Published by the Information Division, Ministry of Home Affairs, Information and Social Development,
and Printed by the Government Printer, Ilorin

SOUTH-EASTERN STATE OF NIGERIA

BUDGET SPEECH
1974-75

by

HIS EXCELLENCY
BRIGADIER U. J. ESUENE
MILITARY GOVERNOR, SOUTH-EASTERN STATE

OFFICIAL DOCUMENT No. 2 of 1974

PRINTED AND PUBLISHED BY THE GOVERNMENT PRINTER, MINISTRY OF INFORMATION AND CULTURAL AFFAIRS, PRINTING DIVISION, CALABAR

BUDGET SPEECH, 1974–75

BUDGET SPEECH FOR 1974-75

BY

HIS EXCELLENCY, BRIGADIER U. J. ESUENE

Military Governor of South-Eastern State

HIS EXCELLENCY BRIGADIER U. J. ESUENE
Military Governor of South-Eastern State

BUDGET SPEECH FOR 1974–75
BY HIS EXCELLENCY, BRIGADIER U. J. ESUENE
MILITARY GOVERNOR OF SOUTH-EASTERN STATE

Fellow Nigerians of the South-Eastern State,

It is my privilege to address you on the budget of the Government of the South-Eastern State for the financial year 1974–75 and to review briefly economic activities in the State during the previous year.

The last financial year 1973–74 was marked by increased economic activities in Nigeria as a whole. The South-Eastern State shared in this overall growth of the National economy. For us therefore we witnessed a substantial improvement in the economic situation of the South-Eastern State.

Communication and transportation which have been major set-backs in our economic progress were more regular and reliable than in previous years. Our water transportation between Calabar and Oron improved with the commissioning of "M.V. Helen". The wooden pontoon at Itigidi/Ediba crossing point of the Cross River was replaced with a steel pontoon with greater carrying capacity.

In January this year His Excellency, General Yakubu Gowon, Head of State, Commander-in-Chief of the Armed Forces opened the Calabar/Ikom Road and contract is being considered for its extension to Ogoja and Katsina-Ala in Benue-Plateau State. The Federal Military Government has already awarded contract for the construction of Calabar–Itu–Ikot Ekpene Road. When completed this vital road will reduce our total dependence on ferry crossing for traffic coming into and going out of Calabar.

It is expected that construction on the Calabar port extension will start during this financial year. This, too, when completed would facilitate transportation of goods and produce into and out of Calabar.

Air transportation has improved greatly. Regular flights were scheduled between Calabar and Lagos. The Calabar–Douala international route was reopened. Tenders for the rebuilding of the Calabar airport befitting its international status are being considered by the Federal Military Government.

However, communications especially telephone services within and outside the State still poses a very serious problem. It is our hope that some improvement will be effected this financial year. In order to minimize our handicap meanwhile, the State Government has installed a Radio Telephone link with all Divisional Headquarters in the State and with its offices in Lagos and Kaduna. During this financial year radio telephones will be installed at all the nine Touring Areas of the State and more effort will be made to improve communications and transportation generally.

General trade in the State has improved. There is fairly good supply of consumer goods in markets and shops throughout the State. Owing to world-wide inflation however, prices tend to be high and effort is being made by the Ministry of Trade and Co-operatives to stabilize prices of both locally produced and imported consumer goods. Government has taken measures to encourage more food production. Strenuous effort will be made to curb monopolistic price fixing associations or unions. During the past financial year the South-Eastern State Wholesale Association (S.E.C.W.A.) widened its scope of operations to bring goods to consumers at reasonable prices.

On produce marketing, steps have been taken to promote our principal export products through improved methods of produce grading and payment of high prices for crops. The financial position of the Marketing Board however, remained rather precarious and it is hoped that with its reorganization nearly completed, the Marketing Board will receive sufficient support from the Nigerian Produce Marketing Company to enable prompt payment for produce delivered by Licenced Buying Agents. As a result of incentive offered by higher prices cocoa production in the State rose by 40 per cent. The effect of the new price policy however came too late in the year to have more than marginal effect on the production of palm kernel and palm oil. These two crops showed modest increases of 9 per cent and 19 per cent respectively.

Shipment of produce from Calabar port has hardly improved. Because of the slow rate of evacuation of produce at this port, it has become necessary to evacuate palm kernel stock at Nwaniba through port Harcourt. With higher prices for crops, production is expected to increase considerably during this year and unless evacuation at Calabar Port is stepped up, more warehouses will be needed to store them both at Calabar and Nwaniba.

The preceding financial year witnessed increased production of veneer, timber, lumber, plywood, furniture and cement in the State. Production in the Calabar Cement Factory has risen from 36,000 to 96,000 tons per year as a result of improved maintenance and more reliable supply of power. Negotiations for the expansion of the factory to raise production to 400,000 tons per annum has been completed. Work on this project will start in May this year. The Flour Mill at Calabar will be commissioned in a couple of months. Installation of plant and machinery in the Asbestos Cement Factory at Oron is proceeding satisfactorily. The construction of Palm Kernel Crushing Plant at Abak is also making good progress. Work on other major industries such as the Wood Working Complex, the Textile Complex and the Brewery are presently awaiting Federal Government approval.

Eighty-three per cent of our First State Development Plan has been accomplished so far. Compared with the result of the First Progress Report, what we have been able to achieve up to date is encouraging. While work on some aspects of the Plan such as Health Services, Transport and Communications and Agriculture has been slow because of long period required to prepare the projects before implementation, we have achieved our Plan targets in the provision of Office Buildings and Residential Quarters. In others such as the construction of roads and bridges, education and social welfare services we have exceeded our Plan targets. Our Secretariat Buildings will be ready in a few months from now. We have established most of the educational and financial institutions provided in the Plan. However, effort will be made during this financial year to catch up with the planned target in those sectors of the economy such as investments, Agriculture and Health Services where progress has been slow.

Having reviewed briefly the general economic position of the State and the progress on the implementation of the First State Development Plan, I shall now turn to the 1974–75 Budget for the South-Eastern State.

The total budget for 1974–75 financial year is ₦131.5 million. Of this amount ₦43.8 million is for the Recurrent Expenditure while ₦87.7 million will be spent on Capital Development. Total current revenue will amount to ₦44.2 million and Development Fund Receipt is estimated at ₦47.7 million making a total inflow of ₦91.9 million for services of Government. This gives a surplus of ₦400,000 in the Recurrent Estimates and a deficit of ₦39.9 million in the Capital Estimates, resulting in an overall deficit of ₦39.5 million.

Our share of Federal Revenue has increased steadily over the years. For this financial year we are expecting ₦28 million. This is ₦2 million higher than the revised estimate of revenue for the last financial year and, ₦7 million higher than the actual receipt in 1972–73. The situation could have been better but for the loss of more than ₦2.5 million as a result of fiscal measures which the Federal Government has introduced during this financial year.

Internal Revenue this year will amount to ₦11 million. This is a little less than the estimated revenue of ₦12.7 million in the preceding financial year although higher than the actual revenue in 1972–73 by ₦1.1 million. Internal Revenue appears to stagnate owing to measures which have had the effect of eroding the traditional sources of State revenue, although these measures are of national importance: such are the abolition of Petroleum Sales Tax on the introduction of uniform price of petroleum products, Exports Tax on produce and the introduction of a uniform rate of Income Tax throughout the country.

The Recurrent Expenditure is ₦43.8 million. This is about ₦10 million higher than the level in last financial year which stood at ₦33.9 million. It has however, increased by ₦15.1 million or 52.6 per cent over the actual expenditure in 1972–73 financial year which stood at ₦28.7 million. Although we have made a modest surplus of ₦400,000 on the Recurrent Estimates, it is clear that the costs of running Government services are increasing at a higher rate than our revenue grows. With the expected publication of the Udoji Commission Report later in the year the cost would increase considerably. It is however hoped that the various measures, which the Federal and the State Governments are taking to reduce cost and increase productivity especially in Agriculture, will have the desired effect of stemming the tide of inflation.

Of the ₦47.7 million expected for development projects during this financial year ₦5.7 million will be generated internally, ₦33.7 million or 70.6 per cent of the total amount required for Plan implementation during this financial year will be contributed by the Federal Military Government and ₦8.2 million is expected from external sources. The most significant item of receipt from internal sources is ₦2 million which will be transferred from the Consolidated Revenue Fund partly as a result of the surplus which is expected from the Recurrent Budget. Barclays Bank of Nigeria will make available a loan of ₦1.9 million for hotels and rural electrification. Although the Federal Military Government has assumed responsibility for the University of Nigeria, our expenditure during this financial year for the provision of accommodation at the Calabar Campus will be ₦1.3 million in respect of contracts already awarded. Of this amount we have received ₦700,000 as contribution by the University. Development Tax will produce ₦650,000. In addition to ₦5.6 million to be generated locally for development projects, ₦1.5 million will be mobilized through community efforts for the implementation of projects by Development Councils throughout the State.

One anticipated source of receipt from external sources is the World Bank Educational Programme Loan which is estimated to add ₦3.4 million to the development fund. This project had made very little progress and it is hoped that designs will be completed for it to be implemented during this financial year. However, the most important source of development finance is the Federal Republic of Nigeria Development Loan Stock which is expected to bring in ₦11 million as our share of a total of ₦150 million which the Federal Government intends to float during the financial year. The Federal Government is also making available various loans and grants to the States for different purposes and this will be spotlighted when we come to individual projects.

Our Capital Expenditure has been increasing at a fast rate since the beginning of the Plan period. This is reflected in our rate of Plan implementation. In the first year of the Plan, our expenditure amounted to ₦4.3 million. This increased by 141 per cent, to ₦10.4 million the following year. The actual expenditure in 1971–72 doubled in 1972–73. Again our performance doubled in 1973–74 when approved expenditure amounted to ₦49.5 million. What we are budgeting for this financial year is almost as high as the entire size of the Plan for the four years. Although we are certainly going to exceed the planned target in certain sectors in fiscal terms it must be borne in mind that because of world-wide inflation the costs of projects have escalated. The sum of ₦24.7 million has been voted for Loans and Investments in various economic projects. These include a scheme for the development of the water front in Calabar to provide offices and shopping centre; an investment of ₦3.2 million in the Agricultural Development Corporation; ₦800,000 for Rural Electrification; ₦600,000 for the Staff Housing Scheme and ₦1.5 million for the improvement of transportation. Three million Naira is earmarked for Hotels and expansion of Catering Rest Houses. We expect to complete the Metropolitan Hotel expansion during the financial year and work is already in progress on the Second phase of Qua River Hotel. The facilities in Uyo and Obudu will be improved and expanded during the financial year.

Government intends to increase its investment in the Mercantile Bank so as to broaden its credit base for greater service to its customers.

We have just completed the first full year of the operation of the revised system of Development Administration as established under the 1972 Edict. Councillors and Committeemen entered upon their duties with zeal and the initial popularity of the new system was maintained. The most significant impact of the Development Councils and Committees has undoubtedly been in the field of community development where 469 projects, including community plantations, livestock farms, community hospitals, dispensaries, maternities, health centres and markets were accepted for Government assistance as approved community development projects. Also approved were self-help schemes in the field of education, postal services, roads and bridges, water supplies and sports stadia. Altogether, ₦3.5 million will be spent on community projects. Of this amount ₦1.5 million will be raised by the communities themselves while ₦2 million will be provided by Government by way of Loans and Grants. The Department of Development Administration is being fully integrated into the Cabinet Office and the Office of the Co-ordinator of Development Administration ceased to exist with effect from 1st April, 1974. The Department now forms a Division of the Cabinet Office and supervised directly by the Secretary to the Military Government.

For the development of Agriculture and Natural Resources, we have earmarked ₦8.2 million. Actual expenditure from 1970 to March, 1973 amounted to ₦4.5 million while the approved expenditure for 1973–74 was ₦3.4 million. If the total allocation for 1974–75 financial year is expended, we would have achieved the original Plan allocation for 1970–74 but would fall short of the revised estimated cost which totals ₦17.3 million. In the implementation of this project, finance has been our greatest problem and some of the external finance that was expected has not materialized.

Satisfactory progress was however made in Agriculture during the last financial year. A total of 13,200 acres of cocoa and oil palm were established. This was 8,100 acres in excess of what was achieved in the previous year. Altogether, 18,300 acres of tree crops have been planted during this Plan period although the scheme started late. Oil palm planting has exceeded the planned target by 54 per cent while cocoa and rubber are yet to reach the target. In 1974–75 20,300 acres will be planted.

In food crop production, 2,000 acres of rice, maize and cassava were cultivated in 1973–74 financial year under the Ministry's direct food production scheme. This exceeded the previous year's production by 19 per cent. In addition to this, under the World Food Programme Scheme farmers planted a total of 9,000 acres last year. In 1974–75 financial year, 15,000 acres will be planted by the Ministry of Agriculture under its direct food production scheme while farmers will be encouraged to plan up to 12,000 acres under the World Food Programme Scheme. Attention was also given to food processing last year. Work has started on the construction of two more rice mills. Five hundred tons of rice paddy were processed at the existing mills. This was 25 per cent higher than last year's production.

No new loans were given to farmers last year under the State's Agricultural Credit Scheme. However, a provision of ₦500,000 has been made this year. An approach has been made to the Nigerian Agricultural Bank with a view to arranging loans for farmers in the State.

With the drought situation in the country it becomes more important than ever before to improve and expand all the ranches in the State. An Urban Dairy is being established at Ikot Efanga near Calabar with 2,500 acres of improved pasture. The performance of experimental Friesian Cattle at the dairy centre has confirmed the possibility of developing the centre to provide milk and other dairy products to the town of Calabar. The Obudu and Okuku ranches were expanded and re-stocked. Livestock population at all centres have increased with the purchase of more cattle from the Republic of Guinea. Our intention is to upgrade the local cattle with an exotic stock. The Feed Mill at Ikot Effanga continued to produce balanced rations for poultry projects. Veterinary Clinics are being established at seven centres where work is nearing completion. A central diagnostic laboratory is now under construction at Calabar.

The Agricultural Development Corporation has completed rehabilitation of 81 per cent of its Oil Palm Plantations and 90 per cent and 80 per cent respectively of cocoa and rubber estates. Progress on the restoration of Pioneer Oil Mills have lagged behind owing to the difficulty in obtaining spare-parts and lack of funds. Substantial progress has been made by the South-Eastern State Rubber Plantations Limited. An agreement was finally signed last year allowing the Commonwealth Development Corporation to invest in the project as shareholders. It has brought in a loan of ₦800,000 from C.D.C. for further development of the plantation. Preparation is on hand for the expansion and diversification of the estates and it is expected that this will involve an investment of ₦4.8 million in oil palm and rubber.

During the last financial year, the company achieved 85 per cent crop production target. The shortfall was due to a three-month unofficial strike by tappers. A new crump factory opened last year is operating satisfactorily and producing first-class rubber. The company plans to expand the factory to cope with increased yields.

A total of 7,000 acres of forest was opened up last year for exploitation to supply logs to the Cross River Mills Limited and other local saw-mills. At the same time, over 5,000 acres were planted with short rotation industrial wood for the supply of pulp wood to the proposed paper and pulp industry while over 2,000 acres were planted with long rotation timber species. The overall acreage of 7,150 planted exceeded the target for the year.

Government continues to encourage increased fish production as a means of improving food protein. Out-board engines and fishing gears were provided to fishermen at subsidized prices and they were encouraged to form themselves into viable fishing co-operatives. Last year a total of 90,000 metric tons of fish were caught. This is 28.5 per cent higher than the production in the corresponsing period recorded in 1972–73 fishing season.

About 300 canoes were motorized in the three canoe mechanized centres of Opobo, Eket and Oron with outboard engines supplied by Government. 1,500 local fishermen received training in mechanized fishing. The State Government has established a 30-acre fish farm at Etinan and a 50-acre fish farm hatchery is being built at Ogoja. It is expected that 10 per cent of the supply of fish in the State would come from fish ponds when these are fully developed.

The shrimp test fishing operation conducted in co-operation with a Japanese Company ended in November last year after undertaking six fishing trips. It yielded 93 metric tons of shrimps and 92 metric tons of fish. The State Government has made arrangement to acquire its own fleet of fishing trawlers, one of which has already been delivered. This will enable the Ministry of Natural Resources to make the best use of the experience gained during the test fishing with the Japanese.

For Education, ₦18.9 million has been budgeted for expenditure this financial year. Last year some important achievements were recorded in this field especially with regard to post-secondary education. The Calabar Campus of the University of Nigeria, built and financed by the State Government, admitted its first batch of students. The Advanced Teacher Training College, Uyo, with expanded facilities turned out its first graduates. The College of Technology, Calabar admitted its first students intake.

During this financial year attention will be focused on the expansion and improvement in general standards at the primary and secondary level. New primary school class-room blocks are being built in the State. Our aim is to increase enrolment of all children of primary school age beyond the 50 per cent national average and to prepare for the Universal Free Primary Education in 1976. The inspectorate Division of the Ministry of Education will be strengthened to ensure that standards are not only maintained but improved while the facilities are being expanded.

In Secondary Education our first priority is to improve all facilities in terms of accommodation, equipment and staffing in order to raise the quality of performance in our secondary schools. The policy is to move away from the grammar school type of education to the comprehensive school system as a way of bringing out diverse potentialities and aptitude in children to prepare them for rewarding adult life and citizenship. It is expected that work on eight secondary schools selected for expansion into comprehensive schools with the assistance of the World Bank Education Programme Loan will finally get off the ground. Eight other secondary schools are also to be expanded into comprehensive schools by 1977. New Government Secondary Schools will be built at Akamkpa in Akamkpa Division and Andoni in Opobo Division.

Existing Trade Centres at Abak and Ugep are to be expanded to cater for more students as well as introduce new courses. There has been delay in the building of the Trade Centres at Ikot Ada Idem and Ogoja because of lack of funds. It is hoped that construction work will commence during this financial year. To cater for drop-outs within the first six years of primary schooling, Vocational Improvement Centres and Adult Education classes are to be expanded. A number of Secretarial Schools have been approved by the Ministry of Education to offer courses for typists and stenographers, in addition to courses available at the Civil Service Training Centre and the College of Technology, Calabar.

Two Schools of Arts and Science at Uyo and Ogoja were opened last year to prepare students for the Universities. Federal Government will this year establish a full fledged College of Arts and Science at Ogoja while the one at Uyo will continue to be financed by the State Government. Facilities at existing nine Teacher Training Colleges are to be expanded and improved. Two new Colleges will be built. The College of Education to be established at Uyo will replace the Advanced Teacher Training College and will continue with its expansion programme to provide a staff village, more student hostels, class-room blocks and laboratories, to make it possible not only for the intake to be increased but for more courses to be introduced. Facilities for the Engineering courses for Ordinary Diploma in Mechanical and Electrical, at the College of Technology, Calabar will be expanded to allow an annual intake of forty-five students for each course. Courses in catering and hotel management, science laboratory technology, building, business management, and quantity surveying and Higher Diploma courses in Mechanical, Civil and Electrical Engineering and Accountancy are to be introduced.

Side by side with the expansion of education facilities, Government plans to make the administration of schools more efficient. In this regard, the State School Board is to be reconstituted. It will be given responsibility for the overall administration of all schools and Teacher Colleges as well as the supervision of the work of the Local School Boards. An Edict to this effect will soon be promulgated. Without contented and happy teachers there can be no effective educational system. We will do everything possible to improve the lot of teachers and make the teaching profession more attractive to our young men and women. An integrated teaching service is to be established with similar conditions of service for all teachers. For this purpose, a Teachers' Service Commission will be set up.

Government places considerable importance on the development of sports. In order to involve schools in the important aspect of physical and character development, the Sports Council has been transferred to the Ministry of Education. Emphasis is placed on the improvement and building of stadia in all Divisional Headquarters. The main stadium in Calabar has been undergoing major reconstruction and will soon have Olympic size swimming pool. An Edict is to be promulgated to reorganize the Sports Council to make it more effective in the performance of its functions.

For health services ₦5.4 million has been allocated as Recurrent Expenditure while ₦5.3 million will be spent on Capital development. Actual expenditure by March 1973 of Plan implemented amounted to ₦834,000. Approved expenditure for 1973–74 of ₦1,690,000 is likely to have been overspent as the construction work on the Specialist/Teaching Hospital, Calabar has made considerable progress. When completed the Hospital will provide 350 beds in its first phase of development and 600 beds when the second phase is completed. There has been general expansion and improvement of nearly all hospitals in the State. A new children's ward in St. Margaret's Hospital, Calabar and an out-patients' department in Maternity Hospital, Calabar are under construction. Work has been completed in the new children's ward in Akpa Utong Hospital. All 25 hospitals in the State have been renovated and supplied with good running water and electricity. A new theatre block and laboratory were completed in St. Margaret's Hospital.

As medical services expand there is increasing pressure on the supply of medical personnel. For this reason, midwifery schools at Urua Akpan and Moniaya Hospital, Ogoja have been reconstructed and are ready to take in the first set of trainee midwives. Training will also commence for nurses and midwives in St. Margaret's Hospital and the Maternity Hospital, Calabar. Other centres include the Qua Iboe Hospital, Etinan and Joint Hospital, Ikom.

It is Government intention to provide improved health services at the village level at the rate of one health unit per 5,000 to 10,000 population. Two new Polyclinics, six health centres and one maternity home have already been completed. Six new Polyclinics are still under construction and will be completed during this financial year. The Institute of Public Health which was opened last year is to be strengthened to provide maximum assistance to Public Health Services in the State. As part of this measure, the Nutrition Unit of the Ministry of Health is to be transferred to the Institute. To enable health units in the rural areas function with maximum efficiency the problem of supply of drugs to health centres, transportation and communication between health centres, hospitals and divisional health offices will receive special attention. Plans are on hand to improve public sanitation in all major towns in the State especially in Calabar. For this purpose, more refuse disposal trucks are to be purchased. Public conveniences will be provided in towns where water supply is adequate. Government is determined to do whatever it can to improve environmental sanitation all over the State so that the population can live more happily in congenial surroundings.

The problem of sanitation increases with urban development and can be controlled if our towns are properly planned and well laid out. The implementation of the Calabar Master Plan has been proceeding steadily. Work on the Western Highway is nearing completion and other major roads will receive similar attention. Contracts have been awarded for the planning of 13 Divisional Headquarters and a few major urban centres. We believe that careful planning of our towns and cities is imperative if we are to prevent uncontrolled development. There will be a Town Planning office in every Administrative Division in the State. Already base maps have been produced for ten Divisional Headquarters. The remaining four will be ready during this financial year.

As indicated earlier one of the sectors in which we have already exceeded the Plan is in public buildings. In spite of this, what we have been able to do so far is still grossly inadequate. For this financial year ₦9.3 million is earmarked for various building projects. During the last financial year there was considerable progress in this sector. Government is determined to provide suitable accommodation for the administration and assist in alleviating the present nation-wide housing shortage. During the year 103 building contracts were completed and delivered including Divisional Secretariat buildings, Magistrates Courts, various Government offices and quarters in the Touring Areas, Government schools and Catering Rest Houses. Prominent among building contracts completed were those of the Calabar Campus of the University of Nigeria and the College of Technology, Calabar, the Newspaper Corporation and the first phase of the Qua River Hotel. In addition to this about 150 building projects are in various stages of construction. These include the Secretariat buildings in Calabar which should be handed over in a few months time, the Cultural Centre, Sub-Treasury buildings, Specialist/Teaching Hospital, Veterinary Clinics and Polyclinics, Metropolitan Hotel extension, Mercantile Bank Headquarters, SESTRADE Supermarket, Divisional Libraries and Tax Offices. In the last few months, contracts have been awarded for the Cabinet Office, expansion of the University Campus and various other buildings. Construction work will commence shortly on the Magistrates Courts Complex at Calabar, the State Library, and the Ministry of Finance Headquarters. It is also expected that working drawings for the Government Lodge and Offices, the High Court Complex at Calabar and Ogoja, Judges Residences and Government Secondary School at Akamkpa will be ready for implementation this year. I should mention also the construction of our Conference Hall which was built last year.

The Federal Military Government places great importance on the supply of good water to all Nigerians. Our Government is committed to provide in every urban centre pipe-borne water, adequate for domestic, commercial and industrial needs. Rural communities will be provided with water for domestic needs based on pump and pipe schemes of adequate sizes. A master Plan for water scheme throughout the State has been prepared by two renowned international engineering companies. When completed the scheme will cost over ₦32 million. Last year, Government completed the expansion of existing water supply schemes in Calabar. A pilot borehole for a new water work was completed. To bring water home to people, 22 kilometers of primary mains were laid. The effect of this was to double the supply of water in the town. Work is in progress on boreholes and elevated water towers in Eket, Etinan, Opobo and Itu, while contract has been awarded for the construction of Ugep/Ediba Water Scheme.

Capital Budget for Water Works for 1974-75 is ₦4.9 million. Last year, we received a grant of ₦2 million from the Federal Government and for this financial year we expect ₦4 million as our share of a total grant of ₦48 million provided for the States by the Federal Military Government for Water Supply. The money thus made available will enable us to construct, improve and enhance storage facilities in Calabar to be able to provide three million gallons of water per day in the town. Construction will start on new intake works in Obudu, Ogoja, Ikom and Obubra as well as pipe-line extension and new boreholes for Oron, Uyo and Ikot Ekpene. Storage facilities will be improved in Abak. Rural water schemes have been started in Ikot Abia, Iwukem and Utu Etim Ekpo while investigations have been undertaken for the schemes at Okpoma and Obio Usiere. During this financial year, detailed studies and source development of rural schemes at each of the Touring Area headquarters will be undertaken.

As ours is a State with major communication problems, we have concentrated over the years on road development. The budget for this financial year is ₦5 million. The planned allocation for this sector for the four years amounted to ₦11.3 million. By March 1973, we had already spent ₦10.6 million and by the close of the last financial year we had exceeded the planned target. But we still have large areas of the State to open up for economic exploitation and to improve existing road net-work to enhance communication and trade. We are grateful to the Federal Military Government for the award of contract for the building of Calabar–Itu–Ikot Ekpene Road which is bound to be a major factor in the economic and political development of our State. In addition to major road works completed in the State mentioned earlier in this address, the road from Itigidi to Aba-Omega was fully reconstructed to facilitate easy flow of traffic between this State and the East-Central State. Various township roads leading to the College of Technology and the University Campus in Calabar, the industrial Estate in Calabar and Oron, the Housing Estate and the Federal Low Cost Housing Scheme were constructed direct by the Ministry of Works. The roads between Okuku and Ogoja, Uyo/Ikot Ekpene and Abak, Opobo and Ekpat Akwa were widened and resealed. Bailey bridges were constructed in Opobo, Obudu, Ogoja, Ikot Ekpene and Etinan Divisions while concrete bridges were built in Oron, Obudu and Ogoja Divisions. Work has already started on the reconstruction of Ogoja–Obudu Road and attention will be given to the following road net-work during the year: Ekom–Ikot Ana Road in Biase, Ikwek–Utu Etim Ekpo Road in Abak Division, Etebi–James Town Road in Eket Division and Akpap–Creek Town Road in Calabar Division. Construction work is in progress on Eket–Opobo Road with a bridge over Qua Iboe River at Eket. During this financial year construction work will be completed on Oban–Akamkpa Road which will cross the Great Qua River, Ikpe Ikot Nkon–Itu Mbon Uso Road, Ikot Ekan–Ediene Abak Road and Etono–Biakpan Road. Work will commence by major contract on the construction of Oron–Eket–Etinan Road, *Ikom–Wula–Obudu Cattle Ranch Road,* Ikot Ubo–Nung Udoe Road and Etinan–Opobo Road. Federal Government has indicated its clear intention to take over the construction of Ikom–Obudu Road. Design work will be completed on Yahe–Awayir Road to link the South-Eastern State with Benue-Plateau State.

The supply of electricity for domestic, commercial and industrial needs for the State continues to constitute a serious problem. The unreliability of power supplied through the national grid to the three towns presently connected is still pronounced. The State Government rural electrification scheme is being reviewed in consultation with Federal authorities. This has unfortunately caused delay in the supply of power to major towns and rural communities in the State. However, Government plans to commence work on at least ten rural electricity undertakings this year as soon as clearance has been obtained from the Federal authorities, to bring electric power to the rural areas.

To improve the dissemination of information in the State the Nigerian Chronicle, which unfortunately could not go daily as anticipated will commence daily production this year. In addition Government Information Service will be expanded and improved. Encouraging progress has been made in the recording and preservation of various aspects of our cultural heritage and important contemporary events by the Film Unit of the Ministry of Information. We are determined to press on with this project.

The construction of the State Cultural Centre is in progress. It will be completed in 1975. Government regards this project as one of its most important efforts in the cultural re-awakening of our people. We believe that whatever our success may be in the economic field our society will be bereft of genuine sense of value and identity animated by commitment to the humane arts and culture of our people. To this end Government will establish a Cultural Institute during this financial year.

Fellow citizens, I have reviewed in broad outlines the programmes of the South-Eastern State Government during the 1973–74 financial year and presented a budget mapping out our plans for 1974–75.

Although it is not by design, my budget speech coincides with the beginning of the Holy Week celebrations. It is proper therefore that I seize this opportunity to send to all of you my good wishes for this important occasion marking the death and resurrection of Christ.

To me the Easter season is a period for reflection on the meaning of personal sacrifice and selfless services to our fellowmen. The death and resurrection of Christ contain important message for all of us, in our endeavour to build a united Nigeria and a peaceful world. I hope and pray that the Easter spirit of love and undertaking, of selfless service and sacrifice will guide us in all our endeavours throughout this financial year and the future. Thank you. And May God bless you all.