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**NEWS BRIEFS**

**Cabinet okays budgets**

The cabinet yesterday approved the revised budget for 1991-92 and the proposed budget for 1992-93 at a special meeting held at the Cabinet Room of the Sangsad Bhaban with Prime Minister Begum Khaleida Zia in the chair, reports BSS.

**ALWC emergency meeting today**

An emergency meeting of the Awami League central working committee will be held today (Friday) at 10 am. Party chief and leader of the opposition Sheikh Hasina will chair the meeting at her Minto Road residence, reports UNB.

**Haj delegation returns**

The nine-member Haj delegation led by State Minister for Religious Affairs Prof MA Mannan returned home yesterday after staying 17 days in Saudi Arabia. The State Minister represented Bangladesh in washing the Holy Kaaba Sharif before the Haj, reports BSS.

**Ctg Mayor hails budget**

CHITTAGONG, June 18: Chittagong City Corporation Mayor Mir M Nasiruddin today hailed 1992-93 budget saying it is pragmatic, pro-people and development oriented, reports BSS.

**Function on Sufia Kamal's birthday**

Bangladesh Mahila Parishad will hold a function on June 20 at 4 pm at the National Museum seminar room on the occasion of 82nd birth anniversary of poet Begum Sufia Kamal, reports BSS.

**Electrocuted**

KUSHTIA, June 18: A farmer Mahtabuddin Biswas (50) of village Ujagram under sadar upazila was electrocuted yesterday. While he was working in his field he came in contact with a live wire. He died on the spot, reports BSS.

Overall deficit Tk 7732 cr : Revenue surplus Tk 2004 cr

## Tk 18286 crore budget proposed



Prime Minister Begum Khaleida Zia leading her Finance Minister and other Cabinet colleagues to the House prior to the budget session yesterday. —Star photo

Finance Minister M Saifur Rahman yesterday announced Tk 18286.33 crore budget for 1992-93 with an overall deficit of Tk 7732.33 crore.  
 Revenue income for the next financial year has been estimated at Tk 10,554 crore of which Tk 8550 crore would be expenditure.  
 The Tk 2004 crore surplus would be spent to finance a part of the Annual Development Programme (ADP) of Tk 8650 crore. The rest would be met from foreign assistance and loans.

**GDP growth up this fiscal**

The estimated annual growth rate of the nation's Gross Domestic Product (GDP) will be 4.04 per cent in the current fiscal year ending June 30 as against 3.6 per cent in 1990-91.  
 According to the annual economic survey 1991-92 placed in Parliament yesterday, the estimated GDP for 1991-92 will be Taka 75,195 crore with a per capita component of Taka 6848 as per the base price of 1989-90. The figures for 1990-91 stood at Taka 72,273 crore and Taka 6704.5 respectively.  
 The overall growth rate in both the agriculture and the industries sectors registered a decline compared to 1990-91. The growth in the agriculture sector is estimated to stand at 2.3 per cent as against 2.7 per cent in 1990-91.  
 See Page 12 Col 2

Also, the Finance Minister proposed duty rebates of Tk 344 crore but expanded the tax net and reforms in revenue collection to earn a net amount of Tk 450 crore. Only Taka 140 would be realised through new tax measures.  
 Attired in a dark suit with a red tie the Finance Minister entered the House to place the budget. He carried the budget documents in the new Taka 3500 black briefcase.  
 The presentation of the budget was delayed by 20 minutes from the schedule announced earlier.



Empty seats of the Opposition members in the House during Finance Minister's budget speech. —Star photo

With all the Opposition excluding the Jamaat members boycotting the session the Finance Minister opened his budget speech with reference to the switchover to parliamentary form of government after submission of the budget last year.  
 Referring to the need for sustained economic development Saifur Rahman said political stability and improved law and order situation were prerequisites. Furthermore, a national consensus was needed

on the goals of economy, he said, adding that adoption of market-oriented philosophy by the largest opposition party had made a significant contribution to such consensus building.  
 The Finance Minister said that one of the structural weaknesses of the economy was that almost one-third of it was outside the organized market. Twenty-five per cent of the labour force was unpaid family labourers and possibly almost as many were engaged  
 See Page 12 Col 3

## Mixed reaction

Star Economic Report

In post budget reactions leading economists and chamber leaders have criticized the reduction of subsidy in agriculture while hailing the tax reform measures.  
 Morshed Khan, President of the Metropolitan Chamber of Commerce and Industry (MCCI) said the power of bureaucracy has been cut substantially by the proposed measures in the budget.  
 He welcomed the structural changes in economic management. He, however, criticised the rebate facility made at a flat rate for both the exporters and exporting industries. He added that there should be some distinction for the two categories of exporters.  
 Fasiuddin Mahtab, former Minister in his reaction said the proposed budget was nothing unexpected and viewed that the overall impact of it will not yield anything positive.  
 Reduction of subsidy in the agricultural sector will have an adverse effect on the farm output, he commented adding that the small farmers will be the worst hit.  
 Mahtab said significant incentive has not been figured out in the budget. He said the public sector has been ignored totally in the name of "wholesale privatisation".  
 He questioned the reduction of revenue expenditure saying that there is no scope for such squeeze in a poor country like ours.  
 Mahtab said the World Bank prescription for the economic restructure is fit for economic recovery, but he said, the country should consider the pace at which such prescriptions should be implemented in the context of the country.  
 He viewed that too much trade liberalisation would make the country a market place for the western countries.  
 Jamaluddin Ahmed, former Deputy Prime Minister, expressing his reaction on the budget termed the macro-economic management envisaged in the proposal as "superb".  
 He praised the tax reform strategy and added that the budget has been able to free the tax administration system  
 See Page 12 Col 7

## Salaries of President, PM, MPs up

Salary of the President will double while that of Prime Minister will be more than double from the next fiscal year, reports UNB.  
 According to Finance Ministry's "Demands for Grants and Appropriations" for 1992-93, salaries of Ministers and MPs will also rise substantially but that of the Leader and the Deputy Leader of the Opposition will remain unchanged.  
 The salary of the President will double from Tk 90,000 to Tk 1,80,000 per annum while the PM will draw Tk 1,68,000 next year against the present amount of Tk 70,000 per year.  
 Sumptuary and travelling allowances, house rent, expenditure for special security force of the PM will also rise as with the allowances honoraria and contingency for the ministers.  
 Cost of preparation of electoral rolls will increase, while Tk 70 lakh and Tk 25 lakh have been estimated for city corporation and parliamentary by-elections respectively.  
 Allocation for Public Service Commission expenditure will also increase.

## We'll teach ruling party democracy: Hasina Opposition sans Jamaat to keep boycotting JS

By Nurul Kabir

Opposition parties in Parliament barring the Jamaat will continue boycotting the budget session of Parliament until the ruling party comes forward with an honourable solution to break the deadlock between the government and opposition.  
 Sheikh Hasina accused the ruling party of continuously showing undemocratic attitude towards the Opposition and said, This time we shall teach the BNP democracy keeping it in power.  
 This was decided by the opposition parties after two rounds of joint meetings yesterday in the Parliament chamber of the Awami League chief Sheikh Hasina.  
 The Leader of the Opposition in Parliament and AL chief Sheikh Hasina while explaining the reasons why they boycotted the opening of the budget session said that the ruling party had completely ignored the four-point opposition demand on the one hand and insulted the opposition parties by terming the meeting between the Leader of the House and the Deputy Leader of the Opposition held Wednesday as just a courteous one.  
 Sheikh Hasina accused the ruling party of continuously showing undemocratic attitude towards the Opposition and said, This time we shall teach the BNP democracy keeping it in power.  
 Incidentally, the opposition parties abstained from joining last two sittings of the last session of Parliament following a controversy with the ruling party over the trial of Jamaat chief Golam Azam as a war criminal.  
 The opposition in the backdrop of the controversy generated by the Golam Azam issue, then demanded of the government to meet a four-point charter of demands that included trial of Golam Azam under the International Crimes Act 1973, withdrawal of cases against 24 persons associated with the 'people's court' which tried Golam Azam, ensuring due honour to the Leader of Opposition in Parliament and assurance of democratic behaviour to the opposition parties.  
 The ruling party during the session of Parliament on Wednesday, June 17, 1992, had accused the opposition parties of boycotting the session.  
 See Page 12 Col 8

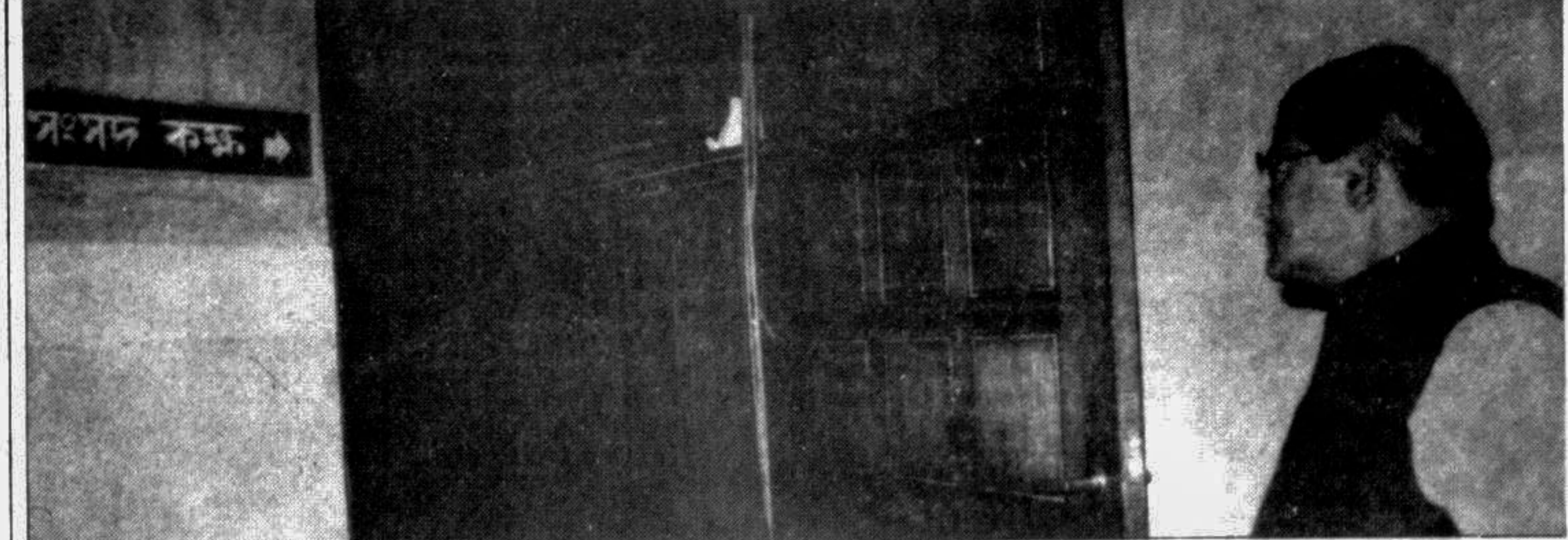
## "Where is Sayeed Atiqullah?"

By Staff Correspondent

'Where is Sayeed Atiqullah?' An angry Leader of the Opposition Sheikh Hasina wanted to know from waiting journalists immediately after addressing the press conference yesterday at the Sangsad Bhaban.  
 See Page 12 Col 8

## Budget at a glance

Heads	In crore taka		
	Budget 1992-93	Revised 1991-92	Budget 1991-92
<b>A—REVENUE BUDGET</b>			
Receipt—Statement—II	10554	9517	9100
Expenditure—Statement—III	8550	7900	8083
Revenue Surplus (a)	2004	1617	1017
<b>B—FOREIGN GRANT—Statement—IV(b)</b>	2948	2442	2970
<b>C—CAPITAL BUDGET</b>			
Foreign Loan—Statement—IV(c)	4105	3597	4326
<b>D—DOMESTIC CAPITAL NET:</b>			
Domestic Loans and Advances and Capital Expenditure excluding for outlay and ADP (Net)—Statement—V	(- 800)	(- 539)	(- 575)
Public Account of the Republic (Net) Statement—VI	607	677	538
Total—Domestic Capital—Net (d)	(- 193)	138	(- 37)
Total—Budgetary Resources(a+b+c+d)	8864	7794	8276
Extra Budgetary Resources—Statement—IX	445	362	315
Total—Resources Available X	9309	8156	8591
<b>E—USE OF RESOURCES</b>			
Annual Development Programme—Statement—VIII	8650	7150	7500
Food for Works	568	564	506
Non-ADP Projects	116	118	180
Agricultural Research	20	20	20
Grameen Bank	-	-	-
Food Budget	403	304	342
Net outlay in Food Operation—Statement—VII	(873)	(780)	(772)
Transfer to Public Account of the Republic	(-470)	(-476)	(-430)
Total Resources needed Y	9755	8156	8548
Additional resources required X—Y	(-446)	-	43



EAVESDROPPING: Rashed Mosharrar, MP of Awami League that boycotted the House, during Finance Minister's budget speech yesterday. —Star photo by Mohsin

## Gold gets into import list

Star Economic Report  
 Golden news for gold users. If Finance Minister Saifur Rahman's budget proposals sail through parliament, Bangladesh will be able to import gold with effect from July 1.  
 Proposing withdrawal of the ban on gold import, the Finance Minister said that the government would allow Bangladeshi passengers to  
 See Page 12 Col 6

## 30 hurt in tripartite city clashes

By Staff Correspondent  
 At least 30 people were injured in tripartite clashes between supporters and opponents of June 21 (Sunday's) hartal and police Thursday evening in Gultana, Purana Paltan and Baitul Mukarram areas, eyewitnesses said.  
 Two police vehicles came under attack while the unruly mobs damaged over a dozen vehicles in the area, the sources said.  
 Police lobbed nearly 25 rounds of teargas amid explosions of several dozens of cocktails, the sources added.  
 See Page 12 Col 3

## 30 paise per litre cut in fuel price

By Staff Correspondent  
 The government has decided to reduce the fuel price by 30 paise per litre in the proposed budget with a view to giving an incentive to the transport sector.  
 The government will, however, have to lose about 50 crore Taka in revenues due to  
 See Page 12 Col 8

## Democratic Forum takes off ground today

By Staff Correspondent  
 The formal launching of Bangladesh Democratic Forum, an organisation aimed at strengthening democracy and uniting the people on the national issues, takes place at 76-A, Segun Bagicha in the city today (Friday).  
 The two-hour launching ceremony will start at 10 am. Organisers of the forum will address the function where the declaration of the organisation will also be adopted.  
 The forum has arranged a seminar at the same venue on 'Democracy, Rule of Law and National Economy' beginning at 4.30 pm.

## Education gets highest allocation

By Staff Correspondent  
 Education, as in the current year, will get the highest single sector allocation of Tk 1592 crore followed by defence which will receive Tk 1379 crore, according to revenue expenditures proposed by Finance Minister Saifur Rahman for the new fiscal beginning July 1.  
 The new fiscal's proposed revenue expenditures for education represent 15 per cent increase from the current 1991-92 year's revised budget, while the projected defence expenditure will be higher by six per cent.  
 During the fiscal ending June 30 the government's revised revenue spending for education stood at Tk 1382 crore. The second highest revenue expenditure was for health.  
 See Page 12 Col 7

## Inflation rate 4.5 per cent

By Staff Correspondent  
 Overall prices and the cost of living showed an upward trend during the first nine months of the current fiscal year, according to the Annual Economic Survey 1991-92.  
 The average inflation rate during the first nine months of 1991-92 stood at 4.5 per cent based on the general cost of living index of middle-class people living in Dhaka (base: 1973-74=100), the survey said. The average inflation rate during the same period in 1990-91 stood at 9.4 per cent.  
 During the first nine months of the ongoing fiscal year the food index increased by 5.1 per cent, the power and energy index by 8.2 per cent, housing and household index by 1.5 per cent, clothing and shoe index by 2 per cent and the miscellaneous index increased by 3.3 per cent.  
 The general cost of living index (base:1973-74=100) for middle-class people in Dhaka increased by 4.1 per cent between March 1991 and March 1992, with the food index rising by 6 per cent, housing and household index by 0.8 per cent.  
 See Page 12 Col 1

## Bank lendings plummet

By Staff Correspondent  
 Despite interest rates flexibility and financial sector reforms, commercial banks' lending decreased during 1991-92.  
 While the commercial banks' total lending was Tk 21886.50 crore as of June 1991, it came down to Tk 21606.80 crore in February 1992.  
 The amount is 1.30 per cent lower than the previous year.  
 According to the Finance Ministry report on banking and financial institutions released yesterday, the cause of  
 See Page 12 Col 1

## Income tax rate reduced

By Staff Correspondent  
 In the income tax system, some fundamental changes — both structural and administrative — have been proposed.  
 The proposals include a reduction in tax rates and the replacement of the existing taxation system, the filing 'threshold', by the 'conventional exemption limit'.  
 According to the proposals, See Page 12 Col 3