

employment

water supply

electricity

co-operatives

roads and bridges

industrial and trade promotions

housing scheme and industrial estates

community centres

forest veterinary and agricultural products

social and health facilities

heavy industries

technical and commercial education

small scale and light industries

Western

Development Plan

for Nigeria

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WESTERN NIGERIA
DEVELOPMENT PLAN
1962-68

FOREWORD

This is the third Development Plan document we have prepared for this Region since 1955. The first Plan covered the period 1955-60 and the emphasis throughout the period was on the building of solid infrastructure on the basis of which future economic development would be built. Construction of roads assumed a high priority; social services were extended to rural areas and the Universal Free Primary Education Scheme was launched. Our achievement during the period was impressive. The second Development Plan covered the period 1960-65. This Plan was not however allowed to run its full course because there was an agreement, at the national level, that an integrated National Development Plan with effect from April 1962 should be prepared. The second Plan ceased to exist after its second anniversary. Proposals in that Plan did not follow the scheme of priority in the first Plan. There was a slight bias towards investment in directly productive sector. This change in strategy had its full expression in the third and present Plan. This is as it should be. If the economy is to be capable of carrying the cost of maintaining the modern social services and the basic infrastructure, it is imperative that the growth rate of the economy should quicken. Investment in productive sector will help to realise this objective.

With this background of experience in the preparation and implementation of Development Plans, we have prepared the current Plan. We have co-operated with other Governments of the Federation and I wish to say that the Western Nigeria Development Plan, 1962-68 forms an integral part of the National Development Plan, 1962-68.

If we are to achieve success in the implementation of the programmes set out in the Plan, it will be necessary to mobilise resources at all levels; the Government of Western Nigeria will leave no stone unturned in its effort to implement this Plan. Our efforts unaided will however not be adequate to carry the burden. These shall be inter-governmental co-operation, and with the Federal Government in particular. We shall also look forward to external assistance from our overseas friends who have already demonstrated in concrete terms their readiness to assist us in our noble endeavour to improve the standard of living of millions of our people through a democratic process. We are encouraged in this humane but onerous task because we can count on our people for their contribution; everybody has to make some sacrifice in order to achieve the objectives and aspirations in the Development Plan, 1962-68.



*Minister of Economic Planning
and Community Development*

*Ministry of Economic Planning
and Community Development,
Ibadan, 14th June, 1963.*

TABLE OF CONTENTS

PARAGRAPH

Page

CHAPTER I.—DEVELOPMENT POLICY AND STRATEGY

1.00	Foundations of Policy	1
1.05	Overall Objective	2
1.07	Development Strategy, 1955-62	3
1.12	Development Strategy, 1962-68	6
1.23	Scope and Limitation of Regional Planning	

CHAPTER II.—RESOURCES

2.00	Physical Resources	7
2.05	Manpower Resources	7
2.20	Financial Resources	11

CHAPTER III.—PRIMARY PRODUCTION

3.01	Objective	13
3.02	Export Crops	13
3.18	Other Tree Crops	16
3.19	Food	16
3.25	Livestock	17
3.31	Extension Services	19
3.39	Veterinary	20
3.43	Research Division	21
3.47	Agricultural Engineering	21
3.49	Plantations	22
3.60	Training Programme	24

CHAPTER IV.—INDUSTRIAL DEVELOPMENT

4.01	The role of Industrialisation	25
4.03	Investment Criteria	26
4.05	Development Trend	26
4.14	Co-operative Marketing	29
4.16	Industrial Training Scheme	30
4.19	Service Industries	30
4.24	New Industries	31
4.26	Industrial Development Incentives	32
4.28	Industrial Promotions Commission	33
4.34	Industrial Extension Services	34

CHAPTER V.—ECONOMIC AND SOCIAL SERVICES

5.00	Introduction	36
5.01	Highways	36
5.08	Electricity Supplies	37
5.09	Water Supplies	38
5.13	Town and Country Planning	38
5.17	Ibadan Slum Clearance	39
5.18	Land Registration, Acquisition and Survey	39

CHAPTER V.—ECONOMIC AND SOCIAL SERVICES—*contd.*

PARAGRAPH	<i>Page</i>
5.20 Trade Promotion	39
5.22 Education	40
5.32 Co-operation	41
5.33 Community Development... ..	41
5.36 Integrated Rural Development	42
5.37 Health	42
5.39 Social Welfare	42
5.40 Housing	43
5.42 Information Services and Television	43
5.43 Fire Services	43
5.44 Administration	43
5.45 Others	43
5.46 Service Authorities	44
5.47 Western Ijaw	44

CHAPTER VI.—FINANCING THE PROGRAMME

6.01 Capital Expenditure	46
6.06 Recurrent Expenditure	48
6.11 Internal Financial Resources	49
6.16 Other Financial Resources	51

CHAPTER VII.—EMPLOYMENT POTENTIAL OF THE PLAN

7.00 Unemployment Problem	52
7.07 Choice of Techniques	53

CHAPTER VIII.—THE PLAN AND THE PRIVATE SECTOR

8.00 Involvement of the Private Sector	56
8.06 Future Planning Task	57

CHAPTER IX.—IMPLEMENTING THE PLAN

9.00 Manpower and Training	58
9.07 Machinery for Economic Planning and Execution	59
9.10 The Planning Unit and Executive Ministries	60
9.11 The Executive Ministries	61
9.18 Finance	62
9.21 Executive Capacity	63

TABLE OF CONTENTS—*contd.*

APPENDICES

	<i>Page</i>
I—Education Institutions and Population	65
II—Recurrent Revenue, 1955-60	65
III—Summary of Capital Expenditure by Ministries, 1962-68	65
IV—Capital Allocation by Projects, 1962-68... ..	66
V—Ministry of Agriculture and Natural Resources Capital Expenditure, 1962-68	68
VI—Ministry of Trade and Industry: Capital Expenditure, 1962-68	68
VII—Ministry of Works and Transport: Capital Expenditure, 1962-68	69
VIII—Ministry of Lands and Housing: Capital Expenditure, 1962-68	69
IX—Ministry of Education: Capital Expenditure, 1962-68... ..	69
X—Ministry of Economic Planning and Community Development: Capital Expenditure, 1962-68	70
XI—Ministry of Home Affairs and Information: Capital Expenditure, 1962-68	70
XII—Cocoa, Rubber and Oil Palm Schemes	71-4

CHAPTER I

DEVELOPMENT POLICY AND STRATEGY

1.00. The Foundations of Policy.

1.01. Comprehensive planning at Regional level started in 1955, when the Region's 1955-60 Development Plan was launched.¹ An appraisal of Government's actual performance under that Plan has now been published.² Out of a planned total of £104.76 million, actual expenditure during the quinquennium amounted to £98.82 million, the shortfall being largely due to savings in recurrent expenditure. The programmes which the 1955-60 Development Plan contained were thus virtually, fully implemented.

1.02. This fulfilment in itself necessitated in many ways a Second Five-Year Development Plan. The process of the implementation of one Plan involves in some form the process of planning for another Development Quinquennium. Furthermore executive capacity generated in the implementation of one Development Plan can only be fully utilised if another Development Plan follows immediately. It was therefore in these circumstances that Government published a new Five-Year Plan³ in November 1959, to take effect from 1st April, 1960.

1.03. On the other hand, the Federal Government had, as a result of annual reviews decided, about half-way through the quinquennium, to project its programmes to 1962.⁴ In the event, both the Eastern and Northern Region Governments accepted that it would be convenient for them to take advantage of the action of the Federal Government and extend their Plan Periods to 1962. As stated above, the Government of Western Nigeria which found itself with adequate executive capacity and financial resources to match its planned programmes did not consider it necessary or desirable to extend the period of its Plan. These then were the circumstances in which it came to be that in 1960 only Western Nigeria published a new Five-Year Plan.

1.04. The 1960-65 Development Plan was only in its second year when Government agreed, for a variety of reasons, to review and project it to 1968, thus fitting it into a common Planning Period with those of the other Governments of the Federation. Foremost among the reasons for so doing was the need for a National Development Plan which would fully integrate the Plans of each of the four Governments of the Federation. In addition, there is the fact that the Region's development Divisions of Statistics and Economics had, by 1960, produced data which have made planning on a more scientific basis rather more feasible than hitherto. Since the Programmes for 1960-62 have already been carried out, Government has taken the opportunity now provided to undertake a very comprehensive review of the Programmes for the last three years of the original 1960-65 Development Plan before incorporating them in its 1962-68 Plan.

1. Sessional Paper No. 4 of 1955 (Western Region Legislature): "Development of the Western Region of Nigeria, 1955-60".

2. Sessional Paper No. 8 of 1961 (Western Region Legislature): "1955-60 Development Plan: Appraisal".

3. Sessional Paper No. 17 of 1959 (Western Region Legislature) "Western Region Development Plan, 1960-65".

4. Sessional Paper No. 1 of 1959 (Federal Legislature): "Third Progress Report on the Economic Programme, 1955-60", paragraph 3.

Overall Objective

1.05. The approach of the 1962-68 Plan is fundamentally the same as that of the First Development Plan and of the 1960-65 Plan of which the present is a projection. The First Plan laid the foundations of a welfare society based on the true values of freedom and democracy and on respect for the individual; a social and economic order which tries to make equal opportunities available to all; an order in which there is a steady rise in income and standard of living—deriving from increased productive capacity, both agricultural and industrial—coupled with a very large measure of social justice.

1.06. In pursuing this strategy, Government is convinced that the Plan is merely putting into concrete forms the wishes and aspirations of the peoples of the Region. That this is so is manifest from the very keen spirit of community development which pervades local communities.

Development Strategy, 1955-62

1.07. To achieve the objective stated in the preceding paragraph, the 1955-60 Plan did four things: Firstly, the Plan concentrated attention on the provision of social overhead capital—highways, power, and social services. In the words of the Plan, “the primary function of a Government is the provision of those public services without which individual effort and initiative would be futile—education and health services, water, electrical energy, and that network of communications without which private enterprise could not flourish. Public services are basic to the economic development of a country. They improve its physical equipment as well as the skills and the quality of its people. If they are inadequate or stagnant, agriculture cannot become sufficiently productive or factories operate successfully. That is why the present Government of Western Nigeria makes the expansion of the education and health services its first object of policy”.⁵

1.08. Accordingly, a universal free primary education scheme was introduced in 1955 and between 1954 and 1960, the primary school population rose from 456,600 to 1,124,788. Post primary education was also considerably expanded. The number of secondary grammar schools rose from fifty-nine in 1954 to 167 in 1960 and secondary grammar school population rose from 7,325 to 25,755 during the planning period. An even more dramatic expansion has taken place in the fields of secondary modern education and teacher training. The Government in pursuance of its education policy spent over 30 per cent of its total (capital and recurrent) expenditure on education during 1955-60. In all, social services absorbed £38.58 million out of the total expenditure of £98.82 million while purely economic services (works, highways and power) absorbed £14.42 million.

1.09. The second object of policy under the 1955-60 Plan was the strengthening of the productive capacity of the Region's economy. It was realised that to expand and maintain the social services, it is essential that there should be a substantial increase in real income per head. The third object of policy follows naturally from the second and this was to “ensure that the level of Government's recurrent expenditure at the end of the planning period is not higher as a result of the immense capital outlay that the Plan involves than can be carried by the level of current revenue at the time”. This policy calls for a substantial increase in annual revenue. Partly as a result of the steps

5. Development of the Western Region of Nigeria, 1955-60, pages 8 and 9 paragraph 11.

taken by the Government to increase its recurrent revenue and partly because of favourable world market conditions for the Region's main export produce, cocoa, during the planning period, actual revenue did exceed forecast substantially. Table II at Appendix II shows figures of actual and forecast revenue. In all, revenue over the whole planning period exceeded forecast by £7.86 million and in no year did actual revenue fall short of forecast. The fourth and last object of policy under the 1955-60 Plan was the increased use of the community development spirit as a medium of fostering economic progress.

1.10. The 1960-65 Plan seeks to build on the achievements of the 1955-60 Plan, to guide the development effort to the sectors where advance is most needed, where the best opportunities offer and where the most valuable results are likely to be obtained. The 1955-60 Plan with its emphasis on social welfare and development, its concentration of investment on human beings have created both problems and opportunities. For instance, the education programme while presenting an unparalleled opportunity to thousands of boys and girls who otherwise would not have had the chance of going to school, has also brought in its train its own challenge most particularly in the employment field. Similarly the rapid growth of some of the larger towns of the Region during the 1955-60 Plan Period has brought to the fore some of the problems of urbanisation—town planning, housing and transportation.

1.11. The preparation of the 1960-65 Plan has consequently been guided by four main objectives. The first is to ensure that there is useful and worthwhile employment for all; the second is to ensure that food supplies keep pace with increase in population and that the people are better fed; while the third is that the Region should continue to play its part in maintaining the national balance of payments. The last objective is to ensure that the people of the Region are actively and whole-heartedly engaged in the development effort.

Development Strategy, 1962-68

1.12. The overall economic objective of the Regional Government remains as stated in the 1955-60 Plan and reiterated in the 1960-65 Plan. It was and still is "to increase production in the Region, both agricultural and industrial, so as to bring about a steady rise in income and the standard of living".⁶ According to a recent National Income Survey, the country's national income has been increasing, in real terms, at 4.2 per cent per annum and it is believed that the rate of growth in Western Nigeria has been around this national average. Unfortunately due to lack of up-to-date population data it would not be possible to attempt a calculation of the income *per capita*. Though the population of Western Nigeria has been put at seven million, this figure is now no more than an intelligent guesswork. A more reliable figure is not likely to be available until the 1962 Census has been undertaken.

1.13. An annual increase of about 4.2 per cent in the National Income of the Region is no mean task particularly in view of the present trend of demand for the primary products of the Region in the world market. Even so, the objective is not just to maintain this rate of growth but to exceed it. In an under-developed economy where the standard of living is as low as it is in Western Nigeria, a very

6. Sessional Paper No. 17 of 1959 (Western Region Legislature): "Western Region Development Plan, 1960-65.

high rate of growth is necessary if the economic development of the Region is to become a self-sustaining process within a foreseeable future. A $4\frac{1}{2}$ to 5 per cent annual increase in real terms in the national income of the Region will therefore be the target during this Plan Period.

1.14. If this annual rate of growth is to be achieved during the next six years, there must be, first and foremost, an increase in productivity, *i.e.*, increase in output per worker per hour. In other words, given the present capital endowments of the Region and the existing techniques of production it is believed that there is great scope for increasing productivity both in the public and private sectors of the Region's economy. Thus the first object of policy is to ensure that output per worker per hour is raised to optimum level.

1.15. The second objective during the Plan Period will be to modernise agriculture and industry. The economy of Western Nigeria is primarily agricultural. Agriculture accounts for over 50 per cent of the Region's national product. It also accounts for its exports. Subject to some exceptions (notably oil palm and cotton which are produced partly for export and partly for home consumption) agricultural production can be divided into two broad categories: production of export crops and production of food crops. The rising population and increasing standard of living calls for improvement in the quality, and variety of food production. As for export crops, the need for increased efficiency in production methods has never been more compelling than now when the world prices for these products have fallen very low. If the Region's total income from these products is to increase in spite of the falling prices, production methods have to be improved. As for modernising agriculture, a good start has already been made by the establishment of farm settlements, by the setting up of plantations and by the founding of farm institutes to train young farmers.

1.16. The third objective will be to accelerate the diversification of the economy of the Region. As stated in the above paragraph, over 50 per cent of the Region's national production is extractive. It makes the economy extremely vulnerable to fluctuations in the international market for its export crops. This however is not to deny the surplus which agriculture has been generating for investment over the past years and which is still expected to continue. But if $4\frac{1}{2}$ to 5 per cent rate of growth of national income is to be achieved it is necessary to diversify the economy of the Region. Diversification can take two forms:—

- (a) diversification within agriculture, and
- (b) diversification away from agriculture.

Since 1955, the Region has embarked on both forms of diversification and it is now intended to increase the rate of industrial development so as to create, over the Plan Period, a sufficiently strong industrial base for a rapid economic development. It will continue to be the policy of the Regional Government to encourage the selective processing of raw materials before they are exported. The establishment of industries, which will produce, at economic cost, goods now being imported, will also be encouraged, thus relieving the nation of some of her balance of payments difficulties.

1.17. A large expansion of the employment opportunities in the Region will be the fourth objective of the Plan. As is noted elsewhere, the Education Programme of the Government has created its own problems. There is now in the Region a growing number of primary school leavers for whom employment has to be found. Both from the economic and social view points, expansion of employment opportunities is an

objective which claims high priority. Government will therefore do all in its power to expand the employment opportunities available in the public sector. It is hoped that over the Plan Period some 320,000 primary school leavers will be absorbed into the public and private sectors. Details of the employment potential of the Plan are given in Chapter VII.

1.18. There is yet another aspect of the employment problem on which particular attention will be concentrated during the next five years; this is the problem of under-employment. The programme of integrated rural development which is discussed elsewhere in this Plan is partly designed as an answer to this problem. There can be no doubt that there is also much under-employment in the urban areas. The under-employed people of the towns are mainly the petty traders, the small businessmen and the self-employed artisans. Partly because of lack of adequate capital and partly because of limited technical know-how, these people are underemployed for a large part of the year. Under its Small-scale Industry and Trade Promotion Schemes (see Chapter IV, section 2 and Chapter V, section 5 respectively) the Government will make available technical advice and financial assistance to these traders and artisans.

1.19. The fifth objective of the Plan is to continue to use, and to strengthen, the community development spirit as a medium of fostering economic progress. It cannot be gainsaid that a large part of the economic progress of the past years has been due to the strength of the spirit of community development and self-help which exists in the Region. In order to go forward politically, socially, and upon a sound economic basis, there is need to strengthen more and more our community development.

1.20. This leads to the sixth objective of the Plan—the strengthening of the private sector of the economy. If the target of $4\frac{1}{2}$ to 5 per cent annual increase in the National Income of the Region is to be achieved, the private sector has to play an increasing role in the development process. The Regional Government both on its own and in collaboration with the Federal and other Regional Governments will continue to take such measures as are necessary to encourage private enterprise and initiative. One way of helping the private sector is the provision of more and better overhead facilities such as highway, power, training and credit facilities. Reinforcing the infrastructure of the Region's economy will, apart from creating external economies for the Government's investment, induce and make more effective and productive the investment in the private sector. The reinforcement of the infrastructure of the Region's economy will therefore continue to receive attention.

1.21. These are the principal objectives of the Plan. Government's economic objectives have remained basically the same. The only change there is, is one of emphasis rather than of policy. While the first plan concentrated on the provision of the infrastructure, the present Plan, building as it does on the achievements of the earlier Plan, is concentrating more on directly productive activities than on social overheads. Thus while agriculture and industrial development absorbed only 20 per cent of the total capital expenditure of about £32.9 million in the 1955-60 Plan, they will absorb, during the next six years, about 48 per cent of projected capital expenditure of £90.3 million. The 1955-60 Plan and a comparative analysis of capital allocation of the 1962-68 Plan is in Chapter VI.

1.22. The six objectives discussed above will, of course, be pursued in a carefully balanced way for an excessive emphasis on any one or group of them may do harm to the economy thus retarding the rate of economic growth which the Plan has set out to

achieve. For example, while unemployment is both an economic and a social waste and while a determined effort will be made to expand employment opportunities in the Region, special care will have to be taken in selecting spheres in which labour intensive techniques will be applied. Government is aware of the apparent conflicts between some of the objectives, and will make sure that a judicious balance is maintained.

Scope and Limitation of Regional Planning

1.23. Within a Federation, and having regard particularly to the Nigerian Constitution, there are, obviously, strict limitations to the extent to which a Regional Government might be resourceful. There are the usual strains and stresses of inter-Governmental relationships—resulting in inevitable delays and protracted negotiations particularly in fiscal measures. Nevertheless, some of these strains and stresses have their value, particularly by way of operating as checks to precipitate action—a temptation to which emergent nations are sometimes prone. This aside, two years experience in the operation of the Nigerian Constitution in the economic sphere confirms that “Nigeria has, on the one hand, a clearly defined division of responsibilities for economic development between the Federal Government and the Regional Governments, and on the other, a record of inter-governmental co-operation. This ensures that, though the Plans of the different Governments do not form separate units of an integrated whole, they do recognise common objectives. Their execution does not therefore give rise to conflicts which cannot be resolved. The National Economic Council has done much to foster an awareness of the economic unity of Nigeria, and has fulfilled effectively its function as a forum for the exchange of views and the co-ordination of matters of national economic importance. The recently published “Economic Survey of Nigeria” is evidence of its success in co-ordinating Federal and Regional economic activity without in any way detracting from each Government’s responsibility for economic matters as defined in the Constitution. Thus the National Economic Council ensures that Nigeria enjoys the advantages of a single large economic unit without the loss of the complimentary advantages arising from the de-centralisation of decision-making in a federal territory. Reference is made in parts of this Plan to matters of national economic policy relevant to the regional development programme. Views on such matters have been reconciled, where there is any conflict, with the views of other Governments, in the National Economic Council. This is not illogical in an institutional framework which divides responsibility, liberates capacity for making decision, and does not seek the co-ordinate to the extent that economic activity is planned into a straight-jacket.

7. And one may add the more recent “Report of the Commission on Post-School Certificate and Higher Education in Nigeria” by Ashby and others.

CHAPTER II RESOURCES

2.01. Physical Resources

2.01. Western Nigeria is a territory covering 45,376 square miles lying to the south and west of the lower portion of the River Niger and embracing a wide diversity of soils, vegetation and climatic conditions. Lying as it does wholly within the tropics, its climate follows the usual tropical pattern; that is to say, a rainy season starting about March and ending in November, followed by a severe dry season. The vegetation consists of three zones: a narrow belt of mangrove and fresh water swamp interspersed by creeks along the coast, and bordered on the northern side by a zone of tropical rain forest which varies from fifty to 100 miles in width, which in turn gives way to the Guinea Savannah Zone in the northern part of the Region.

2.02. Of the total area of over 45,000 square miles, about 30 per cent is under water, just over 16 per cent under Forest Reserves and about 20 per cent under cultivation for food or tree crops, *e.g.*, Cocoa, Rubber, Oil Palm. The rather low proportion of land under cultivation indicates that the Region's land resources are ample and that there is great scope for agricultural expansion in the Region. There is an uncultivated 9,000,000 acres of good agricultural land, of which 1,000,000 is suitable for cocoa growing.

2.03. The mineral resources of the Region can, on the basis of their known economic value be divided into two categories—

(a) Minerals of proven or possible economic value, and

(b) Minerals occurring in small deposits of, as yet, no known economic value.

Under the first category are included limestone, clay, lignite, oil and gas, gold, tin and columbite-tantalite, phosphate, tar-sand and stone. Under category (b) *i.e.*, minerals occurring in small deposits of, as yet, not proven economic value come such minerals as coal and peat, talc and sillimanite. Coal seams are found at Afuje near Auchi and between Benin City and Owo but they are less than 2 feet thick. Peat is known at many localities around Lagos and along the low-lying areas between Lagos and Badagry. Impure talc-schists occur in the Ife-Ilesha area and a deposit of sillimanite occurs at Oke-Okalu on the Ibadan-Ife road.

2.04. But the one most significant fact of any discussion on the physical resources of the Region is the absence of information and surveys regarding the physical resources of the Region. About 16,000 square miles have not at all been surveyed. In many of the territories adjoining Western Nigeria there are a variety of mineral resources. For example, in the Kandi Circle of Dahomey low-phosphorus haematite deposits, with 68 per cent iron content, are known to exist. In the absence of comprehensive surveys of Western Nigeria, it is not possible to make any deductions beyond mere expressions of hope. An attempt will be made by this Government in co-operation with the Federal Government to fill the gaps in the basic information of the physical resources during the period 1962-68.

Manpower Resources

2.05. Not only is Western Nigeria rich in natural resources—agricultural land, forests, water resources and, potential mineral wealth—it is also populated by a most energetic, go ahead people. There is no doubt that the Region's most valuable resource lies in its people, their industry, enterprise and skill.

2.06. The last comprehensive count of the population of Nigeria took place in 1952-53. The figure returned by that population census in respect of the Western Region was 6,085,000. Though the exact rate of population increase is unknown, it is believed to be about 2 per cent per annum. Until the 1962 Nigerian Census has been held, it will not be possible to have an up-to-date and more reliable data about the Region's population, its composition and distribution.

2.07. It is a well-known fact that the people of Western Nigeria are mostly town dwellers. According to the 1952-53 Census, 50 per cent of the people in the Region lived in townships of 5,000 or more. The national average of urban population was 19 per cent. Of the 350 townships recorded in the Census, 135 are in the Western Region. Since the Census was taken, urbanisation has proceeded at a very fast rate in the Region.

2.08. According to the last Census, the composition of the population was as shown in the table below:

Table 1.1
COMPOSITION OF POPULATION, 1952-53

<i>Age Group</i>	<i>Male</i> (<i>'000</i>)	<i>Female</i> (<i>'000</i>)	<i>Total</i> (<i>'000</i>)	<i>Per cent</i>
Up to 6 years... ..	917	914	1,831	30
7 to 14 years	576	492	1,068	18
15 to 49 years... ..	1,275	1,427	2,702	44
50 years and over	233	251	484	8
	3,001	3,084	6,085	100

Assuming that the Region's population was about 7 million in 1961 and that it increases at the rate of 2 per cent per annum, by 1968 the population will be about 8.5 million. Assuming no change in the composition of population, there will be in 1968 about 2.6 million children of up to six years of age, 1.5 million in the seven to fourteen years age group, about 3.7 million in the fifteen to forty-nine years age group and 0.6 million in the fifty and over age group. These calculations are very rough and will no doubt be subject to changes when the 1962 Census figures are available.

2.09. In Chapter IX the manpower needs of the Region will be calculated and the details of the employment potential of the Plan worked out. In the rest of this section an attempt will be made to forecast the probable output of primary and secondary school leavers, and the absorption of these school leavers into higher institutions of learning.

2.10. On the basis of the assumption that the Region's population by 1968 is about 8.5 million and that about 18 per cent of this population fall within the age group of six to thirteen years, the primary school population will be about 1.5 million by 1967.

2.11. The large element of wastage in primary schools before completion of the full six-year course makes any forecasting of the yearly number of primary school leavers a most difficult task. This wastage has averaged, in the past, about 25 to 30 per cent of the annual intake which is of the order of one-quarter of a million pupils. As educational awareness spreads among the different classes of people in the community the

primary school wastage will be correspondingly reduced. The following table shows the probable number of primary school leavers annually from 1961 to 1966. These are the boys and girls who will either be seeking admission to post primary educational institutions or will be looking for employment opportunities during the Plan Period.

Table 1.2

PRIMARY SCHOOL LEAVERS, 1961-67

<i>Year</i>					<i>Total</i>
					(<i>'000</i>)
1961	...	...	...	...	169
1962	...	...	...	...	157
1963	...	...	...	...	154
1964	...	...	...	...	155
1965	...	...	...	...	195
1966	...	...	...	...	178
1967	...	...	...	...	180

2.12. The dramatic expansion in secondary modern education has already been noted. In 1958, 38 per cent of primary school leavers were absorbed by the Secondary Modern Schools. In 1959, this proportion rose to 54 per cent. If, as it is anticipated, secondary modern schools continue to absorb annually about 50 per cent of the total number of successful primary school leavers, the probable annual output of secondary modern schools between 1961 and 1966 will be as follows:

Table 1.3

SECONDARY MODERN SCHOOL LEAVERS, 1961-66

<i>Year</i>					<i>Number of Secondary Modern School Leavers (figures to the nearest 500)</i>
1961	...	...	...	...	12,000
1962	...	...	...	...	13,500
1963	...	...	...	...	16,000
1964	...	...	...	...	18,000
1965	...	...	...	...	20,000
1966	...	...	...	...	22,000

2.13. The Secondary Grammar School absorbed about 16 per cent of total number of successful primary school leavers in 1960. The annual intake into secondary grammar schools has risen considerably since 1955. In the table below a projection is made of the annual intake and output of secondary Grammar schools for the years covered by the Plan.

Table 1.4

SECONDARY GRAMMAR SCHOOLS, 1961-66—INTAKE AND OUTPUT

<i>Year</i>	<i>Projected Intake</i>	<i>Projected Output</i>
1961	7,500	4,320
1962	8,800	4,730
1963	10,000	5,360
1964	11,700	6,140
1965	13,300	6,550
1966	15,000	7,890
1967	—	—

2.14. By 1966, it is anticipated that all secondary grammar schools in the Region will have only five-year courses. At present a few still run six-year courses but their number is gradually declining. As it is very difficult to estimate the number of students who will take their School Certificate examination in the sixth year during the next five years, it is being assumed for planning purposes that all secondary grammar students leave at the end of the fifth year.

2.15. Three Government Trade Centres for male trainees are already operating in the Region; two more are under construction and a sixth is planned. These centres run mainly three-year courses in a number of trades for apprentices who have completed their secondary modern education. The following table shows the numbers of trade centres and apprentices expected between 1961-62 and 1966-67.

Table 1.5

ESTIMATES OF NUMBERS OF TRADE CENTRES AND TRAINEES, 1962-67

<i>Year</i>	<i>Number of Trade Centres</i>	<i>Number of trainees</i>
1961-62	4	600
1962-63	5	850
1963-64	6	1,050
1964-65	6	1,200
1965-66	6	1,350
1966-67	6	1,500

2.16. In addition, there is a Girls' Trade Training Centre at Abeokuta which runs a three-year course in housekeeping, and matronship and needlework and dress making. It admits about 100 students annually. A technical Institute which will provide courses in Mechanical, Electrical and Civil Engineering at the level of the Ordinary National Diploma and production engineering at the level of the Higher National has recently been established in Ibadan. The products of this Institute will be more skilled than those of the trade centres who are expected to take only the Intermediate City and Guilds certificates at the end of their courses. The potential annual output of Technical Institute is about 220 and the first products of the Institute will be out at the end of 1963.

2.17. There are at present sixty-nine teacher training colleges in the Region which run two-year courses leading to the Grade III Certificate and have a total capacity of some 7,500. The potential annual output of these colleges is about 3,700 though the high failure rates in recent years have considerably reduced the output of successful

students. There are thirty-four colleges which run Grade II courses. The potential output of the Grade II courses is about 2,000 a year but owing to the high failure rates, the output of Grade II Certificate Teachers is not expected to exceed 1,500.

2.18. Three colleges are at present offering advanced Teacher Training Courses leading to Grade I Certificates. These are the Ohio University/I.C.A. Government's Teachers Training College, Ibadan with an annual intake of about thirty, the Rural Training Centre, Asaba and the Rural Science Centre, Akure both with an intake of between forty to forty-five a year. In addition, the Western Region Teachers College Ibadan begun in 1960 with a total capacity of 180, provides courses higher than the Grade I Certificates.

2.19. It will be seen from the preceding paragraphs that Western Nigeria has the human resources necessary for rapid economic development. Although most of its labour force is at present unskilled, experience has shown that it is easily trainable for semi-skilled operations. Western Nigerians are a very adaptable people who easily imbibe new ideas and techniques. In addition to a virtually unlimited unskilled labour force, there is an increasing number of semi-skilled workers and artisans. In addition to those turned out by the Trade Centres a good number of firms provide on-the-job training facilities for their employees. In the technical, sub-professional and supervisory cadres, the facilities available are being increased and the standard of training improved. Many secondary grammar and secondary modern schools now include commercial courses in their curricula and the Ibadan Technical Institute in addition to providing courses in mechanical, electrical and civil engineering, also has a Commercial Department where courses leading to the Ordinary National Diploma in Commerce are being taken. During the Plan period, no shortage is envisaged in the unskilled, semi-skilled, junior technical and sub-professional grades.

Financial Resources

2.20. There are several variables which affect the rate and level of economic development that any economy is capable of achieving. Its physical resources, potential and actual, its human resources, and the industry, skill and enterprise of its people are no doubt most important factors. It has been shown in the preceding sections of this Chapter that Western Nigeria is well endowed in human and physical resources. But in order to be able to use its manpower to exploit these resources, it requires capital. Thus while capital is not the only determinant of economic development, it is undoubtedly a crucial factor. The rate of capital accumulation and therefore the rate of savings cannot be neglected in a discussion of the resources of an economy. Little is known at present about the rates of savings in the Region; this is partly due to the fact that the Region is a part of a national economy and partly due to the absence of reliable statistical data. It is estimated that the national rate of savings has been about 10 per cent, although investment has recently been at the rate of 15 per cent of Gross National Product—the excess of 5 per cent over the rate of savings having come from dissaving of accumulated reserves and from foreign assistance and investments.

2.21. Western Nigeria is one of the most rapidly developing parts of the country. It is, therefore, not unreasonable to assume that the rate of savings in the Region has been around the national average. If the Region is to avoid depleting its financial reserves as well as avoid perpetual dependence on external assistance and if it is to achieve the target rate of economic growth, it is most essential to step up the rate of current savings.

2.22. The main sources of savings in the Region are Personal savings, Public savings, Institutional savings and undistributed profits of private Companies. In the Region, there exists many institutions for the encouragement of personal savings. The most important of these are the Commercial Banks, the Post Office Savings Banks and the many Co-operative Thrift and Savings Societies found all over the Region. In the rural parts of the Region, the "Esusu" Clubs are very common. It is proposed during the Plan Period to strengthen the Co-operative Thrift and Savings Societies and to seek ways of modernising the "Esusu" system so that their proceeds could be channelled into productive investment.

2.23. The main source of institutional savings are the Co-operative Bank, the Housing Corporation, the Provident Funds of the Region's Public Corporations and Insurance Companies. The Regional Government, through its Finance Corporation, has recently established an Insurance Company—the Great Nigeria Insurance Company. It is Government's intention in its determination to mobilise savings for development to popularise these institutions amongst the people of the Region.

2.24. In the public sector, the Marketing Board is the main source of savings for the improvement of agriculture and allied industries and the provision of social services. As will be noted in Chapter VI, the contribution of the Marketing Board to the Development Fund during this Plan Period will be greatly reduced if the present downward trend in the world prices for the Region's export produce continues. Under the 1955-60 Development Plan, the Regional Government not only succeeded in ensuring that, in spite of its rapidly expanding services, recurrent expenditure did not exceed revenue, but was also able to achieve surplus revenue over expenditure for all the years covered by the Plan. In spite of the magnitude of the present Plan, Government still intends to keep its recurrent expenditure under control in order to effect some savings.

2.25. One other way by which Government has been mobilising resources during the past years has been through the establishment of the Government Lotteries which was established in 1957 with the main purpose of using its proceeds to finance the special medical development programme of the Government. Proposals are currently under consideration regarding the possibility of introducing Savings Bonds (Development).

CHAPTER III

PRIMARY PRODUCTION

3.00. The present Chapter discusses the need to ensure that agriculture does not lag behind in the general development of the economy. Chapter IV will indicate a policy of accelerated development of the manufacturing industry. In the circumstances of this country, agriculture will continue, for some time to come, to provide the major part of the capital necessary to finance the Region's expanding programme of social and economic services. Secondly, when industrialisation reaches its full swing, agricultural products will be required in an ever increasing quantity as industrial raw materials. Thirdly, to meet the food requirements of the growing population, more and more of whom will be diverted from active participation in farming to non-agricultural sectors, food production will have to be stepped up. A sound and efficient development of agriculture requires a careful determination and elimination of those obstacles which at present impede agricultural progress. Briefly, these impediments to efficient agriculture could broadly be listed as follows:

- (a) land tenure problems;
- (b) problems of fragmented holdings;
- (c) lack of capital;
- (d) poor farming techniques;
- (e) lack of storage facilities;
- (f) inefficient distribution and marketing.

The agricultural programme set out in the paragraphs that follow aims at solving most of these problems.

Objective

3.01. The basic objective of the agricultural development programme is still increased productivity in respect both of food and export crops. Such an objective implies the efficient use and management of land, labour and capital as well as the efficient marketing of the agricultural products.

Export Crops

3.02. The most important export crops are cocoa, palm oil, rubber, coffee, coconut, citrus (grape fruit, orange and lemon) kola-nut and cotton. These are the principal export crops which provide almost all of the Region's contribution to the nation's foreign exchange earnings as well as a substantial quota of Government revenue. About £2.495 million has been allocated as capital provision for the improvement and expansion of tree crops. The effect of this expenditure on cocoa, Rubber and Palm Produce has been carefully calculated and shown in Appendix XII.

Cocoa

3.03. The present trend in world cocoa prices would appear to dictate a policy of conscious restriction of production. But such a policy is considered short-sighted and may in the long run be detrimental to the interests of both consumers and producers. The policy proposed, therefore, is that of increased efficiency in production.

3.04. At the moment there are approximately 1.152 million acres under cultivation. Of this cocoa population, it is estimated that about the equivalent of 30,000⁸ acres go out of production yearly owing to old age and diseases. About 28 per cent of the Region's cocoa trees is over thirty-three years of age, while the age group twenty-five to thirty is of the order of 58 per cent. After age twenty-three, yield begins to decline rapidly—this accounts for some of the stated loss of 30,000 acres per annum.

3.05. Ordinarily, and under the stimulation of world market prices, the loss in production is replaced to some extent by individual planting of unselected seedlings. Peasant production of cocoa has been increasing steadily over the last five years and, although present indications are that production will continue, to increase, the present trend in the world market makes it difficult, if not impossible to forecast the trend of peasant production in terms of specific magnitudes. In these circumstances direct incentives by Government become particularly important.

3.06. Firstly, there is a cocoa improvement and rehabilitation scheme, whereby farmers are encouraged by a compensation fee to cut down trees which have become uneconomic to maintain. Secondly, linked with the above is a programme of distribution of subsidised seedlings of selected high yielding varieties. The target here is the campaign for the eradication and control of Swollen Shoot, and Black Pod diseases and Capsids. Under this campaign, the farmers' purchase of insecticides is subsidised. Thirdly, there are training and demonstration schemes designed to bring to the farmers efficient and up-to-date management and processing techniques. This is done through the Extension Services Division of the Ministry of Agriculture and Natural Resources which aims at giving a coverage of one Extension Worker to a Zone of five miles radius.

3.07. The Western Nigeria Development Corporation already has in plantation a total of 6,000 acres, which it proposes to raise by 10,000 acres (4,000 acres at Ilesha, 3,000 acres each in Ekiti and in Egba) during the Plan period.

Oil Palm

3.08. Western Nigeria contributes about 30 per cent of the country's palm oil and 50 per cent of its palm kernel supply. The bulk of the production comes from the wild palm and the acreage of cultivated palm is only about 27,398 acres (Western Nigeria Development Corporation 16,596, U.A.C. Estate 6,545, small holdings 2,000, Co-operative Farm Settlement 2,257 acres).

3.09. Although the oil palm can grow on soils of comparatively low fertility it is nevertheless susceptible to deficiency of certain elements, particularly potassium and magnesium. When one or both of these elements are deficient, the yield is seriously reduced. In some extreme cases, premature senescence and death may result.

3.10. To obtain high grade oil, the fruit has to be carefully handled, sterilised by boiling, and processed fresh under hygienic conditions. This is best carried out by well equipped and efficiently operated machinery like the Pioneer and Stock Oil Mills. If the industry is to be placed on a sound footing, it must be systematically developed on a basis of holdings which contiguously or individually must be large enough to support the economic use of fertilisers, insecticides, and oil extracting factories.

8. Of the 30,000 acres, only 10,000 is due to old age, the other 20,000 acres, attributable to diseases, is a rapidly decreasing figure, owing to the success of a vigorous campaign for spraying with chemicals.

3.11. The programme for the improvement of palm produce includes—

(i) a scheme for the distribution of half a million of high yielding seedlings per annum, at a subsidised rate;

(ii) training farmers in the proper method of handling fruits and in the hygienic and correct methods of processing to obtain high grade oil;

(iii) providing facilities for large-scale mechanised processing where possible and profitable;

(iv) encouraging farmers to form co-operative processing in small factories.

Here, and in similar schemes, the efforts of the Extension Services Division of the Ministry of Agriculture and Natural Resources, of the Co-operatives Division of the Ministry of Trade and Industry and of the Community Development Division of the Ministry of Economic Planning and Community Development must be concerted and co-ordinated in order to achieve maximum results.

3.12. Under the scheme for the distribution of subsidised seedlings, it is proposed firstly to ensure an ordered rehabilitation of the wild palm variety. This is important particularly as the variety of wild palm in Western Nigeria has a rather low oil yielding ratio. Secondly, it is the intention that the improved variety seedlings will be distributed only to those farmers who show indications of eventually planting at least three acres. Care will be taken to ensure that the areas selected for the operation of subsidised schemes are those best suited to the cultivation of oil palm, having regard particularly to the existing areas of the wild palms. During the Plan period, special attention will be devoted to the problem of harvesting wild palms with particular regard to the elimination of climbing as far as possible and also to the problem of transportation of harvested fruits to extraction centres.

Rubber

3.13. Despite competition from synthetic products, production of natural rubber has increased steadily in both quantity and quality in recent years. It is anticipated that the value of production at current prices will increase by 10 per cent during the Planning period. During the last five years, 44,000 farmers were trained in rubber tapping, 10,000 in rubber processing and nearly 1,177 in cultivation and maintenance. There are in operation to date, seventy-seven improved rubber co-operative factories and 136 improved individual factories. Under the current development programme, there are plans to produce and distribute annually 2½ million clonal seedlings.

3.14. The intention is to rehabilitate uneconomic farms by a systematic replacement of old trees with improved varieties. Secondly, the acreage under rubber will be increased by new plantings. Thirdly, farms where trees are in good condition but over-crowded will be encouraged to carry out thinning out operations by means of credit facilities, where required, to help finance labour costs. The raising of private nurseries will also be encouraged.

3.15. In order to encourage processing of high quality rubber, small-scale rubber factories and smoke houses capable of producing International Grade I Rubber smoked sheet have been established in the main producing areas for demonstration purposes. Schemes for the training of local communities in the various processes of rubber production—tapping, smoking and storing—will be intensified. Efforts will be made to popularise the rubber industry among the youths in the rubber producing areas of the Region.

Cotton

3.16. This is a minor export crop. About 2,445 tons of cotton seeds were exported in 1960. The Ishan A, the variety which is grown for export is of low yield. It produces only about 100 lbs of seed cotton per acre. This is equivalent to about 30 lbs cotton lint.

The objective of cotton development is to increase production for both domestic consumption and exports. Since 1959 Allen 26J, cotton variety has been under test, and it has been shown that with pest control, yields of up to 1,200 lbs of seed cotton could be obtained. It is proposed to establish a research and multiplication programme for this variety during the Plan period.

For the proper cultivation of Allen 26J, by the farmers, the following conditions must be met:—

- (a) a "close season" in cotton growing areas, *i.e.*, the destruction by burning of all cotton material left in the field after harvest and the prohibition of seed storage except by licensed ginneries;
- (b) hire or hire purchase facilities for spraying pumps;
- (c) subsidised spray chemicals;
- (d) subsidised fertilisers;
- (e) the operation of a central seed treatment.

Coconut

3.17. Although coconuts grow naturally throughout the Region, there is still a lack of knowledge of the crop from the aspects of its agronomy, economics and sociology. The development programme for coconut production aims at—

- (i) improving the knowledge of the crop as grown in Western Nigeria and as grown under up-to-date methods. To this end an experimental station will be established at Badagry;
- (ii) establishing and maintaining supplies of high-yielding planting materials;
- (iii) increasing and improving copra production in areas where the coconut could compete with other crops.

Elsewhere in this Plan, the industrial and food uses of this crop are discussed.

Other Tree Crops

3.18. With a view to achieving necessary diversification within agriculture itself, special efforts will be made to introduce new tree crops and to develop those of the existing crops that hitherto have received little attention. Foremost in this list are citrus, cashew, banana, tobacco, kola and such fibre crops as jute, sisal and abata. In the case of citrus, special attention will be devoted to examining the future of irrigated plantation particularly in the environs of Ibadan where production may aid the existing Lafia Canning Factory.

Food

3.19. The issues are to increase aggregate production in order to meet the demands of an increasing population; secondly, to increase the nutrient value of food in order to feed the population better; thirdly, to increase variety in order to cater for changing tastes and the rising standard of living.

3.20. Efforts will continue to be made to produce high-yielding disease-resistant varieties of the major food crops, to discover better methods of cultivation, and to promote mechanisation where conditions encourage its use.

3.21. But production efforts will be mainly wasted unless storage, marketing and distribution processes are made more efficient to enable the producer and the consumer to enjoy the full benefits of increased production. Special attention must be devoted to providing storage facilities. Since improvement in marketing depends a great deal on improvement in storage, close liaison will be maintained with the West African Stored Product Research Unit in order to ensure that its programme of activities give full weight to the needs of this Region and that the results of its experimental work are passed on to the farmers. Investigations are being carried out by members of the Economics Division of the Ministry of Economic Planning and Community Development into the marketing and storage problems of food crops. The results of these enquiries and information obtained by them should provide some basis for the formulation of policy in the production of food crops.

3.22. The programme for the expansion of food crop production includes the multiplication and distribution of hybrid maize, improved variety of rice, groundnut, melon seeds, cowpeas and Guinea Corn. Expansion in the production of grains will take account of the possibility of meeting the requirement for animal food. Measures will continue to be taken for the control of yam beetles. Encouragement will be given to garden crops, *e.g.*, vegetables as well as ornamental plants—flowers—during the period 1962-68.

3.23. Later in this Chapter, the programme for beef production, dairy and poultry will indicate efforts proposed to feed the population better. Special attention will however be devoted to stepping up the cultivation of leguminous crops as these offer the quickest and cheapest means of providing much needed proteins.

3.24. An organised effort will be made to determine the food value of our fruit crops such as coconuts, cashew, apple, mushrooms and other lesser known varieties with a view to incorporating them as part of regular diet. To this end, it will be necessary to make a determined drive to assemble and classify the lesser known varieties.

Livestock

3.25. Development programme has been aimed at remedying the present situation in which there is a shortage of animal protein in the diet of the Region. The main development efforts have been concentrated on poultry and beef production while investigation into dairy and pig keeping has been and is still being pursued.

3.26. In relation to cattle, the problems are broadly those of—

- (i) improving pastures;
- (ii) finding a breed which will:
 - (a) be a high-yielding dairy animal;
 - (b) possess a higher yielding beef quality than the local breed;
- (iii) management and care of the pure native animal.

3.27. Multiplication programme of N'dama herd at Fashola has now reached the level required to supply foreseeable needs for breeding stock, and surplus young stock are now sold annually for fattening for beef, principally to the Upper Ogun Cattle Ranch. 305 such animals were sold for a total of £5,250 in 1958.

3.28. The Livestock Investigation Centre at Ado-Ekiti continues to provide useful data on local Muturu Cattle. The extensive system of grazing has achieved satisfactory results on the Cattle Extension Farm at Shaki. At Agege Dairy, the crossing of imported Friesian bulls with Local Fulani Cattle has raised the milk yield from 2,800 lbs per lactation from the Fulani breed to 4,008 lbs from the Friesian—Fulani Cross. Work on development of fattening and production units for beef has progressed satisfactorily. Six of the seventeen Steer fattening units planned to be established by 1961-62 are now in production. Each Unit carries 100 heads of Cattle.

3.29. During the period 1962-68, it is proposed to continue the following programmes:—

(a) *Poultry*.—The programme here embraces—

- (i) establishment of four hatcheries in the Region;
- (ii) encouragement of private hatcheries;
- (iii) multiplication and distribution of improved birds for private poultry keepers;
- (iv) demonstration of commercial poultry birds;
- (v) establishment of four feeding depots (of which two already are established) at Agege, Akure, Benin and Ibadan.
- (vi) development of egg industry;
- (vii) development of broiler industry.

(b) *Piggery*—

- (i) breeding and multiplication;
- (ii) import of new blood every year;
- (iii) development of pig feeding depots.

(c) *Beef Production*—

- (i) multiplication and distribution of N'dama Cattle;
- (ii) encouragement of Cattle kraaling and the improvement of the local cattle by upgrading;
- (iii) improvement of the nutrition of local herds by encouraging rotational grazing and fencing and the employment of extensive method of pasture improvement;
- (iv) demonstration of economic possibilities of fattening steer;
- (v) introduction and multiplication of superior beef breeds of cattle from other countries.

(d) *Dairy*—

- (i) remodelling and improvement of Agege Dairy;
- (ii) establishment of dairies at Agege, Ibadan, Akure and Benin;
- (iii) development of dairy goats.

Over the next six years, a total sum of £265,000 is allocated as capital expenditure for Livestock development programmes.

3.30. Breeding capacity at Fashola Poultry Farm has been greatly increased and a new station opened at Agege. There is a 5,000 egg incubator in constant operation at Fashola and recently in order to meet the demand for day old chicks, a new 17,000 egg incubator has been installed at Agege. Emphasis is now being placed on the lighter Mediterranean breeds, particularly the Leg-horn. Poultry feedstuffs depots have been established at Agege and Akure where farmers can buy their chicks and layer's mash.

Extension Services

3.31. As stated in the 1960-65 Development Plan, the Extension Services Division of the Ministry of Agriculture and Natural Resources is the means by which Government brings new knowledge and techniques to the farmer⁹.

3.32. In the task of trying to improve the Region's agriculture and to upgrade the peasant community an important place will be assigned to the village as constituting the pivot of all peasant activities. The Extension Services Division of the Ministry of Agriculture and Natural Resources, the Community Development Division of the Ministry of Economic Planning and Community Development and the Co-operatives Division of the Ministry of Trade and Industry will very carefully plan and co-ordinate their activities to ensure a vigorous scheme of leadership training at village level.

Farm Settlements

3.33. Government has recently adopted a new means of passing on modern techniques to the new generation of farmers—the establishment of co-operative farm settlements. The basis of the scheme is that selected young men should be trained and then established on these settlements and that they should develop their holdings under the direction of field staff of the Ministry of Agriculture and Natural Resources. Free tenure of holdings will be secured, high quality strains of planting material will be used, supervised credit will be supplied, and each settlement or group of holdings will be operated in accordance with up-to-date agricultural techniques which have been proved in Nigerian conditions. Each settlement, which will consist initially of fifty holdings amounting to some 1,500 acres and will be able to expand to 200 holdings in a land unit of 4,000 to 6,000 acres, will share common services and amenities. These settlements are intended to show that farming can be both a profitable and attractive way of life. This will encourage young men to look to farming for their livelihood. Thirteen settlements are now being developed, and work will commence on a further fourteen in 1962-63, and on another eight in 1964-65. As from January 1963, 500 trained settlers will be leaving Farm Institutes each year. The settlement of the Trainees leaving the institute in January 1963, and January 1964, will entail the expenditure of £2,700,000 up to the end of 1964-65. It is anticipated that some holdings will start economic production by 1965-66 and that all the initial 600 holdings will be in full production by 1970-71. By that year settlers will be paying back accumulated credit, repayable over some fifteen years, at the full annual rate.

3.34. The impact which these Farm Settlements will make on the overall productivity of farmers in the Region has never been in doubt. The Ministry of Agriculture and Natural Resources are making sustained efforts to find ways of reducing the relatively

⁹ Sessional Paper No. 17 of 1959 (Western Region Legislature): Western Region Development Plan, 1960-65, paragraph 8.04.

high cost of settling the young farmers as this will definitely enhance the beneficial results of the project. A sum of £5,583,000 has been earmarked for Capital Expenditure over the six-year period.

Farm Institutes

3.35. Five Farm Institutes are now in operation and over the next few years their full development will be completed. By 1962-63, the institutes will be turning out 500 trained young farmers a year. These institutes provide two-year courses in practical farming under the conditions which will be encountered in typical climatic areas of the Region. The first trainees to pass through these institutes include the second batch of young men selected for the co-operative farm settlements, the first batch having received their training on the settlements. By December 1962, the institutes will be producing 500 fully trained young farmers annually, the majority of whom will go onto settlements as they are expanded. The outstanding capital cost to complete the development of the institutes is £160,000. Recurrent expenditure is at the rate of £140,000 annually.

3.36. As stated in the 1960-65 Development Plan¹⁰, other activities designed to promote vigorous and healthy agricultural development by the farming community itself will be expanded. These activities include the promotion of Young Farmers' Clubs, the encouragement of farmers associations, the distribution of an agricultural bulletin, the holding of agricultural shows and general newspaper, film, radio and television publicity, and information services.

Agricultural Information

3.37. The nucleus of an Information Section in the Extension Services Division of the Ministry of Agriculture and Natural Resources, has recently been set up. Its main function will be to produce technical bulletins and other agricultural literature. The capital cost of equipping such an organisation, including the supply to extension workers of extension aids, is estimated to be £18,500.

Veterinary

3.39. The staff position has never been as good as at the beginning of the present Plan period. It is not anticipated that the programmes will suffer for lack of general grade Veterinary Officers, although special efforts will have to be made to fill few specialist posts such as Veterinary Pathologists.

3.40. Under an In-service-training scheme, organised in conjunction with the Univeristy College, Ibadan, Veterinary Assistants are being upgraded to function as Veterinary Superintendents. After the training, they can effectively take away from professional officers quite a wide range of sub-professional duties. This form of training will be intensified, particularly when the Agriculture and Livestock Department of the University of Ife becomes established.

3.41. Proposed programmes will include the establishment of—

- (i) Veterinary Clinics or Centres;
- (ii) the development of—
 - (a) laboratory facilities;
 - (b) cattle markets;

10. Sessional Paper No. 17 of 1959 (Western Region Legislature): Western Region Development Plan, 1960-65.

- (c) cattle crushes and spray races;
- (d) cattle routes;
- (e) off-loading facilities at Railways Stations;
- (f) abattoirs.

A provision of £443,000 is earmarked for these developments during the Plan period.

Hides and Skins

3.42. The production of hides and skins is a valuable subsidiary industry to local beef and dairy development. It brings an average of between £75,000 to £100,000 to the Region's foreign exchange earnings annually. During the next five years attention will be directed towards improving the general standard of work of flaying and quality of production; licensing of proficient flayers, which will lead to establishing higher standard of flaying with minimum supervision. The licence shall be renewed annually at a fee not exceeding ten shillings (10s). Investigational work will be carried out on better method of curing under humid conditions so as to minimise the extent of putrefactive damage occurring in hides and skins during the wet season.

Research Division

3.43. The general policy of this Division remains basically unchanged; it continues to be advisory and to conduct applied research making practical results adapted to farming conditions available to the Ministry as a whole. The Federal as well as Inter-Territorial Research Institutes have responsibility for the basic aspect of agriculture research, so that the Regional Research contribution is primarily of an applied nature for which the staff visualised for 1968 should be adequate. A new Regional Research Headquarters building has now been established on the Southern side of Moor Plantation in close proximity to the Federal Institute.

3.44. During 1962-68 it is proposed to establish an Experimental Station in each of the agricultural circles, excluding the Ibadan circle. There will be new projects emphasising research in arable and perennial crops, and the beginning of Pest Control and Plant Pathology, and pastoral research by a group of I.D.S. personnel attached to the Research Division under a technical assistance scheme.

3.45. The major expansion will be the establishment of new circle experimental stations in Benin, Ondo and Abeokuta which will absorb all circle experimental staff. The severe critical staff shortage experienced during 1955-59 has been relieved through Technical Assistance.

Rubber Research

3.46. A Rubber Research Institute is in the process of establishment near Benin. The special needs of the rubber crop make such an Institute essential for the continued expansion of rubber production and for increased efficiency of production. Total capital expenditure on the Institute is estimated at £148,000 during the next six years and by 1966-68 annual recurrent costs will have reached the level of £30,000.

Agricultural Engineering

3.47. The modernisation of Agriculture in the Region has progressed rapidly in recent years and proposals are included in the Six-year Development Plan for its continued expansion. The capital expenditure required for agricultural machinery at Farm Settlements and Institutes has been included under the Settlement and Institute

proposals. Some thirty-five tractors are at present being used by the Ministry on various projects and many of them are due for replacement. The opening of more Extension Works Stations and the expansion of other projects will necessitate the purchase of more tractors by 1966-67. £92,000 has been included in the Plan for the replacement and purchase of new tractors.

3.48. The maintenance and repair of tractors and equipment for all Ministry projects including settlements and institutes is carried out by the Ministry Workshops. The cost of this service will increase from £30,000 in 1962-63 to £40,000 in 1966-67. It has been possible to keep maintenance and repair costs relatively low due to standardisation of equipment. A number of fully equipped mobile workshops are to be purchased which will provide an efficient field maintenance service for all agricultural machinery. An important part of the function of the Agricultural Engineering Section is the development of simple farming implements suitable to the circumstances of Nigerian agriculture and of the Nigerian farmer. Lack of specialist staff has hampered progress in this direction.

Plantations

3.49. Government will continue to adopt a liberal policy towards encouraging foreign participation in the development of plantations in association with Government agencies. Recently, an expert, Professor Lewis, was invited by the Federal Government to advise on incentives to encourage foreign investment on plantations. Details of Government Policy must await consideration of Professor Lewis Report.

3.50. As stated in the 1960-65 Plan¹¹, Government is anxious to encourage Nigerian participation in the equity of plantation projects promoted by overseas interests, a policy which is generally welcomed by overseas investors themselves. The proportion of equity participation suitable for any one project depends on the nature of the project and its capital structure. An allocation of £1,000,000 has been made for equity participation in plantation projects. This should be sufficient to finance substantial participation in a number of plantation projects and additional participation will depend on the extent to which the Development Corporation can raise finance against its existing projects. An allocation of £2,000,000 has been made to finance the completion of the Development Corporation's existing agricultural schemes, its new rubber plantation and extensions to existing schemes.

Agricultural Survey

3.51. An Agricultural Survey based on a 2 per cent sample has recently been completed by the Federal Government, but analysis of the material is not yet complete. It is proposed to follow up this by a continuing survey based on a 5 per cent sample. This is also being sponsored by the Federal Government, which proposes to seek technical assistance in its execution. It is expected that the Federal Government and International Co-operation Administration will together meet the cost of this survey, although it will be carried out on a Regional basis as part of the work of the Statistics Division of the Ministry of Economic Planning and Community Development. These surveys will provide improved material needed for the re-examination of primary production policies.

11. Sessional Paper No. 17 of 1959 (Western Region Legislature): "Western Region Development Plan, 1960-65".

3.52. To ensure maximum production the use of soil for the production of crops for which they are most suited is of primary importance. In order to effect this zoning of production for export and food-crops, soil surveys similar to those conducted for cocoa will be undertaken. It is expected that an overall Agricultural Commission will be mounted during the Plan period to provide for agricultural development the same range of facts as has been provided for Education by the recent Commission on Post-School Certificate and Higher Education in Nigeria.

Forestry

3.53. The objects of Government's Forestry policy are—

- (i) to provide adequate timber for internal consumption, mainly structural timbers and poles and firewood;
- (ii) to meet the demand of industrial manufactures, e.g., paper, matches;
- (iii) to maintain at present level, the export of high quality timber;
- (iv) to maintain, conserve and improve climatic conditions in the Region;
- (v) to arrange for multiple land use.

3.54. Provision is made in this Plan for the following programmes:—

- (i) continuation of existing projects of natural regeneration of reserves;
- (ii) direct regeneration in the High Forest areas through the encouragement of Taungya;
- (iii) artificial plantations in the Savannah areas to provide small saw timber for local consumption;
- (iv) conversion to a twenty-five to fifty-year rotation in place of the existing 100 years cycle;
- (v) artificial plantations to meet the requirements of industry, e.g., *gmelina arborea* for paper pulp; the development of soft wood on a pilot project basis; and the expansion of teak on a commercial basis;
- (vi) variety trials will seek to determine suitable exotic types of fast growing species for establishment locally.

Sawmill

3.55. It is proposed to encourage by demonstration the use of portable sawmills.

3.56. It is necessary to make an assessment of the future internal demand for forest products to help in the formulation of forest policy and give direction to the research initiated by the Federal Government into timber utilisation problems. An investigation has been carried out by the Economics Division of the Ministry of Economic Planning and Community Development, whose recommendations are currently being examined. Government proposes to spend a sum of £98,000 for forest improvement and development during the planning period.

Fisheries

3.57. The primary need for the development of inland and deep sea fisheries is the completion of basic research. Plans have been formulated for an investigation into the sea, estuarine and delta fisheries of the Region. United Nations Technical Assistance has been secured for this purpose. Investigation into the development of inland fisheries and fish culture already proceeding is being financed from the current budget of the Fisheries Division. In addition exploratory discussion is being held on

the possibility of encouraging an overseas company to extend its deep sea-fishing activities into the waters off the coast of Western Nigeria. An allocation of £143,000 has been made for fisheries investigations. Plans have been formulated for developing sea fisheries by means of co-operative fishermen's associations, which will be able to draw on credit facilities for the purchase of powered craft.

38.5. Special attention will be given to the development of fish marketing, distribution and processing. Encouragement will continue to be given to the development of homestead fish ponds, and efforts will be made to introduce high yielding and fast growing varieties. A pilot scheme on the use of motor fishing vehicles will be started.

Agricultural Credit

3.59. Government has backed up its agricultural extension services programme with the provision of credits to farmers. Loans are being provided for such things as the purchase of cocoa spraying equipment, high-yielding seedlings, fishing equipment, and for food processing. The Western Region Finance Corporation is at present the Government agency for the provision of agricultural credits. If the credits given to farmers are to be used to the best advantage, supervision and technical advice by the experts in the Ministry of Agriculture and Natural Resources is essential. Consideration is being given to the best means of achieving this objective. £5 million will be made available for agricultural credit during the Plan period.

Training Programme

3.60. Many training facilities are at present available in the Region and elsewhere in the country. Within the past two years, five Farm Institutes have been established to train school leavers who want to take up farming as a vocation. The junior staff of the Extension Services Division of the Ministry of Agriculture and Natural Resources—Field Overseers, Agricultural Assistants and Agricultural Superintendents—are trained in the Region's two Schools of Agriculture. Veterinary Assistants and Superintendents and Forest Assistants and Superintendents receive their training in the country. The training facilities available for the junior staffs of the Ministry of Agriculture and Natural Resources therefore seem adequate for the implementation of the agricultural programme discussed in this Chapter.

3.61. The training of professional and senior technical staff is undertaken both in Nigeria and overseas. At present there is an acute shortage of professional officers with specialist qualification in the different fields of primary production. Government will continue, through its scholarship scheme and in-service training programme, to encourage qualified Nigerians to undertake specialist training in these fields.

CHAPTER IV

INDUSTRIAL DEVELOPMENT

4.00. Industrial development in Western Nigeria is in its early stage. The economy is still predominantly based on agricultural production and trade. The main production efforts of the people are concentrated on primary production and some three out of every four people in the Region depend upon agriculture and agriculture-based industries for their living. By contrast, industrial activities are on a relatively low scale and the technical know-how less comprehensible to the masses. Consequently, both small-scale and cottage and rural industries continue to be backward while large-scale industries are found only in a few places. In terms of contributions to the national income, manufacturing and power industries account for under 2 per cent of the national income as against some 75 per cent from agriculture, trade and transport combined. For a relatively balanced economy, a greater contribution by industries becomes imperative. Furthermore, with improvement in primary production during the years that lie ahead, the tempo of industrial activities must be accelerated substantially to meet the needs not only of the growing urban population but also of the surplus manpower raked off the land.

The role of Industrialisation

4.01. The industrial development programme is designed to make greater contribution to the Region's income, to broaden the base of the economy and abate the risk of over-dependence on foreign trade, to secure full employment for the people, to ensure greater stability in the Region's finances, to make the fullest utilisation of available resources and to contribute in improving the nation's balance of payments. This emphasis on industrialisation is not inconsistent with the desired goal of developing an agriculture-based economy. What is being sought is an economy where both industrial and agricultural activities make sizeable contributions without any one sector lagging far behind. The industrialisation concept is not one of creating this or that industry; rather, it is an economic process in which industrialists become interested primarily in meeting domestic needs for manufactured goods and, with a reasonable degree of Government assistance, steadily acquire the necessary managerial and technical skill and entrepreneurial ability for developing more complex large-and small-scale industries. In this process, much reliance is placed on overseas investment and technical know-how in the up-grading of local skill and ability and in the development of new market.

4.02. To achieve the desired long-term objective, Government will continue to pursue an active industrialisation policy which aims at—

(a) creating general climate and conditions conducive to the free flow of foreign and local capital into industry;

(b) attracting overseas capital and technical know-how into the Region and actively promoting industrial projects in partnership with Government and private Nigerian interest;

(c) developing industrial estates where sites can be acquired on reasonable terms;

(d) encouraging the development of cottage and rural industries and of small-scale indigenous industries owned and managed wholly by Nigerians; and

(e) making available to indigenous industrialists technical and financial assistance and other essential inducements.

Investment Criteria

4.03. In planning the industrialisation of the Region the need for some form of priority ordering and the types of industries desirable at the present stage, has fully been borne in mind. However, the industrialisation programme calls for the expenditure of huge resources, the greater part of which resources is scarce and has to come from abroad. It is not always the case that the interests and priority rating of foreign investors are in tune with those of the Region. Consequently, no strict rule of priority rating for industries has been formulated; rather, special concessions are offered to attract to the Region new industries and investors that are calculated to be the most desirable to the Region. On the whole proposals for the establishment of new industries are considered from the standpoint of the overall industrial needs of the Region on the one hand and of the general development programmes on the other.

4.04. Such new proposals are appraised on the following major criteria:—

(a) the contribution which each project is likely to make towards the Region's economic development, especially its capacity to generate income and employment;

(b) the capacity of each project to utilise local raw materials;

(c) the prospects of manufacturing import substitutes locally;

(d) the prospects of opening up new fields of activities whether by forward or backward linkage; and

(e) opportunities for training Nigerians on the job for managerial and higher technical grades. In no case will any private indigenous or foreign industrialist be discouraged directly or indirectly from establishing anywhere in the Region, if his place of choice is one dictated on grounds of economy and efficiency.

Development Trend

4.05. During the quinquennium 1955-60 some progress was made in the industrialisation process both in the private and a few large establishments for rubber processing, plastic products, prestressed concrete products and domestic gas supply have come into being. The pace of development for the most part was retarded in the private sector by lack of technical know-how, capital and entrepreneurial skill. Government intention to accelerate the pace of industrialisation was restrained principally by want of adequate technical executive capacity for the Industries Division to expand the scope of its industrial extension services, which was much needed by indigenous industrialists. Notwithstanding this inadequacy of qualified personnel, a good part of the planned programme was achieved. Textile Training Centres were established at Ado-Ekiti, Oyo and Auchi to train school-leavers. A Brick and Tile Making Centre was established at Ado-Ekiti and a Mattress and Cushion Making Centre at Badagry. In addition, a number of Pioneer Oil Mills were rehabilitated in some stations and handed over to Co-operative Societies for management.

Industrial Development Programme

Table 4.1

SUMMARY OF CAPITAL ALLOCATION BY PRODUCTS

<i>Projects</i>	<i>Allocation £'000</i>
Cottage and Rural Industries	235
Small Scale Industries	1,372
Integrated Rural Development Scheme: Industrial Scheme	500
Large-scale Industries	10,000
Industrial Credit Facilities (including Development Bank)	6,800
Industrial Estates	3,333
Total	£ 22,240

4.06. In the 1955-60 Development Plan, a sum of £6.5 million was allocated for industrial expansion. Out of this allocation, some £850,000 was provided for credit facilities to small industrialists and £5.2 million for medium and large-scale industrial projects. In the present Plan, a vigorous effort is to be made in developing a more broadly-based industrial expansion as could be seen in Table 4.1 above. Consequently, the target envisaged in terms of capital allocation will be more than thrice the magnitude of that in the preceding Plan period. For individual projects, special allocations have been made for rural and cottage industries and industrial estates. The amount allocated for credit facilities has been stepped up to £1.8 million while investment capital for large-scale industries has been equally stepped up to £10 million. In relative terms, the higher degree of emphasis on industrial expansion has resulted in the allocation to industries some 23.3 per cent of the total capital expenditure planned for the period 1962-68 as against 18.9 per cent of anticipated expenditure for the period 1955-60.

4.07. Under the cottage and rural industries development scheme during this Plan period, the aim is not only that of enhancing the expansion and improvement of rural industries but also that of expanding training facilities and the settlement of trainees into production units after the completion of their course. The scheme is further devised to give primary and secondary modern school leavers some employment opportunities on the one hand and to make the rural population able to produce a reasonable proportion of the common manufactured goods needed in their everyday life. It is hoped that with improvement and expansion in executive capacity, an intensified industrial extension services will be able to give a new lease of life to cottage and rural industries under the scheme as proposed.

Table 4.2

<i>Project</i>	<i>Total Trainees 1962-68</i>	<i>Total Capital Expenditure 1962-68</i>
Textiles	1,500	£ 128,500
Brickmaking	1,500	102,000
Ropemaking	20	2,700
Mattress and Cushion	30	1,800
	3,050	235,000

Textiles

4.08. Under the textile training programme the intake of the existing textile centres at Oyo, Ado-Ekiti and Auchi will be stepped up from twenty-five to fifty trainees annually for each centre. Three new centres will be established at Warri, Shagamu and Ilaro, each with a trainee intake of fifty and two weaving sheds with full weaving equipment. Locally made broadlooms and working capital will be supplied to each centre. The capital requirement for the textile programme is £128,500. The refund of the cost of establishment will be spread over a number of years. Local Councils will be encouraged to sponsor trainees and bear a portion of the cost. It is anticipated that by 1967 some 1,500 trainees should have been settled in the six centres and producing some 2.7 million yards of cotton fabric for the use of schools and Government Departments. The long-term aim of the Industries Division is to reach a target of 5,000 trained weavers with an output of 9-10 million yards during subsequent Plan periods.

Brickmaking

4.09. A Brickmaking Centre has been established at Ado-Ekiti and during the current Plan period five more centres are to be established at Oke-Eri, Ughelli, Ile-Ife, Oshogbo and Benin. Each Centre will have an annual trainee intake of fifty young school leavers and by 1967 some 1,500 Brickmakers should have been trained. Each centre will require two brick-drying sheds and a brickmaking shed. Capital required for the brickmaking programme is about £102,000 while subsistence allowance would cost £54,000 and brickmaking materials £18,000. As in the case of the textile programme, it is hoped that Local Councils or progressive local bodies will participate in the programme to the tune of 25 per cent of the cost of establishing each centre. The programme aims at producing good quality bricks at such reasonable prices that their use will become popular not only among Government Departments, Local Councils and Institutions but also among private consumers for use in building houses, ovens and industrial funnels. To ensure the popularity of bricks in building, trainees also acquire skill in masonry and brick-laying.

Ropemaking

4.10. This scheme is designed to train boys to produce twine for sewing produce bags and for office use. Suitable local fibre will be used for the ropes. As the market for home-made twine has to be established, the scheme will be mainly a pioneering one during the Plan period. The sum of £2,700 has been allocated for this project.

Mattress and Cushion-making

4.11. Training courses in mattress and cushion-making are organised for boys and at the beginning of the current Plan period twenty trained boys will be on production. Local coir fibre are being used for the products, and training courses are being planned for making door-mats, brushes and ropes out of coir fibre in commercial quantities. A training centre has been proposed for Badagry where the raw material is readily available. The capital provision is only £1,850 for the experimental stages of the venture.

4.11A. An integrated Rural Development Scheme for which £500,000 has been allocated is also envisaged. This is discussed at paragraph 5.36 below.

Pioneer Oil Mills and Rice Mills

4.12. Further efforts will be made to rehabilitate all pioneer oil mills and rice mills that are properly sited for the Co-operative Societies formed for the purpose of running these mills. Other mills that are not properly sited will be made available to private businessmen willing to purchase them.

4.13. The Industries Division of the Ministry of Trade and Industry will continue to make its technical assistance available to persons engaged in pottery, raffia crafts, mat-making, cane-work, and wood-carving. The objective will be to encourage the fuller use of available natural resources and through organised marketing and market research make these crafts and industries remunerative to those engaged in them.

Co-operative Marketing

4.14. Besides financial assistance, a major problem impeding the accelerated development of rural and cottage industries and crafts is the problem of organised supply of raw materials and of sales of finished products. If the craftsman is to economise in time and efforts and concentrate on production, sales and purchases have to be organised by someone else and co-ordinated with the production efforts. This has been realised and the Co-operative Division has succeeded in organising some fourteen crafts societies with a total membership of about 200, among weavers, tailors, carpenters, blacksmiths and wood-carvers for example. It is the aim of this Division to foster the growth of such crafts societies not only for the purpose of co-operative production but also for the bulk purchase of raw materials and organised sale of finished products. Efforts will continue to be made in organising co-operative marketing units to specialise in organising sales for individual craftsmen producing in their villages and homes.

SMALL-SCALE INDUSTRIES

Table 4.3

CAPITAL EXPENDITURE—(£'000)

<i>Project</i>	<i>Estimated expenditure</i>
I.C.A. Training Scheme	372
Tool and Machine Making	121
Others	879
	<hr/>
	1,372
	<hr/>

4.15. The concentration of industrial efforts in a few large industries located in a few advantageous geographical areas in the Region will not maximise the returns to efforts under the prevailing social and economic conditions in the Region. As noted earlier the industrialisation concept is a growth process in which not only the large-scale industries but also small-scale industries will contribute to the stream of industrial development. The promotion of small-scale industries implies the diffusion of industrial efforts all over the Region in such a way that a relatively small proportion of the aggregate industrial funds is thinly spread to encourage thousands of enterprising individuals. The underlying philosophy is "growth from small beginnings into industrial giants." The aim is to develop rapidly those industries and services that can produce the consumer goods and services needed in the daily life of the people and produced for the people by indigenous enterprisers.

Industrial Training Scheme

4.16. This is an I.C.A. training project for small-scale industrialists. The project will cost £452,000 of which some £366,000 will come through I.C.A. technical assistance scheme. For the current Plan period the estimated capital expenditure is £372,000. Under the scheme I.C.A. will provide a Programme Co-ordinator, Field Service Co-ordinator, Management, Finance and Accounting Specialist, Industrial Designer, Industrial Credit Specialist and an Industrial Product Designer as technical personnel. In addition, a full-scale workshop with equipment and a technical library will be established. Small-scale manufacturers will be offered training courses in the workshop and will be encouraged to learn how to make their enterprises pay and to use tools with skill.

Tool and Gauging Equipment

4.17. A tool and gauge factory is considered a basic service to industrialisation. The end-results of the efforts of small-scale fabricators are often of low standard for want of skill, proper tools and other industrial gadgets essential to efficiency and quality product. Consequently, it is proposed that Government should take the initiative to set up a tool and gauge factory at a capital expenditure of £121,000 to produce both the conventional and specially designed tools, precision equipments and appliances for the use of small-scale fabricators.

4.18. Of the other small-scale industries needing encouragement and technical assistance the furniture industry is most promising for private enterprise. More efforts will be devoted to improving techniques and the quality of products. Assistance will also be given for financing of sales for finished products.

The Service Industries

4.19. These have to be developed both in quantity and quality. Of the most important services, petrol and car servicing stations, laundry and dry cleaning establishments and standard hair dressing saloons and repair workshops need every encouragement and assistance. Efforts will be given to encouraging the better organisation of these services and Government will give leadership through its development agencies in joint ventures to provide service facilities such as rentable sheds with common services for laundry or repair workshops, for example.

4.20. In the development of large-scale industries the policy is not only that of giving encouragement and financial assistance to private and co-operative enterprises but also that of leadership by Government either through direct ownership and management of certain important industries or participation in partnership ventures. Consequently, in the industrial sector a mixed economy is aimed at and the structural pattern will be in four segments, namely, private enterprise, co-operative enterprise, joint public-private enterprise and purely public enterprise. In practice, Government participation and leadership in industrial development will be mainly in large-scale enterprises and the greater part of the initiative and efforts will be left to private industrialists. The aim is to supplement and not to supplant private enterprise and Government activities will be confined largely to those industries that are either of utility nature or strategic and basic to the industrial development of the Region.

4.21. To achieve the desired objective, a capital allocation of £10 million has been earmarked for public investment in medium and large-scale industries. The magnitude of the present allocation which is some 14 per cent of the total capital outlay, reflects the

high priority given to industrial development. The greater part of the funds will be employed in participation and direct investment in industries that are highly desirable for the Region.

4.22. Partnership ventures in industrial undertakings have been making marked progress and more and more foreign and indigenous industrialists have been coming forward with solid schemes. Government, through the Western Nigeria Development Corporation, has entered into partnership with overseas firms in various industrial ventures making such products as plastics, cement, pre-stressed concrete products, steel windows and door frames, aluminium products, textiles, asbestos cement products, mattresses and printed works as well as constructional materials. These partnership ventures have accounted for an aggregate capital investment of £7 million up to 1961 of which public contributions are in various proportions in each of these enterprises. It is hoped that during the present Plan period the tempo of activities will be greatly accelerated and that more private indigenous or overseas capital will be invested in industries through partnership ventures.

4.23. In the Plan period 1955-60 Government established and operated wholly on its own, through its development agencies, industrial projects with an aggregate investment capital of £2.3 million. These projects include rubber factories at Benin City and Urhoniḡbe, canning factory at Ibadan, soft drinks bottling factories, boat-yard at Epe and a cotton ginnery at Oshogbo. With the exception of the canning factory, these projects have proved successful under public ownership and management. In the current Plan period, emphasis will be more on partnership ventures rather than outright public ownership and management as Government promotional efforts will thereby prove more stimulating to private enterprise.

New Industries

4.24. Many new industries are being attracted into the Region. It is anticipated that during 1961-62 to 1962-63 new factories should have been established for the production of enamelware, coir fibre products, plastic shoes, beer, gin, biscuits and for palm oil processing and printed books and stationery. These various projects involve a capital investment of £2.75 million. Furthermore, there are proposals to establish in the Region factories for glass works, tobacco and cigarette, reinforced concrete works, insulated cables and wires, matches, rubber tyres and tubes, insecticides and agricultural chemicals, paints and metal boxes and an assembly plant for refrigerators. The bulk of these new projects will fall within the first half of the current Plan period and will involve an aggregate capital investment of some £5.16 million.

4.25. The Region is specially interested in welcoming private indigenous and overseas investment capital and technical partners in the following major industrial ventures:—

Cocoa Processing;
Palm Kernel Processing;
Coconut Processing;
Flour Milling;
Iron and Steel;
Nails, Locks, Hinges, etc.;
Pulp and Paper Manufacture;

Fertilisers and Agricultural Chemicals;
Rubber Tyres and Tubes;
Chipboard and Fibreboard;
Pharmaceuticals;
Distillery;
Car Assembly.

Industrial Development Incentives

4.26. For an effective encouragement of industrial development in the Region, Government efforts are not only directed toward partnership in industrial ventures but are also directed toward making available to prospective industrialists sufficient incentives to establish in the Region. Two classes of industrial incentives are available to prospective investors, namely, the national and the purely Western Nigeria industrial incentives. At the Constitutional Conference held in London during May and June 1957 the Government of Western Nigeria subscribed to the declaration by the Governments of Nigeria re-affirming the statement on the opportunities for overseas investment in Nigeria. In this statement, the Governments of Nigeria declared their readiness to accord to expatriate investors and industrialists the following advantages:—

(a) Capital Allowances under the Income Tax Legislation which accelerated the rate of writing down capital expenditure for the purpose of income tax assessment. In the case of industrial buildings and plants the initial allowances are 20 per cent and 40 per cent respectively and lower rates in subsequent years;

(b) Import Duty Relief under the Industrial Development Ordinance which gives a refund in whole or part of the import duty payable on materials to be used in manufacturing or processing goods for fixed plants imported for manufacturing;

(c) Pioneer Status for Income Tax Relief under the Industrial Development Ordinance which carried with it a certificate for income tax relief for a maximum period of five years for new industries;

(d) Freedom by expatriate investors to repatriate at will, profits dividends and capital owned by them to a sterling or non-sterling area country;

(e) An assurance that no Government in the Federation is interested in wholesale nationalisation of industries and that where nationalisation of any industry becomes necessary in the future, a fair compensation, assessed by independent arbitration, would be paid;

(f) The Governments of the Federation have agreed in principle to accord to local industries tariff protection where found economically necessary and justifiable.

4.27. At the Regional level, special incentives are further offered to both indigenous and expatriate investors and industrialists. The advantage of participation by Government through its development agencies has been noted already. During the 1955-60 period nearly 51 per cent of the actual capital expenditure was on social and economic services in an effort to improve the quality of available manpower and strengthen the infrastructure to the economy. This development has made it possible to offer basic services such as good roads, water and electricity supplies and efficient manpower for the use of industrialists. During the current Plan period more efforts will still be made to improve the quality of these basic services as well as meet the demand for a skilled industrial labour force. In suitable areas in the Region, industrial estates have been established to make readily available to prospective users these basic facilities. Furthermore, through Government assistance, leaseholds of land with clear valid title are made available to expatriate industrialists for a maximum period of ninety-nine years and this could be renewed. There are also housing estates in Ibadan and Ikeja which offer residential facilities for expatriate industrial personnel.

Industrial Promotion

Industrial Promotions Commission

4.28. To ensure that foreign investors are aware of the opportunities for industrial investments available in the Region, an Industrial Promotions Commission has been established and charged with the responsibility for securing the rapid industrialisation of the Region. The Commission facilitates contact and co-operation between foreign investors and industrialists, their Nigerian counterpart and the Western Nigeria Development Corporation for the purpose of promoting industrial development and investment in the Region.

4.29. It is a task of the Commission to arrange for the survey of industrial and processing possibilities set out in section V of Technical Report No. 13 of the International Bank Mission Report of 1954. This will be followed up by arranging for basic technical research where necessary, and for market and project surveys for industries and processing activities offering immediate opportunity for investment. It is proposed to seek the co-operation of the Federal research organisations in carrying out this project.

4.30. The Commission also encourages prompt and effective action by Ministries and Government agencies responsible for providing services or in any other way concerned with industrial development. It gives publicity overseas to prospects of industrial development in the Region, backing it with detailed documentation relating to particular industries and seeks to attract outside capital for investment within the Region.

4.31. Government is anxious to encourage Nigerian participation in industrial projects promoted by overseas investors themselves. It does not however insist on such participation. In ventures where Government agencies participate, Government does not normally insist on having the controlling interest or majority shareholding. On the other hand, it does, normally, desire technical partners to participate substantially. The capital structure and division of equity holdings are negotiated in each case. The Industrial Promotions Commission offers a suitable channel for such business negotiation and pays particular attention to encouraging overseas investors to provide for Nigerian participation. The Commission arranges for necessary feasibility survey of any industrial investment proposals submitted to it.

Table 4.4
INDUSTRIAL ESTATES DEVELOPMENT PROGRAMME
Capital Expenditure ('000)

<i>Estate</i>	<i>Gross Acreage</i>	1962-63	1963-64	1964-65	1965-66	1966-67	<i>Total</i>
Ikeja (Extension)	300	250	250	140	—	—	640
Ajeromi	500	400	300	300	250	97	1,347
Ibadan	250	125	125	36	—	25	311
Oshogbo	200	49	50	50	50	50	249
Abeokuta	125	37.5	37.5	37.5	37.5	37.5	187.5
Ijebu-Ode	125	37.5	37.5	37.5	37.5	37.5	187.5
Warri	100	40	40	22	15	20	137
Sapele	100	40	40	22	15	20	137
Akure	100	40	40	22	15	20	137
TOTAL	1,800	1,019	920	667	420	307	3,333

Industrial Estates

4.32. In order to facilitate the establishment of industries in the most favourable industrial zones in the Region, Government has established industrial estates in Ikeja and Mushin, near the Federal Territory of Lagos, providing some 200 acres and six.y-two acres of industrial sites respectively. These estates are provided with basic facilities such as access roads, railways sidings (where possible), water and electricity supplies, telephone facilities, street lights and facility for trade effluent disposal. Associated with the Ikeja industrial estate is a housing estate for the accommodation of industrial labour and management personnel. The industrial estates are leased to industrialists at a rental which has effective inducement content. In the 1955-60 Plan period over £0.6 million was spent in capital expenditure in developing these two estates. The objective in providing industrial estates facilities is to facilitate the process of industrialisation by relieving industrialists of part of the very heavy capital expenditure on getting their business to a start. It is therefore Government policy to recover from users the cost of land acquisition and development over a long period and at reasonable annual rent charges. The rent agreement is subject to revision every twenty years.

4.33. In the current Plan period Government proposes to establish more industrial estates with an aggregate gross acreage of 1,800 acres at a total capital cost of some £3.3 million. These estates are likely to be sited at Ikeja (extension), Ajeromi, Ibadan, Oshogbo, Abeokuta, Ijebu-Ode, Warri, Sapele and Akure. It is proposed to seek external loans to accomplish the proposed Industrial estates development programme. The programme will be carried out by the Western Nigeria Housing Corporation, a statutory agency for the development and management of industrial estates in the Region. This Corporation possesses the executive capacity to accomplish the programme. There are also proposals for providing factory buildings with equipment for letting to small fabricators at reasonable charges.

Table 4.5

INDUSTRIAL EXTENSION SERVICES: SPECIAL MANPOWER REQUIREMENTS		Cadre					
		1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
Technical	Aid Personnel:	—	10	10	—	—	—
Industrial Officers.							
Industrial Officers	... ..	5	40	40	45	45	45
Stores Assistants	... ..	1	4	4	4	4	4
Motor Driver/Driver Mecha-	nics.	3	5	5	5	5	5
Artisans	... ..	1	1	1	1	1	1
Brickmaking Officers...	... ..	4	16	16	16	16	16
Textile Officers	... ..	6	16	16	16	16	16
Carpenters	... ..	3	6	6	6	6	6

Industrial Extension Services

4.34. In addition to investigation and promotion work in the planned programme of developing small-scale and rural industry, the Industries Division proposes to embark on a vigorous industrial extension services. Many medium—and small-scale industries would need technical assistance in product design, machine management and repair, workshop management, business accounting and in market research. The aim is to help businessmen to overcome their technical and management difficulties. The more the extension services could get to the people the more confidence they

would have in their business. To be able to meet the expected expansion in its responsibility and in the scale of activities the Industries Division intends to expand its establishment as envisaged in the table above. The employment of trained, efficient extension services personnel is basic to the success of the service if it is to achieve the desired effect. As already stated, the I.C.A. training scheme will go a long way to ensure the use of well-trained technical personnel.

4.35. Government is fully aware of the financial and technical problems facing indigenous small-scale and medium-size businessmen. While the industrial extension services would help in overcoming their technical and management problems, only a programme of well organised loan assistance could put many businesses on a sound footing and encourage the enterprising to engage in more ambitious development ventures. To this end Government has established the Western Region Finance Corporation to channel loan facilities to businessmen engaged in agriculture, industry or constructional works of small and medium-size nature. The aim is not to supplant existing financial institutions; in fact, the loans are available only for projects which would not normally be financed through the conventional sources. The Corporation has acquired a considerable experience in the financing of food processing plants, small and medium-scale urban and rural industries. A sum of £1.8 million has been earmarked for credit facilities.

4.36. During the 1955-60 Plan period the Corporation issued a total loan of some £485,325 for industrial projects. For the current Plan period a capital allocation to the tune of £8 million has been earmarked for credit facilities of which sum, £1.8 million will be available for credit to industrialists. The aim is to help those who can help themselves. The administration of loan facilities of this magnitude, if it is to achieve the desired stimulus to private enterprise, calls for greater efficiency in the processing of the loan applications, technical assistance to clients, and effective supervision of the loans. In order to achieve the desired efficiency, it is proposed to establish a Development Bank, with an additional sum of £5 million, to provide efficient machinery for the administration of the credit facilities. In the event of establishing the Development Bank, the nature and scope of the functions of the Western Region Finance Corporation will be appropriately tied up with the new organisation. The Bank will then provide the main channel through which such sectors as agriculture and industries obtained both credit facilities and technical assistance. Furthermore, it is intended that the organisation and the structure of the Bank will be of such a standard that will create implicit confidence in both indigenous and foreign financial institutions. The attainment of such a standard will enable the Development Bank to attract, on its merit, loan finances from these sources.

CHAPTER V

ECONOMIC AND SOCIAL SERVICES

Introduction

5.00. This chapter deals with that part of a development programme which is usually broadly classified as "Social Services". This is considered a misleading classification for this chapter as it tends to suggest in the main the provision of social amenities. It is true that many social services, like medical and health facilities, are more of social amenities and are apparently more remotely connected with economic growth. There are others however, like water supply which may be both a social and an economic service. For example, provision of rural water supply so that villagers may have clean, pipe-borne water to drink may be a social amenity. On the other hand, water supply to an industrial estate to be used for industrial purposes contributes more directly to economic development. As it is the aim of this plan to give priority attention to economic as distinct from merely social services, the heading of this chapter is considered more appropriate.

Highways

(a) Roads and Bridges

5.01. In our 1955-60 Plan, Government endeavoured to carry out construction of some new roads but greater efforts were devoted to improving existing ones. By the end of the Plan, some 1,400 miles of tarred roads designed to carry traffic up to at least 300 vehicles per day had been completed. In addition there are some 840 miles of Trunk A roads (maintained by the Federal Government) in use or still under construction. In 1959-60 a Special Road Development Programme which has made a further 690 miles of road available was introduced.

5.02. A survey of the road system in the Region was completed in 1960 and the implementation of the major recommendations is well in hand. Most important are—

(i) a comprehensive review of road classification with a three-yearly review thereafter;

(ii) the establishment of a Highway Advisory Board in the Region and of a Divisional Highway Authority in each administrative division;

(iii) earth-surfacing and tarring of a few Trunk B roads;

(iv) improvement in the standard of maintenance of district and provincial roads.

In addition to the implementation of these recommendations, Government will devote very great attention during 1962-68 not only to improving existing roads generally, but also to bringing about a greater degree of co-ordination of local authority and community road development and maintenance activities.

5.03. It is not intended to do a lot of road construction during 1962-68 excepting where there is ample evidence that certain important areas have not been adequately served *vis-a-vis* the needs of economic growth. For example if in order to provide access to farm settlements or plantations a new road construction is necessary this may be undertaken. The main emphasis is on co-ordination and improvement of existing roads.

5.04. Road development study in a developing country like Nigeria has to be a continuous process if necessary adjustments have to be made to meet increasing needs and changing conditions. For this reason it is proposed to supplement the survey referred

to above with further studies. The findings of the Highway Advisory Board and the Divisional Highway Authority will go a long way to guide such studies along the right lines. It is on the recommendations of such studies that policy priorities regarding future road improvement will be based.

5.05. As in the 1960-65 Plan, the construction of a bridge over the river at Sapele is still of some urgency in the 1962-68 Plan. This bridge is estimated to cost some £900,000. It is also proposed to undertake the construction of lesser bridges during the period which altogether will cost some £286,000. For the entire programme on roads and bridges during the Plan period, some £6.25 million has been provided which averages out at £1.4 million per annum.

(b) Inland Waterways

5.06. In Nigeria, inland waterways would appear to have been essentially the responsibility of the Federal Government. The Regional Government has hitherto not done much on their own to improve them. With the tempo of economic development, it becomes necessary that the Regional Government should seek ways of improving the inland waterways to cope with needs of transportation especially in those areas where, because of the facts of geography, roads can be of little or no use if at all they can be constructed.

5.07. During the Plan period, efforts will be devoted to compiling a list of all inland waterways projects in the Region with a view to investigating their economic and technical feasibility. Attempts will also be made to find out if there are other projects worth investigating. Consultation with the Federal Department of Inland Waterways had been of immense help and will continue to be made as much as possible. Finally some actual improvement work like dredging creeks and improving wharves and jetties will be undertaken. Provision has been made to spend £100,000 on these proposals during the Plan period. It is hoped that a vigorous inland waterways development policy would emerge during the period. The Federal Inland Waterways Department carries out on behalf of this Government maintenance work on the existing inland waterways. An adequate provision under Recurrent Expenditure has been made for the annual reimbursement of the expenditure on this.

Electricity Supplies

5.08. In the 1960-65 Plan, it was anticipated that cheap electricity from the Niger dams would become available by the end of 1964-65. The progress of the Niger dams proposal does not however justify this hope. Nevertheless it will not be wise to embark on the formulation of a new programme for electricity development until the Niger dam proposal has made further progress. Government has therefore to carry on as usual with the programme for improving electricity supplies to urban and rural areas. Emphasis will however be placed on electricity supplies to economic projects like industrial estates. At the same time, attention will be given as soon as possible to pursuing the plans for progressive rural electrification as indicated in the 1960-65 Plan. This is particularly desirable in anticipation of increasing development of small scale industry that may require some motive power. A capital allocation of £1.5 million has been made. The whole electrical programme is subject to review when and as the progress of the Niger dam proposal makes it necessary.

Water Supplies

5.09. As indicated in the 1960-65 Plan, the 1955-60 programme for urban water supplies will be completed in 1961-62 by which time thirty pipe-borne water supplies serving some fifty towns and associated villages in which live some 27 per cent of the total population would have been provided. It was provided in the 1960-65 Plan to extend several of these schemes. These will be projected into the 1962-68 Plan.

5.10. It has become imperative to give priority attention to water supplies in proposed and existing industrial estates at Ikeja, Ajeromi, Oshodi/Mushin. The estimate for the new Ibadan water supply scheme has also had to be revised upwards (an industrial estate is also proposed for Ibadan). New urban water supplies will also have to be undertaken during the Plan period. A capital allocation of £6.25 million has been made.

5.11. Progress will also continue regarding provision of rural water supplies not only to make better water available from health point of view but also to aid the development of small scale and cottage industries for which some financial provision has been made in Chapter IV of the Plan. Rural water supplies will essentially be through provision of reservoirs, boreholes and well. £3.103 million has been allocated for this purpose.

(c) Water Board

5.12. The whole future of water supply development and management in the Region is under review. Proposals to establish a Regional Water Board responsible for the management of existing water undertakings and for the establishment of new ones are under consideration. A capital sum of £500,000 has been earmarked for establishing the Board. As soon as it is established, the provision under Urban and Rural Water Supplies may be transferred to the Board.

Town and Country Planning

5.13. According to the 1952 Census, there are at present 135 towns with a population of 5,000 or more in Western Nigeria. With the rapid economic development that has been taking place in the past years, urbanisation has tended to grow at a much faster rate than the growth in population. Towns which have grown faster in the past years include Ibadan, Ikeja, Oshogbo and Sapele. During the Plan period, it is anticipated that the present rate of urbanisation will not slow down.

5.14. In order to ensure rational development of these towns, it is essential that effective Town Planning Authorities should exist in the large towns. It is therefore proposed to increase the number of Town Planning Authorities from twenty-two to seventy.

5.15. Country Planning is complementary to Town Planning and is necessary for balanced development of the whole Region. In order to arrest the present trend in the movement of people from the rural areas to the cities, it is necessary to make countryside attractive. One of the ways of doing this is through village planning and reconstruction, the bringing together of scattered homesteads and the provision of social amenities. In addition to the allocation of £1.6 million for Town and Country Planning, a sum of £500,000 is being made available under the integrated rural development schemes for village reconstruction and planning.

5.16. If the Town Planning Authorities are functioning effectively, it is of importance that they should have available the services of competent staff. At present only limited training facilities are in existence in the country but with the establishment of technical institutes and more universities in the country it is hoped that Town Planning Departments will be established in some of them. At present the junior staff of the Town Planning Authorities are being trained in the Town Planning Division of the Ministry of Lands and Housing.

Ibadan Slum Clearance

5.17. It has been pointed out in paragraph 5.13 above that Ibadan is one of the fastest growing cities in the Region. In addition, not only is it the Regional Capital, it is also one of the main cultural centres in the country. If Ibadan is to continue to play its role in the economic and cultural development of Nigeria, it is essential that it should cease to be two cities in one—a modern well planned suburban and an old unplanned centre full of slum. Preparatory to the launching of slum clearance scheme, it is necessary to undertake detailed investigations into the economic, social and cultural problems involved. A sum of £100,000 has been earmarked for this.

Land Registration, Acquisition and Survey

5.18. A study about the customary land tenure has just been completed and the recommendations therein are under consideration.

5.19. Progress in the topographical and cadastral mapping of the Region has been impaired by shortage of professional staff. Up to date an area of nearly 12,000 square miles has been mapped and a start has been made in the mapping of Ibadan and Ikeja for purposes of planning and land registration. It is necessary to complete the topographical mapping of the Region and to revise the outdated maps which constitute 40 per cent of existing mapping. About forty principal towns will also be mapped for planning purposes. It will be necessary to apply for technical aid to expedite these surveys, but efforts are being made to intensify the training of survey staff and expand the Air Survey branch of the establishment.

Trade Promotion

5.20. With the expansion of the economy and the increasing desire for greater participation by Nigerians in the trade of the country, it is considered necessary to have adequate machinery for the promotion of trade in the Region. More branch offices of the Trade Division in the Ministry of Trade and Industry will be opened in the most important commercial centres in the Region. These branches will provide free advisory services to traders as well as run periodical courses of instruction in business administration, elementary book-keeping and accountancy, advertising and salesmanship. Trade Intelligence Services to both indigenous and overseas traders will continue to be provided.

5.21. Government recognises the fact that trade promotion will only be effective if it is supported by credit facilities for small businesses. A sum of £1.2 million has been provided for this purpose.

Education

Primary Education

5.22. With the successful operation of Universal Free Primary Education Scheme launched in 1955, attention will now be concentrated on raising the standard of teaching in the schools. The Primary School population which is now about 1.2 million is expected to rise to about 1.5 million in 1966-67. A capital allocation of £800,000 has been made for primary schools building programme.

Secondary Grammar Education

5.23. It has been the policy of the Government to provide places in Secondary Grammar Schools for 10 per cent of the successful primary school leavers, although in 1960 about 16 per cent of these children actually secured places in the Secondary Grammar Schools. It will still be the policy of the Government to provide for not less than 10 per cent of the successful primary school leavers during the Plan period. It is estimated that the intake into Secondary Grammar Schools will be about 15,000 by 1967. To cope with this number, new schools will have to be built and the existing ones expanded.

5.24. Since the introduction of Universal Free Primary Education, the number of girls attending school has increased considerably. There has therefore been a corresponding increase in the number of girl primary school leavers. While the ratio of boy school-leavers to girl school-leavers was 4 : 1 in 1959, it has been estimated that it will be 4 : 3 by 1965. In order to provide an equal opportunity for secondary education for girls, it will be necessary to open more girls' secondary grammar schools, expand some of the existing ones, and establish more co-educational secondary grammar schools.

5.25. If the existing and proposed universities are not to experience shortage of qualified candidates for admission, the Sixth Form facilities available in the country have to be considerably expanded. In 1960 there were less than 400 boys and girls in the Sixth Form. It is planned to increase this number to about 1,700 by 1967.

5.26. To implement the above programme, a sum of £2.3 million has been allocated to Secondary Grammar Education including the Sixth Form.

Teacher Training

5.27. Realising that there is an urgent need to raise the standard of education in Primary as well as Secondary Education, Government recently set up a Commission to review the educational system of the Region and to recommend—*inter alia* on the adequacy or otherwise of the Region's Teacher Training Programme having regard to its present and future needs. The Report of the Commission is now being studied. A sum of £2.89 million has been earmarked for implementing the Teacher Training Programme—which will evolve from the recommendations of the Commission.

Technical and Commercial Education

5.28. A sum of £700,000 has been allocated to Technical and Commercial Education. This sum will be used for the completion of the two Trade Centres now under construction, the establishment of a new one and the expansion of the existing ones. Thus by 1967 there will be in the Region six Trade Centres and two Technical Institutes.

University

5.29. In discussing the Human Resources available in the Region in Chapter II, it was pointed out that there is a virtually unlimited supply of unskilled labour and a rapidly expanding supply of semi-skilled labour artisans and sub-professional and supervisory man-power. To meet the high-level man-power needs of expanding industrial, commercial and public sectors, new universities have to be established. The newly established Ife University is designed to meet some of these needs. A sum of £5 million will be made available to the University during the next five years.

Scholarship

5.30. There will be no change in Government policy of awarding annually 100 Post Secondary and Post Graduate Scholarships and 150 Secondary School Scholarships. These scholarships will be designed to meet not only the needs of the public sector but also the increasing needs of the expanding private sector.

Cultural Activities

5.31. The Yoruba Historical Research Scheme has made steady progress and it is expected that a definitive history of the Yoruba people will soon be available. A sum of £100,000 has been allocated for the completion of the project and for the promotion of other studies on the various aspects of the cultural life of the Region as well as for the establishment of permanent cultural centres in Benin and Ibadan.

Co-operation

5.32. Government's policy on Co-operatives remains unchanged. It will therefore continue to encourage and strengthen the Co-operative Movement. During the Plan period a loan of £1.5 million will be made available to the Co-operative Bank to enable it to meet the increasing demand on its financial resources by the Co-operative Societies.

Community Development

5.33. Community Development in the Region is conceived of as a part of a total social and historical process and it is for this reason that the integrated rather than the segmented approach is applied throughout the programme. The Community Development personnel is trained to effectively organise people to become actively engaged in self-help projects which are felt to be commonly needed. Not only does the Government attach great importance to the physical and material achievements of Community Development (e.g., road construction, building of market stalls, etc.) it also attaches equal importance to its social and political effects. By encouraging people to think together and discuss their common problems, Community Development strengthens democratic practices.

5.34. It is intended to divide the Region into about 1,340 Development Blocks, each block consisting mostly of ten villages. Each block will be under the control of one Community Development worker whose responsibility is to promote spontaneous participation of the villagers in the Community Development process.

5.35. In view of the vital role envisaged for the Community Development workers and other officials of the Community Development Division of the Ministry of Economic Planning and Community Development, an intensified training programme is being launched. The Shasha River Camp for leadership courses will be converted into a full-time Training Centre.

Integrated Rural Development

5.36. An integrated rural development pilot scheme is being inaugurated to achieve a general development and awakening of rural areas by a planned attack on all factors which at present tend to inhibit the rapid economic and social development of the villages.

The Scheme comprises—

- (i) an aided self-help low-cost rural housing programme;
- (ii) an environmental sanitation scheme;
- (iii) an agricultural improvement programme;
- (iv) a rural industries programme; and
- (v) the planning and reconstruction of villages.

It is estimated that this scheme during the Plan period will cost about £3 million. Details of the allocation to individual projects are available in Appendix X.

Health

(a) Medical

5.37. All the main objectives set out in the 1955-60 Plan have been achieved. Government has provided a hospital for each administrative division and the number of dispensaries and maternity centres has more than doubled. It has been the intention of the Government to equip and staff at least one hospital in every province so that it could undertake specialist treatment but owing to the shortage of specialists, little progress has been made in implementing this policy. More Nigerian doctors are being sent for specialist training. The training of nurses and midwives has also been expanded to provide staff for Government and private hospitals and the Local Authority hospitals, dispensaries and maternity centres. In order to encourage individual private practitioners to build more hospitals in under-served area, it is proposed to give financial assistance by way of loans to approved projects. A sum of £25,000 is being set aside for this project.

(b) Public Health

5.38. In view of the progress made so far in the curative services, emphasis during the Plan period will be on preventive and social medicine as a follow-up. This will necessitate the expansion of preventive health service, rural health services and the rehabilitation of disabled leprosy patients, the control of certain common endemic and epidemic diseases and the institution of better public health laboratory facilities. Dental health services will also be expanded. It is intended to build a Dental Headquarters with up-to-date equipment and facilities at Ibadan.

Social Welfare

5.39. With the growth of towns and industrial development, new social problems are being created. The growth of towns has affected the traditional structure of the family and society and the strength of communal customs and habits is being weakened. It is therefore necessary to intensify social welfare work and expand the facilities available for the same purposes. Approved Schools and Remand Homes will be expanded. A necessary complement of the programme is the promotion of Sports. The first phase of the building of the Ibadan Liberty Stadium is now completed. The second phase is progressing satisfactorily.

Housing

5.40. Government still accepts its responsibility for ensuring that housing development keeps up with the demand of the Community. As indicated in the 1960-65, Plan Government has established a Housing Corporation which has the responsibility for housing construction on estates, for providing finance for purchase of these houses and for providing mortgage finance for privately built houses. At present, Government housing construction is confined to Ikeja and Ibadan. It is proposed during the Plan period to develop a housing estate at Moba Village and in two or three other places in the Region. It is Government policy that the Housing Corporation should be self-supporting as soon as possible. In order to fulfil its functions effectively, it is estimated that the Corporation will require about £4.5 million loan capital during the Plan period.

5.41. In addition to the activities of the Housing Corporation, there has been in existence for quite a time a Government Staff Housing Scheme whereby Government Servants are given loans, repayable with interest over a period of years, to build or buy their own houses. In view of the Housing need of the Community which will take some time to satisfy, Government intends to continue to operate this scheme and a capital allocation of £1 million has been made for this purpose.

Information Services and Television

5.42. The provision of information to the public about the various functions of the Government, about legislative measures, about development projects and the achievements and day-to-day activities of Government is an essential service in any civilised community. This is particularly important in a young democracy where the level of literacy and the means of communication are inadequate. Appreciation of the importance of this service has led Government through the Information Services of the Ministry of Information, to expand its mobile cinema services and to produce a weekly newspaper and a quarterly illustrated magazine. During the next five years, the capital requirement of the Information Services is estimated at £460,000. The W.N.T.V. and W.N.B.S. will require an additional allocation of £300,000 for the expansion of the services to other parts of the Region.

Fire Services

5.43. With the rapid industrial and commercial development taking place in some of the large towns in the Region, it is essential that adequate Fire Services should be readily available in these towns. The successful operation of fire services depends to a large extent on trained and experienced personnel. A Fire Services Training School will be established at Ibadan and Fire Stations will be opened at Ibadan, Ikeja and Sapele during the Plan period. It is the ultimate objective of the Government to establish stations all over the Region as soon as personnel becomes readily available. £500,000 has been allocated to Fire Services Capital Programme.

Administration

5.44. During the Plan period a sum of £1.3 million will be required for the construction of new Law Courts, the Premier's Lodge and State House, and the other building programmes of the Government.

Others

Loans to Local Government

5.45. To help Local Authorities in their development programmes, it is necessary to provide loan finance at reasonable rates of interest. £1.6 million is being set aside for this purpose.

Service Authorities

5.46. Government has recently commissioned one of its officers to look into the ways and means of organising some local services on a more economic and effective basis. The Report submitted by the officer is now being studied. A sum of £1 million is provisionally earmarked for the establishment of the Service Authorities if the officer's recommendations are ultimately adopted.

Western Ijaw

5.47. Government recognises the fact that the Niger Delta Development Board has been set up to give special attention to the Development of the Niger Delta which includes Western Ijaw Division. It is however the Government's view that it will, in collaboration with the Board, continue to cater for the economic and social well-being of the people in that Division.

5.48. Individual Ministry's proposals are for the whole Region including Western Ijaw Division. Of particular interest to the Division will be—

(a) *Waterways and Roads.*—Improvement in the waterways in the Region shall be undertaken in the six-year period. A sum of £100,000 has been earmarked for this. This will improve the navigability of more creeks and rivers. Government proposes to encourage efficient water transport in Western Ijaw Division as well as in any other part of the Region where construction of roads is made difficult by the geography of the area, and water transport affords a more feasible alternative. Improvement of the existing roads will be undertaken also;

(b) *Agriculture.*—Government will intensify its effort to encourage primary school leavers in the area to practise modern agriculture. Agricultural extension services will continue to be provided in drier parts of the Division. Cultivation of swamp rice, sugar cane and plantain on modern and scientific basis will be vigorously pursued. Soil survey with a view to ascertaining whether other crops can thrive in the area will be undertaken. The Agricultural Extension Services Division of the Ministry of Agriculture and Natural Resources shall intensify its campaign in encouraging the people of Western Ijaw to grow rubber and cocoa where the soil is found suitable. High yielding varieties of cocoa and rubber seedlings shall be distributed at subsidised prices to farmers. Courses and demonstrations on the cultivation of tree crops and food crops such as swamp rice, sugar cane, etc., will be organised to ensure better methods of agriculture;

(c) *Fishery.*—The main economic activity of the people of Western Ijaw Division is fishing. Under the guidance of the Fisheries Division of the Ministry of Agriculture and Natural Resources, efforts will continue to be made to modernise the industry thus raising the income of the fishermen. The Fisheries Development Programme for Western Ijaw as well as for other fishing areas in the Region includes—

- (i) the introduction of new gear (nylon nets and twine) in the rivers;
- (ii) the introduction of outboard motors to enhance fishing and distribution;
- (iii) encouragement of sea-fishing;
- (iv) distribution of fish, marketing, curing and storage facilities;
- (v) formation of branches of Co-operative Fishermen's Organisation.

Government has invited F.A.O. experts to undertake a survey of fish potentialities of the waters of the Region and to advise on the best methods of exploiting the resources. Special attention of the Survey Team shall be devoted to the Western Ijaw Division;

(d) *Credit Facilities*.—The implementation of the proposals under transportation, agriculture, and fishery will bring a new lease of life to the Division. The people of Western Ijaw shall be encouraged to undertake the programme of development outlined above. Government shall make available in the Western Region Finance Corporation and the Co-operative Bank adequate credit facilities to quicken implementation of the proposals;

(e) *Medical Facility*.—The situation of the existing Government Hospital at Forcados has been found to be remote to serve the medical needs of the people. Government proposes to build another hospital at Bomadi.

CHAPTER VI

FINANCING THE PROGRAMME

6.00. In the first Chapter, the broad objectives of the Plan were discussed and in Chapters III, IV and V, the details of each project were given and the capital required to finance it over the Plan period stated. It is proposed in this Chapter to summarise the capital cost of the whole programme, and to indicate the lines along which the financial resources needed to implement it are to be raised. Some of the important policy issues connected with the size of the Plan and the size of recurrent expenditure needed to maintain the existing level of public services as well as the higher levels that will be attained as the Plan is executed will be raised. Finally, policies connected with mobilising the resources needed will be discussed.

Capital Expenditure

6.01. The total projected capital expenditure during the Plan period amounts to £90.287 million. Appendix IV gives the details of capital allocation project by project while Appendix III gives the summary of projected capital expenditure by Ministries. In the following paragraphs a sectoral analysis of the projected capital outlay will be attempted and a comparison made with the 1955-60 capital allocation.

6.02. The Table below shows the allocation both in absolute figures and in percentage terms.

Table 6.1

<i>Sectors</i>	<i>1962-68 Plan</i>		<i>1955-60 Plan</i>	
	<i>Total Allocation £'000</i>	<i>Percentage</i>	<i>Actual Outlay £'000</i>	<i>Percentage</i>
I Primary Production	18,439	20.4	4,519	14
II Commerce and Industry	24,940	27.6	1,887	6
III Works, Transport and Power	17,703	19.6	9,756	30
IV Lands, Survey, Town and Country Planning.	2,780	3.1	1,158	3
V Social Services	21,786	24.1	7,690	23
VI General Administration	2,039	2.3	7,871	24
VII Miscellaneous:				
(a) Loans to Local Government	1,600	1.8	—	—
(b) Service Authorities	1,000	1.1	—	—
	90,287	100	32,881	100

The classification of activities into sectors is bedevilled by several problems theoretical as well as practical. Sometimes a dichotomy is made between Development Investment or Investment in Directly Productive Activities and Social Overhead Capital. The former includes mainly investments in primary and industrial activities while under the latter category are included such a motley collection of activities as power, transport, health services, education and even administration. Some economists and economic planners also prefer to distinguish between social services—education, health, housing,

and social welfare—on the one hand, and, economic services—transport and communications and power on the other hand, but here again there are services which are both economic and social. How should such activities as urban water supplies, Town and Country Planning be classified? Water supplies satisfy both domestic and industrial needs of the community while town planning, which is designed to ensure a rational development of towns, is both an economic activity and a welfare service. The only way out of the difficulties is for one to define one's classifications and stick to them. In the classification shown in the table above, Sector 1—Primary Production—refers to all activities connected with agriculture, forestry, fisheries and livestock. These include the extension services and the credit facilities given for these activities. Sector II—Commerce and Industries—includes all industrial activities from cottage and rural industries to large-scale industries, the establishment of industrial estates and the provision of industrial credit facilities. It also includes credit facilities to co-operative societies through the Co-operative Bank as well as credit to small businesses. In Sector III are included all activities connected with water supplies—Roads and Bridges, inland waterways and electricity supplies. Sector IV—Lands, Survey and Town and Country Planning—is self-explanatory. In this sector is also included village reconstruction. Sector V—Social Services—includes education and culture, health and social welfare, housing and the provision of fire services. Sector VI—Administration—includes primarily all government building activities such as staff quarters, offices and official residences for Ministers of State.

6.03. While actual capital outlay under the 1955-60 Plan was £32.881 million, the projected capital expenditure under this new Plan is £90.287 million. If the overall economic objective of increasing the Region's national income by 4½-5 per cent per annum is to be achieved and if the momentum which economic development has gained in the Region during the past seven years is to be accelerated so that economic growth can soon become a self-sustaining process, then this bold plan is most essential, and not at all over-ambitious particularly if the executive capacity which has grown tremendously is taken into consideration. In 1959-60 actual capital expenditure was £11.7 million; this rose in 1960-61 to £13.7 million, which compares quite well with an estimated £90.287 million for the proposed six-year period.

6.04. All the Sectors with the exception of General Administration receive much higher allocations than they did under the 1955-60 Plan. Indeed not only has the allocation to General Administration fallen in relative term, it has also fallen in absolute term. While it absorbed £7.871 million between 1955 and 1960, it is going to absorb just over £2 million during the next six-year period. Thus most of the administrative expenditure of the Government will henceforth be recurrent rather than capital thus making it possible for the capital resources to be concentrated on economic and social projects.

6.05. The allocations under Sectors I-IV show the relative shift in priorities discussed in Chapter I. Under the 1955-60 Plan they together claimed 53 per cent of the capital outlay but under the new Plan over 70 per cent of total allocation will go to them. Even as between these four Sectors there is a change of emphasis. Primary Production and Commerce and Industry are receiving 48 per cent of the total outlay whereas in 1955-60 Plan period they received only 20 per cent of a much smaller capital outlay. Industrial and commercial development which received less than 6 per cent under the 1955-60 Capital budget has now been allocated 27.6 per cent. The relative share of social services has increased slightly from 23 per cent in the 1955-60 Plan to 24 per cent

under the 1962-68 Plan. This slight increase is not incompatible with the objectives of the Plan owing to the fact that capital outlay for Social Services includes expenditure on Technical Education which has been given a high priority.

Recurrent Expenditure

6.06. During the past seven years, recurrent expenditure has been increasing at a fairly rapid rate. It has risen from £11.37 million in 1955-56 to £20.9 million in 1960-61 though there was a slight fall in 1956-57. It also fell again in 1961-62 after reaching a peak in 1960-61. But on the whole the increase in recurrent expenditure since 1955-56 has been very substantial as Table 6.2 below shows.

Table 6.2

RECURRENT EXPENDITURE, 1955-62

							(£'million)
1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	
11.37	11.29	12.11	13.6	17.15	20.9	18.44*	

6.07. Part of the increase in recurrent expenditure has been due to the expansion of the administration of the Region to reflect the constitutional development which took place. A substantial part of the increase has also been the consequence of implementing the Government's development programme since 1955 particularly the social services. Services like education and health involve not only large capital outlay but also immense recurrent costs. Since the introduction of universal free primary education scheme in 1955 not less than 40 per cent of the annual recurrent budget has been going to education. For instance, of the total recurrent expenditure of £20.9 million in 1960-61 approximately £8.8 million, *i.e.*, over 42 per cent went to Education. One other reason why the level of recurrent expenditure has risen by as much as over £9 million between 1955-56 and 1960-61 has been the inability of local government councils to meet some of their financial responsibilities. This has invariably led to the Regional Government assuming these financial responsibilities. Under the universal free primary education scheme, Government was to meet 87 per cent of the salaries bill, while local authorities were to find the remaining 13 per cent but Government had to assume responsibility for meeting the full cost of teachers' salaries from 1959-60 onwards because of the inability of local authorities to meet their share of the wages bill. It should perhaps be noted in passing that local authorities have contributed nothing towards the capital cost of the education programme.

6.08. During the 1962-68 Plan period it is assumed that the Recurrent Budget will grow as shown in the Table below:

Table 6.3

FORECAST OF RECURRENT EXPENDITURE, 1962-68

						(£'million)
1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
19.5	21.4	23.5	25.8	28.4	31.2	149.8

6.09. In forecasting these figures, allowances have been made for the normal expansion of the Public Service—spectacular expansion of the type which took place during the past decade is no longer envisaged—as well as for the recurrent commitments

* The 1961-62 Figure is estimated while the figures for the other years are actual.

estimated at £33.6 million that arise as the Plan is executed. In addition, a provision of £7.2 million has been made for new debt servicing. No allowance has however been made for any changes in the price and wage levels during the Plan period as it is anticipated that the general price level will remain more or less the same.

6.10. Appendix III shows the summary of capital outlay by Ministries phased out on annual basis. On the basis of this Appendix and Table 6.4 below, the combined annual recurrent and capital expenditures over the Plan period are given in the Table below:

Table 6.4
RECURRENT AND CAPITAL EXPENDITURE, 1962-68

		(£'million)						
		1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Recurrent	...	19.5	21.4	23.5	25.8	28.4	31.2	149.8
Capital	...	17.9	17.4	16.1	13.2	13.6	12.1	90.3
TOTAL	...	37.4	38.8	39.6	39.0	42.0	43.3	240.1

Internal Financial Resources

6.11. With total outlay amounting to £240.1 million, the time has now come for an assessment of the internal financial resources likely to become available to the Government over the Plan period.

6.12. A forecast of revenue over the Plan period is set out in Table 6.5 below:

Table 6.5
RECURRENT REVENUE FORECAST FROM EXISTING SOURCES

							(£'million)
1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total	
20.7	21.1	21.5	21.9	22.3	22.7	130.2	

The forecast of revenue as shown in the Table above has not taken account of either improvement in the existing sources of revenue due to increased economic activities or introduction of new sources of revenue. The annual revenue (recurrent) grew from £14.38 million in 1955-56 to £19.68 million in 1959-60. In 1960-61 it stood at £20.55 million. Although the future of the Region's major export products is not certain at present, it is considered that the estimates of revenue in the Table above are conservative. In April 1961, a new Tax Law was introduced. A Pay-As-You-Earn system has been instituted. It is expected that income tax proceeds will increase with the expansion of the economy and as the collecting machinery gathers experience. Furthermore Government is exploring new sources of revenue in addition to improving the existing sources. It is therefore estimated that these will yield not less than £23.3 million during the six-year period. The summary of Recurrent Revenue is as follows:

	<i>£'million</i>
(i) Estimated Revenue from existing sources	130.2
(ii) Additional Revenue to be raised from Regional sources	23.3
(iii) Share of anticipated additional Federal Revenue to be raised over the period	7.8
	<hr/> <u>£ 161.3</u>

Estimated surplus of Recurrent Revenue over Recurrent Expenditure *£* 11.5

6.13. An analysis has been made of the Marketing Board resources. Unfortunately, the world prices for its principal export crop have been falling. In the 1961-62 cocoa season the Board has most reluctantly had to reduce the internal prices of cocoa of all grades. The Regional Government and the Marketing Board view with the greatest concern this downward trend in the world prices for its export produce and it is greatly hoped that efforts now being made to arrest this downward trend will soon prove successful and that world prices for this commodity will soon return to a more reasonable level. At present, it is estimated that the Board will only be able to contribute to the Development Fund during the five-year period a sum of £10 million if, apart from its function of ensuring that the farmers receive a fair price for their products, its capacity to subsidise the price of cocoa spraying chemicals and its ability to continue to contribute to Government expenditure on the encouragement of cocoa production are not to be impaired.

6.14. Another source of internal financial resources consists of the repayments of the loans which have been granted by the Government and the payments of interests on loans still outstanding. Most of these loans have been issued to Statutory Corporations but as these Corporations are allowed fructification period of up to five years, only a small proportion of the loan will be due for repayment during the Plan period. Only about £2 million is therefore estimated to come from loans repayments and interest on outstanding loans. It is estimated that profits from Government lotteries will be about £200,000 during the period. Finally it is proposed to transfer the funds under the Revenue Equalisation Account which is estimated to be about £1.5 million on the 1st April, 1962, to the development fund.

6.15. The internal financial resources which are therefore likely to be available for financing the capital programmes of the Plan are summarised as follows:

	<i>£'million</i>
(i) Recurrent Revenue Surplus, 1962-68	11.5
(ii) Revenue Equalisation Fund at 1-4-62	1.5
(iii) Marketing Board	10.0
(iv) Loan Repayments—Principal and Interest	2.0
(v) Profits from Government Lotteries	0.2
	<hr/> <u>25.2</u>
Total	<hr/> <u>25.2</u>

The total capital programme proposed being approximately £90.3 million, there is a gap of about £65.1 million. While this gap may be reduced if revenue becomes more buoyant than anticipated and if additional funds become available from Marketing

Board trading surplus, most of the fund for filling the gap will undoubtedly have to come from other sources. The section below will now consider briefly what these other sources are likely to be.

Other Financial Resources

6.16. The main sources of extra-Regional finance which it is anticipated will be available to bridge the gap are Federal grants, internal and external loans, and technical aid. Since the Federal Government will have more financial resources at its disposal than Regional Governments, it is hoped that the Federal Government will be able during the Plan period to give development grants to the Regional Governments. If the Regional Governments are to be able to execute their development programmes a large transfer of resources from the Centre to the Regions seems inevitable although it is appreciated that the Federal Government's own resources are limited.

6.17. External loans can only be raised by the Federal Government on behalf of any Regional Governments. It is intended to submit the applications of the Region for loans and technical aid as soon as possible after the Plan has begun to operate. It is hoped, therefore, that part of the gap will be bridged by grants which the Federal Government may find itself able to give upon agreed conditions.

CHAPTER VII

THE EMPLOYMENT POTENTIAL OF THE PLAN

Unemployment Problem

7.00. Development Programmes consist of proposals for the effective mobilisation and efficient utilisation of the resources in an economy to achieve a set of well defined and conceived objectives. An inventory of the available resources in the Region has been taken in Chapter II. In Chapter I, Government has indicated some basic objectives which guided the formulation of the Programmes: these include increase in annual rate of growth of the National Income of the Region from 4.5 per cent to 5 per cent and the provision of more employment opportunities for the people.

7.01. In the long-run these objectives do not conflict; but in the short-run—and where capital is short and labour abundant—there emerges some fear that a conflict may arise when these two objectives are carefully balanced. Government is aware of the apparent conflict. The essence of economic planning in a society such as ours that has chosen a democratic way of life is the conscious effort to harmonise and therefore resolve some of these conflicts without sacrificing the desired primary objective, *i.e.*, an accelerated rate of growth. In determining the development programmes for the next six years, sectors of the economy that provide employment opportunities and sectors that contribute most rapidly to the national cake have been recognised. Allocation of development outlay has taken into consideration the executive capacity in all sectors to avoid wasteful use of the available resources.

7.02. Our first Development Plan, 1955-60, was silent on the Government's policy toward provision of employment opportunities. The programmes were designed to lay a solid foundation—infrastructure—for future rapid economic growth. In addition, the problem of unemployment had not made itself widely known and felt in the economy. These social conditions have since changed. Government's Universal Free Primary Education which was successfully launched during the First Plan period has started to yield fruit. The output of successful Primary School leavers has risen from 54,000 in 1958 to 129,000 in 1960, but provision of employment opportunities has not increased at a proportionate rate. There has therefore emerged an ever increasing pool of unemployed school leavers. This pool will continue to grow until the rate of growth of employment opportunities catches up with and outpaces it. Such an increase in employment opportunities is difficult to achieve in a six-year period. And furthermore the most effective solution to unemployment, an accelerated rate of economic growth, is a long-term measure. The present Plan contain proposals to arrest the increase in the pool of unemployment and to reduce the pool in the next six-year period.

7.03. In all underdeveloped economies including ours, there is yet another type of unemployment, disguised unemployment or under-employment of human resources. The two problems—"open" and disguised unemployment—are tackled with the same set of policy tools. The presence of the two types of unemployment—the former conspicuously in urban areas and the latter in both rural and urban areas—indicates some degree of wastage in the use of resources in the economy. The programmes formulated in Chapters III, IV and V are designed to reduce this wastage.

7.04. The magnitude of this problem has not yet been accurately assessed. There is inadequate statistics of unemployed labour in the Region. There are at present Labour Employment Exchanges at Ibadan, Abeokuta, Akure, Benin, Sapele and

Warri. Furthermore it will be foolhardy to hazard a guess at the number of people who are underemployed. All that can be said about disguised unemployment is that increase in employment opportunities will increase the quantum of work and "full" employment for increasing number of people. Income *per capita* will also rise and the problem will gradually be solved.

7.05. There is nevertheless a part of this problem which seems to be determinable. The output of the primary and secondary modern schools is calculable and the numbers that will complete their courses in the next six years can be forecast. An estimate of job requirements for the period can therefore be made. The two classes of school leavers constitute the core of unemployment problem in the Region. There is a general feeling that the products of Secondary Grammar Schools and Technical Institutes always secure employment after successful completion of their courses. It is not likely that this will change in the next six years. Demand for this category of labour will be increasing with the rapid expansion of the modern sector of the economy. The problem facing the Region is therefore limited to the provision of employment opportunities for the Primary and Secondary Modern Schools leavers. The output of these two types of Schools in the years 1962-67 is estimated as follows:

1962-67	<i>Number of successful candidates</i>
Primary School leavers	800,000
Secondary Modern School leavers	101,500

7.06. Assuming that about 10 per cent of the Primary School leavers, *i.e.*, 80,000, will enter Secondary Grammar Schools and 50 per cent, *i.e.*, about 400,000 will enter Secondary Modern School, the Primary School leavers that will enter the labour market during the period 1962-67 will be about 320,000. Secondary Modern School courses take from three to four years to complete. It is therefore assumed that about 101,500 youths will leave Secondary Modern Schools in the period 1962-67. The total number of Primary and Secondary Modern School leavers who will thus enter the labour market during the six-year period will be about 420,000. The difficulty of providing job opportunities for the Secondary Modern School leavers is minimised by three factors—

- (i) modern schools provide the materials for further training in the Teacher Training Colleges;
- (ii) Trade Centres recruit their trainees from the same class of people; and
- (iii) with increase in staff capable of teaching such subjects as Shorthand and Typewriting in the Modern Schools, the products will easily fill the junior Clerical and Typist posts in both Government offices and commercial houses.

The number of Modern School leavers that will therefore enter the labour market without good qualification will be relatively small. The Primary School leavers constitute the most difficult employment problem.

Choice of Techniques

7.07. Considering the magnitude and nature of the problem, it is tempting to rush to the conclusion that efficient use of the available resources makes it imperative that labour-intensive techniques should be encouraged. As capital is relatively scarce and labour (unskilled and undifferentiated) is abundant, it is apparently natural and desirable to adopt labour-intensive techniques. This however implies that there is always a choice between labour-intensive and capital-intensive techniques. In reality, it is not

always so—the area of choice is limited. There are certain areas of investment where the technique is dictated by technological and economic factors. A steel mill or an oil refinery will always be capital-intensive. Factor-proportions for certain industries are fixed by available knowledge of production processes and astute businessmen are cautious animals who usually want to play safe with their capital. In the field of large-scale industry, it is virtually impossible for the Government to influence the type of techniques that should be adopted; the participating development agency representing the Government is in most cases only a partner and the foreign businessman is invariably the technical partner in these ventures. These big industrial ventures may not provide immediate remedy to the peculiar unemployment problem but in the long-run their contributions via the accelerated rate of growth will help in effecting an enduring solution. For instance, twelve large-scale ventures in the Region having a total capital of £5,872,000 provide employment for 12,138 persons. Of this, two construction companies having a total capital of only £300,000 provide impressive employment for 10,565. The other ten industrial undertakings having a total capital of over £5.5 million therefore provide jobs for only 1,573 persons. It is not however the intention of the Government to interfere with or encourage inefficiency in these organisations.

7.08. Small-scale and cottage industries, agriculture and growing service industries are potential fields for labour-intensive technology. There is urgent need to improve the efficiency of production in these fields. Capital required to introduce the desired improvement will be relatively insignificant. Their main requirement is adequate extension services provided by technical staff of the executive Ministries concerned. Of urgent additional need is the improvement in the marketing organisation of their products. These labour-intensive (capital-saving?) organisations will significantly contribute to the growth of the economy in addition to the provision of employment opportunities.

7.09. The total development outlay for the programmes in the Chapters referred to earlier amounts to £90.3 million. It is expected that investment in the private sector at the same period shall be about £140 million. Although it has not been possible to work out in some details the additional employment likely to be generated by the 1962-68 Plan, estimates have been made in respect of the public sector. The result of the estimates is as follows:

ESTIMATED ADDITIONAL EMPLOYMENT

Public Service	...	...	...	...	...	...	...	2,500
University of Ife	...	...	...	...	...	...	...	2,000
Rural and Cottage Industries	...	...	...	...	...	...	...	1,600
Farm Settlements and Institutes	...	...	...	...	...	...	...	3,150
Labour on the Settlements and Institutes	...	...	...	...	...	...	...	24,000
Agricultural, Poultry and Livestock Pilot Schemes and Integrated Rural Development.	200,000

Total	<u>233,250</u>
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The estimate above does not include increasing employment opportunities in the private sector. In the absence of any statistics, it is difficult to hazard a guess. Employment opportunities in this sector are bound to increase faster than those in the public sector. Provision of services, construction, small-scale industries and businesses

in the private sector will benefit from the effect of the development outlays in the public sector. These are usually labour-intensive ventures. It is expected that private sector will provide job opportunities for 300,000 persons. In the six-year period it is therefore estimated that there will be job opportunities for about half a million persons in Western Nigeria.

CHAPTER VIII

THE PLAN AND THE PRIVATE SECTOR

Involvement of the Private Sector

8.00. It was noted earlier in Chapter IV that in the mixed economy envisaged for the Region, the structural pattern will ultimately be a four-sector economy in which the preponderant part of the economic activities will be performed by private enterprise. In the purely public enterprise and to some extent in the joint public-private enterprise, Government objective will be that of increasing the range of economic opportunities for private enterprise on the one hand and the field of choice for the consumers on the other. Of the total planned capital expenditure in the current plan period over 70 per cent of the anticipated development funds has been directly allocated to productive investment, and social services which indirectly contribute in providing the proper economic and social conditions under which private enterprise could thrive. This reflects the importance Government attaches to private enterprise being the principal operator in the process of economic growth.

8.01. The current plan, like its predecessor, is markedly peculiar in the singular absence of any development programme for the private sector. Perhaps it could justifiably be termed a plan of public economic and social development expenditure. This is the outcome of the difficulties which make it impracticable, for the present, to incorporate private development activities into the plan. The major business establishments do make their own private investment programmes while the majority of private businessmen never really have anything in the form of long-term development programmes. Though development planning is reputed to have started in this country since 1945-46, the planning techniques and experience have not reached the stage of venturing into the private sector. Fundamentally, the essential data needed for planning such a sector are not available and private businessmen and producers are only just being educated to provide essential returns and cultivate a co-operative attitude towards Government planning efforts. Planning for a sector where the majority of the participants keep no records of production, sales and purchases and where demand for financial statements is suspect, is nothing short of a wild goose chase.

8.02. Though it is yet impracticable to be precise in statistical terms in appraising the development efforts in the private sector, previous performances and the estimates made by the national Income Survey, show that there is a fair three to two ratio of response by private investors to Government capital expenditure. Consequently, the likely impact of an aggregate expenditure of some £90 million in capital accounts over the current plan period may produce in the private sector an expenditure to the tune of some £150 million. However, when it is realised that the transport, distributive and service industries are virtually 100 per cent in the hands of private enterprise and that over 95 per cent of the primary and industrial establishments are in the same hands, the anticipated investment target will not be too wide of the mark.

8.03. In the industrial sector the major industrial enterprises with nominal capital of over £2,000 now operating in the Region, account for an aggregate nominal capital investment of some £25 million. Taking account of still smaller establishments, private industrial investment in the Region since the last World War would be over £30 million. It is hoped that private industrial investment will continue to grow at a much faster rate. In the 1955-60 Plan period, private investment activities have been remarkable

in industries concerned with timber and plywood, tobacco and cigarette, textiles, tyre retreading, rubber processing and ceramics. These major industrial projects costing some £12.9 million were wholly financed by private industrialists. In the current Plan period, the performance is expected to be substantially more than this achievement as businessmen would have gained more experience and techniques needed for the more complex industrial undertakings.

8.04. Private enterprise is expected to continue to dominate investment in primary production. The estimated output of all crops in the Region in 1961 at 1958 prices has been put at about £150 million. It is anticipated that a target of some £210 million will be reached by 1967 and of this output some £120 million will be crops grown primarily for domestic use and some £90 million being export crops.

8.05. Perhaps the greater part of private savings in the Region is channelled into investment in trade and transport. These are two sectors most popular with the middle class of indigenous entrepreneurs. These classes of investment will continue to hold their own during the current Plan period until the people have cultivated a greater confidence in partnership and corporate ventures in the field of industrial enterprise.

Future Planning Task

8.06. The grass-root philosophy of development planning requires not only planning from below but also the co-operative association of the efforts of every operator in plan formulation and execution. It will therefore be a task of subsequent future planning efforts to associate the private sector gradually with the plan. This will mean encouraging private sectors to make perspective forecasts of their business development programmes and to submit essential returns to the Planning Unit. A beginning might be made with the more efficient major industries and plantations and at a later stage extending the responsibility to all registered business enterprises. To achieve this objective private businessmen would need further training in simple accounting processes. It will also be necessary to reinforce the present Planning Unit with more trained personnel to handle the analysis of returns for the purpose of incorporating them in the plan. Furthermore, the Statistics Division would have to give more and more attention to economic planning statistics such as production data, agricultural survey and manpower survey and analysis. These administrative responsibilities involve the recruitment of more skilled hands and assistants. A monetary measure will be inevitable for a successful incorporation of the private sector. A credit policy would be an effective instrument for ensuring compliance with planned programmes and priorities. But this is to enter into the area of national planning processes.

CHAPTER IX

IMPLEMENTING THE PLAN

Manpower and Training

9.00. In Chapter II of the Development Plan, the resources of the Region have been assessed. The Region is moderately endowed with physical resources—fertile land, water, some minerals, petroleum and gas. The financial resources have been examined in detail in Chapter VI. It is necessary to assess also the manpower requirements for the economy during the Six-Year Development period.

9.01. During the implementation of the 1955-60 Development Plan, the urgent need for certain categories of manpower became manifest. In certain Ministries, the targets were not achieved mainly because the executive capacity was inadequate. The Appraisal of the 1955-60 Development Plan¹² highlighted these centres. For example, while the Medical policy of the Government to provide at least a standard hospital in every political Division was achieved, it was not possible to elevate one hospital in every Province to first-class status fully equipped and holding at least one doctor with specialist qualifications because there was shortage of these specialists. In the Ministry of Education, increases in the number of technical courses run in the Trade Centres were retarded by the shortage of Technical Instructors. In the Ministry of Works and Transport, there was shortage of water supply construction staff in the Water Supplies Division, though this was remedied by the establishment of the Nigerian Water Resources Development Company and of Nigersol.

9.03. Government has taken bold steps to remedy the situation. The Scholarship Awards and the In-Service Training Programmes have been geared to bridging the gap in manpower requirement. In addition to students sponsored by the Government for further studies both locally and in Europe including the United Kingdom, there are many private students who will be completing their courses during the 1962-68 development period. The Table below shows a number of students of Western Nigeria origin who will be completing their courses between the years 1960-66. (There is of course quite a long list of other courses not enumerated hereunder).

WESTERN NIGERIA STUDENTS WHO ARE TAKING PROFESSIONAL COURSES
AND WILL GRADUATE WITHIN THE PLAN PERIOD

<i>Courses</i>	<i>Government Scholars</i>	<i>Private Students</i>	<i>Total</i>
Accountancy	156	8	164
Agriculture	22	7	29
Agricultural Engineering	3	6	9
Architecture	10	38	48
Engineering:			
Civil	38	72	110
Electrical... ..	13	53	66
Mechanical	13	30	43
Automobile	—	62	62
Building	1	135	136
Radio	—	30	30
Medicine	66	132	198
Nursing and Midwifery	—	800	800

12. An Appraisal of the Development of Western Region of Nigeria, 1955-60: Sessional Paper No. 8 of 1961.

These students are potential candidates for employment in the fields where the shortage is most acute.

9.04. Ministries have been very optimistic in their proposals with regard to their executive capacity. They all feel that shortage of staff will not be the limiting factor in executing their programmes. While the needs of the Public Service are being fairly adequately taken care of by the prudent policy of the Government, need for high-level manpower in the private sector is becoming more acute. A rapid and sustained growth of the economy will be dependent not only on the activities in the public sector but even to a greater extent on what happens in the private sector. It is therefore necessary that Government's scholarship programme should reflect the need of the private sector for trained staff.

9.05. It will be incomplete to think about provision of manpower requirements without making specific reference to the development of manpower for the Public Service of the Region. The Development Programmes for the quinquennium 1955-60 amounted to £32.9 million, when the programmes for 1960-65 were formulated, the development outlays rose to £68.3 million for five years, now Government is embarking on programmes amounting to £90.3 million. This type of rapid expansion in activities is not unique to the field of economic development. The Public Service has been expanding at equally rapid rate. In 1957 there was a total established staff of 9,000 in the Public Service; in 1958 it was 10,000 and in 1960 it stood at 11,000. The increase has been of an order of 11 per cent a year. With the rapid pace of Nigerianisation in addition to the expansion of the Service, a programme of training to equip young academically qualified entrants with the benefits of accumulated experience has become urgent. The degree of success that has been attained is unexpected. Government will continue to press on with this vigorous training scheme for the ever expanding Service. The administrative and professional classes will continue to be provided with training facilities overseas to enable them acquire practical experience. In order to eliminate the grave shortage of specialist doctors, promising young medical officers are now encouraged to proceed on further training after a short period of service. The same policy is being pursued with regard to the training of specialists in such fields as agriculture, engineering, etc., where young qualified but inexperienced officials are available.

9.06. The junior staff of each Ministry are provided with training facilities designed to meet the peculiar needs of each Ministry. Emphasis is laid on the training of the sub-professional class in the technical Ministries, e.g., Ministries of Agriculture and Natural Resources, Health and Social Welfare operate their own Training Schools. The Training School in the Treasury caters for the training needs of Clerical Officers, Stenographic Class and the General Executive Class. Government is firmly committed to the development of the quality of Public Servants to enable them to deal expeditiously and efficiently with the ever increasing and diverse problems of the Public Service.

Machinery for Economic Planning and Execution

9.07. The final responsibility for the allocation of development outlays to various sectors of the economy lies with the highest policy-making body in the Region—the Executive Council. Programmes of action are mere proposals until the Executive Council has given them its blessing. The Council however depends on its Economic

Planning Committee, which is responsible for analysing the proposals put forward by different Executive Ministries and collating them into a coherent and consistent Plan. Membership of this Committee consists of—

- (a) ten Ministers who are directly concerned with economic development;
- (b) Chairmen of the Government Development Agencies, *viz.*, Western Nigeria Development Corporation, Western Nigeria Finance Corporation, Industrial Promotions Commission and Western Region Marketing Board.
- (c) a prominent Nigerian Industrialist representing the private sector; and
- (d) three members representing public interests.

9.08. The Ministry of Economic Planning and Community Development provides the Economic Planning Committee with necessary secretarial services. Executive Ministries submit their proposals in the first instance to this Ministry which undertakes their processing and evaluation, making sure that programmes do reflect the approved policies of the Ministries, and are internally consistent having regard to the available resources. The Planning Unit of the Ministry is assisted in the exercise by results of the research work done in the Economics Division and the statistical reports prepared by the Statistics Division, both being Divisions of the Ministry of Economic Planning and Community Development. Although work in the two Divisions mentioned above are just gathering momentum, it is expected that, in the near future, the Planning Unit shall have at its disposal comprehensive information—statistical and economic—about the Region on the basis of which development programmes can be more scientifically formulated and evaluated.

9.09. In addition to the functions mentioned above, the Ministry of Economic Planning and Community Development is the channel of communication between this Region and the National Economic Council and its official committee, the Joint Planning Committee. The National Economic Council is an advisory Council comprising four Federal Ministers and four Ministers representing each Regional Government in the Federation. The Council provides a forum for the discussion of national economic problems, thus reducing the chances of Governments pursuing conflicting economic policies in the Federation. The Joint Planning Committee, an official Committee of the National Economic Council, studies technical problems and reports to the National Economic Council. There are two officials of this Region serving on the Committee, the Permanent Secretary, Ministry of Economic Planning and Community Development and the Permanent Secretary, Ministry of Trade and Industry.

The Planning Unit and Executive Ministries

9.10. The Planning Unit, *i.e.*, Ministry of Economic Planning and Community Development, is basically concerned with the task of co-ordinating the development proposals of all the Ministries. There are various phases of planning and development: the first stage is the formulation of the programmes of action and the establishment of basic priorities and criteria; there is then the evaluation of progress being made in the implementation; and there is finally the periodic review of the programmes and consequent adjustment in the light of actual development. It is of vital importance that the Planning Unit and the executive Ministries are closely associated in all these phases. Without this close association, the task of co-ordination will be ineffective and the executive Ministries will not benefit from dispassionate advice of the Planning Unit. The resultant effect is that internal inconsistency may arise and the economy may drift toward undesirable lopsided development. Government is therefore genuinely concerned that there shall be effective co-ordination all the time at all levels.

The Executive Ministries

9.11. The initial responsibility for the formulation of programmes of action to be included in the Region's Development Plan lies with the executive Ministries. These proposals are based on a number of projects which are carefully conceived and well documented. Without a detailed documentation of the individual projects, it will be difficult for both the Ministry and the Planning Unit to evaluate the proposals with a view to testing the order of priority assigned to them. In the course of formulating proposals in the Ministries, officers who will eventually execute the programmes are closely associated with the groundwork of the programmes. Such association facilitates speedy execution. Government views with disfavour the formulation of development programmes in the Secretariat without adequate consultation with the cadre of officers who will be responsible for supervision or execution. Government is eager to achieve the overall objectives which it has set before itself in the Plan. In order to achieve this, the sectional objectives must also be achieved. Targets have been set in all sectors and these targets have some relationship either directly or indirectly with the major objectives. It is therefore necessary that careful attention is given to all facets of the Plan.

9.12. A beginning has been made in the matter of getting local communities to participate actively in the planning processes. Government is firmly convinced that not only must a Plan reflect the wishes, aspirations and ideals of the masses, but that the masses themselves must feel that they have in fact actively influenced the Region's Plan.

9.13. The scale of development which is envisaged in the present Plan will tax fully the moral and physical resources of each Ministry. In the first place it is necessary that the officers who will be executing the programmes must exhibit a high degree of responsibility and their transparent integrity should elicit spontaneous co-operation and assistance from the people. Many useful projects conceived with all the goodwill in the world have failed because the approach by the executing officers has generated repulsion instead of attraction. In future efforts will be made to create a more favourable climate of receptivity. This will be done in the relevant theatres of operation, including the Extension Services in Agriculture, Industry and Trade as well as in Community Development.

9.14. The execution of most of the projects requires a lot of technical knowledge and supervision. The conscious desire of the Government to accelerate the rate of economic growth has been working a structural change in some Ministries' establishments. Professional and technical officers are assuming more responsible positions in the schemes of development. Without them some, if not many, of the Development Programmes cannot be executed. It is therefore necessary to build a cadre of professional and technical staff who are dedicated to their professions and are guided by their professional code of conduct. The rapid increase in the strength of professional and technical staff may raise some personnel problems not before experienced. Such problems may get out of control especially if these officers gradually recognise the fact that they occupy a very strategic position in the essential work of developing the economy. It requires good personnel management on the part of the Ministry's administrative staff to get the wheel of progress running smoothly. Fortunately, the record of the Civil Service of the Western Region in meeting the challenge of change and progress has been an admirable one. The Service is particularly fortunate in its leadership and possesses the highest percentage of the most experienced indigenous officers in the Federation.

9.15. A Ministry as a body owes it as a duty to the Government to see that approved programmes are executed judiciously and according to schedule. A Ministry or Department that is unable to keep to the schedule of action on the Plan causes both financial and physical waste. Prices of goods are not static; a project not completed or not undertaken at all, means that more money than was originally earmarked for it would have to be spent. There is yet another disadvantage: the phasing of the programmes has ensured that the claim on the resources of economy including the manpower has been evenly spread out. If for any reason, some projects are pushed forward, there will be concentration of claim sometime. This, other things remaining the same, may tend to raise the prices of "development" goods making the proposal cost more than was originally planned. It is therefore the wish of Government that no effort should be spared to keep to the phasing of the programmes.

The Development Agencies

9.16. The capacities of the Government development agencies, *viz.*, Western Nigeria Development Corporation, Western Nigeria Finance Corporation and Western Region Housing Corporation, will be fully taxed in the course of implementing the Plan. What has been said earlier on the executive Ministries applies equally to these institutions.

9.17. It has been a commonplace argument of some of these agencies that the nature of their responsibility makes it difficult for the formulation of a forward-looking programme of action. But Government's broad policies which direct the activities of these bodies are clear and do not change frequently. Corporations should be able to think ahead of time and chart a course of action, consistent with the declared policies of the Government. A Corporation's course of action could easily be adjusted to fit into a new policy decision if and when one is made. Government appreciates the records of the Corporations inspite of the initial teething difficulties. It is however anxious to see that the Corporations are to a greater extent than now guided by businesslike attitudes.

Finance

9.18. Government does not intend to minimise the possible problems that will have to be faced if these Development Programmes estimated at £90.287 million and £149.8 million capital and recurrent expenditure respectively are to be effectively implemented. It is therefore necessary that all resources should be mobilised to achieve the targets. It calls also for the strictest economy on all phases and at all levels. The achievement of the Ministries shall be assessed on physical terms rather than on magnitudes of financial expenditure.

9.19. It is apparent from Chapter VI—Financing the Programmes—that foreign assistance in the way of grants and loans will have to be sought in order to complete the programmes. Until now Government has relied entirely on its own resources in financing its development programmes. Government now feels very justified in entering upon loan financing, having demonstrated by its ability in the use of its own resources that it has the capacity to pursue projects of great magnitude constructively and efficiently. In the circumstances Government is assured that there is nothing objectionable in the use of foreign finance in development, *provided* such loan finance will be used in projects that will accelerate the rate of economic growth. In other words, foreign finance shall be used in "bankable" projects.

9.20. Government however foresees some possible administrative delays as negotiation for such loan finance cannot be achieved in a short period. There may therefore be occasions when some projects that are to be financed with foreign loans may have to wait until such negotiations are finalised. In order to minimise such periods of delay which are costly in both manpower and finance, the development outlays have been phased out year by year to enable the Treasury to look ahead in the matters of slow negotiations. It is hoped, however, that foreign Governments and Agencies will reduce the duration of such negotiations to the barest, necessary minimum.

Executive Capacity

9.21. There is no limitation arising from any lack of executive capacity—excepting in the very few highly specialised fields. And in such fields Government will welcome the idea of lending Agencies sending their own experts to supervise the particular projects. The Plan has been drawn out with great care and no programme has been inserted without critical scrutiny. This is not just a catalogue of projects, and items have not been packed in merely because external loan or aid is anticipated. The past performance of the Government indicates that it now seeks external loan only out of real developmental necessity, and that it does not regard external aid as a permanent feature of economic planning.

9.22. There is yet another foreseeable problem in the course of implementing the programmes. The effective implementation of a few programmes, mainly in the highly technical fields, such as aerial survey, will depend to a large extent on the availability of expert staff obtained through technical assistance. This type of problem has been significantly reduced by the wise scholarship schemes and the prudent in-service training programmes which have been vigorously pursued by the Government in the last seven years. Application for the few experts that will nevertheless be required should have to be pursued at such a time that work on the execution of the project and the arrival of the experts coincide. Finally in the implementation of a Plan of the magnitude the Government is embarking upon, there is bound to arise, from time to time, problems that need to be solved. Government is confident that machinery for handling such problems do already exist and with goodwill and co-operation the machinery will work efficiently and smoothly.

Annual Review

9.23. Review of a Development Plan from time to time is an integral and essential phase of planning exercise. Development Programmes are intelligent estimates based on historical facts and trends that have manifested themselves over a period of time. Programmes are not therefore inflexible. While it is possible to forecast the course of economic events in the ensuing years, human knowledge about the behaviour of nature limits the accuracy of forecasts for periods of two to six years. Annual Review of the Plan provides opportunities for assessment of the progress of the work being done and the adjustment of the programmes for the future in the light of experience and performance.



APPENDIX I

EDUCATION INSTITUTIONS AND POPULATION

Year	No. of Primary Schools	No. of Secondary Grammar Schools	No. of Secondary Modern Schools	No. of Teacher Training Colleges	Primary Schools Population	Secondary Grammar School Population	Secondary Modern School Population	Teacher Training College Population
1954	n.a.	59	n.a.	63	456,600	9,259	n.a.	4,941
1955	6,407	73	180	84	811,432	10,935	4,317	6,673
1956	6,603	91	160	96	908,022	12,621	12,801	9,140
1957	6,628	108	254	98	982,755	16,208	30,602	10,446
1958	6,670	117	262	98	1,037,388	18,754	43,507	10,737
1959	6,518	138	420	97	1,080,303	22,374	64,209	10,992
1960	6,540	167	533	100	1,124,788	25,755	75,138	—

APPENDIX II

RECURRENT REVENUE, 1955-60

	Total	1955-56	1956-57	1957-58	1958-59	1959-60
Forecast shown in the Plan	...	74.00	13.00	13.50	14.50	15.50
Actual	...	81.60	14.38	15.52	15.63	16.65

£'million

APPENDIX III

SUMMARY OF CAPITAL EXPENDITURE BY MINISTRIES, 1962-68

Ministries	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Ministry of Agriculture and Natural Resources	2,012	1,633	1,674	1,697	1,411	1,015	9,442
Ministry of Health and Social Welfare	745	309	209	78	206	89	1,636
Ministry of Education	2,030	2,540	2,505	2,095	2,045	1,535	12,750
Ministry of Works and Transport	4,232	3,020	2,726	2,626	2,726	2,373	17,703
Ministry of Local Government	450	450	350	450	450	450	2,600
Ministry of Trade and Industry	4,438	4,687	4,914	4,434	5,378	5,266	29,117
Judicial	118	41	83	100	100	—	442
Ministry of Lands and Housing	3,110	2,590	2,355	1,150	1,115	793	11,113
Ministry of Home Affairs	246	163	121	140	73	70	813
Ministry of Information	21	164	62	155	32	26	460
Premier's Office (including £100,000 for Yoruba Historical Research)	420	240	220	140	69	125	1,214
Ministry of Economic Planning and Community Development	400	575	650	455	450	470	3,000
TOTAL	18,222	16,412	15,869	13,520	14,055	12,212	90,290

CAPITAL ALLOCATION BY PROJECTS, 1962-68

	<i>Projects</i>	<i>1962-68 Allocation £'000</i>
I.—PRIMARY PRODUCTION		
Farm Settlements		5,582
Farm Institutes		160
Agricultural Research: General Research		66
Rubber Research Institute }		190
Agricultural Extensions:		
(i) Tree Crops		2,495
(ii) Livestock		265
Veterinary Services		443
Plantations		3,000
Fisheries		143
Forestry		95
Integrated Rural Development for Special Areas:		
Agricultural Schemes		1,000
Credit facilities for Primary Production		5,000
SUB-TOTAL		18,439
II.—INDUSTRIAL PRODUCTION		
Cottage and Rural Industries		235
Small Scale Industries		1,372
Integrated Rural Development for Special Area: Industrial Schemes		500
Large Scale Industries		10,000
Industrial Credit Facilities (including Development Bank)		6,800
Industrial Estates		3,333
SUB-TOTAL		22,240
III.—ECONOMIC AND SOCIAL SERVICES AND ADMINISTRATION		
Roads and Bridges		6,250
Inland Waterways		100
Electricity		1,500
Urban Water Supply		6,250
Rural Water Supply		3,103
Water Board		500
Town and Country Planning (including training)		1,600
Ibadan Slum Clearance: Preliminary Investigation		100
Land Acquisition		500
Survey: Special Mapping Projects		40
Special Equipments for Air Survey and Reproduction		40
Housing Mortgage Finance		2,000
Housing Estates		2,500
Staff Housing Scheme		1,000
Integrated Rural Development: Low Cost Self-aided Rural Housing		1,000
Integrated Rural Development: Village Reconstruction		500

Projects

1962-68
Allocation
£'000

II.—ECONOMIC, SOCIAL SERVICES AND ADMINISTRATION—*contd.*

Trade: Office Equipment and Library	5
Credit Facilities to Small Business	1,200
Education: Primary	800
Secondary Grammar including Sixth Form	2,300
Teacher Training	2,890
Technical and Commercial	1,550
University	5,000
Modern Aids to Teaching	210
Cultural Activities	100
Co-operatives: Co-operative Bank and Credit Facilities	1,500
Co-operative College and Library	5
Health and Social Welfare	1,636
Information Services	460
Fire Services	500
Printing	13
Broadcasting and Television	300
Law Courts	442
Government Offices and Buildings General:	
Office Buildings and Quarters	564
Premier's Lodge and Staff House	180
Midwest Headquarters	150
Building—Others	102
Vehicles	118
Loans to Local Government Councils	1,600
Service Authorities	1,000
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SUB-TOTAL	49,608
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GRAND TOTAL	90,287
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MINISTRY OF AGRICULTURE AND NATURAL RESOURCES
CAPITAL EXPENDITURE, 1962-68

£'000

	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Agricultural Extension	281	438	576	568	530	409	2,802
Farm Settlements	1,289	1,000	1,000	1,000	795	500	5,582
Farm Institutes	140	5	5	4	4	2	160
Agricultural Research	44	22	—	—	—	—	66
Rubber Research Institute	60	30	15	13	15	15	148
Forestry	38	15	10	12	11	12	98
Veterinary	103	106	69	76	56	33	443
Fisheries	57	17	—	25	—	44	143
TOTAL	2,012	1,633	1,675	1,698	1,411	1,015	9,442
Agricultural Credit	250	750	1,000	1,000	1,000	1,000	5,000

MINISTRY OF TRADE AND INDUSTRY
CAPITAL EXPENDITURE, 1962-68

£'000

	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Rural Industries	73	18	36	36	36	36	235
Small Scale Industries... ..	263	307	266	236	180	120	1,372
Trade: Office Equipment and Library Industrial Promotions:	1	1	1	1	1	—	5
(a) Industries	2,000	1,500	1,500	1,000	2,000	2,000	10,000
(b) Plantations	650	450	450	500	500	450	3,000
Co-operatives: Vehicles and Library	1	1	1	1	1	—	5
Co-operative Bank	250	250	250	250	250	250	1,500
*Finance Corporation	1,000	960	1,210	1,210	1,210	1,210	6,800
Development Bank	—	1,000	1,000	1,000	1,000	1,000	5,000
Credit to Small Business	200	200	200	200	200	200	1,200
TOTAL	4,438	4,687	4,914	4,434	5,378	5,266	29,117

Note—

* Finance Corporation:

Agricultural Credit	250	750	1,000	1,000	1,000	1,000	5,000
Industrial Credit	750	210	210	210	210	210	1,800

APPENDIX VII

MINISTRY OF WORKS AND TRANSPORT
RE-PHASED CAPITAL EXPENDITURE, 1962-68

	(£'000)						
	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Roads and Bridges	1,400	1,000	1,000	950	950	950	6,250
Electricity	532	400	156	156	156	100	1,500
Urban Water Supply	1,550	1,000	1,000	1,000	1,000	700	6,250
Rural Water Supply	600	400	400	500	600	603	3,103
Water Board	150	200	150	—	—	—	500
Inland Waterways	—	20	20	20	20	20	100
	4,232	3,020	2,726	2,626	2,726	2,373	17,703

APPENDIX VIII

MINISTRY OF LANDS AND HOUSING
CAPITAL EXPENDITURE, 1962-68

	(£'000)						
	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Lands Acquisition	300	100	100	—	—	—	500
Town and Country Planning Schemes (including Training).	400	400	400	150	150	100	1,600
Ibadan Slum Clearance: Preliminary Investigation.	40	30	30	—	—	—	100
Special Mapping Projects	—	—	—	10	15	15	40
Special Equipment for Air Survey and Reproduction.	30	10	—	—	—	—	40
Housing Mortgage Finance	800	600	600	—	—	—	2,000
Housing Development	450	450	400	400	400	400	2,500
Industrial Estate	940	850	675	440	350	78	3,333
Staff Housing Scheme	150	150	150	150	200	200	1,000
TOTAL	3,110	2,590	2,355	1,150	1,115	793	11,113

APPENDIX IX

MINISTRY OF EDUCATION
CAPITAL EXPENDITURE, 1962-68

	(£'000)						
	Total	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68
Primary	800	—	160	160	160	160	160
Secondary Grammar School including Sixth Form work	2,300	350	590	500	300	300	260
Handicraft and Trade Centres	850	250	150	120	100	100	130
Technical and Commercial Institute	1,550	150	250	300	300	300	250
Teacher Training Colleges	2,040	250	350	400	400	340	300
University of Ife	5,000	1,000	1,000	1,000	800	800	400
Modern Aids to Teaching	210	30	40	25	35	45	35
TOTAL	12,750	2,030	2,540	2,505	2,095	2,045	1,535

MINISTRY OF ECONOMIC PLANNING AND COMMUNITY DEVELOPMENT
INTEGRATED RURAL DEVELOPMENT PROGRAMME

(£'000)

	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
1. Low Cost Rural Housing ...	150	200	200	150	150	150	1,000
2. Agricultural Improvement and Programme ...	150	200	200	150	150	150	1,000
3. Rural Industries Scheme ...	50	100	100	75	75	100	500
4. Village Reconstruction ...	50	75	150	80	75	70	500
TOTAL ...	400	575	650	455	450	470	3,000

APPENDIX XI

MINISTRIES OF HOME AFFAIRS AND INFORMATION
CAPITAL EXPENDITURE, 1962-68

(£'000)

	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	Total
Ministry of Information ...	21	164	62	155	32	26	460
MINISTRY OF HOME AFFAIRS:							
Fire Services... ..	133	63	21	140	73	70	500
Printing	13	—	—	—	—	—	13
Broadcasting and Television ...	100	100	100	—	—	—	300
TOTAL ...	246	163	121	140	73	70	813

Notc.—Three Fire Stations at Ibadan, Ikeja and Sapele have been provided.

COCOA SCHEME

1. Acreage under the Scheme is as follows:

(a) New Plantings—18,000 acres in six years at 3,000 acres per annum.

(b) Rehabilitation—17,917 acres in six years as follows:

2. Acreage of different Categories of Cocoa by year of planting.

Year	New Planting acres	Rehabilitation acres
1962-63... ..	3,000	4,500
1963-64... ..	3,000	3,500
1964-65... ..	3,000	3,000
1965-66... ..	3,000	3,000
1966-67... ..	3,000	2,750
1967-68... ..	3,000	1,167
TOTAL... ..	18,000	17,917

3. Yield of cocoa/acreage in the early life is as follows:

4th year after planting	1 cwt per acre
5th year after planting	1 cwt per acre
6th year after planting	2 cwt per acre
7th year after planting	3 cwt per acre
8th year after planting	4 cwt per acre
9th year after planting	7 cwt per acre
10th year is full bearing and is 10 cwts per acres.	

The full bearing yield is constant for twenty years before it declines.

EXPECTED YIELD BY YEAR DURING THE PLAN PERIOD IN TONS

Year	New Plantings tons	Rehabilita- tion tons	Total tons
1962-63	—	—	—
1963-64	—	—	—
1964-65	—	—	—
1965-66	75	112.5	187.5
1966-67	225	312.5	537.5
1967-68	525	700.0	1,225.0
TOTAL... ..	825	1,125	1,950

Notes.—Cocoa comes into full bearing ten years after it has been planted. The gradual yield has been given previously. Therefore the 1962-63 planting will come into full bearing in 1972-73 while the 1967-68 planting will come into full bearing in 1977-78 by which time all the plantation will be in full production and the annual production is expected to be 17,958 tons.

RUBBER SCHEME

1.—TOTAL ACREAGE UNDER THE SCHEME

(a) New Plantings, 18,000 acres in six years at 3,000 acres per annum.

(b) Rehabilitation—9,515 acres in six years at 1,586 acres per annum.

(c) Thinning—13,000 acres in six years at 2,167 acres per annum.

(d) Present Plantations—25,000 acres.

2.—ACREAGES OF DIFFERENT CATEGORIES OF RUBBER BY YEAR OF PLANTING

Date	New Planting	Rehabilitation	Thinning	Old Plantings	Present Plantation
1962-63	3,000	1,586	2,167	346,247	25,000
1963-64	3,000	1,586	2,167	342,494	—
1964-65	3,000	1,586	2,167	338,741	—
1965-66	3,000	1,586	2,167	334,988	—
1966-67	3,000	1,584	2,166	331,235	—
1967-68	3,000	1,587	2,166	327,485	—
TOTAL	18,000	9,515	13,000	327,485	25,000

3.—EXPECTED YIELDS BY YEARS DURING THE SCHEME (IN TONS)

Date	New Planting	Rehabilitation	Thinning	Old Plantings	Total
1962-63	—	—	625	34,625	34,950
1963-64	—	—	650	34,249	34,899
1964-65	—	—	975	33,874	34,849
1965-66	—	—	1,300	33,499	34,799
1966-67	—	—	1,625	33,124	34,749
1967-68	534	283	1,950	32,749	35,516
Total Yield from each Category	534	283	7,125	202,120	209,762

(a) In 1967-68 year when the programme is ending, the first new plantings (*i.e.*, 1962-63 plantings) are just coming into bearing and will not be in full bearing of about ten cubs/ad. Dry Rubber until 1971-72, the tenth year of planting. By 1978 when 1967-68 plantings come into full bearing the total production is expected to be 60,956 tons instead of the 47,500 tons as at present.

(b) Calculations at full production. The full production continues at constant yield for ten to fifteen years before it drops gradually again.

Note.—(i) There is at present 25,000 acres of plantations belonging to firms and at 10 cwts/ acres the yield of this per annum=12,500 tons.

(ii) Progressive yield of Rubber per acre in the early stages as follows:

6 years after planting=400 lbs dry rubber

7 years after planting=600 lbs dry rubber

8 years after planting=800 lbs dry rubber

9 years after planting=900 lbs dry rubber

4.—EXTENSION RUBBER—REVENUE CALCULATION

Data

A.—Present Acreage small holdings	...	...	...	350,000 acres
Present Plantation	...	...	...	25,000 acres
New Planting envisaged	...	...	...	18,000 acres (3,000 per year)
Rehabilitation	...	...	...	9,515 acres
Thinning Programme	...	...	...	13,000 acres
Present yield	...	...	...	2 cwts
Improved yield	...	...	...	10 cwts/acres
B.—Price of rubber Local	...	...	...	18d per lb
Export duty (10 per cent)	...	...	...	2d per lb
Exporter's cost of grading and packing	...	...	...	1½d per lb
Freight and Insurance to London	...	...	...	1¼d per lb
Selling Commission to London Firm...	...	...	...	¼d per lb
Sales Tax	...	...	...	½d per lb

Total Cost landed London 23½d per lb

Cost of Rubber C.I.F. 30d per lb
 Exporter's Profit per lb 6½d per lb

C.—The Scheme:

<i>New Planting (improved):</i>				
18,000 acres at 10 cwts	...	...	...	180,000 cwts
<i>Rehabilitation:</i>				
9,515 acres at 10 cwts	...	...	...	95,150 cwts
<i>Thinning:</i>				
13,000 acres at 3 cwts	...	...	...	39,000 cwts
<i>Remainder of old Plantings:</i>				
327,485 acres at 2 cwts	...	...	...	654,970 cwts
<i>Plantation:</i>				
25,000 acres at 10 cwts	...	...	...	250,000 cwts
Total Production for Region	...	...	...	1,219,120 cwts =60,956 ton

The Present Unimproved Farm:

Small holder's Farm—350,000 acres at 2 cwts/acres	...	...	...	700,000 cwts
Plantations—25,000 acres at 10 cwts	...	...	...	250,000 cwts
Total Production as at present	...	...	...	950,000 cwts =47,500 tons

FARM SETTLEMENT—RUBBER—FARM SETTLEMENT REVENUE CALCULATION

Acreage to be established—1960-67	...	...	...	14,400 acres
Yield envisaged	...	...	...	1,200 lbs/acres
Total Production from Scheme	...	...	...	17,280,000 lbs

OIL PALM PROGRAMME

1. Total Acreage as follows:

- (a) New Plantings—18,000 acres in six years at 3,000 acres per annum;
- (b) Rehabilitation—31,803 acres in six years at 5,300.5 acres per annum.

ACREAGE OF DIFFERENT CATEGORIES OF OIL PALM
BY YEAR OF PLANTING

Date							New Planting acres	Rehabilita- tion acres
1962-63	...	...	...	...	...	...	3,000	5,300.5
1963-64	...	...	...	...	...	...	3,000	5,300.5
1964-65	...	...	...	...	...	...	3,000	5,300.5
1965-66	...	...	...	...	...	...	3,000	5,300.5
1966-67	...	...	...	...	...	...	3,000	5,300.5
1967-68	...	...	...	...	...	...	3,000	5,300.5
TOTAL	...	...	...	...	...	...	18,000	31,803

EXPECTED YIELD BY YEAR DURING THE SCHEME (IN TONS)

Year	New Planting		Rehabilitation		Total Tonnage	
	Oil	Kernel	Oil	Kernel	Oil	Kernel
1962-63	—	—	—	—	—	—
1963-64	—	—	—	—	—	—
1964-65	—	—	—	—	—	—
1965-66	80	100	142	177	222	277
1966-67	321	401	568	709	889	1,110
1967-68	723	803	1,278	1,596	2,001	2,399
TOTAL	1,124	1,304	1,988	2,482	3,112	3,786

Note.—In 1967-68, when the programme is ending Oil Palm has not yet reached its full production and it will not do so until the 9th year after planting. At that time the total tonnage is expected to be 1,902 tons of oil and 7,470 tons kernel.



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