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1987 BUDGET OF REALITY

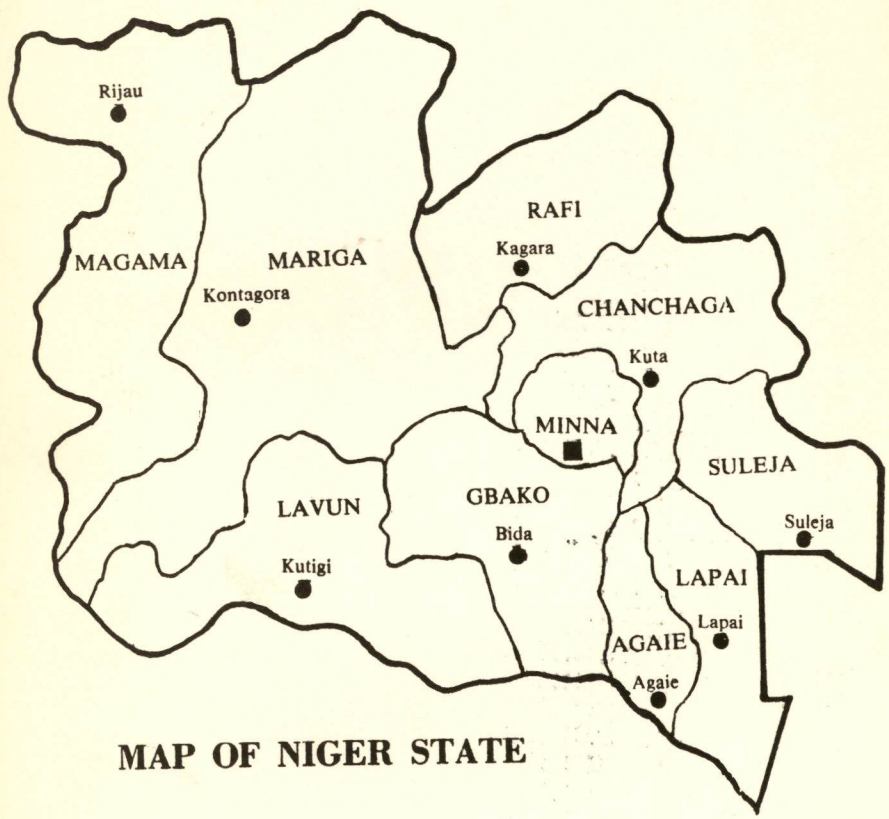
BUDGET SPEECH &
PRESS BRIEFING



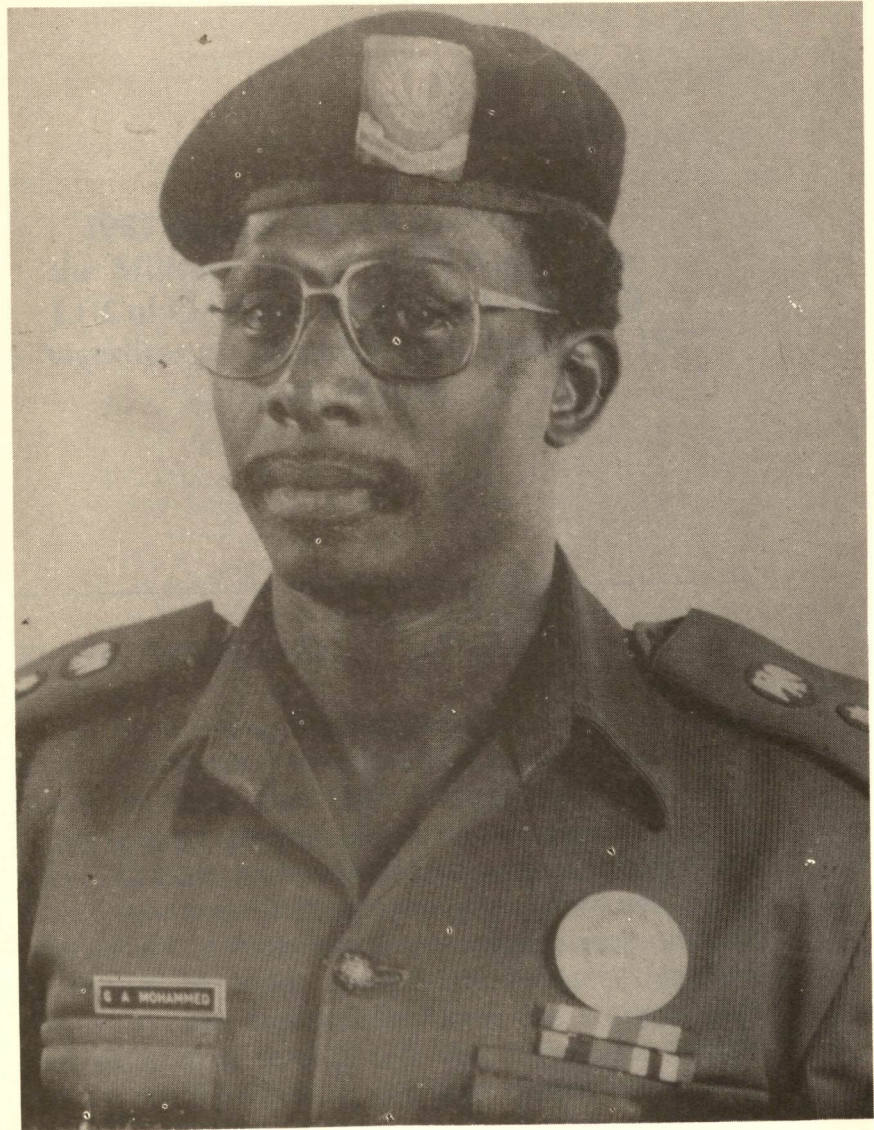
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MAP OF NIGER STATE



LT. COL. GARBA A. MOHAMMED
Military Governor of Niger State

**1987 Budget Speech delivered by
the Military Governor of Niger State
Lt-Col GARBA ALI MOHAMMED
to Nigerlites on Monday 12th January, 1987
at 10.00 a.m.**

FELLOW NIGERLITES,

We have today, reached another milestone in our history as a State, I therefore feel highly honoured to present to you, the 1987 Budget estimates. The Budget period affords all of us an opportunity to review our past performances as well as present the State Government's development programmes in our commitment to meet the yearnings and aspirations of the people of Niger State. The budget therefore presents in clear and definite terms the struggle between expanding services on one hand and limited finances on the other. It will also review our performances of the past year to enable us keep abreast of the level of progress we have attained and the financial resources that have been utilised thereby enabling us appreciate the areas that require consolidation and/or immediate attention.

REVIEW OF ACHIEVEMENTS IN 1986

AGRICULTURE

We made remarkable achievements in our efforts to tackle the bottlenecks militating against increased outputs and productivity in agriculture. These bottlenecks centred mainly on farm inputs, farm implements and finance. To this end, 6,600 (six thousand, six hundred) metric tonnes of assorted fertilizers, 20.8 metric tonnes of improved seeds as well as 263 (two hundred and sixty three) litres of agro-chemicals were distributed to farmers through "Back to Land Programme" which was launched during the year under review.

To bring more land under cultivation, a total of 567 (five hundred and sixty seven hectares) of bush was cleared for all categories of our farmers. In addition, the State Government obtained a loan of ₦5m (five million Naira) which was lent to farmers to enable them overcome their financial constraints.

In our efforts to ensure maximum benefits to farmers from the bumper harvest recorded in the year, about 1,543 tonnes of surplus grains were purchased for strategic reservation. In addition, 16 grains stores of 500 tonnes capacity each were repaired and reconstructed.

In our bid to inject efficiency and effectiveness in to livestock development, the Niger Livestock com-

pany was created with a majority private sector participation from the Veterinary Division of the Ministry of Agriculture last year.

EDUCATION

Our achievements in the area of education centred mainly on providing classroom accommodation, workshops and equipment to cater for our increasing number of students to enable us optimize the benefits of the new national policy on education.

In this regard, 70% (seventy percent) of the graduates of Junior Secondary Schools were admitted into the 61 (sixty-one) existing Senior Secondary Schools. In our expansionary endeavours, contracts were awarded for the construction of 200 (two hundred) classrooms at a total cost of ₦3.4m (three million, four hundred thousand Naira) as well as for the construction of four standard Junior Secondary Schools at Bobi, Sabon Wuse, Maitumbi and Kataregi. Also contracts were awarded for the construction of 21 (twenty-one) workshops at a cost of ₦1.4m (one million, and four hundred thousand Naira) and the conversion of 50 (fifty) classrooms into workshops at the cost of ₦113,400.00 (one hundred and thirteen thousand and four hundred Naira). Equipment for the teaching of Introductory Technology for 350 (three hundred and fifty) Junior Secondary Schools were received from the Federal Government. As a complement, the State Government recruit 541 (five

hundred and forty-one) N.C.E. and H.N.D. holders who participated in the Voluntary TEACHING Service Scheme to boost schools staffing.

The programme for women Education registered significant achievements, mainly in the areas of literacy classes, guidance and counselling and the re-absorption of married women into Schools.

HEALTH

In the health services sector efforts have been geared to improving services. As a first step, four general hospitals (Minna, Kontagora, Bida and Kagara) and the School of Health Technology Tungan Magajiya were renovated. Apart from renovating these General Hospitals, Government also constructed eight Doctors' Flats within the premises of Minna General Hospital for officers on call duties and upgraded the Pathology Laboratory. In the same year, the construction of Mokwa General Hospital was also completed.

Under the Rural Health Programme, the year saw the take-off of the Rural Hospitals project which includes the infusion plant at Minna General Hospital. The Pharmacy Division of the Ministry of Health also procured and distributed drugs worth ₦200,000.00 (two hundred thousand Naira under the Primary Health Care Programme for the period under review.

In the first phase of health training institutions, the first phase of the School of Health Technology, Minna was commissioned and contract for the second phase awarded.

We also sank 26 boreholes in 22 Basic Health Clinics and 4 (four) Rural Health Centres with the assistance of UNICEF under the Community Health Services Scheme

As regards Health Education, significant success was recorded in Public Enlightenment and mobilization activities for Expanded Programme on Immunization (EPI), Oral Rehydration Therapy (ORT) and Family Planning. And as part of the efforts to improve preventive health services, refuse dumping sites were built in the State Capital while Local Governments were encouraged to procure Refuse Collection Vans.

On its part, the State Health Services Management board strove hard to provide better services in our hospitals. In this regard, drugs worth about ₦2.5m (two million, five hundred thousand Naira) were procured by the Board for our hospitals which they dispensed them at relatively lower rates than obtain in the general market.

INDUSTRY

In continuation of Actions to Stimulate Industrial Growth during the past year, the Committee appointed to determine how best to invest the ₦2.8m (two million

and eight hundred thousand Naira) Industrial Development Appeal Fund submitted its report.

The access road to the first phase of the medium and heavy industrial sites at the David Mark Industrial Estate was completed. Arrangements to adequately service the estate with power and water supply were concluded and work started. It is pleasing to note that these and other incentives have started yielding results as industries have started springing up in the State Capital. Industries like the Minna Pharmaceutical and Surgical Company Limited in which the State Government has majority shares has reached advanced stages of construction. Also the Adoko Marble Industry in which the State Government has interest has started production.

In the area of Small Scale Industries, a new Edict which will improve the operation of the Small Scale Industries Credit Scheme was approved.

COMMUNITY DEVELOPMENT AND CO-OPERATIVES

The tight financial position in which the State has found itself made us place great emphasis on Community Self-help projects. A number of projects like bridges, earth-dams, wells, feeder roads, classrooms and dispensaries worth over ₦413,403.00 (four hundred and thirteen thousand four hundred and three Naira) were undertaken by various communities.

In our commitment to organise and encourage the formation of Co-operative Societies in the State, 100 (one hundred) Co-operative Unions with about 4,000 membership were registered in 1986. Under the Small-Holder Cattle fattening Scheme about 2,000 heads of cattle were fattened by 664 members of the Co-operative Societies utilizing a loan of ₦332,000.00 (three hundred and thirty two thousand Naira).

A Total of 1,328 participants were enrolled in the Home Economics Programme while the Women Programme undertook the training of unemployed women in Home management and handicrafts.

TRANSPORT

During the past year, the road projects completed were the Libelle-Nasko-Salka (40Km) and Gwada-Kuta roads. Gulu-Muye, Minna-Kataeregi-Bida and Gwada-Fuka-Kafinkoro-Kwakuti roads have reached advanced stages of their completion. Government also completed work on Minna phase II and Bida phase II township roads, while a number of township roads in Minna were constructed by direct labour.

HOUSING

Despite our tight financial position, the State Government was able to complete work on the remaining Senior Staff Executive Quarters at Bosso Housing Estate in 1986

As in the past two years, most of the other housing programmes of the State were undertaken by the State Housing Corporation which worked creditably to meet our set target of completing the Progress Court, the Bosso Site and Services Scheme and the Niger House Shopping Complex. Work is progressing satisfactorily on the other shopping complexes.

WATER SUPPLY

Remarkable achievement was attained in 1986 in the area of Water Supply to both urban, semi-urban and rural areas. In the area of Urban Water Supply, the treatment capacity of Chanchaga water works was expanded from 13.5 million litres to 27 million litres per day. Two boreholes were sunk at Bosso to augment water supply from Chanchaga and Bosso treatment plants. The provision of pipe-borne water was also extended to Tunga East layout.

Water-mains were extended to the Cereals Research Institute at Bida while water supply reticulations were expanded in Minna, Bida, Suleja, Kontagora and Kutigi.

In the area of semi-urban water supply, a treatment plant with a capacity of 1.25 million litres per day was completed at Gusoro for Kuta Water Supply while the laying of 16km rising main from Kuta to Gusoro was completed with the people's active participation. Rural Water Supply contracts were also awarded to drill and

develop a total of 78 boreholes all over the State at a cost of ₦3.75m (three million, seven hundred and fifty thousand Naira). In the same vein, Local Governments sunk 23 boreholes through the State Water Board to supplement Government efforts.

SPORTS

The State recorded an increase in the number of Sports Clubs and Associations as well as increased mass participation in sporting activities and competitions both at the State and National levels in 1986. There has also been encouraging response to the ₦15m (Fifteen million Naira) Sports Foundation Fund.

In addition to all these, we won a number of National and International competitions among which were the National Squash Racket Championship, the National Basketball Championship, and Men's African Cup Winners Cup Competition which is the most prestigious. In athletics, we won silver and bronze medals in Athens-Greece. The State also produced National Stars in Boxing and Wrestling.

The construction of the Aliyu Makama Sports Complex has reached advanced stage. About ₦3m has already been realized in cash and more pledges made for the ₦15m (Fifteen million Naira) Sports Foundation.

OTHERS

In Government efforts to improve the welfare and productivity of the Civil Servants, a Staff Canteen at the

Secretariat was completed at a cost of ₦229,364.55 (Two hundred and twenty-nine thousand, three hundred and sixty-four Naira, Fifty-five kobo). The canteen starts operations this year. The new Lagos Liaison Office complex was completed in 1986 and furnished at a cost of ₦308,897.49 (Three hundred and eight thousand, eight hundred and ninety-seven Naira, Forty-nine kobo). Similarly, the New Government House was completed and occupied by the Governor in 1986.

Our achievements in the year under review are no doubt encouraging, but the year was not without its bitter side. For instance, the flood and storm disasters recorded in various parts of the State called for the commitment of a substantial amount of funds from this State, the Federal Government, some sympathetic States namely Sokoto and Kwara as well as individuals and Organisations. As we pray for a non-recurrence of those natural disasters we hope the Federal Government will soon come up with the channelization programme of the two main streams in the State Capital.

Fellow Nigerlites, as I commend you for these achievements which are far from exhaustive, I must also remind you of the tasks ahead.

A serious look at our economic situation indicates that there is still a lot to be done. We must all face the fact that despite our weak financial resource base a lot more can be achieved if we utilise the little we have judiciously.

Our resource allocation last year was guided by the desire to create meaningful impact on the lives of a

good number of Nigerlites. Obviously, the point that Government alone cannot provide for all the people's needs must have been driven home well enough by now.

I will therefore only call on all of you to join hands with the Government in order to build upon the sound economic foundation which has been laid since all the problems confronting this State cannot be eradicated overnight. In the year ahead, we should not be obsessed with the type of development the impact of which, is not felt by the common man. We have always emphasised that although our problems are enormous, our development programmes must be tailored to our financial resources. That is why this year, our budget is tagged "THE BUDGET OF REALITY." I hope that as we march along, we shall always keep this at the back of our minds.

FINANCIAL RESOURCES FOR 1987 BUDGET

The size of the 1987 Budget is determined primarily by our financial resource expectations from the Recurrent Revenue items and Capital Receipt Projections. To finance our recurrent expenditure the sum of ₦145,126,700 or 84% is expected to accrue from our share of the Federation Account while our internal revenue generation effort is expected to yield a total of ₦27,377,410 or 16%.

Our Capital expenditure is to be financed mainly from expected internal loans projected at ₦20m (twenty million Naira) and ₦7.1m to be transferred to Capital Development Fund from the Recurrent Budget. The balance of ₦3,750,000 (three million, seven hundred and fifty thousand Naira) comprises grants and miscellaneous capital receipts which are either already at hand, or are expected. This is the REALISTIC position of our expected financial receipts for 1987 upon which the Budget is hinged.

1987 EXPENDITURES

The 1987 Budget is estimated at ₦203,354,110 (two hundred and three million, three hundred and fifty-four thousand, one hundred and ten Naira) in line with our projected financial resources of the same amount. This represents an aggregate increase of 17% (seventeen per cent) over the size of last year's Budget.

The Recurrent Expenditure Estimate amounts to ₦172,504,110 (one hundred and seventy-two million, five hundred and four thousand, one hundred and ten Naira) representing an increase of ₦26,155,954 or 17.87% over last year's provision, while the Capital Development Programme amounts to ₦30,850,000 (thirty million, eight hundred and fifty thousand Naira) representing an increase of 10.65% over last year's provision.

RECURRENT EXPENDITURE 1987

Out of the total recurrent expenditure of ₦172,504,110, about ₦75,504,040.00 or 44%, (forty-four per cent) is charged to the Consolidated Revenue Fund, ₦69,768,342.00 or 40% to Personnel costs, and the balance of ₦27,131,728 or 16% (sixteen per cent) to Overheads.

A further breakdown reveals that out of the ₦75,504,040 charged to the Consolidated Revenue Fund a total of ₦59,847,600 or 35% (thirty five per cent) is earmarked for internal and external debts servicing deductible at source by the Federal Government.

Similarly, out of ₦69,768,342 earmarked for Personnel Costs ₦28,267,250 is Subvention to Parastatals. Also, of the ₦27,231,728 provided for Overhead Costs, the sum of ₦7,100,000 is transferred to Capital Development Fund. This is an increase of ₦6,100,000 over the 1986 provision in line with the commitment of this Administration to consolidate and improve upon the gains of the last three years.

In terms of individual allocation to Ministries, the lion's share of ₦33m (Thirty-three million Naira) goes to Ministry of Education followed by Ministry of Finance and Economic Planning and the Cabinet Office with ₦6.8m (Six million, eight hundred thousand Naira) and ₦5,000,000 (Five million Naira) respectively. Others are Ministry of Agriculture and Natural Resources ₦5.7m (Five million, seven hundred thousand Naira), Ministry of Works, Transport and Housing ₦5.7m (Five million seven hundred thousand Naira), Ministry of Health and Social Development ₦5.4m (Five million four hundred

thousand Naira) and Ministry for Local Government ₦4.1m (Four million, one hundred thousand Naira). Details on Ministerial allocations will be provided by the Ministry of Finance and Economic Planning during the Commissioners Press Briefings.

CAPITAL EXPENDITURE

The total Capital Expenditure of ₦30 million gives the Social Services Sector the sum of ₦14.2 million or 46% while the Economic Development Sector is allocated ₦7.7 million representing 25%. The Regional Development Sector is allocated ₦5.5 million while ₦2.3 million and ₦1.12 million represent the allocations to Administration and Special Expenditure Sectors respectively.

The main criteria adopted for our choice of projects are economic viability and practicability. Thus, our projects this financial year have been carefully selected to facilitate the amelioration of the pressing problems facing Nigerlites especially the rural populace.

Learning from our past mistakes, this Administration believes that instead of spreading our resources thinly thereby creating numerous uncompleted projects, a more meaningful approach is to select a few projects that hold high promise of completion within the budgeted amount and period, the idea, being to concretize our achievements at the end of the Budget year. Hence, our priorities will continue to be Rural Development, Education, Agriculture and Health.

EDUCATION

The Capital allocation of this Sector totals ₦10,012,000 while a further sum of ₦100,000 is earmarked for the provision of Science Equipment in line with the commitment of this Administration to Educational Development. Priority will be accorded to Senior Secondary Schools, Teachers Colleges and Junior Secondary Schools to meet the needs of our increasing student population and acceptable transition rates.

To enable us attain reasonable quality in our educational institutions, and optimize the benefits accruable from the 6-3-3-4 system, Government will endeavour to complete its programme of workshops development started last year. In the same vein, the Voluntary Teaching Service Scheme will be maintained for as long as necessary to provide employment for some of the participants as well as supplement Government recruitment efforts in the provision of adequate staff for our educational institutions.

As for Zungeru College of Advanced Studies and the State College of Education, the sum of ₦1,000,000 (one million Naira) and ₦800,000 (eight hundred thousand Naira) respectively have been earmarked to enable them settle and function more effectively at their permanent sites. In response to the plight of Local Education Authorities a grant of ₦100,000 (one hundred thousand Naira) has been earmarked for them.

HEALTH

Our commitment to the provision of sound Health Care Delivery System is firm and un-wavering. A total of ₦2.7 (two million, seven hundred thousand Naira) is therefore allocated to this sub-sector. The highest priority projects under this sub-sector include the development of existing Hospitals and the pursuit of the Rural Hospitals programme for which the sum of ₦800,000 (eight hundred thousand Naira) and ₦700,000 (seven hundred thousand Naira) respectively, have been earmarked. Other priority projects include the Basic Health Services Scheme and the improvement of Pathology Laboratories for which the sums of ₦350,000 (three hundred and fifty thousand Naira) and ₦195,000 (One hundred and ninety-five thousand Naira) have been allocated. To cater for the less privileged among us the Chanchaga Leprosarium, and the Old Peoples Home will be rehabilitated while the Bida and Ibetto Blind Centres will be completed.

AGRICULTURE

The importance of agriculture as the mainstay of the State economy has long been identified. We will therefore re-double efforts to ensure adequate supply of agricultural inputs to the rural farmers to relieve them of the drudgery of archaic and back-breaking technology. In this regard priority attention will be given to the timely provision of fertilizer, improved seeds, tractor service and land clearing. To further enhance the maintenance of tractors, Bulldozers and other farm implements, adequate attention will be given to the Development of Agric-Mechanical Workshops.

In preparation for the State-wide Agricultural Development Programme expected to commence in 1987, an allocation of ₦1m (one million Naira) has been made to provide the required infrastructure for the project's take off. We hope this will help us consolidate the gains of the 5 year Bida Agricultural Development Project which matured at the end of 1986.

COMMERCE AND INDUSTRY

The enthusiasm in our efforts to stimulate industrial growth is far from dampened. This Administration reiterates its determination to continue to provide a conducive atmosphere that will attract genuine investors. Priority will therefore be given to the completion of necessary infrastructure at the Industrial Estates. We will also co-operate fully with our partners in the Minna Pharmaceutical and Surgical Company and speed up action on the modernization of Dr. Ladi Kwali Pottery Centre in Suleja to ensure that these two industries take place of pride in the industrial history of Niger State. The Poly-propylene Sack Factory at Kontagora will also be considered should the State financial situation improves.

In the area of Commerce and Finance, provision of ₦1.4 million and ₦300,000 have been made for payment of equity shareholdings in Northern Nigeria Development Company and Suleja International Hotel respectively.

WATER SUPPLY

Over the years the State Government has expended huge sums of money to provide potable water to the people. We appreciate the importance of potable water to the people most especially as this has a lot of bearings on their health, livelihood, productivity, wealth, and ultimate survival. That is why in this Budget we will give priority to the construction of an adequate water tank in Minna to replace the delapidated main tank whose life-span has already expired. Also to boost Water Supply to rural areas, about ₦1,000,000 (one million Naira) has been earmarked as the State Government contribution to the UNICEF assisted rural water supply and sanitation programme. This is in addition to the 25 bore-holes that will be sunk in each of the Local Government Areas by the Federal Government through the Directorate of Food and Rural Infrastructure.

ROADS

In the area of urban roads construction, Kutigi and Rijau township roads will be constructed this year. The Government will continue, to monitor the activities of the Directorate of Food, Roads and Rural Infrastructure in the construction of rural roads in the State.

To arrest the deteriorating condition of the State roads, the sum of ₦1.5 million has been earmarked for their rehabilitation.

RURAL ELECTRIFICATION

The State Government intends to concentrate on the Bida-Doko 33 Kv line and the sum of ₦1,000,000 (one million Naira) has been earmarked for this purpose. The Minna-Paiko-Kwakuti line will be given adequate consideration if our financial position improves. The Rural Electrification Board will be assisted by the State Government to continue to provide essential services at the existing stations throughout the State.

OTHERS

Other projects to be given necessary attention include the construction of Government staff Quarters, the provision of staff Quarters for the Medical Officers on call duty, the completion of the Printing Press Building, and the completion of the State High Court Complex. A total of ₦2.3 million has been earmarked for the purchase of various equipments under special expenditure to enhance productivity and effectiveness in the operations of the service.

While reviewing the 1986 Budget, I highlighted the State's achievements in Sports. To consolidate these gains and further encourage our young sportsmen and women, we will pursue the completion of Minna Mini-Stadium.

Fellow Nigerlites, you are all aware of the general economic trends in the country and the position of Niger State, in particular, when it comes to re-counting our blessings in terms of available funds and the means of generating same.

Although we managed to survive the year and its hardships, the situation does not yet call for relaxation as the economy is far from being healthy. Let me therefore use this occasion to implore you all to rededicate yourselves to the struggle to make this State a model.

We have in realization of our precarious financial position made alot of sacrifice in the past years. While the situation still calls for more sacrifice, I must hasten to point out that there is no need for most, if not all of us to continue sacrificing, while a few others continue to pilfer, embezzle or live fat on the little that we are able to generate. We will therefore go into the 1987 Fiscal year fully determined to deal decisively with fraudulent Revenue Collectors and any other Government functionary who uses his or her position to embezzle Government funds. Consequently, the internal revenue generation machinery will be thoroughly looked into with a view to ensuring effective collection and accounting.

Towards this end, the existing policy requiring Permanent Secretaries and Heads of Departments to render Monthly Revenue Returns to the Secretary to the Military Government's Office will continue. In ad-

dition, only Permanent Secretaries and Heads of Departments or their accredited representatives will be issued with Revenue Receipt Booklets by the Ministry of Finance.

May I, at this juncture, salute, the patriotic landlords in this State who voluntarily donated one year rent in respect of their houses occupied by civil servants to Government. It has come to my notice that in the past year, some land-lords mis-construed the Government's appeal that all landlords donate their one year rent to mean rent on only one house for those who have more than one. I find it necessary to clarify matters by explaining that our appeal was for landlords to donate one year rent irrespective of the number of houses rented by Government from each landlord.

The collection of development levy at current rate will continue. All must endeavour to pay while collection efforts by the various Local Governments will be intensified. To stimulate more effective collection of this levy 10% of the amount collected will be paid to the particular Local Government Council concerned.

RECURRENT EXPENDITURE

Under recurrent expenditure, the following major budgetary measures shall operate:

- (a) all utility services bills incurred by all Ministries except those by Ministries of Education and Health should be handed over to the Ministry of Finance for settlement.

(b) Ministries should at all times endeavour to maintain their fleet of vehicles so as to contain the urge to board them thereby necessitating frequent replacements when the existing fleets could serve more years if adequately maintained.

(c) All labourers and gardeners working within the Permanent Secretariat are now to be controlled by the Office of the Head of Service and Secretary to the Military Government.

(d) An embargo of 20% is hereby placed on all Over-head costs and other charges.

CAPITAL EXPENDITURE

Under the Capital Expenditure, the following measures will apply:

(a) The Ministry of Commerce and Industry should communicate to the Boards of Minna Pharmaceutical Company, Shiroro and Suleja International Hotels the need to float the shares allocated to indigenous businessmen but not paid for, to interested subscribers.

(b) The State Government would give the necessary support to Parastatals like the Housing Corporation, REB, Water Board and NICE to enable them undertake contract jobs both within and outside the State. This is with a

view to strengthening their performance and broadening their revenue earning capacities.

(c) It is noted that project executing agencies in the previous year sought and secured the provision of funds to projects that they were either incapable of or not immediately prepared to execute, while those actually under execution were stopped due to lack of funds. This practice has given rise to a spate of applications for Special Warrants in those years. This year, only applications for virements will be entertained.

OTHER POLICIES

(i) In addition to the direct labour system Government will continue to award contracts at the most realistic prices.

(ii) Government will also pay particular attention to the proper and adequate maintenance of government assets such as buildings, plants, machinery and vehicles.

The tight financial situation and the problems of the economy are still with us. Although the Federal Government has announced the restoration of full leave grants and other allowances, in the case of Niger State, leave grants will remain suspended. I am aware of all the hard sacrifices which the State Civil Servants have made and continue to make but since our economic predicament is still with us we have no option but to continue the suspension of leave grants.

OVERSEAS TRAINING AWARDS

In-service and scholarship training overseas is hereby suspended in the light of our State economy and the prevailing exchange rates. Government will however continue to sponsor those already enrolled in various courses overseas.

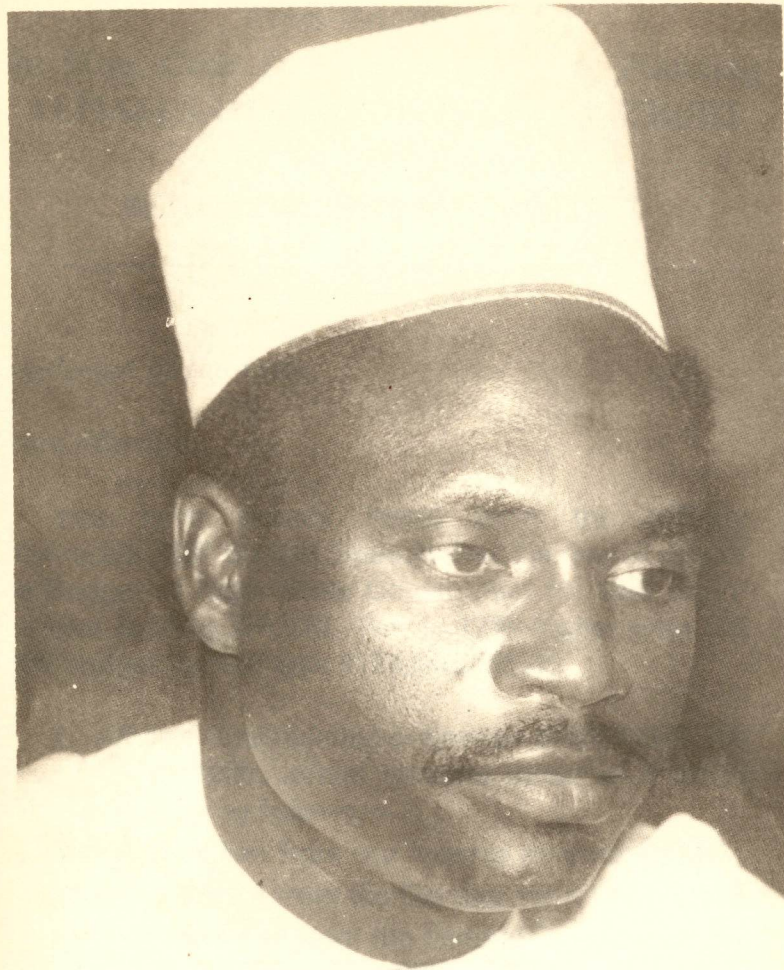
Finally, fellow citizens of Niger State, you have seen the reality of our position which has never really been strange to you, but which you have always lived with and sacrificed for. The Government expects you to continue to show the same spirit as you have done in previous years.

We want to assure you that as a responsible and responsive government with the welfare of its people at heart, we will not demand such sacrifices that will be counter - productive or unbearable.

Let us resolve to build Niger State into the most habitable and lively State in the Federation; a State that shall be admired by our neighbours and a State that shall be a pride to the nation and generations to come.

Thank you and God guide and bless you all.

Press Briefing



ALHAJI SAIDU ABUBAKAR WUSHISHI
*Honourable Commissioner for Finance and
Economic Development*

**Press-Briefing by
the Hon. Com. for Finance and Eco. Planning
ALHAJI SAIDU ABUBAKAR WUSHISHI
on the 1987 Budget
delivered on January, 14th 1987**

Gentlemen of the Press,

Good Morning,

You have already heard from the Military Governor's 1987 Budget Speech that the overall size of the Budget of Niger State Government for 1987 financial year is ₦203,354,110. This is 17% higher than the 1986 budget, which was ₦174,048,156.00.

2. While a total revenue projection of ₦174,048,156 was made in 1986, actual receipts stood at ₦161.14 million made up as follows: —

- a) ₦15.5 million from our internal revenue effort
- b) ₦10.6 million from the Development Loan Stock
- c) ₦5 million loan from the Federal Government for the purchase of excess grains.
- d) ₦120.04 million from the State's share of the Federation Account.
- e) ₦10 million syndicated loan tied to the completion of Minna-Kataeregi-Bida Road.

3. It is pertinent to point out that actual receipt of ₦120.04 million from the Federation Account is ₦2.3 million (2%) higher than what was projected (₦117.7 million). On the other hand, internal revenue collection of ₦15.5 million fell by ₦13.13 million (46%) against the projected ₦28.63 million. It must also be added at this stage that ₦30.08 million of the ₦120 million share of the Federation Account was deducted at source to service our external and some internal debt obligations.

1987 REVENUE DETAILS

4. The Total budget for recurrent and capital expenditure for 1987 stands at ₦203,354,110. This is balanced with recurrent revenue and capital receipts of the same amount as follows: —

a) Internal Revenue Effort	₦27,377,410 (13.46%)
b) State's share of Federation Account	₦145,126,700 - (71.36%)
c) Capital Receipts	₦30,850,000 - (15.17%)

5. The internal revenue is expected to be generated as follows: —

(a) Taxes	₦ 4,242,000
(b) Fines and Fees	₦10,667,620
(c) Earnings and Sales	₦ 5,123,540
(d) Rent on Government Properties	₦ 2,490,020
(e) Licences	₦ 1,868,210

(f) Interest, Dividends & Repayments	₦ 686,000
(g) Re-imbursements ₦ 30,000
(h) Miscellaneous ₦ 2,270,010

6. Our capital receipts of ₦30,850,000.00 are expected from the following sources:

(a) Loans and/or rescheduling of earlier internal loans ₦20,000,000
(b) Transfer from Recurrent Surplus	₦ 7,100,000
(c) Grants ₦ 2,350,000
(d) Miscellaneous ₦ 1,400,000

RECURRENT EXPENDITURE

7. The total recurrent expenditure for the 1987 financial year is ₦172,504,110 or 84.8% of the total budget. Of this amount, ₦69,768,342 is for personnel cost, ₦27,231,728 for Overhead Costs and the balance of ₦75,504,040 represents Consolidated Revenue Fund Charges.

8. Out of the ₦69,768,342 allocated to Personnel Costs, ₦28,267,250 is the recurrent subvention to Parastatals while ₦41,501,092 represents Personnel Costs of Ministries. Similarly, of the ₦75,505,040 charged to the Consolidated Revenue Fund, ₦59,847,600 will go for external and some internal debt repayments, ₦2,229,000 is the State's contribution to Pensions and Gratuities Scheme, and the sum of ₦7,100,000 is transferred to the Capital Development Fund. Of the remaining balance,

₦2,720,000 represents statutory allocation to Local Government Councils while ₦3,607,440 is for Statutory Payments to Audit Department, C.S.C. Judiciary and J.S.C.

9. The approved 1987 recurrent expenditure according to Ministries and Departments are as follows:—

<i>Heads</i>	<i>Ministry/Department</i>	<i>Amount ₦</i>	<i>%</i>
412	Government House ...	711,515	0.41
413	Military Governor's Office (Cabinet)	5,804,664	3.36
414	Ministry of Agriculture	5,717,905	3.31
415	Ministry of Commerce and Industry ...	749,320	0.43
416	Ministry of Education	33,342,935	19.33
417	Ministry of Finance and Economic Planning	6,761,138	3.92
418	Ministry of Health ...	5,376,635	3.12
419	Ministry of Information	1,429,138	0.83
420	Ministry of Justice ...	813,430	0.47
421	Ministry for Local Government ...	4,111,455	2.38
422	Ministry of Works and Transport ...	5,670,965	3.29
423	Audit Department ...	618,480	0.36
424	Civil Service Commission	286,870	0.17
425	Judiciary	3,448,738	2.00
426	Judicial Service Commi- ssion	64,502	0.04

<i>Heads</i>	<i>Ministry/Department</i>	<i>Amount (₦)</i>	<i>%</i>
427	Local Government Service Commission	152,570	0.09
428	Pension and Gratuities	2,229,000	1.29
429	Public Debt Charges	59,847,600	34.69
430	Transfer to Capital Development Fund	7,100,000	4.12
431	Payment of Sub- ventions	28,267,250	16.39
TOTAL		₦172,504,110	100.000

10. The recurrent subventions to the Parastatals are shared as follows:—

<i>S/Head</i>	<i>Parastatals</i>	<i>Estimates 1987 ₦</i>
1.	College of Education	2,000,000
2.	Housing Corporation	834,960
3.	Zungeru College of Advance studies	1,000,000
4.	Broadcasting Corporation of Niger State (BCNS) ...	1,500,000
5.	Rural Electrification Board	1,400,000
6.	Water Board	1,700,000
7.	Sports Council	1,000,000
8.	Pilgrims Welfare Board ...	103,490
9.	Kaduna Polytechnic	2,400,000

<i>S/Head</i>	<i>Parastatals</i>	<i>Estimates 1987</i> ₦
10.	Board of Internal Revenue	1,144,100
11.	School of Agriculture ..	467,690
12.	Health Services Management Board	7,750,000
13.	Niger State Council of Arts and Culture	600,000
14.	State Agric Development Project	4,229,010
15.	Niger Printing and Publishing Company	2,138,000
TOTAL		28,267,250

CAPITAL EXPENDITURE DETAILS

11. It has earlier been stated that the total capital expenditure for 1987 is put at ₦30,850,000.00. Its distribution to the various sub-sectors is as follows: —

<i>S/Sector</i>	<i>Amount</i> (₦)
Administration	1,120,200
Agric and Rural Development ..	2,370,000
Livestock and Veterinary	130,000
Forestry	30,000
Manufacturing	1,002,800
Rural Electrification	1,000,000
Commerce, Finance and Tourism	1,700,000
Transport & Communication ..	1,500,000

<i>S/Sector</i>	<i>Amount (₦)</i>	
Education	10,012,000	
Health	2,595,000	
Information	1,000,000	
Community Development and Co-operatives	NIL	
Social Development	600,000	
Town and Country Planning	2,700,000	
Water	2,000,000	
Sewage and Drainage	NIL	
Housing	800,000	
Special Expenditure	2,290,000	
TOTAL		₦30,850,000.00

BUDGETARY MEASURES

Throughout the Military Governor's budget address, he kept reminding us of the State's inadequate financial resources. To ensure that this constraint does not incapacitate Government from achieving its set target for 1987, the Government is determined to ensure that projected revenue targets are realised. To this end, the machinery of revenue collection will be strengthened and monthly reconciliation of revenue receipts between Treasuries and Banks will be a feature of the checks to be introduced to ensure that what is actually collected is paid to Government. Indeed the Military Governor in his budget address not only directed the continuation of the policy requiring Permanent Secretaries and Heads of Departments to render monthly revenue returns to his office before the 25th of every month, but also directed they alone will be issued

with Revenue Receipts Booklets by the Ministry of Finance. This will ensure that as the accounting officers of their various organisations, they pay attention not only to expenditure but also to revenue generation. Indeed, they will be held responsible for non-performance in that direction.

DEVELOPMENT LEVY

In his budget address, the Military Governor has announced the continuation of the collection of the ₦20.00 Development Levy in 1987. In this regard, all Local Government Chairmen are hereby directed to pass their 1986 collection to the Board of Internal Revenue with immediate effect. The Chairmen must of course, ensure complete collection from their respective areas. They will also submit revenue returns to the Ministry for Local Government in respect of all revenues collected on behalf of Government. As contained in the budget address, 10% of the collection by each Local Government will be paid back to it on completion of the collection.

REVENUE COLLECTION BY PRINCIPALS

The Principals of our Schools are once more reminded that all revenue collected from their students in the form of examination fees, caution deposits, schools up-keep fees, subsistence fees, etc. must be promptly paid into government treasury. They are hereby re-assured to strictly comply with this procedure as Government will monitor compliance and will deal appropriately but decisively with defaulters.

PARASTATALS

All Parastatals are hereby warned that under no circumstances will they be subvented beyond what is provided for them in the Budget. They will have to generate the shortfall themselves. It is therefore mandatory for them to gear up their revenue collection efforts and accounting. Like the Permanent Secretary and Head of Departments, the Head of each Parastatal will submit his Revenue Progress Report before the 25th of every month to the Honourable Commissioner of the overseeing Ministry.

ALLOWANCES

All allowances being paid to civil servants in 1986 will be continued this year. For the avoidance of doubt, only the following allowances will remain suspended:—

- a) Leave Grant
- b) Housemasters and head of departments' allowances

Also, the minimum promotion period for civil servants will remain 3 years.

OTHERS

Government will continue to subsidize agricultural inputs especially land clearing, tractor services and fertilizer so as to assist rural farmers.

Considering our financial disposition and the astronomical cost of vehicles, all heads of departments must ensure greater control of all vehicles under them. All vehicles must be in one pool except those of the Honourable Commissioners and Officers on GL. 16 and above.

Employment of new staff where vacancies exist will continue to be subjected to due clearance from the Establishment Division of the SMG's office, and the Department of Budget of the Ministry of Finance and Economic Planning.

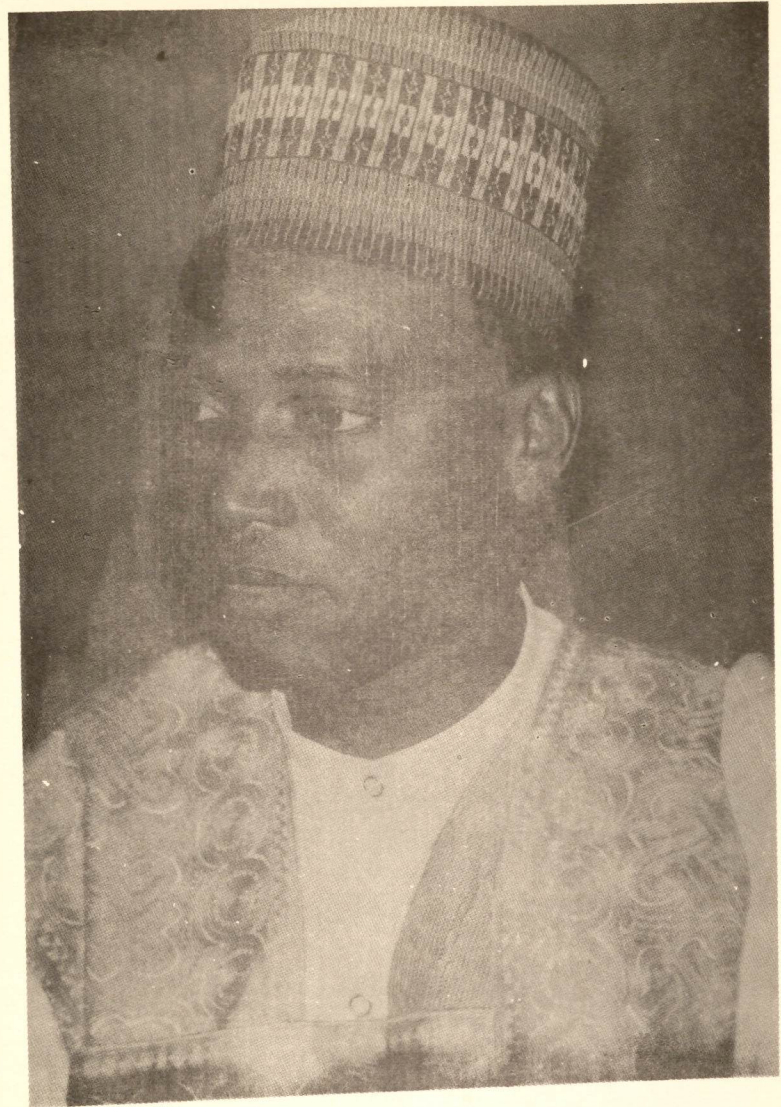
CONCLUSION

Gentlemen of the Press, the above represent the major points of 1987 Budget. You will observe that I have deliberately made no mention of the reduction in personal income taxes (as a result of increase in tax relief) and increases in Transport allowances announced by Mr. President in the Federal Governments' Budget. This is because strictly speaking, this is not a component of our budget. It's implementation will probably come to us as a directive from Lagos.

Finally may I seize this opportunity to join the State Military Governor in calling on all Nigerlites, who have since known and lived with the reality of our situation, to continue to co-operate with Government to ensure the success of 1987 Budget. In particular we appeal to the Civil Servants on whom the implementation of the

Budget programmes rest to work tirelessly, honestly and always in the interest of the development and well being of Niger State. With this appeal, the BUDGET OF REALITY is completely launched.

Thank you and may ALLAH guide and bless us all.



ALHAJI ABDULRAHAMAN GARA
Secretary to the Militaty Government and
Head of Service

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