

संख्या 1423/44-2/1995 तद्दिनांक

प्रेषक,

श्री डी० एन० राय,
विशेष सचिव,
उत्तर प्रदेश शासन।

सेवा में,

सार्वजनिक उपक्रमों/निगमों से
सम्बन्धित प्रशासनिक विभाग
के प्रमुख सचिव।

सार्वजनिक उद्यम अनुभाग-2

लखनऊ : दिनांक : 27 अक्टूबर, 1995

विषय :- अनुत्पादक एवं व्यर्थ के खर्चों में कटौती।
महोदय,

मुझे यह कहने का निदेश हुआ है कि दशम् वित्त आयोग की संस्तुति संख्या 3.46 से 3.50 (प्रतिलिपि संलग्न) में अनुत्पादक के खर्चों में कमी करने की संस्तुति की गई है। इस सम्बन्ध में सार्वजनिक उपक्रमों/निगमों की कार्यक्षमता में सुधार लाने के सम्बन्ध में निर्गत कार्यालय ज्ञाप संख्या-863/चौवालिस-1-1994, दि० 1 जून, 1994 में अनुत्पादक व्यय कटौती करने सम्बन्धी निर्देशों की ओर आपका ध्यान आकृष्ट कराते हुए मुझे आपसे यह अनुरोध करना है कि अनुत्पादक खर्चों में कमी/कटौती से सम्बन्धित उपरोक्त निर्देशों का अनुपालन सुनिश्चित करने का कष्ट करें और इस दिशा में कृत कारवाई से सार्वजनिक उद्यम विभाग को अवगत करावें।

संलग्नक-यथोपरि

भवदीय,
[डी० एन० राय]
विशेष सचिव

संख्या 1423(1)/44-2/95 तद्दिनांक

प्रतिलिपि सार्वजनिक उपक्रमों/निगमों के मुख्य कार्यकारी अधिकारियों को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित।

आज्ञा से,
[देवी प्रसाद साहू]
अनुसचिव।

3.46 We have reassessed the non-plan revenue expenditure of the States keeping in view the past trends in the growth of expenditure and their reasonable requirements. Our examination of the fiscal behaviour of States for the last 15 years of so gives an unmistakable impression that the problem in ensuring fiscal balance hinges primarily of the capacity of States to curtail unproductive and wasteful expenditure. Non-plan revenue expenditure has grown at a trend growth rate of about 18 percent during the period 1986-93. There is little possibility of a step-up in revenue resources which can accommodate such a rapid increase in expenditure. While some growth in non-plan revenue expenditure in priority sectors like basic health and elementary education could be considered desirable, there is need to curtail expenditure on most other items.

3.47 The rapid rise in non-plan revenue expenditure has also been accompanied by a rapid increase in the numbers employed by government without commensurate increases in efficiency and productivity. In State after State, we have come across the phenomenon of salary bills growing relatively much faster than the growth of expenditure pre-empting. An ever increasing proportion of resources for the more maintenance of the government apparatus. Very little resource is left for improving the coverage and quality of services which government is expected to provide. The result is manifest in the poor maintenance of government assets, the upkeep of government offices and even the unbelievable situation of non-payment of salaries to employees in time. This is an unsustainable position which is bound to erode the capacity of State Governments for providing essential services to the people.

3.48 For estimating non-plan revenue expenditure, we have disaggregated the total expenditure into certain broad heads like police, health, education, buildings, irrigation and flood control, roads and bridges, interest payments, committed liabilities and others. While the expenditure on the maintenance of buildings, roads, irrigation works, flood control works and liabilities on account of interest payments have been worked out on a normative basis, we have followed a statistical approach for the rest tempered with an element of prescription as explained earlier in the general methodology. It may be clarified that while estimating the trend growth rates and arriving at base year figures, we have eliminated unusual items of expenditure which are not part of the normal trend and have occurred on account of special contingencies in one or two years.

3.49 We conducted an exercise to examine the responsiveness of the expenditure on the residual items to the price increases during the period 1980-90. We find that the price elasticity of non-plan revenue expenditure, excluding the normative items, is around 0.85. We have used this figure as we think it will suffice to cover increases in expenditure which arise on account of inflation, primarily for payment of additional instalments of dearness allowance.

3.50 Considering the unprecedented expansion of the Government machinery that has occurred over the years. We are of the view that there is little justification for further expansion. On the contrary, there has to be a deliberate and conscious attempt to reduce the size of establishment if government machinery is to be lean and effective. In the circumstances, we have provided for a moderate growth of 1.5 percent per annum in non-plan revenue expenditure over and above the increase accounted for by prices. For certain priority sectors like health and elementary education we have provided a relatively fast rate of growth. A higher rate of 2.5 percent has been provided for expenditure on health and family welfare service for all States. We have provided a growth rate of 2.5 percent for expenditure on elementary education, only for States where literacy levels are below the national average viz. Andhra Pradesh, Arunachal Pradesh, Bihar, Jammu and Kashmir, Madhya Pradesh, Meghalaya, Orissa, Rajasthan and Uttar Pradesh.