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# SPEECH

ON THE LAUNCHING OF  
THE THIRD NATIONAL  
DEVELOPMENT PLAN 1975-80  
EAST-CENTRAL STATE  
PROGRAMME AND BUDGET 1975-76

BY

HIS EXCELLENCY

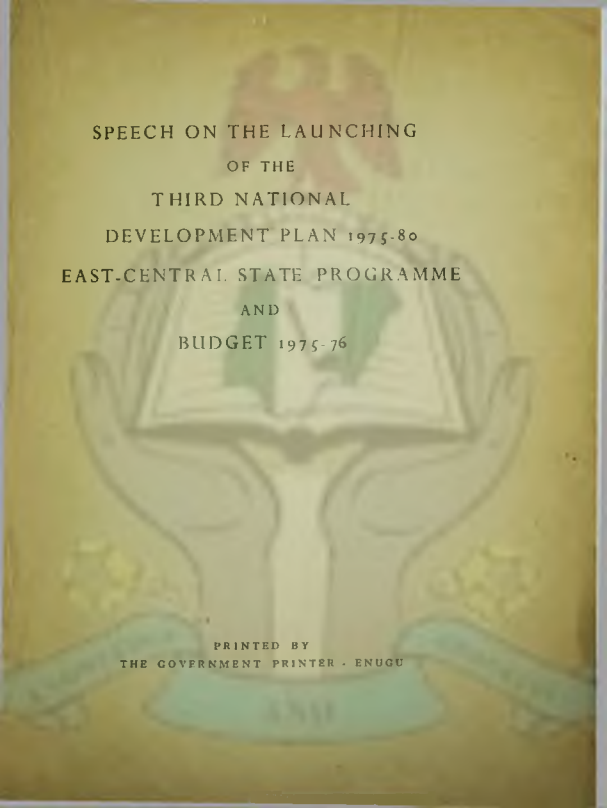
MR UKPABI ASIKA

*Administrator - East-Central State*

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MONDAY 12 MAY 1975





SPEECH ON THE LAUNCHING  
OF THE  
THIRD NATIONAL  
DEVELOPMENT PLAN 1975-80  
EAST-CENTRAL STATE PROGRAMME  
AND  
BUDGET 1975-76

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*Fellow Citizens,*

It is as always a privilege, an honour and a pleasure for me to address you. This morning we are here to launch the East-Central State Programme of the Third National Development Plan and also to announce the Budget for this Government for fiscal 1975-76.

For five years now since the end of the civil war we the people of the East-Central State have been engaged in the tasks of recovery from the ravages of the civil war, reconciliation with and reintegration into the Nigerian community. Today as we embark on the Third National Development Plan, it is a fact worthy of note and celebration that we do so in full and equal partnership with our fellow Nigerians.

To underline the magnitude of that transformation, which we are all too apt to take for granted, I shall begin by summarizing our performance for the period 1970-75.

### **Economic Sector**

After resettlement, the first priority of the Government was to restore the productive capacity of the people so as to provide a basis for self-sustaining recovery and growth. In this we succeeded beyond expectations. In agriculture, efforts were made both through extension services and through direct production by the Agricultural Development Authority to increase food production. The extension services have been able to reach well over one million farmers. They have introduced high yielding varieties of rice, maize and cassava, assisted in the reclamation of 53,000 acres of palm plantation, 5,000 acres of cocoa. The palm kernel, graded by the Marketing Board, has now exceeded the pre-war level and the output of cocoa is 50 per cent. above the pre-war output of the Eastern States. The Veterinary and Animal Husbandry Services

have handled over seventeen million animals. Our forest resources are being conserved and developed systematically. Over the period nine million forest seeds have been raised and 11,700 acres of new forest planted. The Agricultural Development Authority is now well established as a major food producing and agro-industrial enterprise in this country. In all, direct Government expenditure in agricultural development for 1970-75 amounted to N36.8 million—N19.7 million on recurrent and N17 million on capital account.

Within this period all the major institutions and industries established by Government before the civil war were rehabilitated, modernized and expanded. Thus Golden Guinea Breweries expanded its capacity from 50,000 hectolitres to 150,000 hectolitres; Nigersteel from less than 8,000 tons to more than 30,000 tons per annum capacity; Nigergas has replaced the old plant with an entirely new plant six times the old capacity and even the gigantic Nigercem is expanding its capacity 50 per cent. In partnership with the Rivers State Government, and with the support of the Federal Military Government, the African Continental Bank was refunded, refloated and reopened. The Co-operative Bank of Eastern Nigeria which emerged from the war bankrupt and without an operating licence, was refloated and refunded with an initial loan and massive and dominant participation in its equity by Government. Similarly the Universal Insurance Company, totally bankrupt at the end of the war, was enabled to meet the new and more stringent licensing regulations and funded to resume nation-wide operation. The Aba Textile Mill, a sorry example of how not to industrialize, has had to be completely rebuilt—with the scrapping of all the old and obsolete machinery; considerably expanded, fully integrated in its processes with a heavy injection of new funds by the Federal Military Government and this State Government. The Textile Printers of Nigeria at Onitsha in which Government had only 15 per cent. of the equity and debenture stock and which had a capacity to employ about 800 persons was totally destroyed and had to be liquidated. In its place a new company was floated; the General Cotton Mill at Onitsha, a fully integrated and most modern textile industry with an employment capacity of 5,600 persons and with the Government, with one-third of the

equity as the largest single shareholder. The Modern Ceramics Industry has now been fully reconstructed and will be recommissioned any time now. The Presidential Hotel, a sad wreckage of the war was completely reconstructed, modernized, re-equipped and refurbished. The former Progress Hotel chain had had its facilities variously destroyed—Enugu was almost a total wreck—many chalets had to be rebuilt, all equipment and furniture replaced; Onitsha was totally destroyed and a brand new, modernized and considerably expanded hotel was built and equipped. Aba, Umuahia, Abakaliki and Owerri were also variously reconstructed—Aba considerably modernized and expanded and all were uniformly re-equipped and refurbished. The burnt out shell of the former Pepsi-Cola Factory at Onitsha had to be pulled down and a new, modern and expanded soft drinks plant was built. The wreckage of the Onitsha Main Market was similarly removed and a more modern and fully integrated market with a restaurant, banking and its own water supply facilities was designed and constructed. The Nigerian Construction and Furniture Company emerged from the war only with its name and a few personnel. Over the past five years it has been recapitalized, considerably re-equipped and honed into the most successful indigenous construction company in Nigeria; additionally its furniture factory at Enugu was rebuilt and a new wood and metal furniture factory was built at Onitsha. The Nigerian Water and Construction Company suffered such total destruction from the war that it has had to be abandoned; a new company, the Nigerian Water and Supply Company, was floated and equipped and it is already successfully making its mark in the field of water construction engineering. The Modern Shoe Factory at Owerri, although it was rehabilitated and reopened, could not survive its nebulous origins and eventually had to be liquidated. A new and more integrated Shoe Factory has now been designed, most of its equipment and machinery are on order and will shortly be established as the Standard Shoe Factory at Owerri.

In the industrial field not only did government achieve and exceed its goal of reconstruction of all previously existing institutions, we have also undertaken new ventures during the last Plan period. New projects include the Oriental Lines—with its modern, luxurious fleet of over sixty buses; Eastavision Nigeria Limited—a Television Assembly Plant (now nearing completion); the Oguta Resort Project—a 100-bed hotel and an 18-hole golf course are presently under construction; the Hotel Enyimba at Aba (now under construction). The Projects Development Agency (PRODA) which is playing a critical role in the development of a technological infrastructure. Its garri processing factory is presently undergoing test production at the Ezillo farm of the Agricultural Development Authority. A brick factory and a mechanized glassware plant are now being installed by PRODA, and a number of other industrial products have already been produced for use. A modern paint factory—Ebony Paints is practically completed and is awaiting commission. A large Glass and Bottle Factory at Owerri for which all designs are completed and all equipment ordered, is to be installed. A new beer brewery, with about 300 hectoliters capacity has been ordered and is to be mounted at Onitsha. The Central Trading Agency has been established; there is also the Central Investment Company which has already invested in a Pre-stressed Concrete Factory for the prefabrication of water tanks, culverts and spans for bridges, has bought one million shares in the UAC of Nigeria Limited and is set to make other investments shortly. The Government has also brought about new industries in partnership with local entrepreneurs—Palmke Limited—a palm kernel processing plant in which Government holds one-third of the equity; the Continental Medical Complex—a medical textile factory in which Government holds 30 per cent. of its equity; the Nigerian Starch Mill at Ihiala in which the Government holds over 20 per cent. of the equity. Through the Fund for Small-Scale Industries (otherwise known as FUSSI), in which Government has invested significantly, over seventy (70) local industrialists have obtained loans to start or expand their industries. Others,

including some large-scale industries like the Fausson Galvanized and Corrugated Sheet Plant, which was assisted to relocate in Owerri from Port Harcourt, have secured liberal and massive guarantees from Government for bank loans.

In sum direct government expenditure in the Trade and Industry sector for the period was N26.3 million, of which N5.5 million was on recurrent and N20.8 million on capital. But perhaps the reality of this State's performance in this sector is best shown by the following table —

TABLE I

**Industrial Establishments employing ten or more persons**

1966 (Eastern Nigeria)	..	..	..	267
1970 (East-Central State)	..	..	..	77
1973 (East-Central State)	..	..	..	420

**Social Overhead**

In the Education sub-sector the State has seen a transformation. At the end of the war the State inherited 3,628 primary schools, 266 post-primary with a total of 914,000 pupils in primary and 78,000 pupils in post-primary. Today there are 1.3 million children in our primary schools and 136,000 in post-primary institutions. Over 90 per cent. of our children of school age are now in school as compared with 50 per cent. before the war, and about 40 per cent. of primary school leavers now enter the secondary schools. Thus 106,000 primary school pupils took the First School Leaving Certificate last year, while 100,000 sought entrance into the secondary school system. Apart from the rationalization of schools, rehabilitation has proceeded. The construction of New Model Schools has been commissioned. The quantity and quality of teachers have been transformed. In 1970 there were about 28,000 teachers in the entire school system; of these 51 per cent. in primary schools were well qualified (i.e., Grade II Certificate or above), 41 per cent. of those in Secondary Schools and 76.5 per cent. of those in Teacher Training Colleges were also well qualified (i.e., Graduates or NCE). In 1974 there were approximately 38,000

teachers; of these 69 per cent. in Primary, 60 per cent. in Secondary and 94 per cent. in Teacher Training Colleges were well qualified. Performance in public examinations is evidence of the transformation of the educational environment of the State. Government investment in Education accounted for 39 per cent. of the Government's total expenditure for the period and has prepared the State to take full advantage of the coming Universal Primary Education.

Not only have we carried through a revolution in our Public Education System—transforming its structure with its institutions, enlarging its scope and improving its quantity and quality, we have also been active in the fields of higher and tertiary education. It may now be difficult to remember but it is nonetheless true that it was as a deliberate act of policy, the investment of over N1.5 million in cash and resources that out of the debris of a battle ground that was Nsukka we recreated, reconvened and reopened the University of Nigeria in March, 1970. Later we were to be joined in this fateful enterprise by the Government of the South-Eastern State and the Federal Government. Similarly it was out of the ruins and debris of the former Enugu General Hospital that we founded, constructed and equipped the first University Teaching Hospital in these parts, until it was certified as acceptable by the Nigerian Medical Council and admitted its first clinical students—students who would in a few weeks time graduate as the first medical doctors to train and qualify here. We not only re-established and re-equipped the Advanced Teachers Training College at Owerri, but out of it we have created the Alvan Ikoku College of Education, easily the premier college of education in the country with its expanding and excellent faculty and its teeming students. Furthermore, out of a motley collection of students and buildings that made up the Enugu College of Technology and the Institute of Public Administration, we created the Institute of Management and Technology—an Institute that has already been identified as a fundamental and positive departure in the questing of Africans for an indigenized technological civilization. Additionally, in the premises of the Institute of Management and Technology is

housed a complex of computer facilities—said to be the most up to date of its kind in this continent—the Eastern Data Processing Centre—which represents the reality of our commitment to join in the cybernetic revolution, to realize for our society and our age the fullest benefits of this revolution.

The restoration of the physical and mental health of a people shattered, disoriented and debilitated by war was one of the most urgent tasks of my Government. Starting from the massive rehabilitation and public health programmes of the immediate post-war years, we have proceeded to set new standards in health care delivery systems rationed to the demanding realities of our times. For basic health sources we have aimed at providing a General Hospital in every Division and have now created Hospital Management Boards to ensure that these hospitals are managed by and for the Community. The Enugu Specialist Hospital, as already mentioned was founded and completed by my Government and handed over to the University of Nigeria to become the University Teaching Hospital has in its brief existence proved a centre of excellence. The Haile Selassie Institute of Orthopaedic, Ophthalmic and Plastic Surgery has been commissioned. The Queen Elizabeth Hospital, Umuahia now taken over by my Government is being converted into a Specialist Hospital; a Specialist Chest Hospital is currently under construction at Nsukka, while new specialist hospitals have been planned for Aba, Onitsha and Abakaliki. At the level of the Local Community we have generously supported the rehabilitation and re-construction of health centres. Health care delivery in Government Hospitals grew from 495,000 out-patients and 58,000 in-patients in 1970 to 1.2 million out-patients and 125,000 in-patients in 1974.

Our expenditure on Social Services for 1970-75 was N236.8 million of which N203.5 million was on recurrent and N33.3 million on capital account.

### **Environment**

The rehabilitation and reconstruction of the environmental infrastructure received the close attention of the Government

during the period under review. The year 1970-71 was concerned with survey of war damage, design and planning of reconstruction. Between 1971 and 1975, the Ministry of Works and Housing has in addition to the routine rehabilitation and maintenance of State roads, completed major reconstruction of 638 km. of destroyed road surface and built 488 km. of new roads. In the last two years of the period a major programme of urban road development was mounted in Enugu and Onitsha and a survey for the redesign and reconstruction of Aba roads and drainage was commissioned. Water has been restored to our towns and boosted to nearly four billion gallons or 500 million gallons more than the total urban water supply for the former Eastern Region. The change in the rural areas is even more remarkable, the rehabilitated, expanded and new rural water supply undertakings in the East-Central State today supply 1.5 billion gallons of water or more than four and half times the total pre-war output in the former Eastern Nigeria. In the Environmental sector, Government spent N84 million for 1970-75, N38.8 million on recurrent and N45.2 million on capital account.

### General Administration

Although emphasis throughout the period was on the restructuring of the economic base and social infrastructure the need to improve the machinery of Government and equip it with the tools to serve the community better was recognized and provided for. The Divisional Administration system introduced in 1971 has by identifying the Community with the Government and involving the people directly in the public service—OLU OBODO—canalized the spirit and energies of our communities into community development. It has been my proud privilege year after year to call the roll of honour of outstanding communities in self-development. In the year 1974-75 some of the remarkable achievements of the past were again surpassed. Whereas in 1973-74 a total of 499 community councils undertook community projects at an estimated N11 million; in 1974-75, 552 community councils embarked on projects with N21 million. Actual expenditure in each year were N6.2 million and N6.8 million respectively. When

it is realized that even at the peak of community effort in the pre-war years, the total value of projects undertaken in the former Eastern Nigeria was under N2 million, the magnitude of the transformation can be better appreciated. Highlights of performance in the last year include a community hospital project by the Isiana Community in Ohafia (N.6 million), Rural Electrification Schemes by Nkwo-Achara, Ibeku West, Umuopara and Ubakala communities in Umuahia Division (N92,000), the Amakokwa community Council—a 100 feet span concrete bridge at a cost of N20,000, Amasin community water supply project N11,000; Egede Community in Udi Division—water supply project N12,300 and Obodo Ukwu—N80,000 for a modern market. In all, the various communities worked on 5,205 kilometres of roads, 276 bridges, 204 culverts, 149 water supply projects, fourteen hospital projects, fifty-three health centres, forty maternity homes and 661 civic centres.

With the successful integration of customary law into our legal system, the administration of justice has attained a measure of authenticity and maturity. The Judiciary has been considerably enlarged, its facilities reconstructed and expanded to cope with the challenges. With the commissioning last October of an improved and wholly new two-channel television network in the State, Government facilities for information and public enlightenment have been fully restored and enhanced. The Ministry of Information has been reorganized into a Ministry of Information, Culture and Youth and is building up the capability to direct, organize and encourage our cultural awareness, and to provide for the welfare and rounded development of our youth. A beginning was also made in the provision of adequate office space and equipment for public servants. Total public expenditure on General Administration was N93.5 million of which N81.4 million was on recurrent and N12.1 million on Capital account.

In the 1974-75 financial year, which rounded off the post-war era, our objectives were to consolidate the work of reconstruction, further rationalize and stabilize the structure and organization of the services and prepare the ground for timely and expeditious

start-up on the Third National Development Plan programmes. The year marked the peak of performance in every sector of the public programme, recording 52 per cent. of the performance on Capital projects for the entire period 1970-75 and bringing the total capital expenditure to N128.6 million or 23 per cent. above the original target of N104.6 million. The targets of the reconstruction period have thus been largely met and in several sectors exceeded. Projects in hand have been reassessed and integrated into the new forward-looking programme of the Third National Development Plan. The present budget marks for the State the beginning of the new Plan. Its provisions have been determined by the scope, size and challenges of that bold and imaginative programme mediated by the constraints imposed by national policy and the mechanics of plan implementation, by the inevitable limitations of our resources relative to our ambitions, as well as by the insights derived from the planning and operating experience in the past plan period. I am confident that if everyone concerned plays his part well we shall not only fulfil our programme but transform the environment and the quality of life in the East-Central State.

### **Outline of 1975-80 Development Plan**

Our 1975-80 Development Plan envisages a total capital expenditure of N724.1 million. I here and now do not intend to give you the details of all the projects to be executed during this period. These can be found in our published Plan document. But I will attempt a review of the sectoral allocations and give a few project highlights of our Plan. The sectoral allocations of the Plan are as follows--

TABLE II  
Sectoral Allocations, 1975-80 Development Plan

<i>Sector</i>	<i>Allocation N</i>	<i>% of Total Allocation</i>
1. Regional Development ..	197,647,000	27.30
2. Primary Production ..	116,888,460	16.143
3. Education ..	88,339,000	12.2
4. Transport and Communica- tion ..	75,226,160	10.389
5. Industry ..	69,271,380	9.567
6. Health ..	62,621,000	8.648
7. Commercial and Financial Institutions ..	25,700,000	3.549
8. Energy and Power ..	10,000,000	1.381
9. Information ..	19,837,000	2.74
10. Social Welfare ..	22,592,000	3.120
11. General Administration ..	35,955,000	4.966
Total.. ..	724,077,000	100.00

The Regional Development sector, which encompasses Water Supply, Sewerage and Drainage, Housing, Town and Country Planning and Co-operatives and Community Development as Sub-sectors, receives the largest allocation of N197.6 million. This is because of Government's intention to bring the benefits of development to both town and countryside and for reasons which I will explain briefly.

With the civil war, East-Central State, already the most densely populated region in the country outside Metropolitan Lagos, is now experiencing one of the highest urbanization rates exceeded, if at all, only by that of the City of Lagos. This rapid rate of urbanization puts severe pressures on what remains of our infrastructural facilities.

At the same time and quite aside from our three major towns—Enugu, Onitsha and Aba—there has emerged the phenomenon of new growth centres, such as Owerri, Nsukka, Abakaliki,

Umuahia, Oguta, Afikpo, Abiriba, Amawbia-Awka, Arochukwu, Nnewi, Nkwerre, Orlu and Okigwe all over the State which are also absorbing the rapid increment in population. In consequence, local diversification has intensified and the hitherto islandic pattern of economic activities is no longer valid.

Although the rural urban migration continues and will continue, the new growth centres and rural areas have been absorbing the rapid population increase. This absorption defines the growth centres as cities of the future and renders invalid any strict demarcation between town and country. An important aspect of this structural shift is that both the urban and rural areas now have similar expectations and demand and require the same amenities.

In consequence, these dramatic changes in the regional system have firstly, put tremendous, unexpected pressures on the environmental facilities of the urban and growth centres, which facilities, as already noted, were essentially deleted by the war; secondly, defined new demand pressures and requirements for environmental facilities in what are usually considered rural areas.

Furthermore, the structural shifts or disequilibria within the economy have been accompanied by price-inflation and a widening of rural-urban income gap. It is, therefore, the task of public policy to narrow this gap. This consideration dictates balanced regional development in the programming of economic activities, the location of housing and social amenities. For Water Supply, we have made a total plan allocation of N58.5 million. The highlights of this programme are as follows: New Rural Water Supply Schemes for various districts N23.8 million; uncompleted Rural Water Supply Schemes N10.6 million; Improvement to Existing Rural Water Supply Schemes N7.5 million and Reconstruction of Urban Water Supply Schemes in ten towns N15 million. This programme should serve to better provide our rural and urban communities with water and it is envisaged that every community council area will have pipe-borne water.

In this connection, may I appeal to every community to appreciate the fact that it is not efficient for each and every community to wish to have its own waterworks. It is more efficient for communities to share waterworks and save themselves and Government wasteful expenditures. I appeal to you to co-operate with Government in ensuring that this programme is efficiently executed. In this connection, a study and design of the best way of meeting the needs of every community has been commissioned. Already the State Water Board has signed a major contract for the construction throughout the State of 200 new bore-holes and actual work has just begun. The capacities of the State-owned Nigeria Water Construction and Supply Company Limited has been considerably built-up to enable it play a full part in the total effort. A new concrete industry has been formed—the factory equipment have already been ordered—for the prefabrication of pre-cast concrete water tanks of up to and including one million-gallon capacity, among other things. In the formulation and prosecution of our policy we believe that water supply is not an amenity but a necessity of every human community and that it is a primary responsibility of Government to provide it. However in thus stating the firm policy and commitment of Government, it is not the intention to discourage or reject the well-known efforts of our communities in this regard. On the contrary such efforts continue to be needed to ensure the expeditious completion of our programme. All those communities which have contributed various funds already and all those in the process of doing so should, at the first opportunity, pay over the amounts so collected to the State Water Board. Such payment will be fully accounted for and will go towards meeting the costs and charges of distribution within a community—the laying of pipelines and the erection of taps—from the central State grid which the State Water Board undertakes to bring proximately to every community.

In the Town and Country Planning sub-sectors, we have made a provision of N73.7 million. The major activities in this sub-sector will be the township roads, urban renewal and devel-

opment, housing sewerage and drainage. For the continuation of the reconstruction of our urban roads in sixteen towns we have made a provision of N49.3 million and much of this expenditure will be incurred in the first two years of the Plan. At the same time, it is clear that we cannot reconstruct the urban roads and bridges as they are. New designs and realignment will have to be made and integrated with drainage systems to take account of the changed conditions and heavier traffic patterns and also to look to the future. It is in this sub-sector that we have made a provision for a project for the production of detailed regional studies for the entire State and detailed Master Plans for sixteen towns. The contract for this project has already been signed. For Sewerage and Drainage, we have made a provision of N28 million. In the Housing sub-sector, we have made a provision of N20.5 million, the key projects in this sector being Construction of New Housing Units, N15 million and the Establishment of a Mortgage Bank, N5 million. It is hoped that the Mortgage Bank will facilitate the liberalization of credit to speed up the development of housing. Additionally, Government will encourage the formation of Municipal and Co-operative Building Societies. The Government Staff Housing Scheme, which was in existence before the war, is being revived and the existing building materials industry will be expanded and modernized to meet the demand of the housing problem.

In Co-operatives and Community Development sector, there is an allocation of N16.9 million. The key projects in this sub-sector are Loans and Grants to Local Authorities for rural development projects N8 million; Grants to Co-operative Societies for the processing and marketing of agricultural products N3.5 million. I feel certain and sure that you will all share Government's appreciation of the importance of the effort in the Regional Development sector. In order to direct and vigorously execute some of these new programmes, Government has decided to set up a new Ministry of Housing and Urban Affairs.

For Primary Production, comprising Agriculture, Forestry, Livestock, Veterinary and Fisheries, we have made a total Plan allocation of N116.9 million representing 16.1 per cent. of the total Plan period expenditure. Having regard to the opportunities and constraints which exist in this field, Government will strive even more vigorously than hitherto to promote our agricultural transformation. The direct production activities of the Agricultural Development Authority (ADA) will be expanded and intensified as will also the various extension services of the Ministry of Agriculture. It is envisaged that by the end of the Plan period, the ADA should have developed about 12,240 hectares of land for maize and cassava cultivation and 15,000 hectares for rice cultivation. In addition, the ADA is expected to plant a total of some 30,000 hectares of oil palm during the period. Agricultural extension programmes include food and crop extension schemes, fertilizer distribution involving 21,000 tons of fertilizer, as well as World-Bank-supported oil palm rehabilitation and rice irrigation schemes which aim at developing over 12,000 hectares of oil palm and 5,600 hectares of rice for small-holders. For crops, there is a Plan allocation of N94.9 million, covering food-crop development (N35.2 million); tree crop development (N40.1 million); and supporting services (N18.2 million).

There will also be increased production and improvement in the quality of livestock feed, using more of local materials. A total allocation of N15.2 million has been earmarked for livestock development including ancillary services.

The policies and programmes for the Forestry sub-sector aim broadly at forest development in order to meet the domestic demand for forest products by the construction industries and for the proposed pulp and paper, and particle board industries. A total allocation of N5.4 million has been made to this sub-sector and it is hoped that this, together with Federal Government financial encouragement, will serve to increase the area of forest reserves to meet present and future demands for forest resources.

For fisheries, there is an allocation of N1.4 million which should aid fishery development mainly through investigations and extension services to the private sector.

Government has decided to reunify the present two Ministries of Agriculture under one command, but in a reconstructed and rationalized Ministry of Agriculture and Natural Resources. Government fully expects that with adequate support to the new Ministry, as proposed in the Plan, the new Ministry will more efficiently discharge its functions to the society.

As regards Roads, the Federal Military Government has taken over responsibility for 1,240 kilometres of trunk B roads in the State which will be reconstructed and modernized during the Plan period. The State Government is thus left with responsibility for the balance of the trunk B roads and for the trunk C roads which we intend to upgrade into more permanent roadways. Our programme also includes the reconstruction of bridges, purchase of plant and equipment and the organization of a transport survey. According to the programme which involves reconstruction and modernization of 1,660 kilometres of roads, a network of all season roads will be spread far and deep into every community.

Reconstruction and construction of new roads will be conducted in the light of the new economic conditions which therefore implies realignment and modernization where necessary. The total allocation for our road programme is N73.2 million and this is quite apart from our programme for urban roads and bridges which I have already mentioned in the Regional Development Sector.

For the Industrial Sector, we have made an allocation of N69.3 million to cover mostly Government equity contribution in the various projects. I should say here that, as a starting point for including projects in the Plan, an industrial survey of the State was undertaken with the aim of identifying the investment opportunities and the resources, special attention being paid to inter-industry relations and market opportunities. In identifying industrial projects, priority was given to activities with effective linkage potential, viable local resource base and high employment opportunities. It is estimated that our present industrial programmes

will generate no less than 8,122 direct employment opportunities and ₦10.1 million annually in wages and salaries.

I cannot, of course, mention every one of our many industrial packages. I will only highlight a few of the largest and the most significant ones: as already mentioned, participation in the Pulp and Paper plant to be largely financed by the Federal Government; a New Cement factory; a nitrogenous fertilizer plant with annual capacity of 500,000 metric tons; a large-scale petro-chemical industry—Polyester and Filament Plant—with a capacity of forty metric tons daily.

One project which is particularly vital to our future industrial development is an Integrated Complex for Metallurgical, Machine Tools, Precision Tools and related Industries. This Complex will elaborate and adapt foreign technology and establish foundries and forge plants, produce various machine tools and forming machines, diesel engines, automobile engines, fittings, water pumps and various spare parts. The allocation for this project is ₦16.1 million. The implementation has already started. We conceive of this project as the essential basis for the cumulative and transformative industrialization of this society. In the current Plan, ₦5.2 million will be spent to continue the good work in the establishment of Industrial Estates at Onitsha, Aba, Umuahia, Enugu, Owerri, Abakaliki and Oji River.

The existing Loan Schemes for Small-Scale Industries (Fund for Small-Scale Industries—FUSSI) will be strengthened by the provision of ₦5 million in the current Plan period.

A Rural Electrification Board has been established and an allocation of ₦10 million has been made for Rural Electrification.

In the Commerce and Finance sector the Plan makes a total provision of ₦25.7 million for new and intensified activities. The most important projects here are: firstly, continuation of the

Hotels Development programme at Enugu, Onitsha and Aba for which there is a provision of N11 million; secondly, the redirection and improvement of the Phoenix Hotels with an allocation of N1 million; thirdly, the strengthening and redirection of the Central Trading Agency for which there is an allocation of N2 million; fourthly, the development of the recently established Central Investment Company with a provision of N4 million, which is expected to play a leading role in our investment activities; the continuation and expansion of the Oguta Lake Resort Project for which there is a provision of N2 million.

Education remains our most important investment in the widest sense of the word. Even with the Federal Government taking over responsibility for capital expenditure in respect of Primary Schools beginning this fiscal year, our planned expenditure of N88.3 million in this sector represents a sizable 12.2 per cent. of the total Plan allocation. The major programmes in this sector include the Modernization and Equipment of High Schools, under which we expect to expand 199 existing Secondary Schools, and to construct 151 new ones in order to provide 12,636 class-rooms out of a total allocation of N40 million. As regards technical and technological education, it is proposed that technical schools and trade centres be modernized at an estimated cost of N3.5 million and that the Institute of Management and Technology expand and intensify its programmes for the production of medium-level techno-managerial manpower at an estimated total cost of N20 million. Correspondingly, the Alvan Ikoku College of Education will be expanded with an allocation of N10 million in order to produce the necessary teachers and teacher educators.

For student financing in respect of various scholarship programmes, there is a provision of N10 million, and it is hoped through this effort to intensify the production of all cadres of skilled labour required in our industrialization effort.

An allocation of N62.6 million has been made to the Health sector. Nineteen 200-bed Divisional General Hospitals will be built and equipped at a cost of N15 million. This programme will ensure that by 1980 every Administrative Division in this State

will have at least one hospital. In addition to this, Government will modernize and re-equip all existing hospitals at a cost of N2 million. Furthermore, five 250-bed Specialist Hospitals will be constructed during this Plan period at an estimated cost of N10 million, while the Haile Selassie Institute of Orthopaedic, Ophthalmic and Plastic Surgery will be further developed and more fully equipped at a cost of N3.1 million. Three Specialist 120-bed Psychiatric Hospitals to be located at Enugu, Aba and Onitsha will be constructed during the Plan period at an estimated cost of N6.6 million. A Basic Health Services Programme—a bold and innovative programme of health care delivery—will be provided during this Plan period at an estimated cost of N14.3 million. This programme will, among other things, provide health centres and mobile clinics, will ensure that the benefits of improved health facilities come within the reach of all in the rural areas.

A provision of N19.8 million has been made for Information Services during this Plan period.

For the development of arts and culture, a Cultural Complex will be built in Enugu from a provision of N7 million; whilst the East-Central State Arts Council will intensify cultural activities in the thirty-nine Administrative Divisions of the State from a provision of N2.4 million. Other highlights in this sector include a State Public Library in Enugu; a modern Sports Stadium in Enugu; a two-way Microwave link system for the ECBS (TV) to link Aba to Enugu.

An important project in the Welfare sector relates to the continuing Resettlement of Physically Disabled. As you all know, this has been a matter of great concern to Government. It is a matter of both economics and equity that we provide a permanent and responsible solution to the problem of the physically disabled in our midsts. A critical beginning was made in this regard during the last Plan period. This effort will be strengthened by the construction of a vocational centre for the training of the disabled in such fields as bakery, carpentry and such other activities from the

provision of N1 million. This is quite apart from the Federal Military Government's programme in this regard from which this State will benefit.

In order to complete the modernization of Public Buildings in general and to provide much needed official accommodation, the sum of N26 million has been allocated in this Plan for this project out of N36 million in the General Administration Sector. The major project in this sub-sector involves the renovation of the Parliament building, the continuation of the New Secretariat Development Programme in Enugu, the construction of Divisional Secretariats and Sub-Treasuries in the Divisions. An allocation of N11 million has been earmarked for this project. Other projects in this sub-sector include the construction of thirty-nine Magistrate Courts, nine High Courts and the provision of residential accommodation for members of the Judiciary. In order to help ease the housing problem, an allocation of N4 million has been made to provide senior and junior staff quarters in the urban and rural areas, particularly in the rural areas where the housing problem is most acute.

The Federal Military Government has provided grants for Small-Scale Industries Credit Fund, Secondary Education, Model Industrial Estates, Advanced Teachers' Training Colleges, and Shopping Centres which are extra-Plan projects. The total expectation for 1975-80 is N67.6 million. These are designed to enable State Governments to implement projects which are additional to the programmes already approved in the Plan. The extent of our implementation of these projects depends on our executive capacity to take full advantage of the generous provisions made by the Federal Military Government.

The State Plan takes account of the fact that the activities of the public sector constitute only a small insignificant proportion of the activities of the whole economy and that if the Plan is to succeed the private sector must be fully involved. Several instruments will be used to attain this objective and I should like to mention a few here.

First, Government will, wherever possible, co-venture with the private sector. This way, the enterprise, energies and experience of the private sector will be harnessed. In this connection, it will no longer be necessary aspect of Government policy to maintain a majority equity shareholding in industrial activities. Second, Government will more intensively consult with the private sector, for example, through the various Chambers of Commerce and Industry and with local Co-operative Societies to make available various services where it has an advantage over the private sector. In this connection, the Ministry of Industries and the Institute of Management and Technology will organize regular seminars to educate businessmen and provide a forum for the exchange of views on new technologies and management methods. Likewise, the Projects Development Agency, the Ministry of Industries and the Ministry of Economic Development and Reconstruction will assist the private sector through the provision of consultancy services. Third, Government will increase financial assistance by way of loans to the private sector through the Fund for Small-Scale Industries which I have already noted and the Supervised Agricultural Credit Scheme. Fourth, Government will encourage the co-operative spirit by directing its assistance to co-operative bodies, partnerships and limited liability companies, rather than to individuals. Here, the Ministry of Co-operatives and the Mortgage Bank are expected to play leading roles through loans to co-operative societies. The institution of Industrial and Commercial Layouts in the State will primarily benefit the private sector.

### **Financing the Plan**

Because of the large size of the Plan, it is natural to ask how the Plan will be financed. Given the new revenue allocation formula and financial prudence, internal resources are expected to finance about 72.90 per cent. of the total Plan, mainly because of increased Statutory Allocations from the Federal Military Government. The other sources for financing the Plan, namely Internal Grants, Domestic Borrowing and External Loans are expected to contribute

respectively 12.75 per cent., 11.05 per cent., and 3.30 per cent. Federal grants are expected to be the sole source of Internal Grants. These grants are for projects in selected sectors of the economy which the Federal Military Government intends to support either because they are lagging behind the rest of the economy or because the Federal Military Government wishes to place a greater priority on them. The majority of these grants are given on a 50 per cent. matching basis. Out of a total of N92.3 million expected during the Plan period as Internal Grants from the Federal Military Government, N67.4 million or some 73.05 per cent. will be for the Regional Development sector for Water Supply, Urban Road Development and Sewerage. Also significant are the grants in respect of Post-Secondary Technical Education, N10 million; grants to Psychiatric Hospitals, N3 million and Fertilizer Promotion N4.83 million.

Domestic borrowing is expected to come mainly from public sector financial institutions, such as the Nigerian Industrial Development Bank, the Nigerian Agricultural Bank, the Nigerian Bank for Commerce and Industry and the Federal Mortgage Bank. Of course, efforts will be intensified to utilize regular commercial bank credit facilities. The main point I wish to stress is that Plan projects in the primary production and manufacturing sectors are expected to be financed largely from these national financial institutions. External aid is expected to be a source of loans for Agricultural and Educational projects. The estimated total receipts for 1975-80 expected from these international lending agencies is N23.9 million.

### **Plan Implementation**

Most development plans have been marked by a wide gap between hopes engendered and actual performance. It is a worthless exercise if so much effort is put into the preparation of the plan only to disappoint the hopes of the people by poor implementation. Doubtless, failure in implementation is often attributable to lack of discipline, ill-conception of projects, poor plan supervision,

inadequate executive capacity and bureaucratic delays. It is the intention of my Government that this Plan be effectively implemented and measures have been taken to ensure that these obstacles do not impede the successful implementation of the Plan. Some of these measures have been enumerated in the Head of State's launching address and they apply to this Programme. To this end, Plan discipline will be rigorously enforced. The Plan document lays down specific guideline for deviations from the Plan and unauthorized variations will be penalized.

To improve project appraisal and monitoring, the Planning Ministry is being strengthened and planning units are being established in all the Ministries where they do not now exist and strengthened in those Ministries where they exist. As regards bureaucratic controls which, perhaps, constitute the greatest obstacle to successful Plan implementation, my Government, in consideration of the size and complexity of the current plan, has found it necessary to meet the problem squarely by decentralizing the implementation of the Plan. The details of the decentralization procedure are fully spelled out in the Plan document. Here, I will only just mention that my Government will establish Divisional Committees with some responsibility for the execution and supervision of projects at the divisional and community council levels. These Divisional Development Communities will involve members of the communities including members of the Otu Olu Obodo. Ministries are also being reorganized so that officers at the divisional level will have varying levels of financial authority. As regards tenders, the procedures have been revamped so that officials from the divisional officer level to the Permanent Secretary level have increased and varying levels of financial authority. The decentralization procedures will fully involve citizens at the local level including even the town and development unions, and various committed and patriotic "sons of the soil" of ability and integrity. Let me stress that the main motivation of my Government in instituting these decentralization procedures is to more actively involve the total population in the execution of our Plan and the modernization of our society.

## THE BUDGET

For the year 1975-76, my Government is providing for estimated receipts of N331.1 million against estimated expenditure of N355.9 million. On the recurrent account, there are estimated revenues of N219 million and expenditures of N201.3 million making for a budgeted recurrent surplus of N17.7 million of which N17 million will be transferred to the Capital Development Fund. On Capital Account, other receipts of N112.1 million are expected while N154.6 million has been appropriated, a budgeted capital deficit of N25.5 million. This budget truly marks a new level of operations, a level made possible by the improved economic circumstances of the country as a whole, and the new system of revenue allocation introduced by the Federal Military Government.

The size of the programme we can execute during the present Plan period will depend largely on the amount of internal revenue surplus we are able to generate during each financial year. This means that in spite of the improved financial position we have an obligation to control the size of our Recurrent Expenditure in order to find the surplus necessary for our development programmes. For this reason we have, as far as possible, restricted our increases in recurrent expenditure to those items necessary to provide the essential tools for work during the year; but as far as possible, we have endeavoured to ensure that all sections of the East-Central State benefit from the provisions of the plan. In the phasing and programming of the Capital projects, we have also borne in mind the necessity to give preference to projects which mature early enough to reimburse us with the essential funds to carry on. Emphasis is also given to projects which can attract external funds from the Federal Government, local financial institutions or external agencies. We hope, particularly, that during the period we would avail ourselves of the opportunities for financing many of the projects from local financial institutions. Now for more details.

## Revenue

There has been a dramatic increase in the State's Recurrent Revenue expectations from the N99 million recorded in the 1974-75 Estimates to N219 million in this Budget, but the large increases derive almost entirely from the large contributions from Federal sources which, including reimbursements, now account for 76 per cent. of the total. Internal revenue sources are expected to contribute N58.8 million including Federal reimbursements in respect of Teacher Training Institutions. In view of the relatively small collection in revenue from internal sources my Government has been exploring ways of improving the efficiency of our revenue collection machinery and in the course of the last financial year we were able to examine recommendations of an expert committee on the reorganization of the Board of Internal Revenue. The recommendations of the Committee headed by Professor Adedotun Phillips are being immediately implemented and it is hoped that this will assist in realizing the internal revenue expectations of the State indicated in the current estimates. I would like here, on behalf of the Government and the people to thank Dr Phillips and members of his Committee for a job well done. With the introduction of Uniform Income Taxes throughout the country, it has become necessary for us to review the existing level of other taxes in order to ensure that the spirit of the Income Tax Management Decree is respected, and the tax burden lightened for every citizen. With immediate effect therefore, the Capitation rates presently imposed by various urban and community councils in their areas of authority are hereby abolished. In their place, the existing Development Rate is hereby modified by the substitution of the following Schedule -

<i>On Total Income</i>	<i>Development Rate</i>
	N
Not exceeding N1,000 .. .. .	4
Exceeding N1,000 but not exceeding N4,000 ..	16
Exceeding N4,000 but not exceeding N8,000 ..	40
Exceeding N8,000 .. .. .	80

The problem of inadequate revenue in the various community councils, divisional and urban councils has been of great concern

to us and it is therefore proposed to pass over in their entirety the whole proceeds of the Development Rate less the attributed cost of collection, for development purposes to the community, Urban and Divisional Councils. This, we hope, will ensure a sound fiscal base for their operations.

For capital projects, the main sources of receipts for this financial year are Federal matching grants and domestic borrowing.

### **Expenditure**

The expenditure programme for 1975-76 is tied largely to the needs of development. On the recurrent side, the large increases in personal emoluments following the Udoji awards account for a high proportion of the increased vote. The "Udoji" salary increases account for N50 million increase in the provision for personal emoluments. However, the personal emoluments element in the 1975-76 estimates is 64 per cent. compared to 65.9 per cent. last year, emphasis having shifted somewhat to the tools for growth. However, the effort to restructure the public service and provide tools for work has continued. There is therefore provision for properly staffed specialized new units in some key Ministries. As noted a Ministry of Housing and Urban Affairs is being created. The two Ministries of Agricultural Extension and Agricultural Production and Animal Husbandry are being merged into a Ministry of Agriculture and Natural Resources. A number of Ministries - Economic Development and Reconstruction; Finance; Education; Information, Culture and Youth have been considerably expanded on account of enlarged specialist service units. The process of decision making and programme control are as we have noted being decentralized so that schedule officers can take greater responsibility for their performance. For it is only with the exercise of initiative and drive that the ambitious programme we are embarking on can be accomplished. This process of decentralization is being carried further to the community level. Under the new Hospital Management Board system being introduced, communities are to be involved in the management of State Hospitals at the Divisional level.

The total estimated Capital Expenditure for the year 1975-76 is N154.6 million. The percentage shares of the various sectors in the total appropriation for the year are shown in Table III.

TABLE III  
Sectoral Allocations as Percentages of Total

	Total Plan Allocation 1975-80	Per cent.	Appropriation 1975-76	Per cent.
Crops ... ..	94,908,316	13.11	15,780,420	10.21
Livestock ... ..	15,227,487	2.10	3,340,210	2.16
Forestry ... ..	5,354,000	0.74	1,887,200	1.22
Fisheries ... ..	1,398,657	0.19	246,100	0.16
Manufacturing and Crafts	69,271,380	9.57	14,473,270	9.36
Energy and Power	10,000,000	1.38	1,000,000	0.65
Commerce and Finance ...	25,700,000	3.55	6,770,000	4.38
Water Transport ... ..	2,030,000	0.28	500,000	0.32
Land Transport—Roads and Bridges ... ..	73,196,160	10.11	14,498,070	9.38
Education ... ..	88,339,000	12.20	21,411,010	13.84
Health ... ..	62,621,000	8.65	11,619,010	7.52
Information ... ..	19,837,000	2.74	5,360,010	3.47
Social Welfare and Sports	22,592,000	3.12	2,974,000	1.92
Water Supply ... ..	58,541,000	8.08	11,628,250	7.52
Sewerage and Drainage ...	28,000,000	3.87	7,600,000	4.92
Housing ... ..	20,500,000	2.83	4,500,010	2.91
Town and Country Planning	73,706,000	10.18	19,303,010	12.49
Co-operatives and Community Development ... ..	16,900,000	2.33	3,260,010	2.11
General Administration	35,955,000	4.97	8,433,030	5.46
Total, All Sectors	N 724,077,000	100.00	154,583,610	100.00

The variations of these percentages from the overall 1975-80 percentage shares of these sectors in total Plan allocation is explained partly by the need to ensure maximum utilization of capital receipts expectations that have greater probability of realization, and partly by the observed stage of preparation of the various projects in the various sectors. For example, projects with feasibility studies completed and accepted are given preference in appropriation to those without studies or with only pre-feasibility studies. Also, projects which provide backward linkages to other projects and which must necessarily be in a prior order of sequence, have appropriation in the 1975-76 fiscal year.

In order to streamline and facilitate plan implementation, it is intended this financial year to revert to the normal practice of

issuing a general warrant releasing the capital vote as soon as the appropriation is made. This will put the responsibility squarely on the executing Ministries to programme their operations.

The appropriation for Livestock and Veterinary, Forestry and Fisheries sectors are N3.3 million, N1.9 million and N0.25 million respectively. Because of the crucial position of livestock projects in the economy as far as food and animal protein production are concerned, and forestry products, as far as inputs for forest products in industries are concerned, reasonably substantial allocations have been made to all the projects in these sectors.

In the Industry sector, an appropriation of N14.5 million is made. The appropriations for the various projects represent in most cases the equity contribution of Government to the industries. Some projects in this sector have had feasibility studies completed and accepted, whilst others are either being studied, or studies are in the process of being commissioned. Substantial appropriations have, therefore, been made for those projects that have been studied and accepted, and for which contracts have been entered into with foreign partners and/or private entrepreneurs. In the Commerce and Finance sector, an appropriation of N6.2 million is made.

In the Transport sector, an appropriation of N15 million is made. It is expected that the appropriations will allow most of the roads to experience some construction activity whilst the others will have their preliminary studies and designs completed and ready for construction activity in the next fiscal year.

In the Education sector, an appropriation of N21.4 million is made. Substantial allocations are made to all projects attracting Federal grants and the IDA loans. Two projects in this sector, High Schools Modernization and Equipment and the Alvan Ikoku College of Education are expected to benefit substantially from Federal grants designed to increase the programme already approved in the Plan for the State.

In the Health sector, an appropriation of N11.9 million is made. The projects attracting Federal grants have substantial appropriations made to them whilst others which provided basic and essential health services are also substantially provided for.

The appropriations for the Information and Social Welfare sectors are N4.4 million and N3 million respectively.

In the Regional Development sector, which contains the Water Supply, Sewerage and Drainage, Housing, Town and Country Planning, Co-operatives and Community Development sub-sectors, substantial Federal grants are expected. In the 1975-80 Plan period, Federal grants expected for all sub-sectors within the Regional Development sector amount to 73 per cent. of total Federal grants. It is, therefore, understandable that projects within all these sub-sectors which are expected to attract Federal grants are given substantial appropriations in 1975-76. This explains the relatively high total allocation of N43.5 million made to all sub-sectors in the Regional Development sector. This represents 28.9 per cent. of the total appropriation for 1975-76.

In the General Administration sector, an appropriation of N8.4 million is made. Substantial allocations are made to those projects which are subsequent phases of continuing projects in order to provide the basic and essential infrastructure for effective administration and management during and after the Plan period. Examples are the projects for public buildings. Here, as in other sectors, the allocation for Staff Housing Loan Scheme, Ministry of Justice Judiciary Reference Library, Materials Testing Laboratory and Workshops, Yards and Stores, either have reserved allocations or token provision to enable the implementing agencies come up with well documented implementation schedules.

In the Energy and Power sector a reserved appropriation of N1 million is made for the Rural Electrification Board. The Federal Military Government has agreed to lend to such states as may require it, sufficient funds to meet their expenditure on primary education. My Government is relying on this loan to release N58.1 million from the recurrent account in order to reduce the gaping deficit in our capital budget and bring the effective capital programme nearer the budgeted target.

Fellow citizens, the next five years are years of unprecedented and singular opportunities. Unprecedented because never before in our history has such a magnitude of resources been made available and furthermore from our own resources to execute our Plan.

Singular, because the opportunity for the transformation of our socio-economic conditions from a semi-primitive to a modern state is truly in our hands. The programmes which we have outlined today are the recipe for the revolution—if we can make it.

Let me stress that we alone stand between our resources and commendable achievement. Only our preparedness or otherwise to meet the challenges of the future, our total commitment or otherwise to the efforts directed at the accomplishment of our Plan, our ability or inability to rise to the demands of a modern work-ethic stand between our possibilities and their realization. Financial resources on their own do not guarantee efficient services. Resources are only meaningful when they are deliberately and efficiently applied to desired objectives. And it is the character of the actor and the action that ensure success or failure.

It is in recognition of the foregoing that my Government decided to institute the structural and organizational changes which we hope will provide our workers and our people with maximum opportunities to commit and apply themselves to the execution of our Plan. We have every confidence that the people would verify our faith in them. Already the women in Otu Olu Obodo have shown the way. It is fateful that the women, our mothers, and our wives have carried the torch. A little spark can light the forest fire.

Let me appeal to everyone, man or woman in the public or private sector to realize that the fulfilment of the present Plan means a radical change in our level and quality of existence. Plan fulfilment will mean wide and smooth highways throughout the length and breadth of this State; it will mean enough water for everyone; it will mean the spread of electric power to our villages; food in every household, improved medical care for everyone, and education for all. It will, in short, mean a great and beneficent change in our tone of life. Most important, it will mean a stronger and safer foundation for the future.

Let us, then, everyone, do our very best to seize the tide. Let us all pull together. As our people say "When grasshoppers strike in unison they can break a pot".

Fellow citizens, I thank you all.



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