

**PROCEEDINGS AND RESOLUTIONS ADOPTED IN THE 55TH SESSION OF THE  
NATIONAL ASSEMBLY HELD FROM THE 14TH TO THE 20TH NOVEMBER, 1981**

1.     **REDUCTION OF ROYALTY ON SOKEY SHING FOR HOUSE ROOFING AND  
CONSTRUCTION REQUIRED BY VILLAGERS**

Some Chimis requested that the royalty on Sokey Shing timber for roofing be made at par with the royalty on pine and fir timbers. Other chimis requested that the royalty on timber for house construction required by the poorer villagers be exempted.

On this issues, the government agreed that the royalty on Sokey Shing will be made at par with the royalty rate on pine and fir timbers at Nu.5/- per tree to ensure equal benefits for villagers residing in locations where neither pine trees nor fir trees are available.

Regarding the request for exemption on royalty for house construction timber for the poorer villagers the Assembly referred to resolution 4 of the 50th session of the National Assembly wherein this issue had already been covered.

2.     **STIPULATED PERIOD OF INTERVAL FOR ALLOTMENT OF TIMBER FOR  
HOUSE CONSTRUCTION TO VILLAGERS**

The Chimis of Samchi and Sibsoo proposed that the stipulated period of interval of 25 years for allotment of timber to villagers for construction of houses be made to eight years.

On this point, His Royal Highness Tengyel Lyonpo explained that the government had laid down the 25 years interval to control timber allotted at subsidized rates. In the absence of such an interval, villagers, instead of constructing permanent houses, would misuse the timber, and harm the interests of the country. In practice, however, whenever timber was required for repairing verandahs or changing the main beams of small houses or where timber for general repair of houses was recommended by the local Dzongdags after enquiries, the Forest Department allotted timber accordingly.

The Assembly was pleased to accept the explanation given by His Royal Highness Tengyel Lyonpo and a resolution to this effect was adopted.

3. FINES FOR INABILITY FOR PROTECTING FORESTS FROM FIRES

The Chimis of Mongar requested that villagers who are prevented from reaching the locations of forest fires by natural obstructions like cliffs etc. should be exempted from paying fines for their inaccessibility to the forests.

In response, His Royal Highness Tengyel Lyonpo explained that discussion on this subject had already been held during the 50th session of the National Assembly and that wherever natural obstacles prevented the villagers from putting out the forest fires, exemption from fines were being made according to resolution 3 of the 50th session.

The Assembly also accepted the explanations given by His Royal Highness and resolved that villagers concerned must abide by the rules prescribed for the prevention of fires and the protection of forests in resolutions passed in previous Assemblies.

4. MATTERS RELATING TO MINERALS SURVEY

The Chimi of Dagapela requested that if any minerals have been discovered at Dagapela, the Royal Government should take up mining of these deposits for increasing the national income of the country. The Chimi from Gasatshowom and Umdaga, Wangdiphodrang, proposed that the mining of minerals which do not involve heavy and expensive machineries or foreign experts should be undertaken. However mining of minerals requiring heavy and expensive machineries and foreign experts be left unexploited until our own people have the required experience.

In response, the Director of Industries and Mines informed the House that minerals survey of about 100 square kilometers have been completed in Dagapela and deposits of chilko pyrites and beryl have been discovered. A report on the economic viability of mining these minerals will be submitted when it is complete.

Regarding the mining of minerals requiring heavy and expensive machineries and foreigners, the Director of Industries and Mines appreciated the public view of keeping such deposits unexploited for the time being. This view was in keeping with the policy of the Royal Government. As such, he explained that only minerals like dolomite, limestone and coal were being exploited to the maximum extent possible as these minerals can be extracted easily. He added that during the 5th plan period, they proposed to mine the deposits of gypsum and graphite as they do not require heavy and expensive machineries

or foreign expertise. Regarding the future mining of deposits, the Director informed the House that several boys were not undergoing studies in mining in various countries. The Royal Government was also of the view to postpone mining of important minerals until local expertise was available.

## 5. MATTERS RELATING TO SPECIAL COMMITTEE

The Chimi of Sarbhang requested to be informed about the functions and responsibilities of the Special Committee.

The Chimi of Lamidara enquired about the equal benefits to government staff provided by the Service Commission and requested that the Government should not neglect government staff stationed in remote places and assure them of similar benefits.

In response the Secretary of the Special Committee stated that the functions and responsibilities of the Special Commission were as follows:-

- i. To provide equal facilities and benefits to government staff according to their categories in all Government Departments.
- ii. To sanction appointment of new candidates possessing the required qualifications for posts above grade VIII.
- iii. To approve promotion of senior and experienced staff by upgrading their appointments.
- iv. To provide equal facilities for allowances, residential quarters, furniture and vehicles to all Government employees wherever admissible.

The Secretary further explained that it was also the responsibility of the Special Commission to see to the welfare of the lower grade staff and as such a sum of Nu.50/- per month had been sanctioned to staff of Grade XVIII and below as a temporary allowance.

He also added that the Civil Service Rules and Pay Scales for the staff in general were being amended and as such more equitable facilities and benefits would be provided to all the government employees.

On this issue, the Hon'ble Foreign Minister referred to the points raised by the Chimis regarding cases of neglect of government staff stationed in remote places and said that such neglect may have occurred in one or two cases, and that these cases were actually the responsibilities of the Heads of Departments concerned.

He suggested that the Heads of Departments bring such cases to the notice of the Special Committee, and also suggested that a circular to this effect be circulated by the Special Committee to the Head of Departments.

#### 6. REGARDING MEMBERSHIP OF BHUTAN IN THE WORLD BANK

The Chimi of Sibsoo referred to the discussions held during the previous session of the National Assembly regarding Bhutan's membership of the World Bank, and requested to be informed about the action being taken on this issue.

In response, the Hon'ble Foreign Minister stated that the Assembly was aware of the necessary for Bhutan to become a member of the World Bank, and as such a resolution had been unanimously adopted in the previous session approving the International Financial Institutions Act No.1 of 1981. Further pursuant to the command of His Majesty the King, a delegation had been sent to the Headquarters of the World Bank at Washington in the United States of America, and Articles of Agreement had been signed on the 28th September, 1981, admitting Bhutan as a member of the International Monetary Fund (IMF), the International Bank of Reconstruction and Development (IBRD or World Bank) and the International Development Association (IDA). He further explained that substantial loans could be obtained from the IBRD and IDA in due course for industrial and other purposes. He also said that it was necessary to establish a Central Monetary Authority under the Ministry of Finance to control our country's currency, and to carry out certain financial and monetary functions. For the time being, some officials from the IMF were being deputed to Bhutan to advise in the setting of the central monetary authority. It has also been decided to send some of our officials for training in fiscal and monetary matters at the IMF training institution in Washington.

The Assembly appreciated the action taken to admit Bhutan into the World Bank, IMF and IDA.

#### 7. RULES AND REGULATIONS FOR ELECTION OF ASSEMBLY MEMBERS

The Chimis of Talo, Chubu, Lingmo, Shengna and Geon, Punakha while expressing their appreciation for circulating the rules and regulations governing the selection of Gups as resolved in the previous session proposed that rules and regulations governing the selection of Assembly members should also be framed.

The Chimis of Chirang and Samchi proposed that the term of Assembly members be also extended to 5 years like Gups and Royal Advisory Councillors.

During the deliberations on these issues, the majority of the Assembly members stated that the current term of Assembly members was three years. If the constituents desired to re-elect the incumbent members at the expiry of their terms, they could do so. Therefore, they felt that a three years term should be retained.

The Assembly resolved that a term for Assembly membership would be retained at 3 years and resolved further that the Government frame a set of rules and regulations governing the election of Assembly members.

#### 8. MATTER RELATING TO MARRIAGE CERTIFICATE (NYENTHAM)

The Chimi of Luni, Wangchang and Humrey, Paro, stated that although a couple with no marriage certificate could be recognized legally after obtaining a marriage certificate by paying a fine, the local court of Paro had sent out a circular stating the couples with no marriage certificates would not be recognized legally under any circumstances. They requested clarification on this matter.

In response, the representative of the High Court explained that it was incumbent upon all married couples to have a marriage certificate. However, exemptions have been allowed in special cases to some married couples who are ignorant of the law to acquire marriage certificates by paying fines. If these cases were not permitted, the children of such couples would face problems in the event of a divorce.

On this issue, His Majesty the King was pleased to express the view that a notification was issued requiring all marriage to be certified. There was no practice of acquiring marriage certificates by paying fines in any country. If such practices are allowed, problems would arise. However, His Majesty the King was pleased to command that

under the provisions of the new Marriage Act, such exemptions have been allowed for the time being as our people are ignorant of the law. However, such practices would be gradually decreased and totally abolished in the future.

The Assembly accepted the views expressed by His Majesty the King.

9. MATTER RELATING TO LAW

The Chimis of Samchi and Neoli proposed that non-nationals married to Bhutanese nationals be granted citizenship. The Chimi of Radi, Tashigang, requested that Inheritance Act be circulated.

In response, the Chairman, Royal Advisory Council explained that according to the proposal of the general public, the granting of Bhutanese Citizenship to non-nationals married to Bhutanese nationals have been fully incorporated in the draft of the Citizenship Act which will soon be finalized. Regarding the Inheritance Act, he explained that as soon as the translation to Nepali was completed, the Act would be circulated.

10. MATTER RELATING TO PRODUCTION OF SURETIES AND WITNESSES IN THE HIGH COURT WHEN CASES ARE BEING PROCESSED

With regard to the report to be placed before the House in accordance with resolution 11 of the 54th session of the National Assembly, the Royal Advisory Councillors stated that the production of sureties and witnesses at the High Court was solely for the benefit of the litigants. Moreover, sureties and witnesses were not required in all cases but depended upon the gravity of the cases. If this system was abolished it would inconvenience the litigants concerned.

During the deliberation on this issue, the majority of the members agreed that the system of producing sureties and witnesses as required in the processing of cases in the High Court should not be abolished.

The Assembly resolved that the system of producing sureties and witnesses required in the processing of cases in the High Court should be continued as in the past.

11. MATTER REGARDING THE ROYAL ADVISORY COUNCIL

The Chimi of Samchi requested to be informed about the powers, responsibilities and functions of the Royal Advisory Councillors.

In response, the Royal Advisory Councillors stated that the responsibility of the Royal Advisory Council was to advise His Majesty the King and the Royal Government in matters of national interests and to see the proper relations were maintained with other countries. The Council was in power to rectify any mistakes committed by the public which are against the policies and desires of the Royal Government. Because of the close relationship and co-operation existing between the Royal Government and the public, there has been no need for the Council to utilize these powers. However, in the future, if there is any misunderstanding between the Royal Government and the public, the Council was prepared to come forward to find out ways and means to solve the problems. The Council was also responsible for the current interpretation and clarification of all laws and rules enacted by the Royal Government.

On this issue, His Majesty the King was pleased to command that the main objectives of having a separate Royal Advisory Council was to have representatives of the public to advise the Royal Government in undertaking works and framing policies which would be beneficial and not harmful to the interests of the country. At present there are several committees with different responsibilities, as members of these committees, the Royal Advisory Councillors were able to personally advise and process the works of the development in the country.

His Majesty the King was pleased also to appreciate the readiness of the Royal Advisory Councillors investigating cases that are harmful to the national interest. However, it was not the responsibility of the Royal Advisory Councillors to investigate minor cases. Directives regarding the kinds of cases to be investigated have been given to them.

His Majesty the King was pleased to further command that whenever the Councillors proceed to other locations to conduct important cases, it would be advantageous to have them attend the Dzongkhag Yargye Tshogchungs, if such meetings were being held in the districts while they were on tour. His Majesty the King was pleased to clarify that it was not compulsory for the Councillors to leave Thimphu specifically to attend such meetings as the responsibility of administration in the districts have been conferred on the Dzongdags. It is the responsibility of the Dzongdags and the concerned Departments to implement the developmental projects in the Dzongkhag and not the Councillors.

Finally, His Majesty the King was pleased to command that the Royal Advisory Council would circulate the rules and regulations defining their powers, responsibilities and functions.

12. MATTERS RELATING TO FORMING OF VILLAGE WELFARE SOCIETIES

The Chimi of Samchi proposed the opening of village welfare societies in Samchi Dzongkhag for the successful implementation of the Fifth Five Year Plan.

On this issue, the Hon'ble Deputy Minister of the Planning Commission pointed out that the views of the Royal Government were similar to the proposal of the public because for the successful implementation of the Fourth Five Year Plan in the districts, Dzongkhag Yargye Tshogchungs had already been formed. As such, he felt that it was of primary importance to strengthen the Dzongkhag Yargye Tshogshungs which had representatives from both the Royal Government and the public.

The Assembly agreeing with the point stated by the Deputy Minister stressed the importance of strengthening the Dzongkhag Yargye Tshogchungs and felt that there was no need for village welfare societies at present. A resolution to this effect was then depoted.

13. MATTER RELATING TO RECRUITMENT OF NATIONAL LABOUR

The Chimi from Chirang requested to be informed about the facilities and benefits being provided for the national labour recruited for carrying out development works in the country.

In response, the Director, Public Works Department stated that the recruitment of national labour is being done in keeping with the policy of self-reliance of the country and he read out details of facilities and benefits being provided for such labour before the House.

The Assembly while approving the facilities and benefits read out by the Director, Public Works Department, resolved that the facilities and benefits provided to the national labour should be circulated in writing to locations where recruitment were going on.



14. MATTER RELATING TO DANTAK TASK FORCE

The Chimi from Neoli stated that the Dantak Task Force had been sent from the neighbouring country of India for assistance in construction of roads and that they had successfully constructed several new roads. However, at present, it seemed that the Dantak Task Force was not taking up any new roads constructions in the country and as such he requested that the Royal Government inform the Assembly as to what action is being taken on this issue.

His Majesty the King, was pleased to state that for the construction of roads in our country, some aid had been sought from our neighbour India, under this the Dantak Task Force had constructed 1,400 kms of roads. Our Public Works Department have constructed 400 kms which is being maintained by the department itself. During the 5th Plan the Public Works Department will be constructing another 400 kms of roads. As there are many roads to be maintained within Bhutan, the Dantak has been assisting the Royal Government in the task of maintenance. His Majesty the King was pleased to add that the Dantak Task Force was presently assisting us to look after the roads because of the close and friendly relations that exist between Bhutan and India. Further, during the Fifth Plan, the Dantak Task Force would undertake to black top the road from Mongar to Wangdiphodrang. It was because of these projects that the Dantak Task Force were staying on in the country. It was neither the intention of the Dantak Task Force to remain permanently in our country nor was it the policy of the Royal Government to hand over roads to them permanently.

15. KEEPING OF SUFFICIENT UNOCCUPIED SPACE ALONG BOTH SIDES OF THE BHUTAN-INDIA BOUNDARY

The Chimi of Sibsoo stated that houses have been constructed right on the border along both sides of the Bhutan-India international boundary in the border towns and there was a risk of troubles spreading into Bhutan because of the present unrest on the Indian side. He, therefore, proposed that the two Governments meet and agree to have sufficient unoccupied space kept along both sides of the international boundary.

On this issue, the Hon'ble Foreign Minister stated that he agreed that the construction of houses right upto the international boundary was not in the interest of both countries, and that it was imperative for the two governments to take note of this problem. He, therefore

suggested that the Department of Survey and the Ministry of Foreign Affairs should jointly conduct a thorough investigation in the matter and a report prepared and submitted to His Majesty the King and the Lhengyel Shungtshog. Thereafter, the matter could be taken up with the Government of India.

The Assembly was pleased to accept the suggestion put forward by the Hon'ble Foreign Minister, and resolved that early action should be taken accordingly.

16. MATTERS RELATING TO ESTABLISHMENT OF DIPLOMATIC RELATIONS AND TRADE ROUTES.

The Chimis from Tewang, Bimey and Sarbhang proposed that as Nepal was a close neighbouring country with a monarchical form of Government, diplomatic relations should be established with Nepal.

The Chimi from Tewang and Bimey also proposed that resident diplomatic relations be established with Japan. He further proposed that the possibility of developing a trade route by river with Bangladesh should be explored.

In response, the Hon'ble Foreign Minister explained that the difficulties of having more than our present three missions abroad because of the high costs involved had already been fully discussed in the previous session. If more diplomatic missions have to be established, then our present revenue would not be adequate to meet the expenditure, particularly as hard currency was required for establishing embassies in foreign countries. Therefore, we would first have to consider the question of fund constraint. Secondly, the shortage of experienced staff was also a constraint. Thirdly, it was up to the Government to take a policy decision on the question of establishing more diplomatic missions. In the meantime, about 10 officers were being trained in the Foreign Ministry. He added that although the proposal from the public for exchange of ambassadors with Nepal and Japan was sound, the Royal Government would have to decide the matter taking into consideration the actual benefits that may be derived from such exchange and whether such exchanges are essential at the present juncture. He said the Royal Government would take a decision in the matter at the proper time keeping in mind our national interests.

Regarding the riverine route with Bangladesh, he agreed that this was an important issue for our Government to consider. He explained that our trade agreement signed in 1972

with India would be expiring within a few months and Indian officials would be visiting Thimphu for trade talks. When these talks are held, this issue proposed by the public would be kept very much in mind.

17. DEMARCATION OF THE NORTHERN BOUNDARY WITH CHINA

The Chimis from Sibsoo, Talo, Chubu, Lingmu, Shengna and Goen stated that in the 54th Session, it had been resolved to initiate direct talks with China for demarcation of the northern boundary. They enquired what action had been taken upto now by the Royal Government on this matter and when the demarcation would commence.

In response, the Hon'ble Foreign Minister stated that has resolved in the previous session regarding the demarcation of our boundary with our northern neighbour, and pursuant to the command of His Majesty the King, a letter dated the 17th May, 1981, had been sent to the Chinese Government through our Ambassador in Delhi for initiating talks between Bhutan and China. Subsequently on 7th September, 1981 a reply had been received through the Chinese Ambassador in Delhi informing us that they welcomed the proposal for holding talks between the two neighbouring countries for the demarcation of the boundary. They, however, pointed out that it would take some time for them to complete preparations for the talk, and they would inform the Royal Government of Bhutan as soon as they were ready.

The Hon'ble Foreign Minister further stated that later in September, 1981, when the Minister himself was in New York, he met the Chinese Vice-Foreign Minister who had mentioned to him that any incidents on the border between China and Bhutan that may have occurred in the past were caused by local officials and border guards, and was not caused as a result of policy of the Central Chinese Government. The Chinese Vice-Foreign Minister also stated that the demarcation of the boundary was very important for good relations between two neighbouring countries.

The Hon'ble Foreign Minister also informed the House that a Committee had been formed for making preparation for the boundary talks with China. He felt that the talks with the Chinese Government would commence sometime in 1982.

The Assembly appreciated the action being taken by the Royal Government on demarcating the border with our northern neighbour.

18. MATTERS RELATING TO LOANS ON AGRICULTURE PRODUCE

The Chimi from Samchi requested that the public be provided loans on agricultural produce at subsidized interest rates and distribution of seeds also be provided at subsidized rates. He stated that the public were prepared to give assistance for the procuring of pesticides, fertilizers, manure etc.

On this issue the Assembly agreed that the meeting for the fifth plan for Samchi would be finalized soon and that the proposal put up by the Chimi from Samchi be raised and incorporated in the plan during the plan discussions.

#### 19. MAINTENANCE OF DISCIPLINE IN SCHOOLS

The Chimi from Dagapela stated that although the government was providing all facilities in our schools, our students, like college students in other countries, were not prepared to adhere to the discipline and traditions of our country. He proposed, therefore, that strict rules be framed by the government to maintain discipline in our schools.

In response, the Director of Education stated that the Royal Government appreciated the proposal. He pointed out that our kingdom of Pelden Dukpa is a peaceful country, this fact is accepted not only by ourselves but by other people. This is because of the very close relationship of faith and trust existing between our ruler and our people. As such, it was necessary for our students to maintain discipline in the schools in keeping with the close relationship of faith and trust and directives to this effect have been sent to all the schools. But as we have many schools with different kinds of students, some may not keep to the required discipline. Whenever such cases have occurred, strict actions have been taken. In the future, the Royal Government in keeping with the views expressed by the public, will see that strict discipline is maintained.

The Director also requested that the parents and guardians of the students, should on their part see to the discipline and conduct of the students by setting examples themselves by keeping discipline and maintaining our traditions and customs.

The Assembly resolved that our traditions and customs should be strictly maintained.

#### 20. MATTERS REGARDING TEACHERS AND IMPROVEMENT OF SCHOOLS STANDARD

The Chimi from Chirang stated that difficulties have occurred due to shortage of teachers in the schools and requested to be informed about the upgrading of school standards during the fifth plan.

In response, the Director of Education said that it was of utmost importance to have good teachers and the Royal Government had been taking action on this matter. This year, the salaries of teachers in southern India had been doubled and as a result about 70% of our teachers has resigned. The Royal Government had noted the shortage of teachers and a proposal had been forwarded to the Special Committee for increasing the pay of the school teachers during the Fifth Plan. Steps have also been taken to train more teachers each year from our own Teacher's Training Institute to overcome the problem of shortage of teachers from other countries. It has been planned to fulfill the complete requirement of teachers in all our schools.

Regarding the improvement of the school standard in the Fifth Plan, the following works will be undertaken :-

1. Shortage of teachers, accommodation and classrooms in existing schools will be overcome by new constructions.
2. Repairs and renovation of school buildings and staff quarters will be undertaken wherever necessary.
3. New Teachers will be appointed to overcome the shortage of teachers in schools.
4. All schools will be provided with a separate science room, equipped with aids for imparting teaching in the science.
5. All schools will be provided with libraries.
6. Provision will be made to have the basic furniture in all schools in every district.
7. All schools will continue to be provided with subsidized food under the World Food Programme.
8. All schools will be provided games kit to promote sports and games.
9. Study of agriculture and farming will be introduced in all schools.

Regarding the students who have failed, the Director of Education stated that it was important for parents to advise and guide students and not to depend solely on the school guidance.

21. MATTER REGARDING LOSSES INCURRED BY THE FOOD CORPORATION OF BHUTAN

The Chimi from Sibsoo requested to be informed about the transactions of the Food Corporation of Bhutan in buying cardamom and potatoes from the public and selling them.

In response, the Deputy Director of the Food Corporation said that the Food Corporation of Bhutan had not been established to earn revenue for the Government. It had been established to provide food commodities which were not available locally to the general public by purchasing them from other corporation of Bhutan also buys cash crops produced by the public at the highest possible support prices. In keeping with this policy the Food Corporation of Bhutan had incurred a loss of Nu.70.23 lakhs from 1974 to 1980. During the last year alone the Corporation had to incur a loss of Nu. 21.00 lakhs from cardamoms and Nu. 3.00 lakhs from potatoes. However, he added the Food Corporation of Bhutan would continue to provide for the convenience of the general public in the Fifth Plan, notwithstanding the losses incurred by the Government.

22. FINALIZATION OF DZONGKHAG PLANS

The Dzongkhag plans comprising the eight districts of Dzongkhags Paro, Thimphu, Punakha, Shemgang, Ha, Bumthang, Gasa and Samdrupjongkhar were presented before the House. The draft of the plans from the Departments of Education, Health Service, Animal Husbandry, Agriculture, Food Corporation, Public Works Department, Forests, Industries and Mines and Power which had been discussed earlier in the Dzongkhag were presented in detail by the respective Heads of Departments. The Assembly was pleased to accept and approve the plans submitted by the Departmental Heads.

Dt. 20th November, 1981.

Sd/-

( Lyonpo T. Jagar)

Speaker  
National Assembly of Bhutan

Abstracts of the speeches delivered by His Majesty the King and the Hon'ble Deputy Minister of the Planning commission to the National Assembly after the presentation of the Dzongkhag plans of the eight districts for the Fifth Plan.

**Abstract of the speech of the Hon'ble Deputy Minister of the Planning Commission.**

The Hon'ble Deputy Minister of Planning in his speech to the House stated that with the exception of two Dzongkhags, Dzongkhag plans of all the districts have been finalized and the plans for the central programmes will now have to be prepared. A sum of Nu. 290 crores have been proposed to finance these plans. To meet this expenditure, it is expected that Nu. 60 crores will be raised from our own internal resources, Nu. 130 crores will come as assistance from India, Nu. 50 crores as assistance from UN organizations and the remaining balance of about Nu. 46 crores will be sought from other countries in the form of grant and loans.

The Hon'ble Deputy Minister explained that during the formulation of the Fifth Plan, a sum of Nu.144 crores had been proposed as expenditure on establishment and maintenance. However, His Majesty the King had been pleased to command that if such large expenditure is spent on establishment alone, then there would not be sufficient funds left for the actual developmental programmes. His Majesty the King had, therefore, commanded the Planning Commission to reduce the costs on establishment as much as possible in consultation with other departments. As a result the Planning Commission in consultation with other departments had been able to reduce the establishment costs by Nu. 29.14 crores and the final figures have now been proposed at Nu. 114.86 crores.

The Hon'ble Deputy Minister stated that only with the completion of the remaining Dzongkhag Plans, plans of the central programmes, calculation of central establishment costs, confirmation of the funds available from other countries and the finalization of

talks with the government of India, would the actual figures for the Fifth Plan emerge. The finalized figures will be put up to the next session of the Assembly.

The Hon'ble Deputy Minister further explained that the Fifth Plan had been drafted with the gracious participations of His Majesty the King in consultations with concerned departments and the Hon'ble Assembly Members.

He appealed that it was very important to keep in mind that the plan once drafted and finalized in the Assembly should not be changed repeatedly so that the development plans could be begun and implemented without delay.

The Hon'ble Deputy Minister stated that His Majesty the King had been pleased to repeatedly stress to the Planning Commission, the Government departments and the people in the various districts on the five main objectives of the 5th plan. He stated that he would like to again remind the Hon'ble Assembly Members of the following five objectives :

The First objectives was to bring about Dzongkhag self-reliance. To achieve this objective, specific plans have been prepared for each Dzongkhag with the view of making them economically self-sustaining in the shortest possible time, taking into account the local characteristics, potentials and needs. The practice, so far, has been to make only one National Plan that covered all the Dzongkhag in the country.

The second objective was to bring about decentralization of administration and implementation of Dzongkhag plans. This policy was directed at bringing about greater involvement of local officials and people in formulating and implementation of Dzongkhag plans. Under this policy the Royal Government had already appointed many competent and senior officers in various Dzongkhags, in addition to those officers in various Dzongkhags, already transferred alongwith the decentralized programmes.

The Third objective was to reduce expenditure on Government establishment. The total establishment cost of the Government during the Fifth Plan had been initially estimated at Nu.144.00 crores. However, after extensive discussions and with great difficulties, the total establishment costs has been reduced by Nu. 29.14 crores. It was the policy of the Royal Government to further reduce such costs wherever possible, since this was recognized as the key factors in achieving economic self-sufficiency.



The fourth objective was to increase the revenue of the Government. In order to fulfill this policy objective the Royal Government proposed to invest Nu. 50.00 crores in revenue generating industries, such as, wood and minerals based industries and other economically profitable venture. In doing so, the Royal Government hoped to be able to raise the net national revenue from 19 crores in the Fourth Plan to 60 crores during the Fifth Plan.

The Fifth and the most important objective was to motivate and mobilize people's participation in all developmental activities. The time had now come when the people must realize and be grateful to the Government for what it has done for their welfare and development. It would be necessary for the people to respond positively and participate actively in all the development programmes if they are to be successfully implemented during the Fifth Plan.

In conclusion, the Hon'ble Deputy Minister said that with His Majesty the King to guide our nation and our country, it will be possible to carry out our plans successfully. But the Government and people must bear in mind that it is necessary to work together hand-in-hand. He appealed to the House that from the Fifth Plan, extra efforts should be made by all so that the plans do not remain only on paper but are implemented successfully.

## **2. Abstract of the speech of His Majesty the King**

Addressing the House, His Majesty the King stated that the Deputy Minister of the Planning Commission had already expounded on the details of the Fifth Plan. However, there appeared to be some concern among the representatives of the public that the government by reducing the expenditure on establishment costs and maintenance did not intend to undertake any large scale developmental projects, even with the external assistance. His Majesty reiterated that it was not the intention of the Government to discontinue any developmental works by reducing such expenditure. The main purpose of reducing the expenditure on establishment and maintenance was to increase internal revenue to Nu. 60 crores which would be of substantial increase. If the Government fails to curtail such expenditure, then even one-quarter of our total expected internal revenue would not be realized. It was therefore, of utmost importance to reduce expenditures on establishment costs and maintenance.

His Majesty further stated that if we are able to achieve the targets set in the Fifth Plan in accordance with our policies then by the end of the Plan period we can expect to meet

maintenance costs of the Department of Education, Health Service, Public Works Department, Telephone, Wireless, Power and Districts establishments with our own internal revenues. Therefore, His Majesty hoped that we would be able to achieve this aim. However, if we failed to do so, then we would have to keep depending on huge amounts of external assistance, each year and if one day, we do not receive external assistance, then let alone undertaking new developmental projects, we would not be able to even bear the expenditure on the maintenance costs of the developmental projects already completed. This would bring about a grave financial situation in the country.

His Majesty explained that it was, therefore, imperative for us to achieve the targets set for the Fifth Plan, so that we could accomplish the aim of the Government to run the organizations with our own internal resources and even meet some of the costs of new development works. The successful implementation of the Fifth Plan depends on the active participation of the general public. His Majesty was confident that we would be able to fully achieve the targets set forth in the plan.