. 92.5 million was made in the Health Sector of the Second Five-Year Plan as against Rs. 75.4 million in 1961-62. It comprises Rs. 42.3 million for East Pakistan, Rs. 37.1 million for West Pakistan and Frontier Regions, and Rs. 13.1 million for the Centre including Azad Kashmir.

Medical Reforms Commission

It was decided to repeal the Medical Service of Pakistan Order of May, 1962, with a view to creating an All Pakistan Medical Service. A repeal Act has been passed by the National Assembly and a Central Medical Service Class I to be called the Pakistan Medi-

cal Service is being created instead.

Orders governing the private practice of medical officers on the lines recommended by the Medical Reforms Commission have been issued in consultation with the Provincial Governments.

A Central Committee for conducting examinations for post-graduate studies was set up. It finalised its recommendations which are now under consideration.

Medical curricula have been revised and the Pakistan Medical Research Council and the Pakistan Medical Council have been reconstituted as recommended by the Medical Reforms Commission. Steps are being taken to enact necessary legislation for creating a

Technicians Council also. The number of fresh admissions to medical colleges has been regulated in accordance with the teaching facilities available.

The pace of progress in the implementation of recommendations of the Medical Reforms Commission was, however, very slow. A Health Co-ordination Committee was, therefore, set up under the chairmanship of the Health Secretary consisting of representatives of the Central as well as the Provincial Governments. It will meet regularly every two months.

Malaria Eradication

A country-wide Malaria Eradication Programme, costing Rs. 520 million and extending over 14 years was started in 1961 with the help of International Agencies like WHO and AID. Anti-malaria operations in the districts of Dinajpur and Rangpur in East Pakistan and Shaikhupura and Sialkot in West Pakistan have been completed. A population of 2.6 million in West Pakistan and 5.5 million in East Pakistan has been protected. About 9.1 million people will be protected in the districts of Lahore, Gujranwala and Lyallpur by September next. The number of malaria cases came down from 200,000 to 350 in West Pakistan and from 500,000 to 50,000 in East Pakistan. Personnel required for this programme is being trained within the country and also abroad on WHO Fellowships.

In order to ensure continuity of the programmes, AID was requested for a loan of \$ 5.3 million to cover the foreign exchange requirements of Malaria Eradication Programme for 1962-63 and 1963-64. Out of \$ 5.3 million, an allocation of \$ 1.5 million has been made for this Project from the US Commodity AID Loan and \$3.8 million from US AID Loan.

About 94 per cent of the supplies from Commodity AID Loan have since been received. Necessary indents for the utilization of the US AID Loan of \$ 3.8 million have been placed by the Director, Malaria Eradication Programme.

A further loan of \$ 5.4 million for this Project has been requested from the US AID for meeting the foreign exchange requirements for 1964-65. The loan is to be procured during 1963-64.

Family Planning Programme

By March 1963, 1,920 Family Planning Centres were functioning throughout the country. So far about 3,384 persons (458 medical and 2,926 non-medical) have been trained in Family Planning in East Pakistan and 4,056 persons (857 medical and 3,199 non-medical) in West Pakistan. Orders were issued for free vesectomy operations of Government servants as well as general public at Government hospitals. The public was educated in Family Planning through films, radio and the press. This programme is also being aided by foreign agencies like Ford Foundation, Population Council and the Swedish Government. The Ford Foundation has aided to the tune of \$ 549,000 for the first two years of the programme in the shape of con-

sultants, equipments etc., and has committed to a further aid of \$ 925,000 for the next two years. A National Research Institute of Family Planning was set up and is being expanded. Central and Provincial Family Planning Councils have also been set up.

Rural Health Centres

The first 20 Demonstration and Field Training Centres (10 in each wing) have been completed and started functioning. 300 Rural Health Centres (150 in each wing) are planned to be set up during the Second Plan period. Out of 60 centres sanctioned by the Government of West Pakistan, 36 have been completed and started functioning, and the remaining 24 are under construction. In East Pakistan, 15 centres are under construction, and will be completed by the end of 1963. The Government of East Pakistan have also accorded sanction for the construction of additional 35 centres during 1962-63. For the training of Lady Health Visitors required to man these Health Centres, two new schools have been started at Bahawalpur and Quetta in West Pakistan and two schools are under construction in East Pakistan. The Rural Health Centres will provide both curative and preventive services and will have three sub-centres attached to each.

National Health Laboratories, Islamabad

A scheme for National Health Laboratories costing Rs. 20.5 million and another scheme for 750-bed Hospital at a cost of Rs. 16.5 million were prepared and approved by the Economic Committee of the Cabinet. A project Director for National Health Laboratories has been appointed. The site has been selected and the Master Plan prepared, which has also been vetted by a Consultant Architect whose services have been procured under the Colombo Plan. The construction of staff quarters for these Laboratories at an estimated cost of Rs. 4,590,550 has been completed. Designing of main laboratories has been completed and detailed plans are being finalised.

Smallpox Eradication Programme

The Smallpox Eradication Programme, which started in East Pakistan in November, 1961, continued satisfactorily. Until the end of December 1962, 18,824,577 persons were vaccinated throughout the Province. The number of smallpox cases in East Pakistan came down from 79,060 in 1958 to 747 in 1962 and the number of deaths came down from 58,899 in 1958 to 289 in 1962.

A two-year scheme for the smallpox eradication in West Pakistan has been drawn up. The programme is likely to be assisted by WHO and UNICEF.

Tuberculosis and BCG Vaccination

This programme taken up in 1949 for the pre-

vention of T.B., has been followed up satisfactorily. 31 mobile teams—16 in East Pakistan and 15 in West Pakistan—are working in the country under the programme.

So far, more than 47.17 million persons have been tested and 18.43 million persons vaccinated with BCG in the country.

A Pilot Tuberculosis Project was started in Rawalpindi from 1st January, 1963. Every person in the project area will be examined and any one found suffering from T.B. will be given free domiciliary treatment. A T.B. Project has also been approved for East Pakistan and will start functioning shortly. Necessary staff is being recruited.

A BCG vaccination campaign was inaugurated in Azad Kashmir on 8th July, 1963.

Cholera Control

Anti-cholera measures were greatly intensified in East Pakistan where the disease is more endemic. Results were very encouraging. The number of deaths from cholera in East Pakistan fell from 2,684 in 1959 to 1,380 in 1962, West Pakistan remained cholera free during the period.

Trachoma Control

Trachoma control work has been started in West Pakistan with the assistance of the WHO and the UNICEF. Five Centres at Korangi, Lulliani, Pishin, Tandojam and Khairabad have been established and the work is progressing satisfactorily. About 40,000 persons were examined till March, 1963, and the trachoma prevalence rate was found to be between 45 per cent to 70 per cent.

Leprosy Control

According to rough estimates, there are about 100,000 leprosy victims in the country. A Leprosy Control Programme has been drawn up for the whole country. To start with, two leprosy clinics with 20-bed ward and a mobile team attached to it are being established at Dacca and Karachi to serve as training centres for doctors, nurses etc. The WHO and UNICEF are assisting the programme.

Leprosaria are under construction at Karachi and Sylhet. Leprosy clinics have started functioning at Dacca and Karachi and the construction of another clinic in Rangpur district has been completed. Facilities for treatment of cases which do not need segregation are being expanded. Bed strength is also being raised for other cases.

Curative Services

Although, as stated above, the stress was more on preventive services yet the expansion of curative services also continued during the period. In East Pakistan, work is in hand for the addition of 220 beds in Sadar and Sub-

divisional hospitals. District Headquarters Hospitals are under construction at Sujawal and Sialkot. For East Pakistan, a sum of Rs. 5 million was secured from the ICA Counterpart Funds for repair and rehabilitation of 160 Thana and rural dispensaries, construction of 30 new Thana dispensaries, and improvement of nine T.B. clinics.

To cater for the medical needs of the outlying areas 10 mobile dispensaries received as donations from different countries have been given over to the two Provinces.

In cooperation with the Atomic Energy Commission, three Radio-Isotope Centres have been established for diagnostic and therapeutic purposes at Karachi, Lahore and Dacca for cancer cases. A 140-bed mental hospital is under construction at Nowshera.

School health services were also expanded during the period.

Medical Education and Research

Three medical schools at Dacca, Sylhet and Mymensingh were up-graded to colleges during 1962-63. A Post-graduate Medical Centre has been opened at Karachi to meet the requirements of qualified teachers, specialists and research workers. Post-graduate classes in Medicine and Surgery have been started at Dacca Medical College. A College of Physicians and Surgeons has been established on the lines of the Royal College of Physicians and Surgeons, England. The first meeting of its Council was held in Karachi on 7th April, 1963. The primary F.R.C.S. Examination was held as usual at the King Edward Medical College, Lahore, during December-January, 1963. A proposal for organising Primary F.R.C.S. courses in East Pakistan leading to an examination by the Royal College of Surgeons, Edinburgh, is under consideration.

The Royal College of Obstetricians and Gynaecologists accorded recognition to the resident appointments in nine of Pakistani hospitals. Now it would no longer be necessary for the country's medical graduates to take up appointments in hospitals in the U.K. prior to appearing for the examinations conducted by that College. Armed Forces Hospital, Rawalpindi, was also inspected by members of the Reference Committee of that College in February, 1963. It is hoped that the Hospital will also receive recognition in due course.

University of Maryland, Pakistan Medical Research Unit, Lahore

It has been decided to establish University of Maryland, Pakistan Medical Research Unit at the Institute of Preventive Medicine, Lahore, to provide facilities for study of disease ecology in natural environments and for the interchange of American and Pakistani professional medical personnel for conducting medical and allied research, with the collaboration and assistance of the University of Maryland and the AID.

Pakistan Medical Research Council

The reconstituted Council held its first meeting in the first week of January, 1963 and undertook a number of new research schemes.

School of Medical Technology, Karachi

A School of Medical Technology was started in the Bureau of Laboratories, Karachi, to impart training to different categories of laboratory technicians. Plans are under way to start a degree course in medical technology.

Conference on Teaching of Preventive Medicine

In accordance with the decision of the CENTO, a Conference on the teaching of preventive medicine was held at the King Edward Medical College, Lahore in March, 1963. It was attended among others by representatives of the WHO and the UNICEF.

School of Physiotherapy

The diploma course at the school of Physiotherapy, Karachi, has been raised to the Degree one in consultation with the University of Karachi.

Higher Training Abroad

During 1962-63, 33 fellowships offered by the WHO, 52 by the USA and 15 by foreign Governments and private International Bodies were availed of. In addition, 528 doctors were granted 'No Objection Certificate' to proceed abroad for higher training at their own expense.

Nursing

Facilities for the training of nurses continued to be extended during the period. In East Pakistan, construction of nursing schools at Chittagong and Rajshahi is in hand. The Rajshahi School was to start functioning from July 1963 with 30 students.

A scheme for the appointment of Nursing Assistants was introduced in East Pakistan and in Karachi. They are given theoretical and practical training for one year prior to their appointment.

Nutrition Survey and Research

The Directorate of Nutrition and Research is responsible for finding out the magnitude of malnutrition and under-nutrition in the country and to devise remedial measures to combat them. A nation-wide nutrition survey commenced in East Pakistan (Chittagong Hill Tracts).

So far 12 districts have been surveyed. The survey indicates deficiency of fats, proteins and vitamins A, B, and C. The U.S. Government and the UN Agencies are cooperating in the programme and giving financial and technical assistance. Research was carried out on cases of vitamin A deficiency, effect of prolonged intake of mustard oil in the causation of goitre and on causes of bladder and renal lithiasis. Nutrition education was carried out through lectures, books posters, broadcasts etc.

Pharmaceutical Industry

Permission was granted during the year under review for the basic manufacture of the following drugs:-

1. Aspirin powder—120 tons per annum.
2. Chloramphenicol—9,000 kgs.
3. Streptomycin by fermentation—15 tons per annum by East Pakistan Industrial Development Corporation.

DDT Factory, Nowshera

This factory was taken over from the Pakistan Industrial Development Corporation on 24th April 1962, and handed over to Messrs Technical Enterprises Inc., New York for renovation, operation and management for a period of five years. The UNICEF supplied \$ 100,000 against rupee coverage and \$ 181,200 as aid for the renovation of the Plant.

International Organisations

During the fiscal year 1962-63, Pakistan made contribution of Rs. 416,000 and Rs. 659,000 respectively to the WHO and the UNICEF.

Appointments Under WHO

Three Pakistani specialists in different fields were appointed consultants in the WHO for 3-4 months and another one was appointed as the WHO representative in one of the African countries.

UNICEF Executive Board

At its meetings held in December, 1962 and June 1963, the UNICEF Executive Board approved allocations worth \$ 924,000 and \$ 1,311,000 respectively for the different projects in Pakistan.

World Health Day

As usual, the World Health Day was observed in the country on 7th April, 1963. The theme for this year was "Hunger: Disease of Millions".

SPORTS

The IVth Asian Games, Djakarta, 1962—Hockey—Wrestling—Athletics—Boxing—Volley-ball—The VIIIth British Empire and Commonwealth Games—Other Main Events and Achievements—Permanent Coaching Centres.

The IVth Asian Games, Djakarta, 1962

The IVth Asian Games were held in Djakarta from August 24 to September 4, 1962 and Pakistan entered competitors for Athletics, Hockey, Boxing, Wrestling, Volley-ball, Weight-lifting and Shooting.

Hockey

In Hockey, Pakistan reaffirmed its status as World Champion by beating India by 2 goals to zero in the Final and winning the Gold Medal. The results of the matches played by Pakistan were as under:

Pakistan	5	Japan	0
„	9	Ceylon	1
„	4	Singapore	0
„	8	Indonesia	0
„	5	Malaya	0
„	2	India	0

In spite of an impressive record, the Pakistan Hockey

Federation is not resting on its laurels and has initiated its training programme in preparation for next year's World Olympic Games at Tokyo, by holding two coaching-cum-selection camps.

As a part of this training programme, the Pakistan Hockey Federation participated in an International Hockey Tournament held at Lyons in France in September, 1963, in which the Pakistan Team played matches against all the leading Hockey playing nations of Europe.

Wrestling

In Wrestling, Pakistan was also very much in the limelight, winning 7 Medals in the Greco-Roman Style Championship and 7 Medals in the Free-Style Championship.

Athletics

Pakistan won 7 Medals, with the outstanding

performance given by Havaladar Mubarick Shah who won Gold Medals in both the 5,000 Metres and 3,000 Metres Steeplechase and by Havaladar Muhammad Yusuf, who gained 2nd place in that most gruelling of all races, the Marathon.

Boxing

In boxing, Pakistan won 5 Medals, a very creditable effort and an improvement on previous results.

Volley-ball

In Volley-ball also, Pakistan gained 3rd place.

The VIIIth British Empire and Commonwealth Games

The VIIIth British Empire and Commonwealth Games were held at Perth in Western Australia from the 22nd November, 1962 to 1st December, 1962. Pakistan entered competitors for Wrestling, Athletics, Boxing and Weight-lifting.

The standards of all sports turned out to be much higher than in the last Commonwealth Games; but even so Pakistani sportsmen showed their superiority in Wrestling and Hurdles.

Wrestling : The Wrestlers' unprecedented success brought Pakistan into great prominence. The Pakistani Wrestlers made history in the world of sports by winning 100 per cent Medals in one particular sport. Eight Pakistani Wrestlers participated in the 8 Wrestling weights and won 8 Medals, viz. 7 Gold and 1 Silver.

Athletics . In Athletics, Jamadar Ghulam Razik won the 120-yard hurdles in 14.2 seconds and was the first Pakistani Athlete ever to win a Gold Medal in the Commonwealth Games. His timing for the race would have been much better, but for the rain and a strong breeze.

Subedar Muhammad Nawaz narrowly missed a Bronze Medal in the Javelin Throw, gaining 4th place with a throw of 241' 8".

Boxing : In Boxing the luck of the draw was against Pakistan as it happened that in the very first round five of the Pakistani Boxers were drawn against men who subsequently won the Gold Medals in their respective

weights and the 6th entrant was drawn against the subsequent winner of a Silver Medal.

However, the Pakistani Boxers fought with great spirit and earned applause.

Weight-lifting : The Pakistani Weight-lifter, Muhammad Azam, beat the previous Commonwealth record by 10 lbs. but the rate of progress in other countries is so great that he could only obtain 4th place despite his record breaking performance.

Other Main Events and Achievements

Football : In Foot ball, the most important event, was the visit to Pakistan in January and February 1963 of the Football Team from the Peoples' Republic of China. The series of four International Matches between the Pakistan National Team and the Chinese Team ended in a draw with each side winning one match, the other two matches being drawn. Football players throughout the country were very much impressed by the great skill and the very fine ball control displayed by the players from the Peoples' Republic of China.

Swimming : Mr. Abdul Malek of East Pakistan is making an attempt to emulate Mr. Brojen Das's cross-channel swimming feats and is now under training at Dover in the United Kingdom.

Boxing : In the annual Boxing Match with Ceylon held at Karachi on 14th June, 1963 Pakistani Boxers retained the Hilaly Cup by winning in all weights except one.

Permanent Coaching Centres

Another important advance towards the development of sports in the country during 1962-63 has been the continuance of work on the Dacca Permanent Coaching Centre and the commencement of work on the Karachi Permanent Coaching Centre. Work will be started in 1963 on a third Permanent Coaching Centre in Lahore.

These Permanent Coaching Centres, which are due to be completed during the financial year 1964-65, will not only impart training in the latest scientific techniques to the promising players but also to the Coaches of the nation's educational institutions and National Games and Sports Bodies.

SOCIAL WELFARE

Urban Community Development—Medical Social Work—Grants-in-aid to Voluntary Social Welfare Organisations—Social Welfare Training—Remedial Institutions—Grants-in-aid Programmes—Commission for Eradication of Social Evils.

Social Welfare in modern scientific sense was first accepted as a governmental responsibility in 1952 when the Government of Pakistan obtained the services of a U.N. expert to advise the Government on starting Social Welfare Programmes. Two training courses in Social Welfare were organised by the Government of Pakistan in co-operation with the United Nations Technical Assistance Administration in 1952 at Karachi, followed by a third course in Dacca in 1953.

Social Welfare work in Pakistan gained importance day by day and the Central Government established a number of projects, started grants-in-aid programmes and organised training courses.

Broadly speaking, programmes in the fields of health, education and other services rendered by nation building departments also come under the term "Social Welfare" but the Social Welfare Wing of the Ministry of Health, Labour and Social Welfare is concerned with the following types of programmes:-

(a) Urban Community Development

- (b) Medical Social Work
- (c) Grants-in-aid to Voluntary Social Welfare Organisations
- (d) Social Welfare Training
- (e) Remedial Institutions

Urban Community Development

Urban Community Development is a people's programme sponsored by the Government. An essential feature of this programme is that the people and the Government work hand in hand. The residents of neighbourhoods are organised into community councils, *mohallah* committees, co-operatives, mothers' clubs, youth clubs and similar organisations for helping themselves through mutual effort.

The first Urban Community Development Project was established in Karachi in 1953, which was followed by two more projects in Karachi and one each in Dacca and Lahore. The number of projects in Pakistan has

since increased to 74—42 in East Pakistan and 32 in West Pakistan.

Medical Social Work

Medical Social Service is a branch of professional social work and fills gaps in the application of medical treatment to patients. The necessity of social service in the hospitals has assumed a great importance, as medical care alone cannot ease the emotional tension of an ailing person, who among other things, needs relief, which may include after care programme, employment, provision of housing facilities etc. Medical Social Work Projects have since been established in large hospitals of Karachi, Lahore, Rawalpindi, Multan, Peshawar, Quetta, Dacca, Chittagong and Rajshahi.

Grants-in-aid to Voluntary Social Welfare Organisations

With a view to giving due recognition and importance to the work of Social Welfare Organisations in Pakistan, the Central Government created a National Council of Social Welfare in January, 1956. The main functions of the Council are to promote, sponsor or conduct surveys of the needs and requirements of Social Welfare Organisations in Pakistan and to render financial assistance to them. In order to have an assessment of the work done by the Voluntary Organisations and to have close liaison with them, Provincial Councils for Social Welfare have also been established in the Provinces. The National Council of Social Welfare met twice during the period under review and sanctioned a grant of Rs. 1,581,700.

Social Welfare Training

Social Welfare programme whether in the public or private sector can be undertaken successfully only if adequate number of qualified social workers are available. The Central Government has been alive to this requirement and has been taking steps to develop professional social work education in the Universities and Colleges, in addition to the short term training courses arranged mainly for the representatives of the voluntary Social Welfare Agencies.

Remedial Institutions

Provision has been made in the Second Five-Year Plan for the establishment of the following remedial institutions :-

- (a) Homes for Destitute and Under-privileged Women.
- (b) Socio-economic Centres for Women.
- (c) Recreation Centres, Multi-purpose Centres and Day Care Centres for Children.
- (d) Residential Schools for the Blind, the Deaf and Dumb and mentally retarded Children.
- (e) Rehabilitation Homes for beggars.
- (f) Convalescent Homes.
- (g) Sheltered Workshops for physically handicapped.
- (h) Remand Homes.

(i) Certified Schools for delinquent children.

With the coming into force of the new Constitution, all executive functions in the field of social welfare including the existing Projects/Institutions have been transferred to the Provincial Governments. The Provincial Governments will now look after the establishment of these institutions and other development schemes. The Ministry of Health, Labour and Social Welfare at the Centre will deal with matters involving national and international aspects including technical assistance, grants-in-aid to voluntary social welfare organisations and the work relating to the Commission for Eradication of Social Evils.

Grants-in-aid Programmes

The objective of the grants-in-aid programme is not to substitute the funds and resources of agencies but to supplement their finances and efforts.

Grants-in-aid are given to those agencies only which are engaged in anyone of the following fields:

Protection and care of children, recreation as a measure of preventive social work, youth welfare, welfare of the handicapped, women's welfare, services for delinquents, co-ordination of Social Welfare agencies, training in social work, publications on social and general welfare.

Commission for Eradication of Social Evils

It is generally accepted that some social customs act as obstacles to the progress and welfare of the nation. A survey of all such social customs was conducted to assess their nature and origin, to examine the measures so far adopted to combat the social evils and oppressive customs and to decide on preventive action with a view to putting an end to these evils. A Commission for Eradication of Social Evils was constituted in January, 1961. The terms of reference for the Commission were as under :

- (i) To examine the nature and origin of the social customs and practices prevalent in the country which produce ill-effects in society or are economically oppressive and act as obstacles to individual welfare and social progress and, to assess the extent of their influence on individual and social life.
- (ii) To examine the measures so far adopted by Government or other agencies to combat them, and to assess the effect of these measures.
- (iii) To examine and analyse the factors responsible for the continuance of these evils and for the resistance, if any, encountered in combating them.
- (iv) To suggest ways and means of :—
 - (a) minimising the effect of social evils and economically oppressive customs (as a short-term measure), and
 - (b) eradicating them completely (as a long term measure).

The Commission tabulated answers to a questionnaire issued to about 14,000, persons, interviewed representatives from various organisations, and submitted its report to the President on 18th June, 1963.

V. PAKISTAN AND THE WORLD

FOREIGN AFFAIRS

Defence Pacts — South-East Asia — India — Kashmir Dispute — Nepal — Burma — Ceylon — Indonesia — Malaya — Australia — New Zealand — Thailand — Phillipines — African Countries — Ghana and other newly Independent African States — Sierra Leone — Tanganyika — Uganda — Nyasaland — Kenya — Zanzibar — Nigeria — West Indies — Jamaica — Trinidad and Tobago — Far East — Japan — China — Outer Mongolia (Mongolian People's Republic) — European Countries — U.S.S.R. — Polish People's Republic — United Kingdom — Irish Republic — Yugoslavia — North America — U.S.A. — Canada — Middle East — Afghanistan — The Arab World — Pakistan and the United Nations — Racial Policies of South Africa — Congo (Leopoldville) — West Irian — Presidentship of General Assembly.

The key-note of Pakistan's foreign policy is to foster international amity and goodwill and to promote mutual collaboration between the countries of the world. She has always supported the inalienable rights of all peoples, regardless of colour, creed, race and language, for freedom and self-determination.

Pakistan deprecates aggression and colonialism, and since its birth in 1947, declared its opposition, both inside and outside the U.N., to the denial of fundamental freedoms and human rights to persons of Indo-Pakistan origin in South Africa. Pakistan's Permanent Representative at the U.N., in one of his speeches, declared that "if international friction is to be removed, if friendly

relations are to be cemented and if peace is to be maintained, it is essential that equal and inalienable rights of all members of the human family, should become the categorical imperative of national and international conduct. The people of Pakistan believe in the Islamic concept of equality for all of mankind". Following this principle, Pakistan extended its full support to the attainment of self-determination by the African countries.

Defence Pacts

Pakistan became a member of the South East Asia Treaty

Organization in 1954 and of the Baghdad Pact (Now CENTO) in 1955. Pakistan believes that these security pacts are purely defensive in character and have no aggressive designs against any country. As a signatory to the SEATO, Pakistan is pledged to maintain collective security and to contribute to the economic advancement of the area. SEATO members are: Pakistan, Thailand, the Philippines, U.S.A., U.K., Australia, New Zealand and France.

SOUTH EAST ASIA

India

Since August 1947 when Pakistan and India emerged as two independent, sovereign countries, a number of important and ticklish issues have kept the relations between the two countries far from happy. Of these issues, Kashmir dispute still remains to be a major cause of unpleasantness between Pakistan and India. India occupied the territory of Kashmir in 1947 in complete disregard of the wishes of her people, an overwhelming number of whom are Muslims. The Indian occupation of Kashmir and her relentless intransigence to solve the dispute has since been a significant factor in keeping the relations estranged between the two neighbouring countries. The recent Western decision to supply massive arms aid to India has further aggravated the tension existing between Pakistan and India. Pakistan believes that the Western arms aid to India would embolden that country and she will assume stiffer attitude towards the Kashmir dispute. Pakistan also fears aggression from the Indian side, and this apprehension is justified by the past aggressive actions of India—as she unlawfully occupied Kashmir, Hyderabad, Junagadh and Manavadar States, and annexed Goa by force and violence.

Kashmir Dispute

The application of veto by the U.S.S.R. to the Irish resolution in June 1962, terminated further deliberations on the Kashmir issue in the Security Council. However, the Sino-Indian boundary conflict emphasised the need of removing tension between India and Pakistan. Pakistan is agreeable to a negotiated settlement with India on all the disputes between the two countries.

As a result of the joint efforts of the U.K. and the U.S.A., the President of Pakistan and the Prime Minister of India signed a Joint Communique on 29th November, 1962. They agreed to make a renewed effort to solve the outstanding differences between India and Pakistan on the Kashmir dispute and 'other related matters' so as to enable the two neighbours to live side by side in peace and friendship.

In pursuance of this decision, Ministerial level talks were held between the two countries from 27th December, 1962 to 16th May, 1963. The Delegations of India and Pakistan had free and frank discussions on different aspects of the problem. The Indians admitted that the UNCIP resolutions provided for an overall plebiscite,

but expressed reluctance to implement them. On the other hand, the Indians proposed a 'political settlement' on the basis of the present cease-fire with minor adjustment, allocating to Pakistan parts of areas lying on the Indian side of the cease-fire line excluding completely the Kashmir Valley. The Foreign Minister of Pakistan stated that a fair and impartial plebiscite under the auspices of the U.N. as envisaged by the two UNCIP resolutions of 13th August 1948 and 5th January 1949 provided the best solution of the dispute and that this was still Pakistan's official position. As regards India's proposal of 'political settlement', he explained Pakistan's point of view that the territorial division should take into account the communal composition of the population of the state, control of rivers, the requirements of defence, other considerations relevant to the demarcation of an international boundary and must be acceptable to the people of the state. At these talks it was not found possible to reconcile the two sets of criteria for 'political settlement' proposed by the Indian and Pakistani delegations. The Indians suggested a 'no war pact', which as long as the Kashmir dispute remains unsettled is obviously meaningless. In view of India's past record of use of force in Kashmir, Hyderabad, Junagadh and Goa, such a pact cannot be effective in preventing India from occupying the Azad Kashmir area by force. Very often 'no war pacts' have been broken generally by the countries that initiated them, such as, Ribbentrop-Molotov treaty of non-aggression. A 'no war pact' is, therefore, not a guarantee against aggression, if there is an aggressive intent.

The talks thus ended without finding an honourable and just solution of the Kashmir dispute which continues to bedevil relations between India and Pakistan. These talks nonetheless made known to the world that the Indians had no intention to settle the Kashmir dispute.

Nepal

Relations between Nepal and Pakistan are most friendly. The King of Nepal paid a visit to Pakistan in September, 1961. The President of Pakistan also paid a state visit to Nepal from 9th to 12th May, 1963. The President and the King discussed matters of mutual interest and expressed satisfaction at the progress made in strengthening bonds of friendship and co-operation between the two countries. The establishment of an air-link between Dacca and Khatmandu in March, 1963 and the conclusion of Trade and Transit Trade Agreements between Nepal and Pakistan will go a long way in cementing the bonds of friendship and developing economic co-operation between the two countries.

Burma

Pakistan's relations with Burma are as cordial as ever before, and the trade with that country is steadily growing. Pakistan will shortly deliver 28,000 bales of cotton yarn valued at about Rs. 22 million to Burma. A Burmese Trade Delegation visited Pakistan in November,

1962 and concluded an agreement extending the existing Trade Agreement by another three years.

Ceylon

Pakistan has provided training facilities to officers of the Ceylonese armed forces in her military institution.

The Ceylonese Commerce Minister visited Pakistan in January 1962 and had fruitful discussions with Pakistan's Commerce Minister on the possibility of increasing trade between the two countries. Pakistan's Commerce Minister in return paid a visit to Ceylon in February 1963. An agreement providing for an increased trade between the two countries was signed.

Indonesia

President Soekarno paid a visit to Pakistan from 24th to 27th June 1963. During his three-day stay, he visited Karachi, Murree and Rawalpindi. At Rawalpindi, he addressed a special session of the National Assembly. Separate meetings took place between the Foreign Ministers and the Trade and Commerce Ministers of the two countries.

Pakistani troops were sent to West Irian as part of the U.N. Security Forces to serve upto May 1, 1963 when the West Irian administration was taken over by Indonesia. Pakistan's armed personnel acquitted themselves well and earned appreciation from all quarters, including the Indonesian President and the Secretary-General of the U.N.

Pakistan contributed Rs. 50,000 worth of cloth, yarn, pencils and exercise-books for the victims of volcanic eruption in Bali. Fifty seven bales of cloth were also contributed by the Pakistan Red Cross Society. Indonesia contributed sugar, tea and medicines worth two million Indonesian *rupiahs* for the cyclone victims in East Pakistan.

A Pakistani Press Delegation visited Indonesia and attended the Afro-Asian Journalists Conference held in D'Jakarta in April, 1963.

Malaya

The relations between Pakistan and Malaya continue to be friendly and cordial. As a gesture of goodwill, the Government of Pakistan have made a gift of mosaic tiles, manufactured in Pakistan, for the floor of the main hall of the new National Museum of Malaya.

Australia

Pakistan's relations with Australia have been cordial. Australia has always enthusiastically supported Pakistan in her dispute with India over Kashmir. Like Pakistan, Australia is a member country of SEATO and the Colombo Plan. She has been giving financial and technical aid to Pakistan under the Colombo Plan. At the invitation of the Australian Government, the

President of Pakistan has agreed to pay a visit to Australia. The Australian Foreign Minister, Sir Garfield Barwick, and the Australian Supply Minister, the Hon'ble Mr. Allen Fairhall, paid short visits to Pakistan during the year under review. Pakistan's Minister for Commerce is planning to visit Australia to explore further avenues of trade with that country.

New Zealand

The relations between Pakistan and New Zealand have always been friendly. Pakistan's High Commissioner in Australia is also concurrently accredited as High Commissioner to New Zealand. New Zealand has offered co-operation and assistance in Pakistan's economic development. She is an ally of Pakistan in the SEATO and is a member country of the Colombo Plan.

Thailand

The Government of Pakistan donated Rs. 20,000 in November 1962, for relief to the storm victims in southern Thailand.

Philippines

At the invitation of the Chief Justice of the Supreme Court of the Philippines, the Chief Justice of the Pakistan Supreme Court visited Philippines to attend a Judicial Conference of the Chief Justices and high judicial officers of Asian countries.

AFRICAN COUNTRIES

Ghana and other newly Independent African States

In pursuance of the Government's policy, Pakistan continued to further strengthen the existing friendly relations with the newly emergent countries of Africa. Delegations and dignitaries from Ghana, Somalia, Cameroun and Dahomey visited Pakistan during the period under review. Pakistan has on her part extended invitations to the Prime Minister of Somalia and the Defence Minister of Ghana to visit Pakistan.

Pakistan has also offered free cultural scholarships and educational and training facilities at the Pakistani institution, to the people of the newly independent countries of Africa.

In additions Pakistan has also placed the services of a large number of experienced Pakistani doctors, teachers, engineers and well-trained technicians at the disposal of the Sudan, Nigeria, Iraq and Saudi Arabia.

In keeping with the country's foreign policy, Pakistan continued to uphold the sovereignty and territorial integrity of Congo, in collaboration with the United Nations.

During the year under review, Pakistan's relations with the African countries, excluding South Africa, continued to remain cordial. The Government of

Pakistan has been constantly striving to strengthen the existing friendly ties by extending diplomatic relations, exchange of visits of official and non-official dignitaries and delegations, and by offering scholarships and training facilities. Pakistan upholds the aspirations of the dependant territories to seek independence in accordance with the will of the people.

Sierra Leone

During the year under review, Pakistan's High Commissioner in Nigeria was concurrently accredited to Sierra Leone. A seat was reserved for a student from Sierra Leone in one of the medical colleges in Pakistan, in 1962-63. A reservation has also been made for 1963-64.

Tanganyika

A two-man delegation from Pakistan participated in the Tanganyikan independence celebrations in December 1961. The Commerce Minister of Tanganyika paid a visit to Pakistan in July 1962.

The Tanganyikan Minister for Justice visited Pakistan in March, 1963 to attend the World Muslim Conference. Four Pakistani cultural scholarships were offered to students from Tanganyika in 1962-63 and two have been offered for 1963-64.

Uganda

Pakistan participated in the independence celebrations of Uganda in October 1962. Mr. Abu Mayanja, a Minister of the Buganda Province of Uganda, visited Pakistan in March 1963 to attend the World Muslim Conference held in Pakistan. Three cultural scholarships were offered to Uganda last year and one has been offered in 1963-64.

Nyasaland

Pakistan's relations with Nyasaland are cordial. The visit to Pakistan last year of the Education Minister of Nyasaland further strengthened the bonds of friendship between Pakistan and that country.

Kenya

Kenya is to become an independent country in November 1963, and Pakistan looks forward to this important occasion with feelings of rejoicing and warm sentiments. Kenya was offered five cultural scholarships by Pakistan in 1962-63. Two similar scholarships have been offered for 1963-64 as well.

Zanzibar

A Trade Delegation from Zanzibar, headed by her Minister for Agriculture, visited Pakistan in October 1962. Zanzibar's Education Minister also paid a visit to Pakistan. Pakistan offered a cultural scholarship to Zanzibar in 1962-63, and has also offered one

during 1963-64. Pakistan's Commissioner to Kenya is also concurrently accredited as Commissioner to Zanzibar.

Nigeria

The Nigerian Minister for Establishment and Service Matters paid a 9-day visit to Pakistan in June 1962. The Nigerian Minister of State (Army) also visited Pakistan last year. The Nigerian Defence Minister was also to visit Pakistan. In October 1962, a trade delegation from Pakistan visited Nigeria. Pakistan continued to offer to Nigerian students and trainees free cultural scholarships and training facilities in the country's military, naval and other institutions, and to make available the services of experienced Pakistani doctors, teachers, engineers and technicians. A number of scholarships have been earmarked for the Nigerian students during 1963-64.

WEST INDIES

Jamaica

At the invitation of the Government of Jamaica, Pakistan participated in her independence celebrations in August 1962. Pakistan welcomed Jamaica's entry into the Commonwealth, and in 1962, concurrently accredited the Pakistan's High Commissioner in Canada as High Commissioner to Jamaica as well. Pakistan also supported Jamaica's request for membership of the United Nations. A seat in one of the medical colleges in Pakistan has been reserved for a student from Jamaica during 1963-64.

Trinidad and Tobago

At the invitation of the Government of Trinidad and Tobago, Pakistan participated in her independence celebrations in August 1962, represented by Mr. Muhammad Zafrulla Khan, Pakistan's Permanent Representative to the United Nations. Pakistan's High Commissioner in Canada was also accredited last year as High Commissioner to Trinidad and Tobago. A cultural scholarship was offered to Trinidad and Tobago by Pakistan in 1962-63.

FAR EAST

Japan:

The Government of Pakistan granted permission to the Tokyo University Karakoram Expedition to climb the peak Baltor-Kangri I during May-September 1963.

Japanese T.V. Team visited Pakistan in February 1963 for the purpose of collecting movie pictures of children's daily life in Pakistan. The Asia Medical Expedition of Osaka University was to visit Pakistan in July 1963.

China

In order to enhance friendship and develop trade

relations between Pakistan and China, a trade agreement was concluded between the two countries on the 5th January, 1963.

A boundary agreement to demarcate the boundary of China's Sinkiang and the contiguous areas, the defence of which is the responsibility of the Government of Pakistan, was signed at Peking by representatives of both the countries on the 2nd March 1963. This border accord has been instrumental in establishing friendly relations between the two neighbouring countries, based on a spirit of co-operation, accommodation and mutual understanding between the two countries. Under the border agreement, Pakistan has not only retained the territory which was in the country's *de-facto* control, but has also taken over approximately 750 square miles of territory which was in the occupation and control of China. The agreed boundary secures Pakistan's strategic interests and also those of the Mir of Hunza. The transfer of territory was effected in an atmosphere of goodwill and amity.

According to one of the provisions in the agreement, the boundary accord is of a provisional nature and after the settlement of Kashmir dispute, the sovereign authority concerned would resume negotiations with the Government of the People's Republic of China. The chronology of the agreement negotiations clearly shows that Pakistan's negotiations with China were completely independent of, and unrelated to, the Sino-Indian border conflict. The negotiations were initiated in March 1961, long before the abrupt disruption which came about in the relations between India and China.

Pakistan's decision to vote against any further postponement of the consideration of the Chinese representation and to vote in favour of Communist China in the General Assembly has brought the country's policy in line with her diplomatic recognition of the People's Republic of China since January 1950.

The Pakistan International Airlines will start operating a regular air service from early 1964, under an air agreement signed between China and Pakistan on the 29th August, 1963.

Outer Mongolia (Mongolian People's Republic)

The status of diplomatic representation between Pakistan and the Outer Mongolia has been raised from that of Legation to an Embassy. Pakistan's Ambassador to the U.S.S.R. will now be concurrently accredited as Ambassador to Outer Mongolia, and *vice-versa*.

EUROPEAN COUNTRIES

U.S.S.R.

Relations between Pakistan and the U.S.S.R. continued to be friendly during the period under review. Four Pakistani doctors were sent on Soviet scholarships to receive advanced training in the Soviet Union. On Soviet invitation, a three-man delegation led by Maj. Gen. M.

Hayauddin, Resident Director, Oil and Gas Development Corporation, visited the U.S.S.R. for three weeks during April-May, 1963. A four-man Pakistani delegation paid a visit to the country in May-June, 1963 to study anti-waterlogging and salinity measures in the U.S.S.R. Mr. Muhammad Zafrulla Khan, Pakistan's Permanent Representative to the United Nations and President of the 17th Session of the U.N. General Assembly, paid a visit to the U.S.S.R. in June, 1963.

An un-official delegation of Pakistani Women led by Begum Sarwari Irfanullah participated in the World Congress of Women held in Moscow in June, 1963.

The oil exploration work, which was undertaken by the Soviet experts under the agreement for cooperation in search and prospecting for oil, signed in March 1961, is in progress.

Polish People's Republic

The Government of Pakistan and the Polish People's Republic exchanged diplomatic relations at the Embassy level. The Ambassador of Pakistan in Moscow was concurrently accredited as Ambassador to Poland.

United Kingdom

Pakistan is a member country of the British Commonwealth of Nations. The relations between the U.K. and Pakistan are based upon abiding friendship, deep understanding and close co-operation.

The President of Pakistan has been pleased to accept the invitation of Queen Elizabeth II to pay a State visit to Britain. It will be in return for the visit paid by Queen Elizabeth to Pakistan early in 1961.

Irish Republic

Pakistan's relations with the Irish Republic have continued to remain very cordial. In the U.N. Security Council, she sponsored a resolution on the Kashmir issue. Pakistan's High Commissioner to the United Kingdom was last year concurrently accredited as Ambassador to the Irish Republic.

Yugoslavia

Pakistan and Yugoslavia continued efforts to promote co-operation in the fields of agriculture, education and technical training. The two countries also concluded a cultural agreement on the 27th June, 1963. Pakistan, Embassy in Belgrade will also start functioning shortly.

NORTH AMERICA

U.S.A.

The President of Pakistan visited the United States of America from September 24 to 27, 1962, and had

meetings with the U.S. President, Mr. John F. Kennedy and other high-ranking officials. The joint communique issued on the conclusion of the visit declared that the close friendship and alliance between Pakistan and the United States of America would continue to represent an important contribution to the free world's quest for durable peace. The U.S. Secretary of State, Mr. Dean Rusk, visited Pakistan from April 29 to May 2, 1963 and matters of mutual interest to Pakistan and the U.S.A., were discussed with him.

Canada

The President of Pakistan paid a state visit to Canada from September 20 to September 24, 1962. The President explained Pakistan's view-point on international issues to the Canadian people and the Government. In his opening speech to the Canadian Parliament on the 27th September, 1962, the Canadian Governor-General paid tribute to the President of Pakistan and described him as a distinguished leader of a great Commonwealth nation.

MIDDLE EAST

Afghanistan

As a result of the mediatory efforts of His Imperial Majesty, the Shahinshah of Iran, an agreement was concluded at Teheran on the 28th May, 1963 between Pakistan and Afghanistan for the re-establishment of diplomatic, consular and trade relations between the two countries. It is hoped that with the passage of time greater understanding and closer co-operation will characterise the relations between the two neighbouring countries, which have for centuries, shared so many fraternal, cultural and religious ties.

The Arab World

Ever since its independence, Pakistan has pursued a policy of friendship towards the Arab countries and is sympathetic to the Arab interests and upholds their aspirations for economic and political freedom. Pakistan's support to the freedom struggle of Tunisia, Morocco, Libya and Algeria bears ample testimony to this policy.

Pakistan desires to forge closer relations with the Arab Bloc. Pakistan concluded Cultural Agreements with Tunisia, Iraq, Syria, Jordan and the U.A.R. Similar agreements are being negotiated with Morocco, and Lebanon. Pakistan has treaties of friendship with the Lebanon and Syria. A Trade Agreement is in force with the U.A.R. Recently, Pakistan concluded trade agreements with Morocco and Iraq. Efforts are also being made to strengthen commercial relations with Kuwait. The Commerce Minister of Pakistan visited Kuwait in May 1963 and discussed trade matters with the authorities concerned. Technical hands are being readily provided to such Arab countries as are in need of them.

The Government of Pakistan recognised the State of Kuwait on the 11th February, 1963 and the Arab Republic of Yemen on the 26th April, 1963. In March 1963, a Consulate-General was set up in Kuwait. Pakistan's Embassy will be established in Algeria shortly. Pakistan has also raised the level of diplomatic representation in Jordan to Embassy level. Diplomatic relations were established with Syria on the 4th August, 1962.

Pakistan is keen on co-operating and collaborating with Arab countries in the various spheres of activity. In June 1962, Pakistan participated in the Conference on Problems of Economic Development held in Cairo. A U.A.R. Businessmen's Delegation visited Pakistan in November, 1962. A Cultural Delegation from Pakistan visited the U.A.R., in December, 1962. A Sudanese Military Mission, led by the Chief of Staff, General Hassan Bashir Nasr visited Pakistan from 12th to 21st March, 1962. Pakistan has invited a high-powered delegation from Algeria comprising representatives of trade, commerce, education and foreign affairs on a 15-day visit to Pakistan.

The Ghilaf cover for the Holy Kaaba was prepared in Pakistan in the early part of 1963 and was given a ceremonious send off. The Services of some Pakistani doctors and technicians were provided to the Saudi Government.

Pakistan contributed a sum of Rs. 100,000 towards the Palestine Refugees Programme of the United Nations, bringing the total of such contributions to Rs. 2446,700 to-date. Pakistan also contributes for the maintenance of the United Nations Emergency Force in Palestine, and has so far contributed \$ 365,619.50

Pakistan and the United Nations

Pakistan is convinced that the United Nations is a forum for the peaceful settlement of political, economic and social problems of the world. It is the endeavour of Pakistan to strengthen the organisation, and to help achieve its noble ideals. Pakistan has faithfully fulfilled her obligations and consistently acted in accordance with the provisions of the Charter of the United Nations.

Colonialism: As a matter of policy, Pakistan is opposed to colonialism in all its forms and manifestations. In keeping with her policy, Pakistan supported the United Nations Declaration on Colonialism adopted in December, 1960. The Declaration seeks to wipe out the menace of subjection of peoples to alien rule and their domination and exploitation by others which constitutes a denial of fundamental human rights and is contrary to the Charter. Pakistan has invariably supported the actions of the U.N. and its subsidiary organs charged with the implementation of the Declaration in the dependent territories. Pakistan voted in favour of all General Assembly Resolutions affirming or re-affirming the inalienable right of self-determination and independence of the people of Angola, Mozambique, South West Africa, Kenya, Zanzibar, Southern Rhodesia, Nyasaland, Basutoland, Bechuanaland and Swaziland.

Racial Policies of South Africa

Pakistan has consistently lent its support to all U.N. proposals to compel South Africa to abandon its repressive and inhuman policies based on the rule of white supremacy. Pakistan does not maintain diplomatic relations with South Africa and has supported all moves calling for her economic isolation. Pakistan fully shares the aspirations and yearnings of dependent African peoples for freedom from foreign rule.

Congo (Leopoldville)

Pakistan's policy towards the Congo has been impartiality and non-interference in her internal affairs. Pakistan has always upheld the unity, territorial integrity and political independence of this State ever since her independence in June 1960.

In keeping with this policy, Pakistan supported all actions and resolutions of the United Nations calculated to achieve the unity of the Congo by ending the secession of its mineral-rich province—Katanga. Pakistan publicly supported the Secretary-General's Plan of National Reconciliation and Reunification of the Congo announced in August 1962.

Some of the specific contributions made by Pakistan towards a solution of the Congo problem are recapitulated below:-

- (i) Pakistan continues to serve on the Advisory Committee for the Congo, set up by the Secretary-General in August 1960 to advise him on the conduct of the U.N. Operation in the Congo.
- (ii) Pakistan provided Ordnance and Medical Units for service in the Congo under the United Nations.
- (iii) Pakistan donated shoes worth Rs. 50,000 for the Congolese people.
- (iv) Pakistan served on the Congo Conciliation Commission which submitted its report early in 1961. Pakistan was represented on this Commission at Ambassadorial level.
- (v) Pakistan is also a member of another Conciliation Commission for the Congo set up by the U.N. subsequently in 1961. The Commission is

still in existence holding itself in readiness to undertake any specific activity relative to its mandate.

- (vi) Early in 1962, Pakistan provided an Ammunition Platoon consisting of 5 officers and 95 other ranks, to serve with ONUC.
- (vii) Pakistan has faithfully discharged all her financial obligations in respect of the expenditure incurred by ONUC. Pakistan has also purchased U.N. Bonds worth \$ 500,000 as part of her contribution to the 200 million dollar loan floated by the U.N. to meet the cost of ONUC.

West Irian

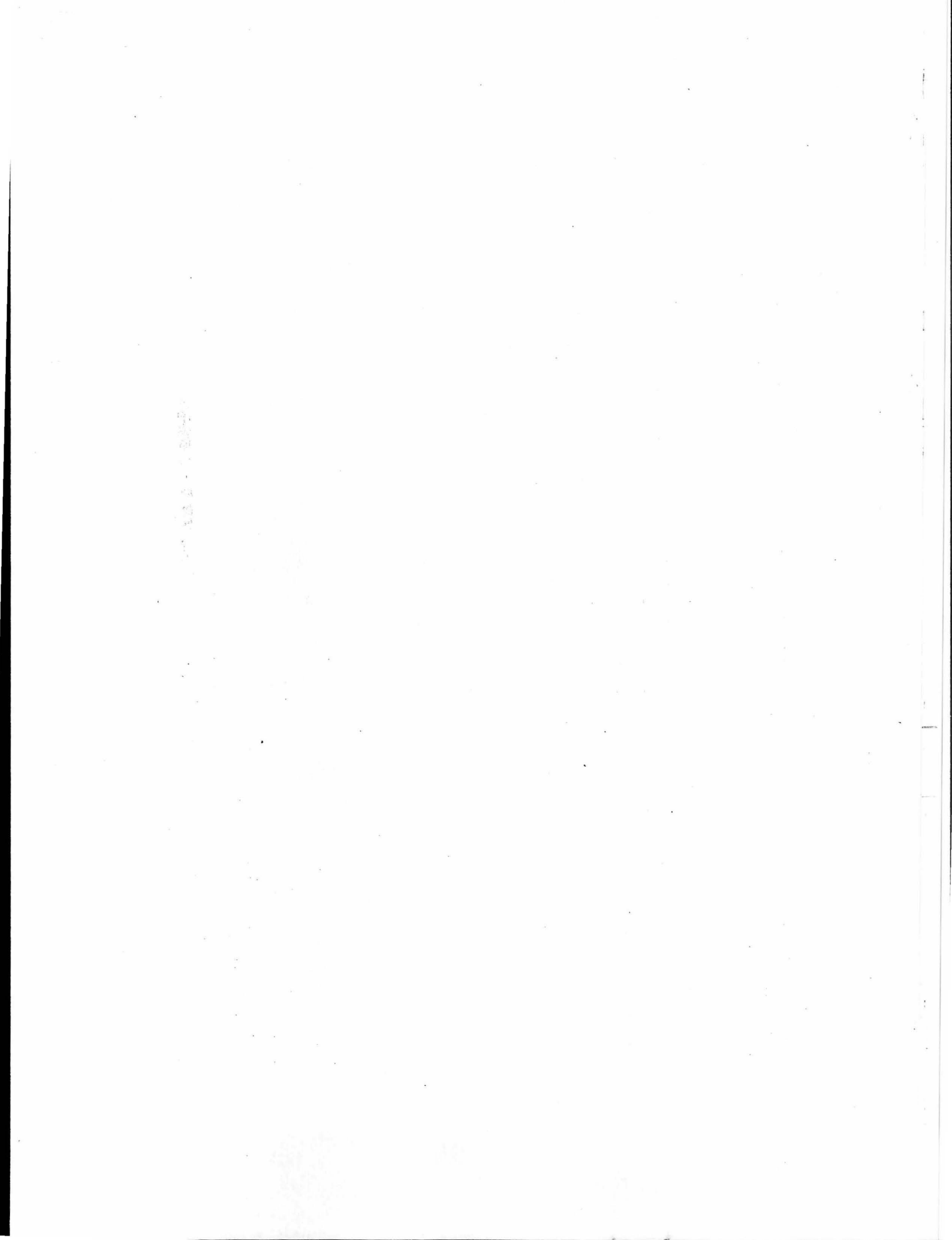
The long standing dispute between Indonesia and the Netherlands was amicably settled when an agreement was signed by the two countries on 15th August 1962 at New York, for the transfer of the territory of West Irian to Indonesia on 1st May, 1963. To carry on the administration of the territory in the interim period and to effect its smooth transfer, the Secretary-General established a United Nations Temporary Executive Authority (UNTEA) and requested Pakistan to provide the bulk of the United Nations Security Force (UNSF) to maintain law and order in the territory during the period of transition. Pakistan accepted this request and provided over 1500 Army and Navy personnel. The Pakistan contingent did a magnificent job which was appreciated in all quarters, including Dr. Soekarno, the President of Indonesia, the Secretary-General, and the U.N. Administrator of UNTEA. Dr. Soekarno, while addressing the National Assembly of Pakistan on June 27, 1963, thanked the Government and the people of Pakistan for their willingness to send their troops to West Irian.

Presidentship of the General Assembly

The Permanent Representative of Pakistan to the United Nations, Mr. Muhammad Zafrulla Khan, was elected President of the General Assembly at its 17th Session held in 1962.

PART TWO

THE PROVINCES



EAST PAKISTAN

*Agriculture—Agricultural Development Corporation—Rubber Plantation—Fisheries—Education—
Urban Community Development Projects—Health Sector—Labour—Water and Power Development
Authority—Floods—Second Five Year Plan Targets—Power Development—Construction—Industry.*

The special needs and problems of East Pakistan have been kept in view in the Second Plan. The realisation that the neglect of decades has to be made good in a short time has led to the formulation of ambitious but realistic schemes and fixing of targets which call for a supreme effort. No plan can be successful without the active participation of the people. The response from the people has been most encouraging, and those engaged in development work have shown not only a fine sense of responsibility but an eagerness to move with the spirit of the times.

A brief account of the progress made during the year 1962-63 in the different fields of activity in East Pakistan is given below.

Agriculture

About 6,245 Rural Demonstration Farms and 55,968 Rural Demonstration Plots have been established in the Province. Crash Programme has been extended

in 10 sub-Divisions, and 1,750 acres of land has been leased out for coconut cultivation. Two 50-acre fruit orchards have been planted at Sylhet and Chittagong for improved varieties of banana, orange, mango and pine-apple. About 5,500 minor irrigation schemes have been executed to facilitate drainage in water-logged areas and also to provide irrigation facilities for various crops.

Agricultural Development Corporation

The East Pakistan Agricultural Development Corporation was brought into existence on the 16th October, 1961. During 1962-63, many of the development schemes relating to agricultural supply and services which had so long been executed by the Department of Agriculture were transferred to the Corporation. The Corporation has made arrangements for procurement, storage and distribution of essential supplies such as seeds, fertilizers, agricultural machinery and implements.

Rubber Plantation

Prospects in East Pakistan: Experiments have shown that cultivation of rubber plant is possible in the Province. East Pakistan has already started growing rubber plants. At present, Hevea Brasilichsia, a variety of Asian rubber plants, is being cultivated for extraction.

Plantation Schemes: A scheme for rubber plantation was approved in April, 1962 by the Central Development Working Party. The scheme will cost Rs. 3.8 million. It is expected to be completed in 1964-65.

The scheme covers Hazarikhil and Kaptai in Chittagong Hill Tracts, Hathazari, Raozan, Cox's Bazar and Ramu in Chittagong district and Balishera (Srimangal) and Saltila (Nabiganj) in Sylhet district.

Fisheries

Plan Targets: 35 schemes have been included in the Second Five-Year Plan. Out of these, 24 are development schemes and the remaining are concerned with the research, education and extension work. To achieve the goal the Plan envisaged development of 66,000 *bighas* of derelict areas for fish production, establishment of 51 Fish Seed Multiplication Farms, construction of Fish Technological Laboratory, establishment of Fisheries Training Institute, 4 Vocational Training Centres for training of 1,600 fishermen, development of Karnafulli Reservoir for fish production, construction of 67 mechanised fishingboat, construction of Fish Landing Jetty at Khulna and 3 whole-sale fish markets and establishment of Fisheries Development Corporation to commercialise sea fishing ventures.

Achievements: 45,070 *bighas* of derelict fisheries developed water areas were released for fish culture. 31 Fish Seed Farms have been established and the construction of Fish Technological Laboratory and Fisheries Training Institute has been completed. Four Vocational Training Centres have been established and 83 Fishermen trained. 127 Nursery Fish Farms have been operated. 154 Demonstration Fish Farms were operated and 5,730 maunds of fish produced and disposed of; 19 mechanised fishing/fish transport boats were constructed and distributed to private parties on hire-purchase basis. A fish landing jetty has been put under operation at Khulna and arrangements have been finalised for construction of whole-sale fish markets at Rajshahi, Sylhet and Khulna.

Education

During 1960-61, as many as 620 individual projects from the Primary to the University stage were under execution at a cost of Rs. 40 million. During 1961-62, the number of projects rose to 1,372 and the expenditure incurred on them was about Rs. 60 million. During the last year, 3,100 individual projects were under implementation and the cost involved was to the tune of Rs. 130 million.

Primary Education: In East Pakistan, there are about 26,600 primary schools, of which 7,000 have been included under the Second Plan for improvement at a cost of Rs. 70 million. About 30,000 additional primary school teachers will be appointed, 7,000 school buildings constructed and enrolment raised from 1.2 million to 4.3 million.

Secondary Education: In East Pakistan, there are at present about 3,200 secondary schools, including about 1,800 High Schools.

Of the 800 High Schools taken up for development, 400 will have advanced science courses, 55 agriculture courses, 20 industrial arts courses, 20 commerce courses and 15 home economics courses.

The 20 schools being specially developed for diversified programmes, have been named Pilot Secondary Schools. In addition, a number of residential schools and 3 Cadet Colleges with all necessary facilities will be established to cater for the needs of specially gifted children. So far, development work in respect of 273 Junior High Schools and about 400 High Schools has been completed.

College Education: Improvement of all the existing Government Colleges and 21 non-Government Degree Colleges has been taken up at a cost of Rs. 24.8 million. Honours courses in important subjects have been introduced in 4 Government Degree Colleges. Special emphasis has been laid on developing facilities for science education upto the Degree level in all these colleges.

A college of Home Economics has been established at Dacca at a cost of Rs. 2.5 million. Two new universities viz., the University of Engineering and Technology at Dacca and the Agricultural University at Mymensingh have been established.

Social and Cultural Activities: The Bengali Academy and the Government Institute of Arts are being developed at a cost of Rs. 1.8 million respectively. Steps have been taken to upgrade the Art Institute to a College with expanded facilities for Degree programme in different sections of fine arts.

Sports stadia are being constructed in five District Headquarters and Boy Scouts and Girl Guide Organisations are substantially assisted to improve and expand their activities.

During the year 1962-63, Technical Institutes at Barisal, Bogra, Pabna, Rangpur and Sylhet and the Chittagong Polytechnic Institute were opened.

Urban Community Development Projects

At present there are 42 Urban Community Development projects in East Pakistan, of which 27 are in the district towns and 15 in subdivisional towns. Of these 42 projects 12 existed before 1960. An organiser has been posted in each of the four Divisions for the purpose of providing technical guidance and supervision.

In all urban community development projects, health clinics, maternal and child health centres, health education programmes, and cleaning campaigns have been organised.

Youth Welfare : The Youth Welfare scheme aims at providing opportunities for the social, physical, and cultural growth of young people. To begin with, each district will have a youth welfare centre. Six Youth Welfare Centres in 6 districts were constructed during 1962-63. In addition, two youth hostels at Sylhet and Paharpur were also constructed. These hostels will be made available to young people including school and college students who are interested in touring the various parts of the Province.

Health Sector

Medical Colleges : During the year 1962-63, three new medical colleges at Dacca (Mitford), Mymensingh and Sylhet were opened to produce more doctors in the Province.

Construction work on two 500-bed hospitals attached to each Medical college at Chittagong and Rajshahi was at an advanced stage and due to be completed during the year 1963-64.

A Dental College at Dacca is also nearing completion

District and Sub-Divisional Hospitals : A new district hospital (68 beds) at Bogra with provision for staff quarters was completed during the year 1962-63, and is scheduled to be opened during 1963. Besides, construction work on the extension of 7 district and Sub-Divisional hospitals was completed. Construction of two 100-bed T.B. Hospitals at Chittagong and Rajshahi was nearing completion during the year 1962-63. Work on the extension of T.B. hospital at Dacca was started. On completion of these hospitals, there will be an increase of 300 beds and improvement in the treatment facilities for T.B. patients.

Eight T.B. clinics are also nearing completion in the different parts of the Province.

Work on the extension of the Mental Hospital at Pabna was started during the year under review.

Rural Health Centres : Work started on 15 Rural Health Centres in the previous year was nearing completion. 10 centres have already been opened. Construction of 35 centres was also started during the year.

Malaria Eradication : Spraying operation was continued in Dinajpur and Rangpur districts and preparatory work started in Bogra and Rajshahi districts during the year.

Family Planning : 331 new family Planning Clinics were opened during the year 1962-63 in addition to the 571 clinics already functioning.

Small-Pox Eradication : The mass vaccination work was continued throughout the province during the year and an expenditure of Rs. 3 million was incurred. About 75 per cent of the population was covered through this campaign.

Leprosy Control : The construction of one Leprosy Clinic at Nilphamari was almost complete while work on another at Sylhet was started with 33 per cent work done during the year 1962-63. Work on two Rehabilitation Centres at Rangpur and Sylhet was also started.

Maternity and Child Welfare Centres : Construction of 7 Maternity and Child Welfare Centres was started during the year 1962-63 at Gopalganj, Kurigram, Naogaon, Habiganj, Rangamati, Banderban and Rangarh.

Training Programme : Two Nurses' Training Centres at Rajshahi and Chittagong have started functioning. Besides, construction of one Lady Health Visitors' Training School at Rajshahi was completed while work on another school at Barisal was nearing completion. Construction of 2 Health Technicians Training Centres at Rajshahi and Chittagong was also started.

An Institute for the training of Public Health and Para-Medical personnel also started functioning at Dacca.

Labour

Labour is now a Provincial subject under the new Constitution. With the establishment of the divisional offices it has been possible to keep in close touch with the management and labour enabling thereby to remove many of the causes of disputes between the parties. Emphasis was also laid on the inspection side and the Factory Inspectors carried on regular inspection of factories urging upon the employers to comply with the provisions of the Factory Laws and the working conditions in the industrial establishments. On the initiative of the Government, the employers have also taken interest in providing more welfare facilities such as accommodation and medical and recreation facilities for the workers.

Trade Unions : A comparative statement showing the number of Trade Unions and their membership during the last few years is given below:—

Particulars	1960	1961	1961-62	1962-63
No. of Trade Unions	234	126	243	288
No. of members	93,587	189,635	189,977	187,513

Amendment of Labour Laws : Amendment of Labour Laws became necessary in order to bring existing Labour Laws in conformity with the constitutional changes and to meet the needs of the changed circumstances. The matter was discussed at the meeting of the Labour Advisory Board in December, 1962 and it was decided that tripartite expert sub-committees consisting of the representatives of Government employers and workers should be constituted to review the existing labour laws and to initiate new legislative proposals. The sub-Committee was constituted by Government in January and it has already submitted its report in respect of Trade Union Act and part of the Industrial Dispute Ordinance to the Provincial Labour Department. The sub-Committee is now examining other Labour Laws

and reports would be submitted to Government in due course. Another sub-Committee of the Provincial Labour Advisory Board was constituted in January to examine the I.L.O. Report on the labour problem in Inland Water Transport Industry. The sub-Committee has since finalised its deliberations and submitted the report to the Labour Department with a draft of the East Pakistan Inland Water Transport Act for necessary enactment in the light of the recommendations made by the I.L.O. experts.

Water and Power Development Authority

Ganges-Kobadak Project: The Ganges-Kobadak Project was the first irrigation scheme drawn up for East Pakistan. The Project was partly completed by the end of 1961.

By the end of 1962-63, East Pakistan WAPDA had already finished the first phase of the first unit and work on the second phase was progressing speedily. Irrigation facilities had been extended to 20,000 acres. The whole project is expected to be completed by the end of 1965.

Coastal Embankment Project: Its aim is to provide a 2,800 mile embankment which would check sea tides that enter into agricultural lands and impair their productivity.

The project is divided into four zones with centres at Khulna, Barisal, Noakhali and Chittagong. At times more than 120,000 labourers were employed on the project to complete within two years 1,000 miles of the 2,800-mile target set for ten years. Three hundred and eighty tubewells and 800 diesel driven low-lift-pumps were planned to provide irrigation to 168,400 acres of land in the north-west of Bogra, Rajshahi, Dinajpur and Rangpur Districts.

Floods

In view of the extremely flat surface of East Pakistan, which is constantly vulnerable to flowing waters of the Ganges, the Brahmaputra and the Meghna, a number of flood control schemes are on the anvil. These are: the Brahmaputra Left Bank Embankment Project, the Faridpur Comprehensive Drainage Project, and the Coastal Embankment Project.

Faridpur Comprehensive Drainage Project: The Project costing Rs. 275 million is intended to check flooding in the low-lying areas of Faridpur district. The distributaries of Padma pass through Faridpur and silt the channels. To remedy this, rivers are being dredged and channels straightened. About 80 per cent of work on the scheme has already been completed.

The following are the other major water development schemes under execution:—

1. Dacca-Demra-Narayanganj Irrigation Project. It will provide irrigation to low-lying areas on either side of the main Dacca-Demra Dacca-Narayanganj roads and irrigate nearly 20,000 acres. Pumps will be run by diesel plants. The

scheme will cost Rs. 8.952 million and will be completed in two years. Work on the site has already started.

2. Improvement of Dredger Fleet costing Rs. 19.2 million.
3. Prevention of flood in Noakhali District costing Rs. 5 million.
4. Improvement of the waterway route between Narayanganj and Chalna. The project will reduce the distance by 80 miles i.e. half of the present distance. About 12 million cubic yards of earthwork has already been completed under the project.
5. Improvement of Dakatia and Little Feni river in Feni Sub-Division at a cost of Rs. 23 million.
6. Teesta Project.

Second Five Year Plan Targets

East Pakistan WAPDA has set the following targets for the Second Five Year Plan:

1. Generation of 120,000 kw of hydel power from Karnafulli Power Station. Out of this, two units capable of generating 80,000 kw have already been installed. The third unit for generation of another 40,000 kw will be installed before the end of the Second Plan at a cost of Rs. 25 million.
2. Irrigation facilities for 500,000 acres; so far facilities for irrigation have been made available for nearly 200,000 acres
3. Protection against salinity and sea tides for 1.4 million acres (more than half of this target has been achieved).
4. Drainage and flood protection facilities for 1.8 million acres (about 600,000 acres have been already provided this facility).

Power Development

In the year under review, the Power Wing of East Pakistan WAPDA concentrated on the expansion of Dacca Electric Supply at a cost of approximately Rs. 13.3 million. Work on interconnection between Bheramara and Goalpara was also in progress. Preliminary work on power stations at Moheshkhali and Hatiya has been completed.

Some more private and small diesel generating stations were acquired and a scheme was finalised for providing small diesel generating sets for 14 small towns in various districts of East Pakistan.

An electrical load survey was undertaken in East Pakistan in 1960 for the first time. Thereafter plans were prepared to expand new generating and distribution facilities.

There were about 25 Power Development Projects under execution in East Pakistan. Some of these have been completed and the work on others is in progress.

Construction

The total budget provision for 1962-63 for the construction of buildings for various projects was Rs. 160 million. The Provincial Assembly Building and the Hostel for M.P.A's. have been completed. The Shaheed Memorial had also been completed in February 1963.

Development of Cox's Bazar as a health resort at an estimated cost of Rs. 6.7 million was in progress. In addition, a fairly big Rest House for tourists and a 70-room Hotel are nearing completion.

The work on the new Government House at Dacca was taken up during 1960-61 and is now almost complete. For designing and planning of the new High Court, architectural firms of repute have been invited to submit drawings.

The work on the 1st nine-storey building of the Secretariat, which was started in 1960-61, is nearing completion and the first five floors are being used by various Departments. Work on another nine-storey building has started.

Industry

In view of the tremendous importance of industrialisation in increasing national income and employment opportunities and in improving the balance of payments position of the country, particular emphasis has been laid on the industrial sector in the Second Five-Year Plan.

A sum of Rs. 869 million has been allocated for industries in the Public Sector during the Second Plan period. Out of this, Rs. 382 million has been spent during the first three years of the Plan; i.e., 44 per cent of the total Plan allocation. Rs. 308.18 million has been earmarked for this sector in 1963-64. This is 35 per cent of the total Plan allocation. During the first three years of the Second Plan, fuller utilisation of the

installed capacity has been made in many cases, existing units have been modernised and expanded and many new industries set up. In some cases, the Plan target has already been attained and in others, it is expected that the ceiling will be exceeded.

Iron and Steel: The Second Plan provided for the setting up of an Iron and Steel Plant at Chittagong at an estimated cost of Rs. 270.77 million, of which Rs. 167.76 million is the foreign exchange component. The factory is expected to start production by the end of 1965.

Chemicals and Pharmaceuticals: A Scheme for the setting up of a DDT Factory by EPIDC at Chittagong costing Rs. 9.67 million with an estimated capacity of 700 tons of 100 per cent DDT has been approved. The scheme will be completed by 1964. Besides, there is another scheme for the setting up of a Streptomycin Factory at Chittagong with an estimated expenditure of Rs. 21.43 million. This scheme which is likely to be completed by 1966 will go a long way in meeting the Province's requirements of antibiotics.

The EPIDC has also set up another pharmaceutical factory at Dacca in collaboration with a private foreign firm. The unit has started production of anti-malarial and sulphur drugs.

Fertilizers: The Natural Gas Fertilizer Factory at Fenchuganj has gone into production since 1961. It has a production capacity of 117,000 tons of urea per year.

Jute: Development of jute industry in East Pakistan has been spectacular. At the time of Independence there was not a single jute mill in East Pakistan. Thanks to the pioneering efforts of the PIDC, there were about 8,000 jute looms in the province by 1960. The Second Five-year Plan provided for an addition of 4,000 looms. This target has since been raised to 6,000 looms.

Small Industries: In 1962-63, the Small Industries Corporation took up 14 new projects which included 7 industrial estates, 2 pilot projects, one salt development project and common facility centres.

WEST PAKISTAN

Second Five-Year Plan—General Administration—Revision of Pay Scales—Law and Order—Prison Reforms—Land Reforms—Co-operative Societies—Basic Democracies—Labour Welfare—Karachi Development Authority (K.D.A.)—West Pakistan Water & Power Development Authority—Water-logging and Salinity—Indus Basin Projects—Mangla Dam—Link Canals—Sidhnai Barrage—Mailsi Syphon—Development Projects—Machinery Pool Organisation—Power Development—Transmission Projects—Village Electrification.

The fast tempo of efficiency and development initiated by the Revolutionary Government did not subside with the advent of the popular Government in the Province and the administration continued to work for rapid progress in all spheres of governmental activity—economic, social and administrative.

Second Five-Year Plan

The following table gives a summary of allocations to the public sector in West Pakistan in the Second Five-Year Plan:-

Agriculture ..	..	Rs. 1,156.7 million
Water and Power ..	..	Rs. 2,262.6 million
Industries ..	..	Rs. 572.0 million
Communications ..	..	Rs. 1,448.4 million
Housing and Settlement ..	..	Rs. 911.2 million
Education ..	..	Rs. 440.1 million
Health ..	..	Rs. 160.7 million
Social Welfare ..	..	Rs. 37.1 million
Total:-		Rs. 6,988.8 million

During the first three years of the Plan, the Province utilised Rs. 1,018.2 million in 1960-61, Rs. 1,146.2 million in 1961-62 and Rs. 1,389.7 million in 1962-63 for the implementation of its development programme in the public sector. Allocation for this programme during 1963-64 is Rs. 1,861.2 million of which a sum of Rs. 463 million is being provided by the Provincial Government from its own sources.

In pursuance of the policy laid down by Government, the annual development programme for 1963-64 aims at accelerating the pace of development in the relatively less developed areas of the Province.

General Administration

The outstanding development during the year under review has been an increased association of technical officers with the framing of policies at the Secretariat level. On the recommendations of the Provincial Reorganisation Committee, the Secretariat Departments have been reorganised and provided with adequate number of posts of Technical Officers. Care has, at the same

time, been taken to avoid any additional burden on the public exchequer.

The Section Officers' Scheme has achieved a good measure of success in the Secretariat and it has been decided to introduce this scheme in other Provincial Offices as well.

During 1963, the Services and General Administration Department notified 116 service/recruitment rules out of a total of 197 draft rules which were pending for long. Most of the remaining draft service/recruitment rules have been scrutinized by the Service Rules Sub-Committee and are likely to be finalized in the near future.

A separate organisation known as Methods Unit, has also been created for streamlining the administration.

Revision of Pay Scales

The West Pakistan Government decided on 1st December, 1962 to raise the pay scales of all non-gazetted Government servants (including Railway employees) so as to give an immediate increase of 10 per cent in the present emoluments of individual Government servants and an average increase of the order of 20 per cent for the entire span of service. The pay scales of all non-gazetted posts were revised accordingly and have also been published in a booklet entitled 'Revision of Pay Scales of non-gazetted Government Servants.

The revision of pay scales is expected to involve an additional expenditure of about Rs. 61 million per annum which is likely to go upto Rs. 85 million per annum in the long run.

Law and Order

The general law and order situation in the Province has been satisfactory as the number of reported cases of all categories fell from 63,410 in 1961 to 62,288 in 1962. The number of proclaimed offenders fell from 7,196 to 6,100.

Police Welfare Organisation: This organisation looks after the welfare of Police personnel and meets its requirements out of the funds voluntarily contributed by the members of the force. Supply of cheap consumer goods through a well managed Central Police Store, admission of Police patients in hospitals and sanatoria, re-imbusement of medical expenses, arrangement of transport and burial expenses of the deceased, grant of subsistence allowance to their families, award of scholarships to children of low paid subordinates and advance of interest-free loans to deserving cases, are some of the salient features of the benevolent measures undertaken by the Welfare Organisation.

Seminar: A Seminar on Police Administration was held in October, 1962 at the West Pakistan Academy for Rural Development, Peshawar. The President of Pakistan inaugurated the Seminar. Among others, papers on the "Role of Police in a Welfare State", "Role of Police in Social Uplift" and "Bringing the people and Police together," were read.

Prison Reforms

The Reclamation and Probation Organization of West Pakistan is provided, at present, with a double-edged machinery to attack the evil of crime from new angles. Probation work was started as a pilot project in 1961 in the two divisions of Lahore and Rawalpindi. 500 offenders who were placed on probation during the period under review have been treated successfully.

Under the Good Conduct Prisoners Probationary Release Act, only certain eligible categories of offenders are placed on parole and are employed either on Government Farms or with private concerns. They are generally kept engaged in agricultural work under *Batai* system at the Government Reformatory Farms, Borewala, in Multan District, which is spread over an area of over 3,000 acres of agricultural land. There, each of them as tenant is allotted half a square of land—60 per cent of the produce goes to him and 40 to the Government. About 500 parolees are kept and trained there every year.

The West Pakistan Government has prepared two draft laws for the benefit of children. They are known as (1) The Children's Act—for children who are destitute or 'depraved' and (2) The Youthful Offenders Act—for children who have committed some offence.

These laws, if enacted, will provide a well organised set up of social defence to attack the evil of crime at all levels and from all angles, and considerably reduce the incidence of crime in the Province.

Land Reforms

The most important and difficult phases of the Land Reforms have practically been completed. These related to the determination and resumption of holdings, abolition of *jagirs* and *Ala-Malkiat*, calculation of compensation payable to landowners on the basis of produce index value of the resumed lands and sale of resumed lands to the sitting tenants and others.

Area Resumed: The total area resumed in West Pakistan, excluding the unsettled areas of Quetta and Kalat Division, is now 2,195,304 acres. This figure is, however, not final and is liable to change as in certain areas cases of determination of holdings are under reverification.

Disposal of Resumed Land: With a view to making tenants of resumed land its owners, provision was incorporated in the relevant Act that the land should, in the first instance, be offered for sale, on such terms and conditions as may be prescribed by the Land Commission, to the tenants concerned. Under the Sale Scheme, the Land Commission has sold about 700,000 acres for about Rs. 150 million. Thus as a result of the Reforms, more than 60,000 tenants have been made owners of their tenancies and are paying the price of land by easy instalments.

Abolition of Jagirs: All cash and land Jagirs have been abolished under the Land Reforms. A sum of Rs. 3,118,341 per annum has been saved to the Provincial Government from the abolition of only cash/jinsi Jagirs and assignment of land revenue.

Payment of Compensation: According to the cases so far finalised, the Land Commission has to pay compensation totalling about Rs. 84.5 million excluding interest, and about 20 per cent of it has already been paid. In addition, the Land Commission has paid about Rs. 9.6 million so far as interest on the compensation bonds since January, 1960.

Co-operative Societies

Today there are over 28,000 Co-operative Societies in West Pakistan with a membership of more than 1,469,000. The working capital of these societies is collectively over Rs. 930 million, and paid-up share capital Rs. 85.4 million.

In the field of agricultural credit, sufficient progress has been made. Last year Rural Credit Co-operative Societies advanced loans totalling Rs. 110 million as against Rs. 31.5 million advanced by the Agricultural Development Bank and Rs. 11.8 million by the Government as taccavi.

To strengthen the Co-operative Movement in the country and to ensure efficient and uniform development, the West Pakistan Co-operative Development Board, a semi-autonomous organization, was brought into existence in May, 1962.

With the establishment of the Board, there has been great advance in the Co-operative Movement. Some of the important development schemes under implementation during the year 1962-63 are 'Reconstruction of Rural Credit and Agricultural Marketing' and 'Co-operative Mechanized Farming'. The former aims at covering 25 per cent of rural population in the Second Plan period by organizing 700 large-size Co-operatives, 82 Agricultural Marketing Co-operatives and 10,000 small-size Credit Co-operatives.

An interesting and valuable experiment was made in the field of mechanized farming in Multan over an area of 120,000 acres. 120 villages have been established and 60 tractors are in operation. An area of 44,500 acres has already been brought under mechanized farming. There are, 3,188 members who have grouped themselves into 35 societies. The main object of the scheme is to increase agricultural production by the use of agricultural machinery on co-operative basis. About 20,000 acres near Thatta in G.M. Barrage area have been brought under mechanised farming.

Co-operative Banking: Co-operatives have been organized in the field of agriculture, industry, trade and finance. In order to provide financial and other support to the primary co-operative societies, secondary Societies have been organized which are known as central Co-operative Banks, banking unions, industrial unions, marketing federation etc. In order to further strengthen the financial structure of cooperative societies, an apex financing institution known as Provincial Co-operative Bank has been established. The apex bank can get loans from the State Bank of Pakistan.

In West Pakistan, there are over 12,607 Agricultural Credit Societies with 487,000 members and a share capital of Rs. 13.08 million.

Agricultural Marketing: There are 79 marketing co-operatives functioning at the Mandi (Market) level.

Industrial Cooperatives: At present there are 1,523 industrial co-operatives with a membership of over 90,000 and paid-up share value of Rs. 5 million. Most of these are hand-loom weavers' societies. The other co-operative industries are metal works, shoe making, leather goods, hosiery products, soap making, sports goods etc. Several schemes are under preparation for the setting up of small and medium industries on co-operative basis.

Cooperative Sugar Mills: Besides the Rahwali Co-operative Sugar Mill, plans have been finalised to establish four more sugar mills each of 1500 tons daily crushing capacity on co-operative basis. They will be located at Peshawar, Bannu, Jaranwala and Sialkot and each mill will cost approximately Rs. 24.2 million.

Co-operative Project at Islamabad: To meet the demand of the new and growing population of Islamabad, plans to organise the following on co-operative basis have been finalised. Consumer Store, Dairy and Vegetable Farm, Housing, Meat Supply, Food Market, and Slaughter House. Co-operative Consumer Service is already functioning at Islamabad.

Co-operative Investment and Management Agency: The object of this institution is to make co-operative Projects commercially efficient and to provide technical assistance to the societies which are engaged in development tasks of diverse nature.

One of the very first enterprises which has been entrusted to CIMA is the Chenab Woollen and Textile Mills at Lyallpur. This Mill produces woollen cloth and fine carpets in addition to other articles.

Basic Democracies

The Basic Democracies system has completed its four years of life and this period has witnessed a gradual attainment of the objectives for which the system was introduced in the country. Within the next fifteen to twenty years, Basic Democracies would become responsible for collecting revenues, providing and supervising the police force, administering justice, providing basic education and looking after the social and economic development of the areas in their respective jurisdiction.

Development Planning: During 1962-63, Basic Democracies undertook a large number of development schemes in the sphere of agriculture, co-operation, small scale industries, communications, education, establishment of adult education centres, sinking of wells/tube-wells, construction of dispensary buildings, and eradication of social evils.

Conciliation Courts: The Conciliation Courts Ordinance was promulgated by the President on 28th November, 1961, and was enforced in West Pakistan on 1st March, 1962. Through the agencies of Union Councils/Committees, a number of married couples settled their mutual disputes through these courts and were thus spared the expense and trouble of civil litigation. These courts have proved fairly popular, both in urban and rural areas. Statistics collected from various Divi-

sions show that 13,478 cases were settled by the Conciliation Courts in the Province during the period under review.

Labour Welfare

The Directorate of Labour Welfare is an agency to prevent and settle amicably industrial disputes to ensure effective enforcement of Labour Laws, besides fostering good-will and understanding between the employers and the employees with a view to creating happy and harmonious labour-management relations. Another important addition to its functions was made in the new Constitution, as a consequence of which Labour became purely a Provincial subject and the following organisations have been transferred from the Centre to the Province:-

- (i) Manpower and Employment Exchange Organisation;
- (ii) Inspectorate of Mines;
- (iii) Coal Mines Labour Welfare Fund Organisation;
- (iv) Office of the Assistant Labour Commissioner (Central) and some staff of the Central Labour Commissioner's Office.

During the period under review, as many as 3,152 factories out of the total number of 5,961 registered factories were inspected by the Field Officers and 3,120 prosecutions filed in various Courts for the infringement of different provisions of the Factories Act, 1934. Besides, 199 factories were registered under the Act and 140 were de-registered during the same period.

A sum of Rs. 67,659.00 was paid to workers as compensation under the Workers Compensation Act, 1923.

During the year under review, 55 Trade Unions were registered and 44 Trade Unions were cancelled under the Trade Union Act, 1926. The number of Unions registered and cancelled in the preceding year was 38 and 14 respectively.

Under the Payment of Wages Act, 624 cases were received of which 466 were disposed of and an amount of Rs. 25,789.00 was paid by employers to their workers.

The Provincial Government has established a Minimum Wages Board consisting of a Chairman, an independent member and two members representing the employers and workers in order to recommend minimum wages for workers in industries. The Board has also been directed to recommend minimum wages for workers employed in Woollen Textile, and Ice and Sugar industries.

Karachi Development Authority

Greater Karachi Resettlement Programme: The Greater Karachi Resettlement Programme aims at housing the shelterless families of the Greater Karachi area in the new communities on the outskirts of the city.

The first of these new independent communities, already being developed under the programme, are the Korangi and North Karachi Townships designed

for about 500,000 persons respectively. Similar other new communities are also being planned.

A survey of shelterless persons in Karachi was carried out in 1959. A total of 120,000 families were found to be shelterless. The average annual rate of population increase in Karachi has been 5.3 per cent or over 100,000 persons per year. These figures give some idea of the immense needs of Karachi for new dwellings.

Projects and Principle of Planning: In order to solve this problem, the Ministry of Rehabilitation made the first systematic attempt in the field of housing during the last months of 1959 by launching the Korangi project. The work on North Karachi Township was taken up in January 1961.

The basic principle of planning is that these townships should be satellite areas. The townships will be developed not simply as residential settlements but as fully integrated communities in which all the needs and functions like trade, industry, education, hospitals, parks, playgrounds, athletic and physical training centres etc., will be provided for.

Targets and Achievements: In the first instance, the Greater Karachi Resettlement Programme aims at housing the 120,000 displaced and shelterless families at a cost of about Rs. 950 million. It is likely to take 14 years to complete.

First Five-Year Plan: During the period January 1959 to June 1960, approximately 20,000 families of *Jhuggi* (Shack dwellers) were settled leaving a balance of 100,000 families for the Second Five-Year Plan period.

Second Five-Year Plan: The Second Five-Year Plan (July 1960—June 1965) initially made an allocation of Rs. 160 million for the construction of nucleus houses and development of plots. It was, however, realised that the allocation was inadequate to meet the target and one year after the commencement of the Plan the allocation was increased to Rs. 370 million.

In view of the increased allocation, the targets were set as under:-

- (a) Construction of 65,000 nucleus houses for low income group families and development of land.
- (b) Provision of community buildings such as Schools, Health Centres, and Community Centres.
- (c) Community buildings such as Schools, Health Centres and Community Centres will also be developed.
- (d) Development of industrial, commercial and other special zones and the construction of major community facilities, access roads, bridges etc.

West Pakistan Water and Power Development Authority

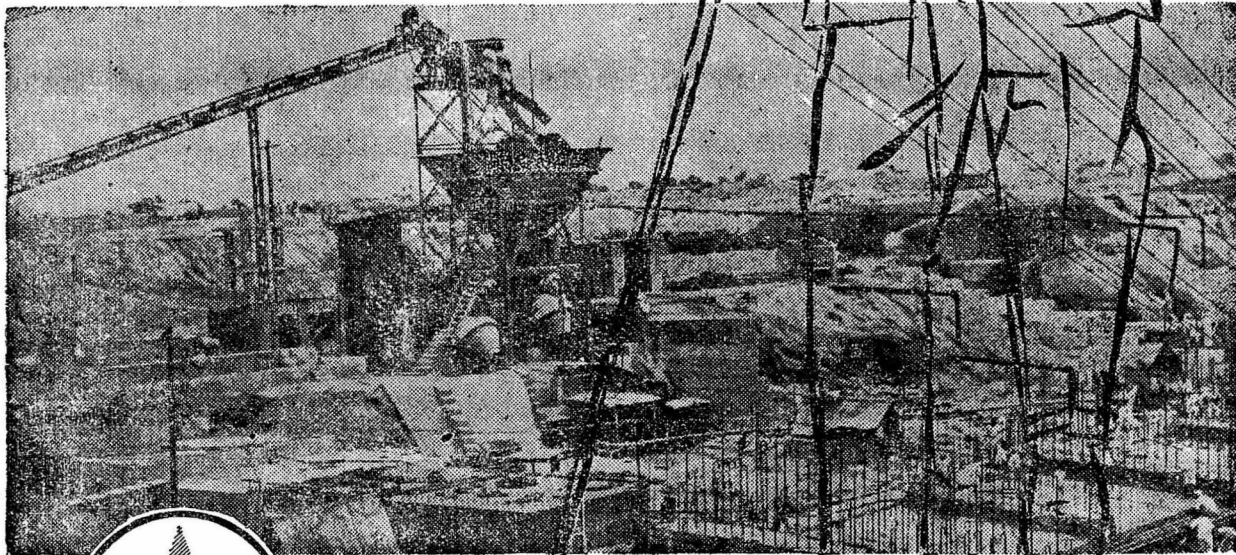
The West Pakistan Water and Power Development Authority (WAPDA) was set up in February 1958 and fully constituted in September 1958 to undertake a unified and co-ordinated development of the water and power resources in West Pakistan.

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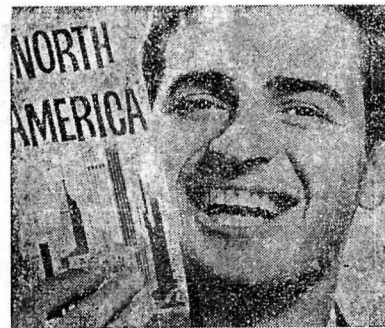
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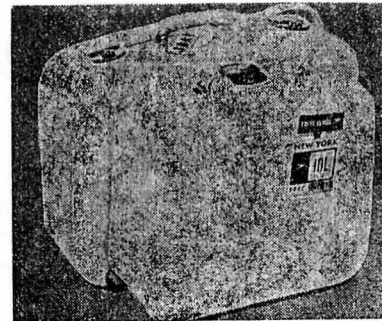
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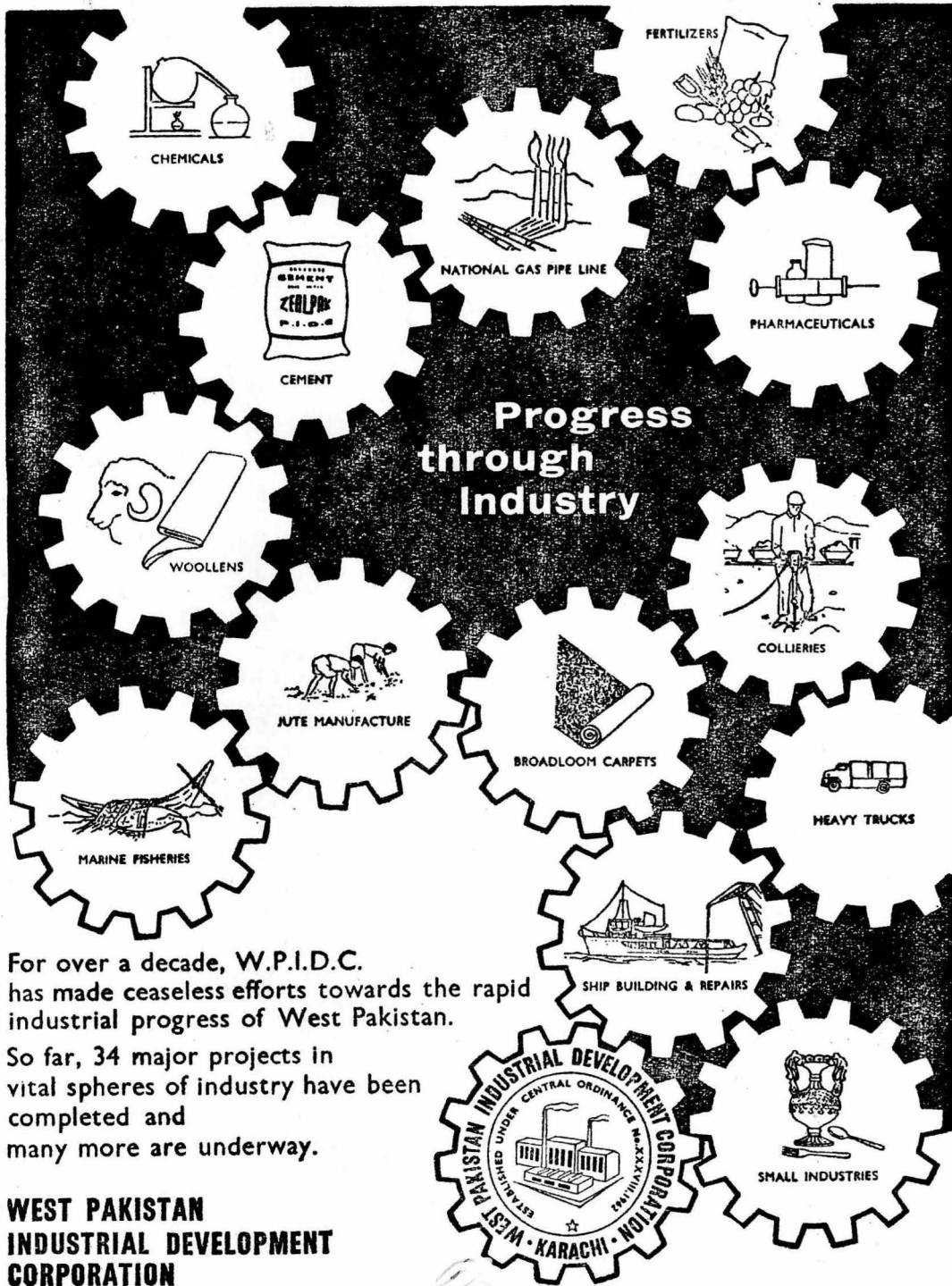
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