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**THE FUNCTIONING OF LOCAL GOVERNMENT
IN
RURAL BANGLADESH**

BY

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PREFACE

The study was undertaken to illuminate some of the gray areas in the sphere of local government in Bangladesh keeping in view two proposed USAID funded projects - Zilla Roads Maintenance and Rural Irrigation - which were to be implemented through the local government bodies. The feeder roads network is under the control of the local bodies and irrigation is carried out through local government as well as central government agencies. A survey of the literature on local government shows that most of the previous studies have been made on Union Parishads, the lowest level in the hierarchy. The works on Thana Parishads and Zilla Parishads are mainly descriptions of their formal structure and legally defined functional responsibilities without detailed consideration of the actual situation prevailing in these units of local government. Without knowledge of their real strengths and weaknesses no effective interventions can be made for their improvements to enable them to perform more efficiently and carry out additional responsibilities. In the course of this research an attempt was made to bring out a real picture of their organization and operation with emphasis on human, material and financial capacities; staff strength and staff organization; decision-making process, the degree of autonomy and relationship with the ministry; relationship between the bureaucracy and the elected representatives of the people and between the generalist administrators and the technical personnel. The role of the local parishads in infrastructure development along with the organization and management of the engineering staffs have been dealt with in greater detail because of USAID's project design interests and the fact that rural infrastructure is a primary concern of local government in Bangladesh. The study does not include an investigation of the political processes at work in local government and rural Bangladesh/^{nor} does it discuss the emerging changes resulting from the establishment of elected democratic government at the national level.

Methodology

The choice of the particular units of local government selected for this study was influenced by the units proposed for inclusion in the Rural Irrigation and Zilla Roads Maintenance Project. The Rural Irrigation project selected Dacca, Chittagong, Rajshahi, Rangpur, Tangail, Khulna and the Zilla Roads Maintenance project is proposed for Faridpur, Sylhet, Rangpur. However, this study includes only five of the districts in order to reduce the size of the required data collection effort. Thana and Union Parishads were randomly selected from the eight districts.

Collection of data was made in two stages spread over a period of five months from early November 1979 until the end of April 1980. In the first stage the Zilla Parishads were covered and in the second the Thana and Union Parishads. Information on the activities of the local government units was gathered for the year 1978-79 rather than of the program of the ongoing year (79-80) for more complete accounts and accuracy.

The study used a mix of formal and informal methods. While literature on various aspects of local government was consulted considerable information was obtained from interviews with persons involved in local government. Interview questionnaires were administered to office bearers at each of the three levels which included the chairman and members of the Union Parishad; the Circle Officers, the Thana technical staff; the District Engineers, the Executive Engineers and Assistant Engineers of the Zilla Parishads. Data about the ministry were obtained from the relevant section officers. Informal discussions provided insight into interpersonal relationship and the state of morale in the local government bodies. For data on finances, staffing and equipment the records of each unit of government were studied.

In preparing this report, I incurred many debts. First of all I would like to express my profound gratitude to my supervisor in USAID, Dr. Paul J. O'Farrell, without whose

guidance and encouragement I would not be able to do this work. He helped me at every stage with his deep insights into the problems of the developing countries. I am also grateful to Mrs. Bilquis Ara Alam of the National Institute of Local Government, who was kind enough to go through the draft and make some suggestions. Also I would like to thank all those persons whom I interviewed during the course of the research. Finally, I accept all responsibility for any shortcoming that the reader may find in this report.

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CHAPTER I

An Overview of Government Administration in Bangladesh

The majority of government services provided to the people of Bangladesh is managed by the national government's civil service of administrators and technicians and by employees of government corporations. The public administration system is organized on five hierarchical levels. The Secretariat in Dacca is the highest administrative authority, responsible for the issuance of all rules and regulations related to the organization and operation of the lower levels of administration within the bounds of public law. The Secretariate also is the final authority for all administrative decisions which can be taken by the government at all levels.

Below the Secretariate, the country is divided into four Divisions, each headed by a Commissioner. The Division is essentially a deconcentration of the supervisory responsibilities of the Secretariat. The Divisions do not implement directly any government service program, rather they review and approve programs to be implemented at the District level, the next lower level of administration. In addition, for the past three years, the Divisions have been granted funds to regrant to local government units for the finance of specific projects which are of particular importance within the Divisions.

Below the Divisional level the country is divided into twenty Districts, each headed by a Deputy Commissioner (DC). The District is a key administrative level since the implementing directorates of all nation building ministries maintain staff at this level and the majority of development expenditures are either channelled through or approved by district level personnel. The Deputy Commissioner is the principal central government officer in the District. His chief functions include the coordination of the development activities within the District, the collection of land revenue taxes and the administration of land laws, and the fostering of local government. He is assisted by his own staff and line officers from the nation building ministries (directorates) in carrying out his responsibilities. In addition, he supervises the assistant and deputy magistrates within his office who deal with criminal cases although he himself does not dispose of lawsuits.

Recently, the national government created the positions of District Development Coordinators which are filled by a member of Parliament from each District. These District Coordinators do

not have line responsibility within the administrative system, however, they are tasked with carrying out a motivational effort, using the influence and power of their Parliamentary seats, to see that the national government's program operates in an efficient and coordinated manner. In addition, the remaining members of Parliament from each District are to participate in the activities of the District Development Committee which is a committee of district level officials which selects the public works schemes to be carried out by the Rural Works Program.

Each District is subdivided into Subdivisions - usually three to five - which are headed by a Subdivisional Officer (SDO). The SDO's position and functions are comparable to those of the DC within his geographic limits. The Subdivisional level contains administrative staff from most of the nation building ministries (directorates), and like the Divisional level, coordinates development work which is carried out by the next lower level - the Thana.

The Thana is the other key administrative level of the government and within each Subdivision, there are usually six to ten Thanas. Like the District and Subdivisional levels above, the Thana contains staff of the nation building ministries (directorates), with at least one representative from each. The coordinating officer at the Thana level is the Circle Officer (Development); however issues beyond his control are handled by the SDO in the overlying Subdivision.

The Thana is the level of government administration most frequently contacted by the population at large. This is particularly true for the services of police, health, agricultural extension and credit and the acquisition of agricultural inputs through the Bangladesh Agricultural Development Corporation (BADC). Thana level field staff directly carry out the programs of the central government.

The Thana is unique in the BDG administrative structure because it explicitly combines the bureaucracy with elected officials from the Union Parishad level of local government in order to coordinate and approve local government and self-help projects within the Thana. This combined group of administrators and elected officials is called the Thana Parishad and is chaired by the SDO of the overlying Subdivision.

The Thana is the lowest level of BDG administration, however, a few ministries, notably health and agriculture, maintain staff at the next lower political division - the Union.

Alongside and closely related to the central government's administrative structure, a variety of public services are delivered by local self government units. These local self government units are the Zilla Parishad at the District level, the Union Parishad at the Union level, the Gram Sarkar at the village level and the Pourashava in municipal areas. Although noted above as an administrative level, the Thana Parishad is also considered to be a level of local quasi self government. In addition, the elected members of the Union Parishads who are also members of the Thana Parishad, form a separate Thana level body called Thana Development Committee which functions in many respects as a local self government unit.

Presently most officials at the Union Parishad and Pourashava level are elected. Gram Sarkar officials are also popularly selected although not by the same voting process which is used in Union and Pourashava elections. There is no direct election to the Thana level. Elected persons who serve on the Thana Parishad are the elected chairmen of the Union Parishads within the Thana and hold their position at the Thana level by virtue of their position as Union Parishad chairmen.

Elections to the Zilla Parishad have not occurred as yet and this level of local self government is now managed by the District's Deputy Commissioners.

Local self government at all levels has been assigned a wide variety of functions. However, because of the financial limitations and the parallel activities of the central ministries, the local government units which are primarily rural based are mainly involved in roads, irrigation, community centers, the organization of self-help and food for work activities and the settlement of minor local disputes. In addition, each level of rural local government tends to be functionally specialized - Zilla Parishads concentrate on rural roads; Thana Parishads and Thana Development Committees concentrate on irrigation and the Thana Training and Development Complex; Union Parishads concentrate

on the organization of self-help and food for work activities and the settlement of local disputes; and Gram Sarkars concentrate on village self help activities and the settlement of community disputes.

Zilla Parishads, Union Parishads and Pourashavas have tax and revenue authority which they exercise with varying degrees of success. In general, they finance more than fifty percent of their expenditures from local taxes and revenues. The balance of their annual financial need is provided by the central government through various grants-in-aid. Gram Sarkars are authorized to solicit contributions, however, the size of the resource base and their concern with self help type projects result in a very low level of financial activity. Thana Parishads have no tax or revenue authority and are funded exclusively by the central government.

The most important local sources of revenue are taxes on land transfers and the lease of rights to operate ferries, markets and road tolls. The most significant grants-in-aid are funds to balance local governments' budgets and the Rural Works Program which primarily finances Zilla Parishad road construction and Thana and Union Parishad irrigation schemes. In these functional areas, the Rural Works Program funds are additional to local resources spent for the same purpose and the work itself is managed by a separate cadre of engineers financed by the Program.

The local self government units were established by central government legislation which determined their composition, functions and finance. The Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) determines the actual structure of the local governments and provisions regulating the appointment, duties, transfer, discipline, retirement benefits and service conditions of the local government personnel are made by the Ministry. Ministry approval is essential in levying taxes, rates, tolls and fees and the Ministry

can direct the local governments to establish, increase, reduce or abolish any taxes, rates, tolls or fees or assessments.

The civil service staff of the ministry consists of one secretary, two joint secretaries, six deputy secretaries and fourteen section officers, typical of the staffing pattern of most all ministries at the Secretariat level. Also there is one chief evaluation officer, three associate economists, three statisticians, one planning cell and one engineering cell. Having the closest relationship to the affairs of the local governments is a deputy secretary with a number of section officers working under him. One section officer deals with the establishment matters (personnel) of Thana, Union & Zilla Parishads; another deals with establishment matters of municipalities, a third deals with grants for local parishads; a fourth deals with the framing of rules for local government; a fifth deals with the framing of Local Council Service Rules; and a sixth deals with the election of local bodies and with petitions.

Outside Dacca, a significant degree of MLGRD&C's authority to review and approve the plans and actions of local government is exercised by approving authorities. These approving authorities deconcentrate the central MLGRD&C authority and theoretically allow for more rapid decisions which are based on a greater knowledge of and sensitivity to specific local conditions than would be found in Dacca. The approving authority of the Zilla Parishad, large municipalities and municipalities which are in District headquarters is the Divisional Commissioner. The approving authority for Thana Parishad and smaller municipalities is the Deputy Commissioner and the approving authority for the Union Parishad is the overlying Thana Parishad.

The approving authority of the Commissioners and Deputy Commissioners is an anomaly since these officials are key administrators of the government's bureaucracy, from the Establishment Ministry. Because of their authority to approve (and disapprove) plans and actions of local governments, local governments can be made to function as appendages of the national bureaucracy and its program rather than as institutions of local self government.

CHAPTER II

ZILLA PARISHADS - Structure and Functions

Zilla Parishads were created by the Local Self Government Act of 1885 and were originally called District Boards. In 1959, the Basic Democracies Order gave them the new name of District Councils. The functioning of these institutions was disrupted during the popular movement in 1968 which toppled President Ayub Khan but they resumed business under the name Zilla Boards in 1972. Four years later Zilla Boards became the Zilla Parishads under the Local Government Ordinance of 1976.

Literally Zilla means district and Parishad means council and Zilla Parishad means an elected council comprising the people's representatives within the geographical limits of a district. But elections have eluded this local government body since Liberation in 1971 and the Zilla Parishad, therefore, remains essentially a bureaucratic establishment. Organizationally the Zilla Parishad has had a chequered career, either wholly composed of bureaucrats or partly composed of bureaucrats and partly elected officials. For a brief three year period starting in 1956 Zilla Parishads became entirely composed of elected officials. However, the Basic Democracies Order of 1959 terminated the experiment in democracy and made the District Councils a part of the Deputy Commissioner's office. o/ While independence brought promise of a new political order, little progress in democratizing the Zilla Parishad's composition has been made and bureaucrats still continue to administer its functions. Today, in the absence of elections, all of the powers of the Zilla Parishad are exercised by two key persons; the Deputy Commissioner (DC) and the Assistant Director for Rural Development (ARD) in their respective capacities as Chairman and Secretary of the Zilla Parishad. The principal responsibilities of these two officials is the management of the central government's administrative structure in the District. The DC and ARD belong to the Ministry of Establishment and their roles in the Zilla Parishad can be described as additional to their overall District administrative responsibilities.

The office of the Deputy Commissioner as chief of administration in the District has been in existence for over one hundred years and at times possessed essentially feudal powers. Today these powers have diminished, being defused throughout the increasingly

*
o/ Dr. Ali Ahmed, Administration of Local Self-Government for Rural Areas in Bangladesh, 1980.

comprehensive and complex bureaucracy and in some cases being taken over by emerging democratic institutions. Despite these changes in the strength of the office, the Deputy Commissioner maintains considerable power and prestige which is fully exercised in his capacity as Chairman of the Zilla Parishad.

The office of the Secretary of the Zilla Parishad is occupied by the Assistant Director for Rural Development (ARD), who is a staff officer of the Deputy Commissioner, in charge of one rural development section of his office. This is a position meant, among other things, for monitoring and supervising the activities of the local bodies in the district.

All important decisions are made between the Chairman and the Secretary of the Zilla Parishad and all files go through the Secretary who therefore controls the decision making process by his ability to delay, question or object to recommendations and actions directed to the Chairman.

In addition to the DC and ARD, the Zilla Parishad has an administrative staff fitted into a hierarchical structure under two divisions or sections. The General Section (or Secretariat, as it is called in some districts) includes a Deputy Secretary, or Administrative Officer, Budget officer, Accountant and clerks (Upper Division Assistants (UDA's) and Lower Division Assistants (LDA's)). This section manages the administrative and financial affairs of the Zilla Parishad. The other division is the Public Works Section which is responsible for the construction and maintenance of roads and bridges, water supply, sanitation and public buildings.

Functional Assignments of the Zilla Parishads

The Zilla Parishad has a very long list of functional responsibilities categorized under two headings: I) Compulsory, and II) Optional. The total number of functions is 70. In actuality, the financial constraints and the activities of the central government's national building ministries and government corporations have left the Zilla Parishads with essentially no role in areas such as agriculture, health and education. The principal function of the Zilla Parishad is Public Works.

Public Works

Zilla Parishads are now known mainly for their role in the field of construction and maintenance of the districts' communications system. While the communications system includes rivers, canals and ferries, the principal mode which absorbs the time and resources of the Public Works Section is the districts' feeder roads system. This system is the backbone of the rural road networks which, meandering through the rural area, joins administrative and commercial centers at the Thana, Subdivisional and District levels. The size of these systems is illustrated in Table II. 1.

Table II. 1

Miles of Zilla Parishad Roads

	Paved	Unpaved ^{1/}	Total
Tangail	8	686	694
Sylhet	82	466	548
Rajshahi	N. a.	N. a.	N. a.
Rangpur	122	2,263	2,485
Faridpur	3	127	130
R&H System ^{2/}	2,533	352	2,885

^{1/} Including Herring bone bricks

^{2/} The national highways system under the Roads and Highways Department.

Source: District records and 1979 Statistical Yearbook of Bangladesh.

Table II. 1 illustrates the relative underdevelopment of the Zilla Parishads' road systems with most of the mileage unpaved. Faridpur is particularly noteworthy in that the system is quite small. In addition, during the rainy season a substantial percentage of the unpaved roads become essentially unpassable except to foottraffic.

Rangpur is also notable because of the large size of its Zilla Parishad road networks which is slightly smaller than the entire national highway system under the Roads and Highways Department. The network results from the topographic conditions which preclude the use of canals and river transport.

Public Works Staffing

At the head of the Public Works section is the District Engineer (DE) and below him are: an Assistant Engineer (AE), Sub-Assistant Engineers (SAE), Sub-Overseers (S/OS), Surveyors, an Estimator and Works Assistants (WA). The District Engineer, the Assistant Engineer, the Estimator and the Draftsmen are based at the headquarters and have responsibility for the whole district. The other staff, holding positions below the Assistant Engineer, are assigned to particular geographical locations called circles or sections. These circles or sections do not exactly correspond to the Subdivision boundaries in the district. The manpower position of a few Zilla Parishads is shown in Table II. 2.

Table II. 2

Staff of District Engineers Offices 1979

	<u>DE</u>	<u>AE</u>	<u>SAE</u>	<u>S/OS</u>	<u>Svyr</u>	<u>Estmtr</u>	<u>Drftsmn</u>	<u>WA</u>
(1)Tangail	1	0	0	2	0	0	0	2 (1 subdiv)
(2)Sylhet	1	0	5	2	0	0	0	17 (4 subdiv)
(3)Rajshahi	1	1	6	0	1	1	0	9 (4 subdiv 7 Circles 6 circles)
(4)Faridpur	1	1	6	0	4	0	1	6 (5 subdiv 6 circles)
(5)Rangpur	1	1	5	5	1	0	2+1 tracer	0 (5 subdiv 10 circles)

Table II. 2 shows the lean manpower levels of the District Engineers offices. The district of Tangail has the weakest staffing with no Assistant Engineer, surveyor, estimator or draftsman. The other Zilla Parishads also do not have sufficient personnel. Only in Rajshahi

there is one estimator and Faridpur and Rangpur have only one and two draftsmen respectively. In the other districts the functions of the estimator and draftsmen are carried out by the sub-assistant engineer and sub-overseers stationed at the headquarters.

One sub-assistant engineer is supposed to be in charge of one circle or section with at least one sub-overseer and a number of work assistants. However, in the six circles of Rajshahi and Faridpur there are no sub-overseers and only one to two work assistants in each circle. In Sylhet, for seven circles, there are five sub-assistant engineers, two sub-overseers and two to three work assistants per circle. For the ten circles in Rangpur there are five sub-assistant engineers and five sub-overseers and no work assistant. Work assistants are employed to remain at the work site while work is in progress. However, given the number of persons employed, this rarely occurs. Further, the need for surveyors is great since they must make pre-work measurements for roads and canals. In addition they are considered essential for the preservation of the Parishad's property from encroachment by members of the public. But Table II. 2 shows that only in Faridpur there are four surveyors for five subdivisions. Rajshahi and Rangpur have only one each and Sylhet and Tangail have none.

With the exception of Tangail, staffing at the DE, AE levels is adequate given the relatively small workload which can be financed in a given year. In fact, in terms of the present engineering staff, an expanded annual program could be undertaken. However, there are acute shortages of staff below the SAE level which impinge on the efficiency and effectiveness of the engineering staff and would limit the quantity and quality of an expanded program.

The appointment and transfer of the District Engineers (DE) and the Assistant Engineers (AE) are made by the Secretary, Ministry of LGRD&C. The rules framed in 1968 for Local Government Service made the Secretary of LGRD&C the appointing authority for Class I positions (the DE and AE fall in this category). In addition the rules called for the creation of four Service Boards to handle all matters related to selection, appointments and transfers of employees from category I through IV. However, these Boards have not been brought into operation so far. In practice, if any vacancy occurs for the position of the District Engineer preference is given to Assistant Engineers (holding a diploma) who have completed 15 years of service. The Ministry asks for performance records

and recommendations of the Chairman of the Zilla Parishad. For any new appointment the Chairman (Deputy Commissioner) is asked to advertise, interview candidates and make a recommendation to the Ministry which makes the final decision.

The District Engineer as well as the other Zilla Parishad staff get their salaries from the District fund. The District fund, established for the Zilla Parishad, is formed from the following sources :- 1) the balance of the previous year Zilla Parishad funds; 2) the proceeds of all taxes, rates, tolls, fees and other charges levied by the Zilla Parishad; 3) all rents, profits, interest and other income payable or accruing to the Zilla Parishad; 4) all sums contributed by individuals or institutions or by any other local authority; 5) all grants made by the Government and other authorities except the Rural Works Program grant.

Public Works Equipment

The position of equipment in the Zilla Parishads also presents an unsatisfactory picture. Public Works equipment is provided to the Zilla Parishads by the central government and is used jointly by the District Engineer and the Rural Works Program. If anything goes out of order and needs repair the costs are borne by the Zilla Parishad from its own budget. The Table II. 3 illustrates the quantity of selected construction and survey equipment owned by the Zilla Parishads.

Table II. 3

Public Works Equipment in Selected Zilla Parishads 1979

	<u>Roller</u>	<u>Cement Mixer</u>	<u>Tar Boiler</u>	<u>Level</u>
(1) Tangail	1	1	0	1
(2) Sylhet	1 + 1 (ordered)	1	0	1
(3) Rajshahi	4	0	1	1
(4) Rangpur	2	4	0	2
(5) Faridpur	2	0	0	3

Source: Zilla Parishad records.

District personnel report the equipment to be old and unreliable. In 1978/79 the road rollers broke down in Rangpur and Tangail. Tangail managed to repair its rollers and complete the works, whereas Rangpur had to find other equipment to finish its projects. All of the equipment is based at the Zilla Parishad headquarters except in the case of Rajshahi in which the four subdivisions have one road roller each. When equipment such as the road roller and the cement mixers are required for a particular activity they are taken from the headquarters to the work sites.

Level of Construction/Maintenance Activity

The total mileage of roads under the jurisdiction of the Zilla Parishads increases only slightly from year to year, because the Zilla Parishads spend their resources chiefly to improve the existing road networks and they are financially hard put to take up entirely new road alignments.

Table II. 4 illustrates the level of activity of three Zilla Parishads in 1978 in the area of road maintenance, reconstruction and new construction.

Table II. 4

Road Construction Activity Carried out in 1978

<u>Activity</u>	<u>Faridpur</u>	<u>Rangpur</u>	<u>Sylhet</u>
(1) Roads Maintained/Reconstructed (Miles)	50	48	131
(2) Bridges and Box Culverts Constructed (running feet)	56.3	369.2	-
(3) Ring Culverts (Number)	2	-	14

Source: Zilla Farishad records.

The first item, Mileage of Roads Maintained/Reconstructed, is the total mileage of roadway on which some work was done. The work includes surface repair, brick solling, embankment rehabilitation, bitumen surfacing, etc. The second item is the total running

footage of all bridges and box culverts installed during the year. In Faridpur, the 56.3 rft represents the amount of one 75 rft bridge actually financed in the fiscal year. The remaining footage is to be completed in FY 80. Faridpur's low achievement results from the fact that it has been more active in other public works - principally the construction of rest houses and other government buildings.

Rangpur has concentrated its effort on the construction of bridges and box culverts with the majority of bridges measuring between 15 rft and 30 rft. The typical box culverts is 4 rft.

Sylhet has undertaken no bridge construction with its own funds but rather has concentrated on the maintenance and reconstruction of road embankment.

Not reported above but related to transportation are some minor Zilla Parishad activities in the construction of ferry landings and boats, the clearing of roadside jungle and compensation to landowners whose land is taken as right of way.

Public Works Scheme Selection and Implementation

In each financial year the Public Works schemes are approved and executed using the Zilla Parishad's own financial resources. Despite the volume of work required and the paucity of financial resources, the construction priorities of each year largely reflect the judgement of the Zilla Parishad's technical staff under the guidance of the District Engineer. Both the budget and the list of schemes to be carried out in a given year are prepared by May of the preceeding financial year and sent to the Chairman for approval. Preparation includes estimating the work to be done on each scheme and is related cost. The scheme are reviewed by the Chairman during a meeting of the Zilla Parishad staff involved in the budget preparation and execution of Public Works. The proposed public works schemes and their supporting cost estimates can be changed at the discretion of the Chairman on the suggestions of members of the public and local notaries. Following the Zilla Parishad level review, a list of all of the schemes approved by the Chairman are sent with the proposed budget for approval by the Approving Authority - The Divisional Commissioner. This approval is required before July 1, the start of the fiscal year.

Public Works Schemes are executed by local private contractors. After the Zilla Parishad's budget has been approved by the Divisional Commissioner, tender documents are prepared for each scheme by the District Engineer's office in conformity with Form No. 1129 and tenders are invited by the District Engineer with the concurrence of the Zilla Parishad Secretary. The bids are considered in a tender committee meeting in which the bids for the Zilla Parishad Rural Works Program schemes are also approved. All this takes place generally between September and November, at the convenience of the Chairman. The tender committee includes the Chairman, the Secretary, the District and Executive engineers of the Zilla Parishad and the Executive engineers of the development agencies at the district level (i. e. Roads & Highways department, Water Development Board, Public Works department etc.). The schemes and their estimates are not sent to any higher level for technical review.

The Chairman of the Zilla Parishad is the final authority for the approval of all contracts (bids) upto Taka 50,000(\$3,300). Amounts beyond taka 50,000 require the approval of the Commissioner, but in practice, work could start while his approval is being obtained since it is more of a formality than a prerequisite.

For enlistment of contractors, bid procedure, payment procedure and related problems, start of work and the schedule of rates followed, see Chapter IV - Rural Works Program.

Maintenance

As noted above, the maintenance of Zilla Parishad roads, bridges, buildings, equipment and other property is carried out and financed by the Zilla Parishad from own resources. New construction may be undertaken by the District Engineer but the Zilla Parishads have the added resources of the Rural Works Program to supplement this effort. According to circular 64 (NOWP/1'0'-7/64/1077(21) dated Dacca, June 25, 1964, issued by the Ministry of Local Government, "25 percent of the total budget of the District Council/municipal/town committee should be spent for maintenance of projects implemented under Works Program".

Maintenance is considered to be the first priority of the Zilla Parishad's road function. Second priority schemes - the completion of ongoing construction - and third priority schemes - the start of new construction - are not supposed to be approved until the annual maintenance program is prepared and approved.

In practice Zilla Parishad compliance with priority approval of maintenance and the 25% rule is difficult to determine since there is no uniform definition of maintenance versus new construction/reconstruction. With the exception of the new 75 rft bridge under construction in Faridpur, most all of the remaining road works could be considered as maintenance although the Faridpur Zilla Parishad reported only a small portion of its maintenance. At the other end of the spectrum, the Sylhet Zilla Parishad reported all road works financed from its own resources as maintenance although a number of the schemes should more correctly be considered as new construction.

For the most part, Zilla Parishads have treated maintenance in much the same way as they treat new construction, in that a scheme is prepared and approved for each maintenance activity to be carried out during the year. The Zilla Parishads do not have special equipment or personnel who specialize in carrying out routine seasonal or annual maintenance. However, in Rajshahi, the Zilla Parishad is experimenting with a system of roving repair crews to fill potholes and carry out other minor road repairs. Under this system a gang of four temporary laborers has been placed in each of the four subdivisions. Currently the system is experiencing some difficulty in coordinating the delivery of materials to work sites and transporting the gangs throughout the subdivision.

CHAPTER III

ZILLA PARISHAD FINANCE

Income

The revenue of the Zilla Parishad is obtained from three kinds of sources; taxes, earned income and central government grants. The Local Government Ordinance of 1976 lists 28 items under taxes, rates, tolls and fees which local governments can levy with prior sanction of the government (See Table III.1). But Zilla Parishads do not utilize all sources since some sources are also utilized by the Union Parishads.

The Zilla Parishads are not authorized to fully set and collect their own taxes. Maximum rates are determined at the central level by the Ministry of Local Government, Rural Development and Cooperatives and the central government revenue agents at the Tehsil (a local tax collection district) and other offices collect the taxes and fees for the Zilla Parishads. However the Zilla Parishads may set rates below the maximum with the approval of the Divisional Approving Authority - the Divisional Commissioner. The Zilla Parishad's earned income is derived from the resale of construction materials, rental of property, earnings from ferry services, interest and other quasi business ventures. Government grants are also received to augment the salaries of employees and for development purposes. The incomes of a few Zilla Parishads during the past five years from 1974/75 to 1978/79 are described below.

1) Local Rate: The Local Rate is an annual tax on property collected at the time the central government's land revenue tax is collected. The rate per acre is a small fixed amount apparently unrelated to the market or productive value of the land. This tax, however, was cancelled in 1976 and revenues shown after that period are the arrears. After 1980 there is unlikely to be any further collection of arrears. Table III.2 which reports the five year earnings from the Local Rate of selected Zilla Parishads shows that this tax has been a very minor source of revenue while it was in effect and varied greatly from year to year within each district. While poor collection practices explain part of the variation in collection within districts, a more important reason is the irregularity of transfers from the central government's revenue collection office to the accounts of the Zilla Parishads.

Table III. 1

List of Eligible Taxes, Fees and Levies

- (1) Tax on the annual value of buildings and lands or a union rate to be levied in the prescribed manner.
- (2) Tax on hearths.
- (3) Tax on the transfer of immovable property.
- (4) Tax on the import of goods for consumption, use or sale in a local area.
- (5) Tax on the export of goods from a local area.
- (6) Tax on professions, trades and callings.
- (7) Tax on births, marriages and feasts.
- (8) Tax on advertisements.
- (9) Tax on cinemas, dramatic and theatrical shows, and other entertainments and amusements.
- (10) Tax on animals.
- (11) Tax on vehicles (other than motor vehicles), including carts and bicycles and all kinds of boats.
- (12) Tolls on roads, bridges and ferries.
- (13) Lighting rate.
- (14) Drainage rate.
- (15) Rate for the remuneration of village police.
- (16) Rate for the execution of any works of public utility.
- (17) Conservancy rate.
- (18) Rate for the provision of water works or the supply of water.
- (19) Fees on applications for the erection and re-erection of buildings.
- (20) School fees in respect of schools established or maintained by a local parishad.
- (21) Fees for the use of benefits derived from any work of public utility maintained by a local parishad.
- (22) Fees at fairs, agricultural shows, industrial exhibitions, tournaments, and other public gatherings.
- (23) Fees for markets.
- (24) Fees for licences, sanctions and permits granted by a local Parishad.
- (25) Fees for specific services rendered by a local parishad.
- (26) Fees for the slaughtering of animals.
- (27) Any other tax which the Government is empowered to levy by law.
- (28) A special community tax on the adult males for the construction of any public work of general utility for the inhabitants of the local area concerned, unless the local parishad concerned exempts any person in lieu of doing voluntary labour or having it done on his behalf.

Source: Local Government Ordinance 1976.

Table III. 2

Amount and Share of Zilla Parishad Revenue Generated By Local Rate (In Dollars)

District	Year	Year	Year	Year	Year		
	1974-75	1975-76	1976-77	1977-78	1978-79*		
					Amount	% of own revenue	% of total revenue
Tangail	3,515	10,325	4,934	3,863	2,454	1.33	0.94
Sylhet	4,418	4,664	13,031	5,857	477	0.10	0.075
Rangpur	16,708	188	792	Not received	62,794	16.79	11.49
Rajshahi	NA	NA	NA	9,006	2,722	0.54	0.42
Faridpur	1,771	Not received	46,315	9,272	3	0.0012	0.006

N.A. - Data not available

* Includes regular government Grants and Grants made under works program in addition to locally raised revenues.

Source: Zilla Parishad Records.

2) Property Transfer: The Property Transfer tax shown in Table III. 3 is a 1% levy on the value of all land sold in the district during a given year. It is collected by the Ministry of Land Administration at a Thana level subregistrar's office at the time the deed transfer is recorded. The revenues from this tax are forwarded in their entirety to the account of the Zilla Parishad.

The Property Transfer tax is the most important single source of resources of the Zilla Parishads. In Sylhet and Tangail in 1978-79 this source provided more than 50% of the total revenues available to the Zilla Parishads. While revenue collection declined in 1975-76, the past three years have shown a clear rise in receipts reflecting increased property values due to inflation, speculative demand and an increase in the number of property transactions. The increase in revenue is most clearly seen in Sylhet and Tangail.

3) Income from Tolls and Ferry Ghats: Zilla Parishads are authorized to collect a road toll at various points along important district roads and bridge crossings. The tax is levied on all vehicles and occasionally on pedestrians. Revenue from ferry ghats (ferry landings) is obtained by auctioning to the private sector the right to operate a ferry and collect user fees. The highest bidders are selected and the full amounts are paid in advance to the Zilla Parishad. The amount of revenue realized from these sources is shown in Table III. 4. While small in comparison to the other Zilla Parishad sources of revenue, this source has been generally increasing in size.

4) Rent/Profit: The Zilla Parishads earn income from the operation and rental of various types of property such as buildings and land, the lease of roadside ditches for fishing, rent of staff quarters, equipment rented out to contractors, rent from Dak-Bungalows (rest house), sale of roadside trees and sale of materials supplied to contractors. The amounts collected are shown in Table III. 5. With the exception of Sylhet, Rents/Profit is generally the second most important local source of income for the Zilla Parishads. However, unlike the Property Transfer tax, this source shows no real growth trend and appears to vary widely from year to year

Table III. 3
Amount and Share of Zilla Parishad Revenue Generated
By Property Transfer
(In Dollars)

District	Year	Year	Year	Year	Year		
	1974-75	1975-76	1976-77	1977-78	Amount	1978-79 % of total locally raised revenue	% of total revenue
Tangail	129,967	101,822	88,799	113,559	137,744	74.89	52.97
Sylhet	234,893	225,930	239,567	340,395	353,524	80.94	55.65
Rangpur	193,533	230,061	247,009	272,316	266,863	71.22	48.76
Rajshahi	270,096	56,722	256,327	365,043	299,936	60.41	46.70
Faridpur	180,790	87,404	166,089	172,900	175,159	65.31	33.53

Source: Zilla Parishad records.

Table III. 4

Amount and Share of Zilla Parishad Revenue Generated by Tolls and Ferries
(In Dollars)

District	Year	Year	Year	Year	Year		
	1974-75	1975-76	1976-77	1977-78	1978-79		
					Amount	% of total local y raised revenue	% of total revenue
Tangail	1,232	1,582	1,752	2,560	2,311	1.25	0.88
Sylhet	677	1,237	Not received	3,259	26,267	6.01	4.13
Rangpur	7,221	6,226	5,862	9,942	19,537	5.21	3.57
Rajshahi	19,263	16,855	30,789	40,380	30,000	6.04	4.67
Faridpur	1,820	598	2,202	1,469	3,567	1.33	0.70

Source : Zilla Farishad records.

Table III. 5

Amount and Share of Zilla Parishad Revenue Generated By Rent/Profit
(In Dollars)

District	Year 1974-75	Year 1975-76	Year 1976-77	Year 1977-78	Year		
					1978-79		
					Amount	% of total locally raised revenue	% of total revenue
Tangail	3,787	1,087	16,945	12,914	34,707	18.87	13.34
Sylhet	34,738	35,000	105,436	16,906	9,036	2.06	1.42
Rangpur	10,802	8,101	7,129	9,183	22,527	6.01	4.1
Rajshahi	115,545	101,588	135,713	7,622	146,667	29.54	22.83
Faridpur	28,161	57,810	16,737	108,875	80,577	30.04	15.88

Source : Zilla Parishad records.

5) Fees, Interest and Miscellaneous: The Zilla Parishads collect fees related to the issuance of various business licences, claims against contractors whose work was not completed according to the contract schedule, fees for services in health and agriculture, and fees for services provided to other levels of government (i.e. use of Zilla Parishad's printing facilities). In addition the Zilla Parishads earn interest on money deposited in banks. The total revenue from these sources is shown in Table III.6.

Total Revenues: Table III.7 shows the total revenue available to the Zilla Parishads during the five years under study. In each of the five districts, total Zilla Parishad revenues were greater at the end of the period than at the start. Rangpur and Sylhet show the greatest increases as a result of sizeable increases in both local revenue generation and the Rural Works Program grant-in-aid. The smallest growth occurred in Tangail and Faridpur in which both districts showed a relatively sluggish growth in local revenues and declines in the Rural Works Program grant in aid.

Throughout the period there was considerable fluctuation in the level of total revenue in each district. Rajshahi, Tangail and Faridpur experienced a decline in total revenues from 1974-75 to 1975-76 and Tangail continued to decline until 1977-78. In addition, declines in total revenues were experienced by Rangpur from 1975-76 to 1976-77 and by Faridpur and Sylhet from 1977-78 to 1978-79.

The fluctuations are not explained by fluctuation in any single component of total revenue. While local revenue in each of the districts rose during the period, the rise was not steady and declines were not compensated by increases in government grants or the Works Program grant-in-aid.

With the exception of Faridpur, Government Grants formed the smallest component of total resources and either remained stable or declined slightly throughout the period. Faridpur, however, was able to capture a considerably greater level of Government Grants than the other districts and its 88.6% growth largely offset the declines in the Works Program Grant

A fundamental problem which has constrained total revenue levels is the continual decline in the Rural Works Program Grants-in-aid since 1975-76. The overall positive growth rate of the Rural Works Program in Rajshahi, Rangpur and Sylhet results purely

Table III.6

Amount and Share of Zilla Parishad Revenue Generated by Fees, Interest
and Miscellaneous
(In Dollars)

District	Year	Year	Year	Year	Year		
	1974-75	1975-76	1976-77	1977-78	1978-79		
					Amount	% of total locally raised revenue	% of total revenue
Tangail	32,483	15,267	23,184	10,095	6,711	3.64	2.58
Sylhet	6,027	45,297	11,621	87,109	47,457	10.86	7.47
Rangpur	2,513	3,861	1,243	6,646	2,817	0.75	0.51
Rajshahi	12,871	7,097	3,755	19,347	16,733	3.45	2.66
Faridpur	8,242	5,758	6,965	13,446	8,877	3.3	1.75

Source : Zilla Parishad records.

Table III. 7

Local Revenues, Government Grants, Works Program Grants
and Total Revenues of Zilla Parishad level and Change
(In U.S. Dollars)

District		Year					5 Year Change %
		1974-75	1975-76	1976-77	1977-78	1978-79	
Rajshahi	LR	417,775	182,263	426,584	441,398	496,058	18.7
	GG	33,997	36,653	38,407	34,540	28,731	15.5
	WP	65,367	176,067	129,567	129,940	117,033	79.0
	TR	517,139	394,982	594,558	605,878	641,823	24.1
Rangpur	LR	230,777	248,437	262,035	297,086	374,669	62.4
	GG	38,100	33,359	38,077	37,685	35,951	-5.6
	WP	60,067	189,265	153,300	153,933	136,625	127.5
	TR	328,944	471,063	453,412	488,704	547,245	66.4
Tangail	LR	170,984	130,083	135,614	142,931	183,927	7.6
	GG	10,647	11,558	13,000	11,558	11,558	9.6
	WP	66,507	101,133	79,082	67,151	64,539	-3.0
	TR	248,138	242,774	227,696	221,641	260,024	4.8
Faridpur	LR	220,784	151,570	238,309	305,962	268,183	21.5
	GG	60,888	32,705	77,802	191,355	114,812	88.6
	WP	185,836	185,854	127,332	132,893	124,155	-33.2
	TR	467,509	370,129	443,442	630,210	507,150	8.5
Sylhet	LR	280,753	312,128	369,655	453,526	436,761	55.6
	GG	32,889	34,198	34,191	34,242	34,191	4.0
	WP	71,067	215,100	162,177	163,247	164,280	131.2
	TR	384,709	561,426	566,023	651,014	635,232	65.1

Note: LR = Locally Raised Revenues TR = Total Revenues

GG = Government Grants

WP = Rural Works Program

Source: Zilla Parishad records.

from the low level of the program in 1974-75 and the sizeable increases in 1975-76. Since 1975-76 the program has been in a continual state of decline.

The substantial growth of population in Bangladesh diminishes the impact of the growth of revenue as shown by the per capita levels in Table III.8. Per capita revenues are shown in Taka to avoid a table of zeros. Using an exchange rate of \$1.00 = Tk. 15.00, the five districts annually receive between five to fourteen U.S. cents per person in total revenue.

During the last two years, Zilla Parishads have received funds for development projects from the divisional level's Divisional Development Board. As of this writing data on the allocation of these funds have not been gathered and are not included in the revenues and expenditures reported in this paper.

Expenditures

As noted in Chapter II, the Zilla Parishads have a very limited role to play in agriculture, health and education since these functions are carried out under national programs by field level employees of the respective ministries. This limited role is clearly evident in the very small amount of expenditures for these functions as shown in Table III.9. In agriculture, Zilla Parishads operate a few small facilities but mainly provide awards to farmers who produce especially high yields. The health expenditures are for a few ill-equipped and poorly staffed charitable dispensaries which are supposed to provide limited care to the very poor. In addition, the Zilla Parishads provide grants to local humanitarian organizations. In education, the Zilla Parishads provide grants for student hostels, educational institutions, juvenile organizations, libraries, cultural societies and awards of scholarships to students.

The most important functional area of the Zilla Parishads is Public Works, accounting for over fifty percent of the Zilla Parishads expenditures. These expenditures are shown on Table III.10 along with the allocation of the Rural Works Program.

The Public Works program of the Zilla Parishads include the construction of all Zilla Parishad buildings such as Dak bungalows, offices, warehouses, communications facilities such as roads, bridges and ferry landings and a variety of other tasks such as tree planting.

Table III, 8

Local Revenues, Government Grants, Work Program Grants
and Total Revenues of Zilla Parishads - Per capita Level and Change
(In Taka)

District		YEAR					5 Year Change %
		1974-75	1975-76	1976-77	1977-78	1978-79	
Rajshahi	LR	1.36	0.58	1.32	1.33	1.46	7.4
	GG	0.11	0.11	0.11	0.10	0.08	-27.3
	WP	<u>0.21</u>	<u>0.56</u>	<u>0.40</u>	<u>0.39</u>	<u>0.34</u>	<u>61.9</u>
	TR	<u>1.69</u>	<u>1.26</u>	<u>1.84</u>	<u>1.83</u>	<u>1.88</u>	<u>11.2</u>
Rangpur	LR	0.59	0.62	0.64	0.70	0.87	47.5
	GG	0.09	0.08	0.09	0.08	0.08	-11.1
	WF	<u>0.15</u>	<u>0.47</u>	<u>0.37</u>	<u>0.36</u>	<u>0.31</u>	<u>106.7</u>
	TR	<u>0.84</u>	<u>1.17</u>	<u>1.10</u>	<u>1.16</u>	<u>1.27</u>	<u>51.2</u>
Tangail	LR	1.15	0.85	0.87	0.89	1.13	-1.7
	GG	0.07	0.07	0.08	0.07	0.07	0
	WP	<u>0.44</u>	<u>0.66</u>	<u>0.50</u>	<u>0.42</u>	<u>0.39</u>	<u>-11.7</u>
	TR	<u>1.67</u>	<u>1.59</u>	<u>1.46</u>	<u>1.39</u>	<u>1.60</u>	<u>- 4.2</u>
Faridpur	TR	0.75	0.50	0.78	0.99	0.85	13.3
	GG	0.20	0.10	0.25	0.62	0.36	80.0
	WP	<u>0.63</u>	<u>0.62</u>	<u>0.42</u>	<u>0.43</u>	<u>0.39</u>	<u>-38.1</u>
	TR	<u>1.60</u>	<u>1.24</u>	<u>1.46</u>	<u>2.05</u>	<u>1.61</u>	<u>0.6</u>
	TR	0.82	0.89	1.03	1.24	1.17	42.7
	GG	0.09	0.09	0.09	0.09	0.09	0
	WP	<u>0.20</u>	<u>0.61</u>	<u>0.45</u>	<u>0.44</u>	<u>0.44</u>	<u>120.0</u>
	TR	<u>1.12</u>	<u>1.60</u>	<u>1.58</u>	<u>1.78</u>	<u>1.71</u>	<u>52.7</u>

Note: LR = Locally Raised Revenue
GG = Government Grants
WP = Rural Works Program
TR = Total Revenues

Source: Zilla Parishad records
1979 Statistical Yearbook of Bangladesh

Table III. 9

Zilla Parishad Expenditures on Agriculture, Health and Education
(In Dollars)

District	Function	1974-75	1975-76	1976-77	1977-78	1978-79	1978-79 % of total Expendi- tures	1974-75 to 1978-79 % Change
Rajshahi	Agriculture	302	50	592	1,127	5,333	0.9	1,665.9
	Health	43,100	4,817	6,130	6,293	5,027	0.9	- 88.3
	Education	15,045	17,039	29,242	28,949	30,656	5.3	103.8
Rangpur	Agriculture	43,962	58,922	6,713	8,385	5,490	0.9	- 87.5
	Health *	21,361	12,365	18,433	16,687	6,722	1.1	- 68.5
	Education	36,396	47,265	52,377	49,327	49,633	8.5	36.4
Tangail	Agriculture	-	-	407	67	200	0.1	-
	Health	2,968	105	1,110	22	270	0.1	- 90.9
	Education	10,381	10,914	12,699	11,633	13,531	4.9	30.3
Faridpur	Agriculture	2,998	1,734	1,149	1,665	1,972	0.5	- 34.2
	Health	3,876	1,304	492	590	872	0.2	- 77.5
	Education	10,049	9,842	16,204	46,478	23,383	5.6	132.7
Sylhet	Agriculture	773	2,262	-	-	2,358	0.4	204.9
	Health	25,536	5,663	767	871	975	0.2	- 96.2
	Education	27,895	43,670	52,185	60,346	5,886	1.1	- 78.9

* Includes Health establishment costs.

Source : Zilla Parishad records.

Table III. 10

Zilla Parishad Expenditures on Public Works and Works Program
(In Dollars)

District	Function	1974-75	1975-76	1976-77	1977-78	1978-79	1978-79 % of total Expendi- tures	1974-75 to 1978-79 % Change
Rajshahi	Public Works	144,476	223,465	144,201	255,886	320,079	55.5	121.5
	Works Program*	65,367	176,067	129,567	129,940	117,033	20.3	79.0
Rangpur	Public Works	93,385	85,388	165,829	164,904	341,165	58.3	265.3
	Works Program	58,400	155,506	133,934	188,228	136,625	23.4	133.4
Tangail	Public Works	29,998	118,475	87,533	157,628	163,058	59.2	443.6
	Works Program	67,453	101,913	79,571	67,513	61,314	22.2	-9.1
Faridpur	Public Works	164,530	118,163	114,976	142,943	215,369	51.2	30.9
	Works Program	108,733	178,370	195,811	115,523	107,050	25.5	-1.5
Sylhet	Public Works	108,366	53,256	127,984	290,679	333,065	60.5	207.4
	Works Program	133,336	73,617	247,259	272,391	123,371	22.4	-7.5

* Allocation, not expenditure.

Source : Zilla Parishad records.

In all districts except Faridpur, public works expenditures have risen significantly during the period. Faridpur's apparent low growth results from its relatively large expenditure on public works in 1974-75, the base year. While there are some fluctuations from year to year, the increase in expenditures is generally consistent, particularly since 1975-76. The Works Program, which is an additional resource primarily for road construction reached its maximum expenditure levels in 1976-77 and 1977-78 and then declined. As noted in the revenue discussion above Rural Works Program allocations to the districts have been declining since 1975-76. However Table III.10 indicates that there is a lag in spending the allocation which allowed expenditures under the Works Program to continue to rise to 1977-78 in three of the districts.

Establishment expenditures of the Zilla Parishads are shown in Table III. 11. Funded under this heading are the allowances for the Chairman and Secretary and the salaries paid to all of the employees of the Zilla Parishad except the Works Program staff. In addition, the expenditures include pensions and gratuities to retired employees, travel allowances, fuel and other Zilla Parishad operating costs. With the exception of 1975-76, establishment expenditures have been generally rising during the period under study.

Establishment costs have been generally 10% to 15% of the total Zilla Parishad expenditures and have consistently risen since 1975-76. The data shown on Table III. 11 understates the actual level since the establishment costs of the Works Program staff are included in the Works Program expenditures.

Table III. 12 shows total expenditures of the Zilla Parishads and compares them to the total revenues reported in Table III.7. Expenditures have risen faster than revenues in all districts except Sylhet but, in general remain below revenues. The surplus revenue results from slower than anticipated disbursements for project activity financed by the Zilla Parishads usually in the area of public works.

Table III. 11

Zilla Parishad Expenditures on Establishments and Miscellaneous

District	Function	1974-75	1975-76	1976-77	1977-78	1978-79	1978-79 % of total Expendi- tures	1974-75 to 1978-79 % Change
Rajshahi	Establishment	39,102	45,015	53,802	55,935	56,402	9.8	44.2
	Miscellaneous	17,528	22,960	34,750	22,655	42,333	7.3	141.5
Rangpur	Establishment	12,121	11,056	12,120	15,067	18,497	3.2	52.6
	Miscellaneous	20,143	26,601	27,394	34,745	26,858	4.6	33.3
Tangail	Establishment	27,181	18,998	23,248	23,348	31,769	11.5	16.9
	Miscellaneous	738	633	2,691	3,183	5,523	2.0	648.4
Faridpur	Establishment	58,587	39,952	43,367	51,926	69,597	16.6	18.8
	Miscellaneous	5,598	4,160	3,374	2,628	2,013	0.5	-64.0
Sylhet	Establishment	56,411	41,900	47,618	63,739	81,829	14.9	44.2
	Miscellaneous	26,617	25,917	93,067	161,843	3,162	0.6	-88.1

Source : Zilla Parishad records.

Table III. 12

Total Expenditures and total Revenue of Zilla Parishads
(In Dollars)

District		1974-75	1975-76	1976-77	1977-78	1978-79	1974-75 to 1978-79 % Change
Rajshahi	T Expenditure	324,920	489,413	398,284	500,785	576,863	77.5
	T Revenue	<u>517,139</u>	<u>394,982</u>	<u>594,558</u>	<u>605,878</u>	<u>641,823</u>	24.1
	Balance *	192,219	(94,431)	196,274	105,093	64,960	
Rangpur	T Expenditure	285,769	370,103	416,800	477,343	584,990	104.7
	T Revenue	<u>328,944</u>	<u>471,063</u>	<u>453,412</u>	<u>488,704</u>	<u>547,245</u>	66.4
	Balance *	43,175	100,960	36,612	11,361	(37,745)	
Tangail	T Expenditure	138,718	251,038	207,259	263,394	275,665	98.7
	T Revenue	<u>248,138</u>	<u>242,774</u>	<u>227,696</u>	<u>221,641</u>	<u>260,024</u>	4.8
	Balance *	109,419	(8,264)	20,437	(41,753)	(15,641)	
Faridpur	T Expenditure	354,371	353,525	375,373	361,753	420,256	18.6
	T Revenue	<u>467,509</u>	<u>370,129</u>	<u>443,442</u>	<u>630,210</u>	<u>507,150</u>	8.5
	Balance *	113,138	16,604	68,069	268,457	36,894	
Sylhet	T Expenditure	378,934	252,285	568,880	849,869	550,646	45.3
	T Revenue	<u>384,709</u>	<u>561,426</u>	<u>566,023</u>	<u>651,014</u>	<u>635,232</u>	65.1
	Balance *	5,775	309,141	(2,857)	(198,855)	84,586	

* () indicates deficit.

Source : Zilla Parishad records.

The Budget Process

The incomes and expenditures of a Zilla Parishad are described in the annual budget prepared by the Budget-cum-Accounts Officer, reviewed by the Chairman of the Zilla Parishad and finally approved by the Approving Authority. The budget is made according to a proforma supplied by the Ministry of Local Government, Rural Development and Cooperatives (LGRD&C). It is divided into two parts: a) current accounts, b) capital accounts. The second part is differentiated from the first part only by inclusion of certain items of incomes and expenditures. On the income side are shown the earnest money deposited by the contractors, return of the advances taken by the Zilla Parishad employees from its funds; loans, if any, and the opening balances. The expenditure side shows the amounts of loan repaid, return of deposit to contractors, advances made to employees and the closing balances.

The process of budget preparation starts in April. The Budget-cum-Accounts Officer makes accounts of all receipts of the current year's nine months' collection and on that basis makes a revised budget for the current year. The next year's receipts are projected to follow a pattern shown by the trend of the last two/three years. In estimating incomes the Zilla Parishads follow a model tax schedule which was prevalent during the operation of the Basic Democracy System. Within the limits of the model tax schedule Zilla Parishads can change the rates of certain taxes to augment their income, However these changes must be sanctioned by the Approving Authority.

The Zilla Parishad budget also shows the various grants received from the government each year. These grants are as follows :

- A) Augmentation Grants : Grants given to add to the expenditures for development activities.
- B) Grants in lieu of the Zamindar's contribution to the Zilla Parishad: Compensation for the loss which resulted from the abolition of the Zamindari (Land-lord) system during the British rule.
- C) Special Grants: Grants given to provide hardship allowances to the Zilla Parishad employees.

D) Compensation Grant: Grants which help Zilla Parishad pay increased salaries to its staff.

E) Grants against specific projects.

Before the beginning of a financial year, the Ministry of LGRD&C requests the Ministry of Finance to provide the grants to the different Zilla Parishads. The amounts agreed to between the officials^{1/} of the two ministries are distributed among the particular Zilla Parishads on the basis of population^{2/}, and they are sent to the Zilla Parishads in one or two instalments. The Zilla Parishads estimate the government grants on the basis of last few years' receipts. But Zilla Parishads could make a request to the Ministry of LGRD&C for increased amounts. However, according to Ministry officials, such demands come rarely.

In marking allocations for expenditures under different functional heading, the Budget-cum-Accounts Officer uses his own judgement, but certain expenditure needs get priority over those on Education, Health, Agriculture and also Public Works. They are: Establishments, repayment of loans, collection of taxes and any expenditure declared by the Zilla Parishad with the previous sanction of the prescribed authority to be an appropriate change on the District Fund.

The draft of the budget is placed before the Chairman (Deputy Commissioner) who in the absence of popular elections examines the budget with the Secretary, the District and Executive Engineers and other technical staff. In the meeting, necessary changes are made, shifting allocations from one heading to another. Following the meeting and approval of the Chairman a final budget is prepared by the Budget-cum-Accounts Officer which is sent to the Approving Authority (Divisional Commissioner) by the 1st of June. Along with the budget are submitted the names of the regular employees of the Zilla Parishad and the amounts of money required for their salaries during the year; amounts received from the central government for expenditure on specific schemes, the amount of expenditures actually

1/ Discussions are held between Section Officer and Deputy Secretary of both Ministries.

2/ A comparison of government grants and the population figures wouldn't support this statement.

incurred or likely to be incurred by the end of the financial year for the first time, and an explanation of the causes of variation in the estimates of expenditures of the current year and the next financial year. In examining the budget the Divisional Commissioner is assisted by the division level Superintendent of Audits and the Deputy Director for Rural Development.

In order to have increasing association of the ^{representatives,} people's /government has made a requirement from the current year (1980-81) that the members of Parliament coming from within a district and the District Development Coordinator would be consulted before the finalization and approval of a Zilla Parishad budget! 1/

1/ Memo - S-VII/IE-21/79/412/1(30) Dated 30/6/80.

CHAPTER IV

THE RURAL WORKS PROGRAM

As noted above, the office of the District Engineer in each of the Zilla Parishads is not the sole engineering resource available to the Zilla Parishads for the construction of public works. In each district, the Zilla Parishads draw on the financial and engineering resources of the Rural Works Program. The Rural Works Program is considered a temporary resource to supplement the Zilla Parishads own resources (referred to as the normal side) and concentrates on the construction and reconstruction of the Zilla Parishad's roads system.

The Rural Works Program was started in 1962 to accelerate the construction of a wide variety of public works at all levels of local government. Initially funded by US PL 480 generated rupees, the program has continued under the Annual Development Plan budget. The Rural Works Program is primarily a grant-in-aid from the central government to each Zilla, Thana and Union Parishad with the total (national) annual amount divided among districts on the basis of district size (area) and population. The Rural Works Program engineering personnel are therefore not a full time staff resource of the Zilla Parishads since a position of this time is spent implementing projects carried out at the Thana and Union level of government. In fact the Works Program staff is of prime importance to the thanas and unions since the Works Program is the only technical resource available to Thanas and Unions for the construction management of their roads, irrigation, flood shelters and other public works activities.

Rural Works Program Staffing

At the district level, the Rural Works Program staff is headed by the Executive Engineer (Works). The technical staff under the Executive Engineer is organized somewhat differently from the engineering staff on the Zilla Parishad's normal side. The Works Program has one Assistant Engineer for each of the sub-divisions within a district assisted by other staff such as Sub-Assistant Engineers, Sub-Overseers and Works Assistants. All of the assistant engineers and other technical personnel are stationed at the respective subdivisional headquarters and they travel to and from their work sites. (Note: This contrasts with the normal side which organizes its staff

around circles and places one Sub-Assistant Engineer in charge of each circle, whereas the Works Program staff work from the sub-divisions which cut across some circles and one Assistant Engineer is placed in charge of each sub-division.) The manpower strength of five Zilla Parishads is shown in Table IV.1

Table IV. 1

Rural Works Program Staffing
in Five Selected Districts 1978/79

	XEN	AE	SAE	S/OS	Svyr	Estmtr	Drftsmn	WA
Rajshahi	1	4	4	4	4	0	1	8 (4 subdiv)
Rangpur	1	3	4	4	4	0	0	8 (5 subdiv)
Tangail	1	1	1	0	1	0	0	2 (1 subdiv)
Faridpur	1	3	4	1	2	0	0	0 (5 subdiv)
Sylhet	1	4	7	2	5	0	0	7 (4 subdiv)

XEN = Executive Engineer
 AE = Assistant Engineer
 SAE = Sub-Assistant Engineer
 S/OS = Sub-Overseer
 WA = Works Assistant

Table IV.1 shows that except for Faridpur and Rangpur, all other districts have one Assistant Engineer for each of the sub-divisions. In Faridpur, appointments to the two vacant positions were made twice but resignations soon followed. The same thing happened with regard to the vacant position in Rangpur. The reasons given for the resignations were insecure service conditions, bureaucratic dominance and lack of working facilities. Faridpur also is short of Sub-Assistant Engineers, with four Sub-Assistant Engineers for five sub-divisions. In none of the five districts is there any estimator and only Rajshahi has a draftsman. At the Works Assistant level the staffing is rather poor. In Faridpur there is no Works Assistants and Rangpur and Rajshahi have two each for four sub-divisions. In Tangail there are two Works Assistants for the whole district and Sylhet has one to two for each of the four sub-divisions. As in the case of the normal side, the strength at this level is weaker than that required by the amount of activity.

The Executive Engineer and the Assistant Engineer on the Works Program side as well as the District Engineer and Assistant Engineer on the normal side are appointed by the Ministry (Secretary) of LGRD&C. Until 1978/79 the appointment of District Engineer, Executive Engineer and Assistant Engineers could be initiated by the Deputy Commissioner (as Chairman of the Zilla Parishad) and later approved by the Ministry. However, currently appointments are made centrally and their services placed at the disposal of the Zilla Parishad.

Annual Program Preparation and Approval Process

The procedures for approving a district's annual Rural Works Program Plan are different from the procedures followed to approve the program carried out by the normal side. Projects to be undertaken by the Rural Works Program in a given year are identified by the Executive Engineer and his staff toward the end of the previous year. The projects are typically a continuation of an ongoing activity and some new construction which is felt to be needed. At an early stage of program planning the Executive Engineer (Works), submits a list of all projects to a district committee, called the District Development Committee, which is chaired by the Deputy Commissioner and includes the district representative of the various development ministries. The District Development Committee reviews the work plan and approves, with occasional modification, the set of projects for further detailed preparation. After approval by the District Development Committee, complete measurements and cost estimates for each activity are prepared by the Executive Engineer's staff. The estimates used in the preparation of schemes are made according to the schedule of rates approved by the Ministry (LGRD&C), the schedules having been prepared for each district and sent by the individual Zilla Parishad to the Ministry for approval by the 30th of June each year.

Upon completion of the annual works plan by the Executive Engineer and with the approval of the District Development Committee, the plan, including the cost estimate, is sent to the divisional level for final approval. Prior to 1979/80 the District Rural Works Program plan was sent to the Ministry for approval. However, this responsibility has been decentralized to a divisional committee called the Divisional Approving Authority chaired by the Divisional Commissioner and including the divisional level representatives of the development ministries.

The Divisional Approving Authority examines, among other things, the technical soundness of the plan. However, as yet, the Ministry has not appointed any of its technical personnel to the divisional level so the district's Rural Works Program plan is technically reviewed by engineers from the Roads and Highways Department, the Water Development Board and others not specifically related to the Zilla Parishad's transportation development plan. Once the Divisional Approving Authority has approved the annual plan it cannot be changed by the district level officials.

The approved projects which form the annual works scheme are executed by competitively selected local contractors. Final tenders for each project are prepared as soon as the Divisional Approving Authority has approved the plan. The tender notice is given fairly wide publicity in newspapers and through a variety of public notices which are posted in the district offices.

All bids for all projects are opened on the same day by the Executive Engineer who then prepares a bid analysis for review and final selection by the District Tender Committee which is chaired by the Deputy Commissioner and includes the Executive Engineers of the development ministries at the district level (i. e. Rural Works Program, Roads and Highways, Water Development Board, etc.).

The District Tender Committee can immediately approve any low bid which is less than 5% above the estimated cost of the project as earlier determined by the Executive Engineer. A low bid which is more than 5% but less than 15% above the estimate must be referred to the Divisional Approving Authority for approval. Low bids which are greater than 15% but less than 20% above the estimate must be approved by the Divisional Commissioner and low bids which exceed the estimate by 20% must be approved by the Ministry (MLGRD&C).

The bid approval procedure is a source of delay in the project approval schedule since the schedule of rates upon which the estimates were based was prepared prior to changes in the price of construction material which frequently occur after June 30. In 1978/79, four of the five surveyed districts had to send at least one of their bids to a higher authority for approval since the low

bid was more than 5% above the estimated cost in the tender. The extreme example in that year was a project in Faridpur in which the low bid was 35% above the tender estimate necessitating ministry approval for the award.

After the bids are approved, the contractors are given their start work orders and construction is initiated. It should be noted that the ministry has provided guidance for the time schedule of plan submission and approval which states that the process should take 30 days. Table IV.2 shows the actual time required from the date the annual plan was submitted to the Divisional Approving Authority to the date the start work order was given to the majority of the contractors.

While construction work can technically start after the start work order has been issued, many contractors are, in fact, unable to begin construction until January because of the shortage of bricks early in the dry season. It should be noted that this situation does not usually occur in projects carried out by the Public Works Department and Roads and Highways Department because these departments prepurchase and stockpile materials with their own resources and supply them to their contractors when needed.

Notwithstanding the above timing for scheme development, approval, start work order and finally initiation of construction, the Ministry has issued a circular which specifies that the entire process from scheme submission to the start of work should be carried out from July through September of each year.

Rural Works Project Implementation

Zilla Parishads get their Public Works constructed through their own enlisted contractors. Contractors enlisted for other departments (i. e. PWD and R&H) are not qualified to work for Zilla Parishads unless they are also enlisted by that body. Enlistment is made or renewed each year upon submission of an application and payment of a fee. The applicants are mostly local firms but it is also possible for construction firms based in Dacca or elsewhere to enlist and submit bids for Zilla Parishad works through their representatives in the particular district.

Table IV. 2

Time-gap Between Scheme Submission & Issue of Work Order
During 1978-79

District	Date of scheme submission to Divisional Development Authority	Date of issue of Work Order	Total Time-gap
Rajshahi	30th August 1979	2nd January 1979	122 days
Rangpur	17th August 1978	17th Nov. 1978	88 days
Tangail	17th August 1978	30th Dec. 1978	133 days
Faridpur	31st July 1978	31st January 1979	180 days
Sylhet	22nd August 1978	3rd January 1979	131 days

Source : Zilla Parishad records.

The enlisted contractors are categorized as A, B, C and D on the basis of their financial ability and past performance. Although there is no uniformity among the Zilla Parishads with regard to the categorization, it could be made according to the following formula :

<u>Category</u>	<u>Value of Work to be done</u>
A	Above \$ 13,300
B	Between \$ 6,700 and \$13,300
C	Less than \$ 6,700

Works costing above \$50,000 are occasionally divided among contractors to ease the execution. This classification is periodically adjusted as construction costs rise.

Construction Management

Following the decisions of the Tender Committee, the Executive Engineer issues work orders to the contractors. During the execution of work the Executive Engineer is responsible to oversee the contractors to ensure the proper implementation of the projects. Since the number of projects are not many the Executive Engineer himself is usually deeply involved making frequent supervisory visits to the worksites. However the staff of Works Program based in a subdivision is responsible for all projects within that area. The person at the bottom of the hierarchy, the Works Assistant, is required to remain at the worksite as long as work is in progress and the Suboverseer and the Overseer (or Sub-Assistant Engineer as he is sometimes called) make supervisory visits almost everyday. The actual performance depends, of course, on the numerical strength of the staff and logistics support. On key occasions, like the pouring of concrete, the Overseer, the Assistant Engineer and sometimes the Executive Engineer himself, are all present. If the contractors violate the terms of the contract the Executive Engineer can recommend the withholding of progress/final payments and even the cancellation of the work order to the Secretary (ADRD) and the Chairman (DC) of the Zilla Parishad who will take the final decision.

Procedure of Payment

The procedure of payment of contractors' progress and final bills for Zilla Parishad work is complicated and time consuming. It is frequently singled out by the contractors as well as the Zilla Parishad technical personnel to be the most serious problem. In 1978-79, in Faridpur and Sylhet, the contractors totally boycotted the Zilla Parishads first tender call because of their dissatisfaction with past payment procedures. During the execution of projects the contractors submit bills (running bills as they are called) although payment of running bills is not obligatory on the part of the administration. The Overseer takes the measurement of work completed and prepares the bill. It is then sent through several hands: the bill clerk, the Works Program accountant, the Executive Engineer, the accountant of the General Section, the Secretary and, finally, the Chairman. Although the Executive Engineer certifies the bill and accepts responsibility for technical matters, he cannot disburse funds. Financial power lies in the hands of the Chairman of the Zilla Parishad and payment of bills is at his discretion. The time gap between submission and actual payment of a bill is exasperating to many contractors who have limited financial liquidity. The following Table IV.3 below shows the time gap (samples were provided by Zilla Boards from 1978-79 financial year).

Table IV.3

Payment Time for Bills

<u>District</u>	<u>Total No. of Bills</u>	<u>Paid within 7 days</u>	<u>Paid 7-15 days</u>	<u>Paid over 15 days</u>
Rajshahi	6	3	2	1
Rangpur	7	3	3	1
Tangail	7	1	1	3
Faridpur	7	1	3	3
Sylhet	7	0	4	3
Within 7 days	25%			
7-15 days	40.62%			
Over 15 days	34.37%			

Source : Zilla Parishad records.

The table shows that only 25% of the bills were paid within seven days and the majority took between 7 and 17 days. The contractors as well as the Works Program engineering staff want the payments to be made within seven days because most local contractors operate under severe liquidity constraints and they are frequently unable to pay salaries to their employees if previous bills are not immediately paid by the Zilla Parishad. The contractors and Works Program staff compare the situation with that of other agencies like Public Works Department (PWD) and Roads & Highways (R&H) in which the bills do not have to go through as many hands as in the Zilla Parishad. The Executive Engineers of these other programs have power to accept any bill certified by their Assistant Engineers and disburse money directly. As a result, most payments are made within three to four days.

Level of Activity

Table IV.5 shows the amount of various types of construction undertaken by the Works Program in three districts during 1978-79. In general, the level is less than the work load of the District Engineer and reflects the relatively weaker resource position of the Works Program as annual funding allocations have not expanded over the past several years. Given the fact that the Works Program staff do not manage projects financed by the normal side, there is room for an increased workload on the existing staff. However, not shown in Table IV.5 is an additional volume of work related to the Thana and Union Rural Works Program which is handled by the Executive Engineer's staff.

Rural Works Program at the Ministry

Table IV.6 shows the Rural Works Program in the Ministry of Local Government, Rural Development and Cooperatives. One Joint Secretary is in charge of the program assisted by one Deputy Secretary involved in policy making. There are other officials for monitoring and evaluation working under the Deputy Director for Rural Development (DDRD) and the Chief Evaluation Officer respectively.

The chart also shows a hierarchy of Engineers in the Engineering Cell which functions as a technical advisory office to the Joint Secretary of MLGRD&C. The Cell comprises the Deputy Chief Engineer, one Superintendent Engineer, 6 Executive Engineers with sanctioned but

vacant positions of 6 Assistant Engineers and one Assistant Architect. Their roles relate to technical support service with regard to rural development projects financed by the Government as well as the foreign donor agencies. Their assignments come from their bureaucratic/generalist supervisors and occasionally members of the Engineering Cell are directly involved in the implementation of the rural works projects. 1/

The relationship between the Engineering Cell and the local government bodies is weak and irregular. The Engineering Cell does not have any administrative control over the technical personnel working at the local Government level and all decision with regard to local staff appointment, transfer, dismissal etc. are taken by other authorities in the Ministry. The technical aspects of the Zilla Parishad and Thana Parishad activities carried out by the Works Program staff or by the normal side are also not controlled by the Engineering Cell. Contact between the Engineering Cell and Works Program side is occasional and relates primarily to provision of equipment, exchange of information and correspondence about the implementation of new projects funded by foreign agencies.

On the whole, the Rural Works Program consists of weakly linked groups of people working at different levels in the Ministry of LGRD&C and the local Government level under the administrative control of the Civil Service generalists.

1/ The Deputy Chief Engineer implemented the feeder road project financed by the World Bank in some coastal districts.

Table IV. 5

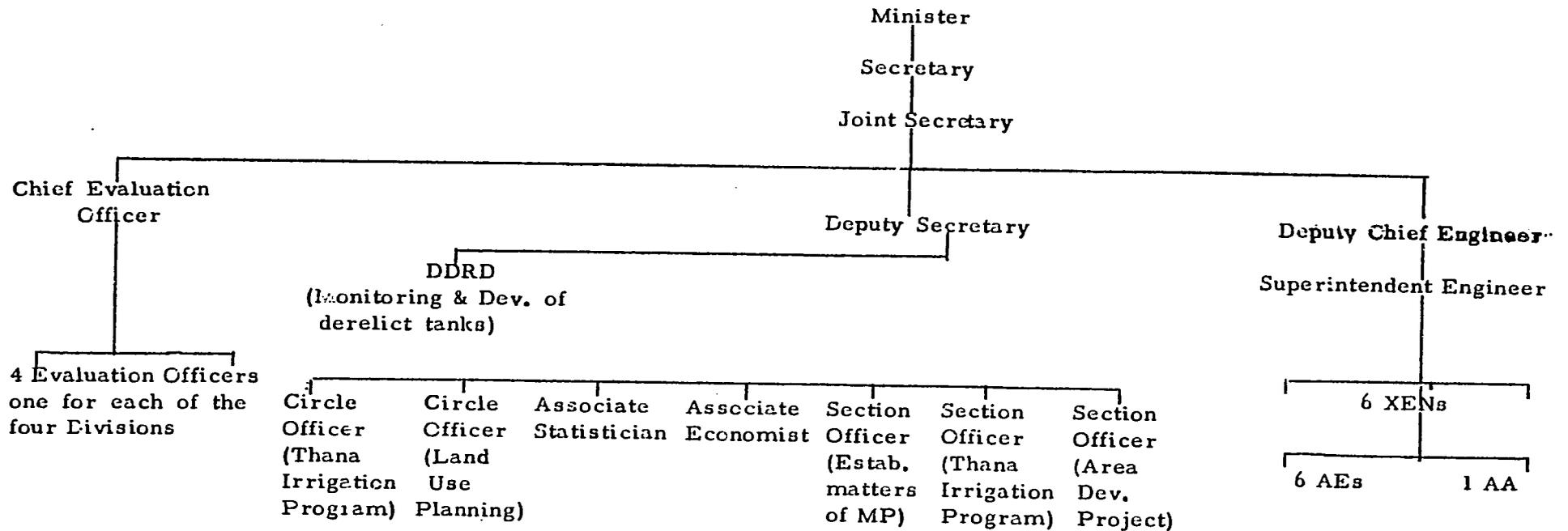
Types of Construction Undertaken by Rural Works Program 1978-79

Type of Activities	D I S T R I C T		
	Rangpur	Faridpur	Sylhet
Concrete Bridges	140 rft	-	120 rft (new) 170 rft (repair)
Box-culverts	46 rft	-	-
Pipe culverts	-	20 rft	-
Earthwork	-	-	on 7 miles
Harringbone paving	550 rft	13,910 rft	-
Bituminous paving	9,700 rft	-	5,438 rft
Other	-	A & E service for 100 rft bridge	-

Source: Zilla Parishad records.

Table IV.6

Ministry of Local Government, Rural Development & Cooperatives(Works Program side)



DDRI - Deputy Director for Rural Development

XEN - Executive Engineer (out of six XENs, the four for Rural Works Program are working, the other two posts for urban works program are still vacant)

AE - Assistant Engineer → both these positions are still vacant

AA - Assistant Architect →

Note: The Section Officer for Thana Irrigation Program (TIP) deals with administrative matters, while the Circle Officer for TIP deals with technical matters.

Interrelationships Between the Works Program Field Staff,
the Ministry and the Local Governments.

The Rural Works Program is a temporary development program of the central government which provides both funds and staff to local governments at the Zilla, Thana and Union levels. The organization is neither a fully centralized department such as the Roads & Highways Department or the Water Development Board nor a fully local resource such as the District Engineer of the Zilla Parishad.

The temporary status of the Rural Works Program (i.e. it is funded from the BDG development budget, not the recurrent budget) means that the employees of the program-- the Executive Engineers, Assistant Engineers, etc. are not permanent BDG employees. They are considered contingency staff and their services are renewed each year by a retention order from the Ministry of Finance. Their terms of employment contain no provisions for career status and they are provided no benefits such a retirement fund, group insurance, etc. This situation coupled to the secular decline in the size of the grants has resulted in a considerable lowering of morale among Works Program staff in the field and, through their employees' association, they continue to place considerable pressure on the government to modify their status so that they may obtain greater job security, career development and government employment benefits. While some progress has been made, their situation is still not on par with regular government employees of the central government or the district engineering staff of the Zilla Parishads. The morale problem is heightened by the fact that many of the Executive Engineers left a lower position (assistant engineer) in other branches of the government such as the Water Development Board and the Public Works Department, in which they had civil service status, for the higher position of Executive Engineer with the expectation that the Works Program was shortly to become a regular government department and grant full civil service benefits to its staff. This has not happened.

The weak vertical organization of the Works Program is also a source of employee dissatisfaction because they feel it places them - the technical specialists - at a district bureaucratic disadvantage compared to the tightly organized and strongly vertical structure of the civil service generalists of the Establishment: Ministry

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(i.e. the Divisional Commissioners, the Deputy Commissioners, the Subdivisional Officers and the Circle Officers). Of particular concern is that the annual performance evaluation report of the Works Program field engineers is prepared by the Establishment Ministry's field generalists and these generalists also are the disbursing authority for Rural Works Program funds. The latter point is a regular source of dissatisfaction since executive engineers of other government programs - Roads and Highways, Water Development Board etc. - have full disbursing authority for their program funds. (Note, the authority to disburse funds is also strongly desired by the Zilla Parishad's District Engineers).

The temporary status of the Works Program has resulted in a lower level of administrative support to the field staff compared to the District Engineer. Assistant Engineers of the Works Program are generally unable to obtain a vehicle for site inspection and must rely on local public transportation. In addition, those stationed at the subdivisional level are not provided office space, secretarial assistance or petty cash for routine office supplies. As a result, morale at this level is especially low.

For the past several years the Ministry has been discussing a revision of the Rural Works Program in terms of establishing it as a more vertical directorate. This idea, which received some limited foreign donor support, has not been acted upon because it is seen to conflict with the decentralization policy of the government. The government has, however, moved partly towards a more vertical structure by establishing positions for Superintending Engineers at the divisional level to technically review district level Works Program schemes. These positions at the divisional level have not as yet been filled.

CHAPTER V

LOCAL GOVERNMENT AT THE THANA LEVEL

Two local government bodies are functioning at the Thana level: The Thana Parishad and The Thana Development Committee.

Thana Parishad

The Thana Parishad was first created by the Basic Democracy's Order (BDO) of 1959 and was called the Thana Council. A circular of the MLGRD&C in 1972 changed the name to the Thana Development Committee but the Local Government Ordinance of 1976 again changed its name to Thana Parishad. Since its inception the Thana Parishad has had both elected and non-elected members. Now it comprises the elected chairmen of the Unions under the Thana and officials of various government departments stationed at the Thana level. Also it includes the Chairman of the Thana Central Co-operative Association (TCCA), the Thana conveners of Youth Complex and the National Women's Organization.

The Thana Parishad is chaired by the Subdivisional Officer (SDO) with the Circle Officer (CO) as the Vice-Chairman. Under the BDO the non-elected members of the thana council could not exceed 50% of the total membership of the council, but now the Thana Parishads are not subject to such a limitation. Depending on the number of Unions under a Thana, the non-elected members could outnumber the elected chairmen of the Union Parishads.

Thana Development Committee

This local government body is of recent origin created by a circular of the MLGRD&C in 1978^{1/}. It is formed with the elected chairmen of the Union Parishads under the Thana. They elect from among themselves one Chairman, one Secretary and one Treasurer. Some additional members, between three and eight, could be coopted but they cannot exceed the total elected membership.

^{1/} Government Circular No. S-IV/2F-1/78/282 dated 24/5/78.

The constitution of the Thana Development Committee implies some transfer of power from the bureaucrats to the elected people's representatives. The chairman can draw and disburse government allocated funds which are used for development programs. But still the Thana Development Committees do not enjoy real autonomy since their development schemes are to be approved in the Thana Parishad which is dominated by the bureaucracy.

Functions

Since the formation of the Thana Development Committee there has been a functional redistribution between the Thana Parishad and The Thana Development Committee. The functions of Thana Parishad relate to coordination of activities at the Thana level ^{2/} and the management of the Thana Training and Development Centre (TTDC) complex which includes: Circle Officer's quarters, twin quarters, TTDC hall/office building, surrounding wall, streets within the complex, and the Thana Irrigation Program (TIP) storage godown. Thana Parishad responsibilities also extend to Office-cum-Community Centers for the Union Parishads, and Voluntary Mass Participation works and construction of flood shelters.

The Thana Development Committee carries out the Thana Irrigation Program, Thana level works program, Ulshi type project ^{3/} and excavation of derelict tanks.

The schemes implemented under the Thana Parishad and the Thana Development Committee can be classified as those relating to (i) irrigation and (ii) public works, meaning construction of roads, bridges and buildings. However there is some overlapping among programs. For example, the grants coming under TIP could also be used for building culverts, evidently as they helped irrigation.

The role of Thana Parishad and Thana Development Committee with regard to irrigation are limited to the construction of pucca (concrete) drains, reexcavation of canals, derelict tanks and the reconstruction of embankments. However, the supply of power pumps

^{2/} See discussion under problem of coordination.

^{3/} Ulshi type projects stipulate that 1/3 of the labor costs would be borne by government, 1/3 by beneficiary groups and the other 1/3 by voluntary participation.

and shallow or deep tubewells is the responsibility of Bangladesh Agricultural Development Corporation (BADC). At the Thana level, the Thana Irrigation Program Overseer 1/ is supposed to physically verify the schemes proposed by pump user groups as a member of the Thana Irrigation Team 2/ and make recommendations as to which groups should receive a pump. In reality, he plays very little role in examining and recommending schemes 3/; the main decisions are influenced by BADC officer(s) in charge of irrigation. Installation of power pump, tubewell and their repair aside, the on-farm distribution of water is managed by the pump user groups.

Staffing

To provide technical support service to the Thana Parishad as well as the Thana Development Committee there is a group of technical personnel called the Thana technical staff who prepare schemes and supervise their execution. Many of them were appointed in the early 1960's by circle officers when the Works Program, after its experimentation in Kotwali Thana of Comilla district, was launched on a countrywide basis. New recruitment is subject to the approval of the Divisional Commissioner but, like the Works Program personnel attached to the Zilla Parishad, they are also regarded as contingency staff.

1/ See discussion under staff.

2/ The Thana Irrigation Team includes the CO, the Thana Extension Officer, the IRDP Project Officer, the Section Officer of BADC and the TIP Overseer.

3/ Interview with TIP overseers.

Salary: The Thana technical staff is paid by the Ministry of LGRD&C and the salaries come in installments under a heading called Pay and Contingency which is disbursed by the Circle Officer. The technical staff often complain that they do not get paid regularly because the installments do not come on a regular basis.^{1/}

Staff Strength: The technical staff at the Thana, in addition to their works for the Thana Parishad and the Thana Development Committee, also prepare and supervise the execution of schemes under Food For Work and any other program determined by the central government. The following Table shows that all the Thana Irrigation Program Overseers have diplomas but out of five supervisors ^{2/} only two have diplomas and only one deputy supervisor received a diploma. All the others have some training ranging between six and twentyfour months. The fact that all four Thana Irrigation Program Overseers have diplomas reflects the importance the government attaches to improvement of agriculture. The circulars issued by the Ministry of LGRD&C have instructions for the Zilla Parishad's technical personnel (Works Program side) to impart training to the Thana technical staff each working season but that is yet to take the form of a regular program.

Equipment

The following table shows the number and type of equipment that technical personnel in some of the Thanas possess.

<u>Thana:</u>	<u>Equipment:</u>
Modhupur	2 measuring tapes.
Godagari	1 measuring tape, 1 set square, 1 T board, 1 card board, 1 set of scales.
Gangachara	2 measuring tapes
Patya	1 measuring tape, 2 set squares.
Fakirhat	2 measuring tapes.

The position of equipment is obviously poor, affecting the efficiency of the technical personnel. This coupled with the fact that they lack good training, tends to make their schemes faulty.

^{1/} Based on interview with Thana technical staff.

^{2/} The supervisor denotes only a different title. It's the same as Sub-Assistant Engineer and Overseer.

Table V.1

Staff Positions of Selected Thanas

Name of Thana	Name of Position	No.	Qualification
Modhupur (Tangail District)	Supervisor	1	Survey course and 2 year 10 month sub-overseer course
	Deputy Supervisor	1	H.S.C. and 1 year training
	TIP Overseer	1	Diploma
Godagari (Rajshahi District)	Supervisor	0	0
	Deputy Supervisor	1	2 year Survey course
	TIP Overseer	1	Diploma
Gangachara (Rangpur District)	Supervisor	1	Diploma
	Deputy Supervisor	1	H.S.C. and 6 month training
	TIP Overseer	1	Diploma
Patya (Chittagong District)	Supervisor	2	Diploma
	Deputy Supervisor	1	Diploma
	Asst. Supervisor	1	S.S.C.
	TIP Overseer	1	Diploma
Fakirhat (Khulna District)	Supervisor	1	S.S.C. and 6 month training
	Asst. Supervisor	1	S.S.C. and 6 month survey course
	TIP Overseer	0	0

Morale of Thana Technical Staff

The Works Program has been in operation for more than eighteen years but still it is regarded as a temporary program. Consequently, the thana technical staff lack security of service and are denied certain benefits like pension and gratuity which accrue to government employees. Although their duties involve extensive tour of the rural areas, they are not provided with any transport and even cannot charge travelling expenses. All this has created low morale in the Thana technical staff.

Finance

The role of the Thana Parishad and the Thana Development Committee differ but both of them depend upon the central government for financial resources since neither has any taxing authority. Every year the central government allocates funds in the name of the Thana Parishad or the chairman of the Thana Development Committee according to the function to be financed. The allocations come in quarterly instalments and are described in a circular issued by the Ministry of LGRD&C which, in addition, includes detailed guidelines for the Rural Works Program and related matters. The total government allocations for five selected thanas are shown in Table V.2.

Table V.2 shows resources to be increasing but also fluctuating considerably during the period for the five thanas, both in terms of total amount and per capita. During the five year period four out of five thanas except Modhupur show increasing receipts compared to the 1974-75 level but with large fluctuations. Only Fakirhat and Gangachara show definite increases during 1977 and 1978. It may be noted here that per capita allocations to the Thanas is greater than the per capita expenditures of Zilla Parishads.

Table V.2

Government Allocations to Five Selected Thanas 1974-75 to 1978-79

Thana	YEAR									
	1974-75		1975-76		1976-77		1977-78		1978-79	
	Total US Dolls.	Per Capita Taka	Total US Dolls.	Per Capita Taka	Total US Dolls	Per Capita Taka	Total US Dolls.	Per Capita Taka	Total US Dolls.	Per Capita Taka
Fakirhat (Khulna District)	4,167	0.72	25,093	4.34	5,387	0.92	7,220	1.25	11,489	1.99
Patya (Chittagong Dist.)	33,033	2.67	62,650	5.07	44,515	3.60	53,092	4.30	45,885	3.71
Godagari (Rajshahi Dist.)	7,318	0.76	50,277	5.24	20,615	2.15	34,792	3.63	35,070	3.66
Madhupur (Tangail Dist.)	27,792	1.92	41,600	2.88	19,257	1.33	32,471	2.25	28,937	2.00
Gangachara (Rangpur Dist.)	3,567	0.42	11,767	1.40	17,260	2.05	24,993	2.96	28,940	3.43

1 U.S. Dollar = Taka 15.00

Source : Thana Parishad records.

Project Preparation*

a) Thana Parishad - The proposals for Thana Parishad activities which relate to the TTDC are made by Thana level officials, the main role being played by the Circle Officer. The technical papers showing descriptions and estimates of the works are prepared by the Thana technical staff.

b) Thana Development Committee - The members of the Thana Development Committee bring their proposals, within an anticipated grant from the central government, to the Thana technical staff who in turn look into their technical feasibility. For lack of logistics support they cannot make the required number of site visits and consequently draw upon their experience. The proposals finally selected strike a balance between the demands (a member of Thana Development Committee might submit 6 or more proposals whose total cost could equal the entire yearly allocation) and the funds made available by the government. The Thana technical staff take measurements and prepare cost estimates (to be submitted to the approval authority) but they hardly conform to sound engineering design criteria ^{1/} and as a result the schemes tend to be weak. The reasons are two fold: on the one hand, the Thana technical staff do not have sufficient training; and on the other the ~~insistence~~ ^{existence} of the members of Thana Development Committee "to manage a scheme within ^{a certain} the amount of money". Of the five selected thanas only Modhupur (in the district of Tangail) ^{2/} provides an example where under the Union Parishad Works Program the Thana Development Committee members promised to pay the extra money from their Union Parishad budgets to implement their projects, given the proper estimates.

* In 1979-80 the Ministry of Local Government, Rural Development and Cooperatives instructed all the local bodies to draw up five year development plans from which they would select their yearly programs.

1/ Interview with Thana technical staff.

2/ The Union Parishad Works Program is supervised by the Circle Officer although the schemes come from the TDC members.

Project Approval

The schemes of the Thana Development Committee are approved by the Thana Parishad and those of the Thana Parishad itself by the District Approval Authority whose composition is as follows:

1. Deputy Commissioner	-	Chairman
2. Executive Engineer of Rural Works Program of Zilla Parishad	-	Member
3. Executive Engineer, WAPDA	-	"
4. Executive Engineer, PWD	-	"
5. Executive Engineer, BADC	-	"
6. Executive Engineer, PHE	-	"
7. Sub-divisional Officer	-	"
8. Asst. Director, Rural Development	-	Member Secretary

The Membership of the District Approval Authority shows a technical bias with five out of eight members as engineers. This implies the overwhelming importance government attaches to technical soundness of schemes executed under Thana Parishad Program.

Project Appraisal

The technical soundness of schemes of Thana Parishad and the Thana Development Committee are required to be examined by a technical committee and the schemes are to be submitted to this committee within seven days of submission to the approval authority. The following members comprise the technical committee.

1. Sub-Divisional Officer & Chairman Thana Parishad	-	President
2. Asst. Engineer, Works Program, Zilla Parishad	-	Member
3. Asst. Commissioner/Circle Officer	-	Convener
4. Sectional Officer, WAPDA	-	Member
5. Thana Irrigation Officer/Unit Officer, BADC	-	"
6. Thana Coop. Officer/Project Officer, RDP	-	"
7. Thana Fishery Officer	-	"
8. Thana Extension Officer	-	"
9. Sectional Officer, PWD/R&H	-	"

The technical committee for a particular Thana includes officials who are based at different places. The SDO and the assistant engineer have their offices in the subdivisional headquarters. The Sectional Officers of WAPDA, R&H and PWD fit into different organizational structures and do not have offices in all thanas. In practice, the Thana Parishad and the Thana Development Committee schemes are sent to the Assistant Engineer of Works Program for examination rather than bringing the committee members together for that purpose.

Tender/Approval

An analysis of the nature of works executed by the two local bodies at the Thana shows that they involve both earthwork and brick work and according to government circulars all earthworks are to be carried out through project committees. ^{1/} But any brickwork valued above twenty thousand taka must be executed through contractors. The tenders are called by the Chairmen of the two bodies. But with permission from the Chairmen of Thana Parishad and Thana Development Committee, the Assistant Engineer, Works Program, Zilla Parishad and the Circle Officer could invite tenders and issue work orders. All papers relating to tenders, work orders, and progress reports are to be preserved at the Thana Parishad and Thana Development Committee offices at Thana headquarters. During the year 1978-79, in four Thanas out of five under study, the Thana Parishad tenders were called by the SDO and only in Godagari thana of Rajshahi District by the Circle Officer. The Thana Development Committee tenders, where required, were called by the respective Chairmen.

The contractors are required to get enlisted with the Thana Parishad for brickworks and their bids are examined by the tender committees which comprise the following members.

<u>Thana Parishad</u>	<u>Thana Development Committee</u>
1. SDO - Chairman	Chairman of TDC - Chairman
2. CO - Secretary	CO - Secretary
3. Executive Engineer, Asst. Engineer of Zilla Parishad Works Program or the District Engineer, Zilla Parishad and in his absence his representative.	Same
4. Section Officer/Asst. Engineer, WAPDA	Same
5. Sub-divisional Engineer of R&H or his representative	Same

^{1/} Project Committees are formed with rural people under the leadership of Union Parishad members.

- | | | |
|----|--|---|
| 6. | Sub-divisional Engineer of PWD
or his representative | Same |
| 7. | Two members of Thana Parishad
nominated by the Chairman | Two members of the
TDC nominated by the
Chairman. |
| 8. | Thana Irrigation Officer/Section
Officer, BADC | Same |
| 9. | Senior Overseer/Supervisor of TP | Same |

A comparison of the membership of tender committee and the committee for checking schemes shows that the majority hold common membership and therefore it can be said that the same group of officials virtually determine the choice of schemes as well as tender bids. Principles governing the award of contracts are same as those of the Zilla Parishad.

Although the tender Committee include both the Executive Engineer and the Assistant Engineer of Zilla Parishad Works Program, attendance at tender committee meetings and participations in the decision making process are, in practice, considered more the responsibility of the Assistant Engineer than the Executive Engineer.

Construction Management

The Thana technical staff have responsibility for supervision of projects under the Thana Parishad and the Thana Development Committee. Their duties are assigned on a geographic basis. For example, the TIP (Thana Irrigation Program) Overseer does not supervise irrigation projects exclusively but also other construction works falling within his 'jurisdiction'. As the staffing pattern shows, they do not have assistants (Work Assistants as in the case of a Zilla Parishad) at a lower level and supervision is made difficult by a lack of logistics support. Their services are also utilized in other spheres where the Circle Officers are involved ^{1/} and for that reason, all four of the Assistant Engineers interviewed reported that they encountered situations when the Thana Technical staff were not available at the thana although they were sent prior information and consequently quality control was hampered.

^{1/} See discussion under coordination.

The government circulars (issued by the MLGRD&C) mention that the Assistant Engineer (the Executive Engineer is also mentioned, rather vaguely) would supervise the kutcha (earthwork) and pucca (brickwork) works of both the Thana Parishad and the Thana Development Committee. But in practice, they limit their visits to the TTDC and surrounding areas. Their visits to the TDC worksites are few and far between. ^{2/}

Payment of Bills

The disbursing authority for the Thana Parishad works is the Circle Officer although the grants are placed in the name of SDO. The Chairman of the TDC is both the drawing and disbursing officer for the TDC works. Bills for progress payments of the Thana Parishad and Thana Development Committee works are prepared by the Sub-assistant Engineer. Payment for earthwork and brickwork not exceeding the value of 15,000 taka could be made after being certified by the Overseer at the thana. Projects valued at more than this amount are to be certified by the Assistant Engineer. The Assistant Engineers of the four subdivisions reported that the bills they received for certification were mostly for the Thana Parishad works.

Level of Activity

Table V.3 shows the various activities typically undertaken by a thana. The thana selected is Modhupur in the district of Tangail. The measurement and expenditure columns show the totals only, not the individual projects. The table shows that small bridges, culverts, derelict tanks etc. are constructed by the Thana level & the table is illustrative of what can be expected of a thana in a given year with the allocation received from the government.

^{2/} Based on interview with four Assistant Engineers.

Table V.3
Level of Activity - Modhupur Thana in 1978-79

Nature of Work	Measurement	Expenditure (In Dollars)
Fucca Drain	900 rft	4,067
RCC Bridge	35 rft	2,487
RCC Slab Casting	57 rft	3,601
RCC Culvert	38 rft	4,954
Derelict Tank	5.84 acres	4,900
Reexcavation of canal under Ulshi	27,921 rft	8,645
Reexcavation of canal under voluntary mass participation	2 miles	1,267
Road cum Embankment	8.75 miles	4,967
Kutcha Road	2 miles	1,047
Wooden Bridge	25 rft	1,033

RCC = Reinforced Cement Concrete. Source: Thana Parishad records.

Monitoring

The provisions for monitoring of the government financed works show several ways of reporting from the Circle Officer through the SDC, the Assistant Director for Rural Development (ARD) to the relevant ministry officials. One of the channels requires the Circle Officer to get physical progress reports of Thana Parishad, Thana Development Committee and the Union Parishad Works Program prepared by the thana level Overseer and submit them to the Assistant Engineer who in turn will send them in the prescribed form to the Executive Engineer of Works Program who will make a consolidated report of the district and forward them to the Engineering Cell or the Deputy Chief Engineer of the MLGRD&C in Dacca. The Engineering Cell at the ministry and engineers in the field have many complaints about the smooth running of the channel resulting from the fact that the technical personnel from the ministry down to the Thana level are not linked by a definite power relationship and also because they are administratively controlled by the bureaucratically dominated local Parishads.

Organizational Problems and the Assistant Engineer

The position of the Assistant Engineer was created in the First Five Year Plan but appointments were first made only in 1977. They belong to the Zilla Parishad and are stationed at the Subdivision to work under the supervision of the Executive Engineer of the Works Program. As staff of the Zilla Parishad they come under the administrative control of its Chairman (DC) who also writes their performance evaluation reports.

The Assistant Engineer is involved in the activities of the Zilla Parishad and also those of the Thana Parishad and the Thana Development Committee. But in performing his role he suffers from problems which in fact emanate from the organizational deficiencies of the Works Program. The Works Program personnel do not have any code which describes their relationship. The government circulars only briefly and vaguely mention the responsibilities of the Executive Engineer, the Assistant Engineer and the Thana technical staff, but do not provide elaborate guidelines about the interpersonnel power relationship. The Assistant Engineers point out their problems are to be ^{acute} with regard to the Thana Parishad and the Thana Development Committee than the Zilla Parishad.

The Thana technical staff. are under the administrative control of the Circle Officer and he takes decisions with regard to their salary, level, travelling etc. Consequently, they tend to incline more to the Circle Officer than the Assistant Engineer who is to supervise their work. All of the Assistant Engineers opined that lack of administrative control over the Thana technical staff made quality control of Thana Parishad and Thana Development Committee projects difficult. Moreover, the Assistant Engineers look upon the Circle Officer as an officer of equal or lower grade and not as a vice-chairman of a local parishad. This attitude has led them to compete for power with the Circle Officers.

In fact, the relationship between the Bureaucracy and the technical personnel is one of the most serious unresolved issues regarding the organization of the Works Program.

Coordination and the Role of Circle Officer

The most important function to be performed by the Thana Parishad is the coordination of development activities at the thana level. Starting with the Basic Democracy's Order, all subsequent documents mentioned coordination as the primary function of the Thana Parishad. Towards that end, the thana level officials and the Chairman of Union Parishads are brought to a common platform where they can discuss problems and influence decision-making. Meetings of the Thana Parishad are held at least once a month with the Sub-Divisional Officer (SDO) in the Chair or in his absence the Circle Officer (as he is the Vice-Chairman of the Thana Parishad). The Circle Officer plays the major role with regard to coordination. He obtains information regarding development activities of thana officials, prepares the agenda and circulates it among the thana level officials. Also it is his duty to pursue the implementation of the decisions made at the thana parishad meeting and, if necessary, decisions are referred to relevant authorities at higher levels for necessary action.

Outside the Thana Parishad, the Circle Officer provides the link between the elected office-bearers of the Union Parishads and the Thana level government officials by virtue of his position as the supervisory officer for the Union Parishads. He is responsible for the proper functioning of this local government body and he audits

their accounts at the end of each financial year. Also the central government's fundings under Rural Works Program and Food for Work are channelled to the Union Parishad/rural people through the circle officer.

The Circle Officer in addition to the above is also involved in other activities. He acts as the enquiry officer on subjects referred to him by officials at higher levels like the SDO & DC. His services are also utilized for central government's programs like the anti-illiteracy campaign, canal digging, etc. Nevertheless, the Circle Officer suffers from problems which affect his efficiency.

Firstly, Decentralization stops at the Sub-division ^{1/} and the Circle Officer does not have authority over the Union Parishads ^{2/} as well as the Thana level government officials. His relationship with the police chief at the Thana is also not defined. All the five Circle Officers interviewed reported that without being endowed with power they had difficulty achieving coordination.

Secondly, an anomalous situation was created by the government when forty-eight of the Circle Officers were promoted with a higher salary scale on a par with some officials at the Thana like the Thana Extension Officer, Thana Livestock Officer, IRDP Project Officer. The other COs hold lower ranks and their relationship with the Thana level officials suffers because of this weakened position.

Lastly, lack of certain facilities affect the efficient performance of his role. The CO does not have any vehicle although he has to make extensive tour of the rural areas. Even the travelling allowances (TA) are wholly inadequate. The arrangements made in the 1960s are still continuing to this day. For six months of the year he gets a TA of sixty taka and for the other six months (covering the rainy season) he gets eighty taka which the Circle Officers said discouraged them from making field trips because of increased costs of transportation.

1/ M. Anisuzzamar. - Circle Officer, - a study of his role.

2/ The Circle Officer only supervises but authority to make decisions and enforce them lies with the SDO.

CHAPTER VI

UNION PARISHAD

Background and Structure

The Union Parishad can be traced to its origins in the hoary past when it used to be called the Union Committee. It's name was changed to the Union Board under the 1919 Local Self Government Act and the Basic Democracies Order (BDO) of 1959 changed its name again to the Union Council. In the aftermath of the Liberation war, the local government body at the Union level was called the Union Panchayet until 1973 when it was again changed to the Union Parishad. In the course of changing its name the Union Parishad also changed its character. Until 1946 there were non-democratic elements in the Union Parishad because one third of the members were nominated by the district deputy magistrates. The BDO ended the deputy magistrates' appointment authority and made the Union Parishad a fully elected local government with the exception of the appointed women members. Three members of the Union Parishad are elected from each of the three wards into which a Union is divided. The voters cast their votes for four preferences, three for members from one ward and one for the chairman from the Union as a whole. The two women members are nominated by the government (sub-divisional officer) in consultation with the Chairman of the Union Parishad. Finally, since late 1979 the government has asked the Union Parishads to coopt two other members from among the peasants. Thus the total number of members of a Union Parishad is fourteen.

Functional Assignments

The Local Government Ordinance of 1976 authorizes the Union Parishads to perform 40 functions covering various aspects of rural life. But in reality the Union Parishads do very little for rural development because of financial constraints, the lack of qualified manpower and the proccupation of the UP Chairman and members to spend 60 to 75 percent of their time in arbitration of local disputes in the village court.^{1/} The government made provision for the constitution of village courts subsequent to the Local

^{1/} Interview with U.P. Chairmen.

Government Ordinance of 1976. The court is comprised of a Chairman and four members. The Chairman of the Union Parishad is the Chairman of the court. Of the four members, two members are the representatives of each party in dispute. Of the other two members, the third must be a member of the Union Parishad and the fourth may be anyone else - usually another member of the Union Parishad. The village court has no authority to put anyone into jail or fine him, but if anyone is found guilty of a criminal offence he could be asked to pay compensation to the party concerned not exceeding taka one thousand. The disputes are innumerable ranging from adultery and abduction of women to illegal possession of another's land.

Finance

The financial resources of a Union Parishad are generated from taxes and government grants and the annual budget is approved by the SDO. Table VI.1 shows the 1978/79 budgeted incomes of selected Union Parishads.

Table VI.1

Budget Incomes of Selected Union Parishads 1978/79

<u>Union Parishads</u>	<u>1978/79 Income</u>	
	(In Taka)	(In Dollars)
Faridabad Union Hathazari Thana, Chittagong.	57,500	3,833
Borobil Union, Gangachara Thana, Rangpur.	60,000	4,000
Bahirdia Union, Fakirhat Thana, Khulna	56,380	3,759
Alokdia Union, Modhupur Thana, Tangail	51,570	3,438

The amounts in Table VI.1, although small in themselves are budget amounts and not the amounts actually obtained. According to the UP office bearers, if 75% of the taxes are realized in a given year it would be regarded as a good record. While there are a variety of reasons for tax avoidance, UP members mention lack of civic sense as a principal reason, primarily among those who are more influential in the Union. However, disputes over assessments, especially if one is put into a higher tax bracket, are also an important cause of tax avoidance. In these cases, the UP members attempt to resolve the dispute by their persuasive skills before they are forced to issue warrants. However, the chairman of the Union Parishad is empowered to realize taxes by possession and sale of moveable property or by attachment and sale of immovable property. These actions are avoided as far as possible because of the potential for public criticism and loss of popularity. The actual collection of taxes is carried out by tax collectors who are appointed by the Union Parishads on a commission basis and receive 15% of the collected amounts. It is alleged that the collectors do not take their job seriously as it is additional to their main occupations. Union Parishad members believe this system should be ended in favour of salaried tax collectors.

A more detailed pattern of actual income and expenditures is shown in Table VI.2. The illustration is taken from Bashudevpur Union Parishad under Godagar Thana in Rajshahi district.

On the income side Table VI.2 shows that the Chowkidari tax and the Syrat are the largest sources of revenue and together account for 54.02% of the total income in that year. The Chowkidari tax is a levy on immovable property (land and buildings). The assessed value of the property is annually determined by the Union Parishad members in their respective wards. While there is overall Union wide guidance on the methods of assessment, the final determination of value depends to some extent on the opinions, interests and kinship of the individual Union Parishad members who make the assessment. Prior to the collection of taxes, the assessments are approved by the Union Parishads and the SDO.

The Syrat is income obtained from hats (periodic markets), bazaars and ferry ghats. It is obtained from fees paid by the users of these services.

Table VI. 2

Bashudevpur Union Parishad
1978/79

<u>SOURCE</u>	<u>Amount in Taka</u>	<u>Amount in \$</u>	<u>% of the Total</u>
Chowkidari tax	14,430.00	962	21.35
Profession	679.00	45	1.0
Vehicle	4,500.00	300	6.66
Syrat	22,074.00	1,472	32.67
Land-lease	1,046.60	70	1.54
Miscellaneous	2,180.00	145	3.22
Govt. Grants	<u>22,651.00</u>	<u>1,510</u>	33.52
Total	67,560.60	4,504	
<u>EXPENDITURE</u>			
Establishment	39,379.59	2,625	69.51
Tree Plantation	612.00	41	1.0
Communication Repair	6,560.00	437	11.58
*UP Works Program	7,030.00	469	12.41
Education	978.45	65	1.72
Water Supply & Repair	740.00	49	1.30
Miscellaneous	<u>1,345.63</u>	<u>90</u>	2.37
Total	56,645.67	3,776	

* The money comes from funds placed under the ^{Thana} /Parishad Works Program.

The Profession tax, the smallest source of income is essentially a head tax with some variation based on income levied on workers not engaged in agriculture.

The vehicle tax is fixed each year for each type of vehicle and is applied only to those vehicles which are owned and operated in the Union.

The government makes grants to augment the establishment costs and to supplement development expenditures. The figures show Bashudevpur Union relied on government grants to the extent of 33.52%. Despite the very low level of Union Parishad income the government's decision ^{1/} in 1979 to make the youth complexes the collecting agent of fees from haats & bazars will, according to the Union Parishad chairman & members, result in considerable loss in income of the Union Parishad.

The two noteworthy aspects of expenditures are first, establishment costs - salaries of Union Parishad officials and staff - absorb the majority of the resources and second, the Union Parishad did not spend all of its income. The "development" expenditures of the Union Parishad were for items such as the repairs of existing tubewells, a few financial grants to meritorious students and earth-works to repair Union roads.

Each Union Parishad is supposed to form a Union Agricultural Committee to review the Union's agricultural situation and needs particularly related to irrigation. In practice, the Unions do not form separate Agricultural Committees but include this area as part of the general agenda of the monthly Union Parishad meeting. Given their resource limitation, Union Parishad's do very little in agriculture

1/ The haats & bazaars & ferries were under the management of the Ministry of Land Administration and Land Reform. They were transferred to the Union Parishads, Municipalities & Dacca Municipal Corporation as appropriate by a circular S-IV/1-U-IV/78/629(83) in 1978. A subsequent circular of 10th September, 1979, among other things, made the Youth Complexes (Cooperatives of Unemployed Youth) the collecting agents of the Haats and bazars for which they would receive 10% on the total collected amount & the same financial arrangements would be applicable to the ferries which would be managed directly by the Union Parishads or the Youth Complexes.

although projects implemented by higher authorities such as the BADC and Thana Parishad need the approval of the Union Parishad Chairman prior to start up. In practice, irrigation activity at the Union level is mainly the result of the interaction between the manager of pump user group and the BADC section officer at the Thana level.

In education, the government is considering a plan to transfer the management of the primary schools to the Union Parishad. However, this is being resisted by primary school teachers and other educators who question the management capability of the Union Parishads. The teachers fear that they would not get regular salary payments although it was not the government's intention to transfer fiscal responsibility to the Union Parishad.

As noted above the amount of money spent on roads and bridges from the Union Parishad's budget is very small. As with Zilla Boards, the Union Parishads are required to spend 25% of their budget on the maintenance of roads built under the Rural Works Program. However, Bashudevpur budget shows that the amount was only 9.7% of the Union Parishad's revenue (excluding the Rural Works Program grant).

The Rural Works Program augments the Union Parishad's budget for road construction by annual grants channelled through the Thana Parishad. These Works Program schemes include earthworks and small concrete culverts.

Staffing

The staffing pattern of five Union Parishads is presented in Table VI.3.

The Secretaries are the principal officers of the Union Parishad and are educated to the Secondary School Certificate level*. They are appointed by the SDO. The Secretary's appointment does not need the Union Parishad Chairman's approval although the Union Parishad occasionally nominates names to be

* A diploma obtained after ten years of schooling.

Table VI. 3

Paid Staff of Union Parishad 1978-79

<u>Union Parishad/ Thana/District</u>	<u>Secretaries</u>	<u>Assist. Sec'ies</u>	<u>Dafadar</u>	<u>Chowkidar</u>	<u>Others</u>
Farhadabad Union, Hathazari Thana, Chittagong.	1	-	1	6	-
Borobil Union, Gangachara Thana, Rangpur.	1	2	2	7	-
Bahirdia Union, Fakirhat Thana, Khulna	1	-	1	6	-
Alokdia Union, Modhupur Thana, Tangail.	1	1	3	7	-
Basudevpur Union, Godagari Thana, Rajshahi.	1	1	2	4	1*

(* Vet Assist. - Services were not fulltime, salary was Tk.250 p.a.)

approved by the SDO. The secretaries work under the dual control of the SDO and the Union Parishad. None of the five Union Parishad secretaries or chairmen reported any conflict resulting from this arrangement. The Dafadars and Chowkidars are organized by geographical location. They are used by the Union Parishads in various ways. They collect information from the villagers and also take Union Parishad messages to the villagers. Their services are utilized for minor law and order functions and in cases involving the distress sale of property. Of the two categories, the Dafadars hold a higher rank and the Chowkidars work under his command.

Other Development Activity

A number of government development programs reach the Union level through a very small central government staff presence which is unrelated in terms of authority and management to the Union Parishad. The central government staff includes one Union

Agricultural Assistant - mainly concerned with extension - one IRDP cooperative inspector and seven to ten health and family planning workers who represent the largest central government presence at the Union/village level.

The health/family planning staff includes a Sanitary Inspector or Assistant Health Inspector who supervises two to three Family Welfare Workers - mainly concerned with public health, malaria and sanitation; one Family Planning Assistant (male) who supervises three Family Welfare Assistants (female) - mainly family planning motivators; and one Medical Assistant and Family Welfare Visitor - clinic based personnel who provide treatment for simple conditions and referral to high treatment centres. The Family Welfare Assistants are partly supervised by the female members of the Union Parishad.

In addition to the above, the Establishment's personnel such as the SDO and Circle Officer occasionally involve themselves in Union Parishad affairs in terms of staff appointments, budget approvals and audits.

As a final picture of the type of development activities which occur in a Union Table VI.4 lists all of the building activity which occurred in Borobil Union, Rangpur, by all levels of local government during 1978-79.

Table VI. 4

Local Government Development Projects in Borobil Union. All levels.
1978-79

	Amount (In Taka)	Amount (In Dollars)
Under Union Parishad:		
Road Repairs costing	5,000	333
Presidential Commitment:		
A Hindu Temple built with funds paid by a Presidential commitment after a local visit.	5,000	333
Under Thana Parishad Works Program:		
4 concrete ring culverts - 12 ft long x 3 ft deep	8,000	533
Thana Development Committee:		
Re-excavation of derelict tanks worth	41,029	2,735
4 pucca drains, each approx. 175 ft long x 3 ft deep, costing	38,000	2,583
CARE/FFW - 4 miles of kutchra road repair, - 17,800 ft of river re-excavation (Total value 3,007 maunds of wheat)		
Under Zilla Board:		
No activity.		

CONCLUSIONS

Despite a long history, local governments in Bangladesh can still be characterized as institutional infants. Since their introduction during the colonial period, incumbent national governments have tried either to shape the local governments to reinforce the prevailing political powers or to eliminate their roles as independent local popular fora and providers of local services. For the most part, the latter course of action has prevailed leaving local governments weak and largely irrelevant to the needs and aspirations of the majority of rural Bangladeshis.

Local governments are creations of the central government and their status at any given time reflects the central government's interest in or fear of decentralization. On the bureaucratic level, the long tradition of power held by the civil servants of the central government has been a tremendous obstacle to the development of an important functional role for local governments. The responsibility to provide virtually all of the important government's services has been and still is delegated to the field staff of the central government's ministries, directorates and corporations, each of which has been organized to parallel local government at the district and thana levels. Concomitantly, local governments' responsibilities, resources and staff strength have withered to the point where the popular image of local government in general reinforces the centralization bias of the central bureaucracy. An example of the poor image of local governments can be seen in the protests raised during the recent attempt to transfer the management of primary schools to local bodies. It is clear that the central government in Bangladesh has a major task ahead of itself if local governments are to be revitalized and project an image of competence and efficiency.

The central government's hesitation to enhance the strength and functional responsibilities of local governments can be seen in the peculiar organizational structure and position of the Rural Works Program. With a large quantity of financial resources available from excess U.S. PL 480 rupees, the central government in 1963 faced the choice of building rural infrastructure through central or local government institutions. On the central level, the Roads and Highways Department could have been given the funds and responsibility to construct and maintain the rural roads and the Water

Development Board could have handled the irrigation component. Alternatively the funds could have been allocated directly to local governments for their direct expenditure using their own (expanded) staff. However, neither option was chosen. Instead, the central government opted for a hybrid program which unfortunately contained none of the strengths of a purely central or purely local implementation authority. The laudable decentralization intentions of the government at the time were tempered by an unwillingness to believe that local bodies could manage the funds and provide the proper staff for the implementation of construction. Consequently, while the Rural Works Program is publicized as a grant-in-aid to local governments, the central government implements the Program through a separate technical staff and separate scheme approval procedures neither of which are fully integrated into local government or the central government bureaucracy. Consequently, the staff is denied the benefits which are associated with each status and the separate scheme approval procedures merely add a new layer of bureaucratic review which does not appear to produce schemes of noticeably better quality than the less involved procedures which apply to schemes financed by locally generated resources. Adding to the anomaly of the situation is the fact that despite the lack of support, local governments, particularly the Zilla Parishads, have grown considerably since 1963 and are now able to finance a larger program of activity than the Rural Works Program at the Zilla level. This growth arises from the direct tax linkage which exists between the growing state of the economy and Zilla Parishad revenues. The Rural Works Program, on the other hand, being neither fully part of the central bureaucracy or local government is not linked to the growth of the economy for its resources but rather is dependent upon the national government's budget process and foreign donor support. Partly because of its status, the Rural Works Program has failed to develop a constituency or even a coalition of support sufficiently strong to argue for and win an annually increasing level of real resources. Today the Zilla Parishads' own District Engineers are more experienced and oversee a larger construction program than the Executive Engineers of the Rural Works Program. If the present trend continues, and there is no reason to believe it with not, the Rural Works Program and the Executive Engineer's staff will be largely irrelevant to the main program of the Zilla Parishads.

On the Thana and Union levels, the Rural Works Program will, of necessity, remain important to the infrastructure needs of these governments, particularly in the development of irrigation facilities, because individually the Thanas and Unions have too small a program to justify the maintenance of a qualified professional staff. However, before the Rural Works Program can become fully effective as a Thana and Union resources, for irrigation as well as other facilities, a conscious decision is required by the central government which terminates its responsibility to carry out Zilla Parishad activities, establishes the Rural Works Program's relationship with the Thanas and Unions, and regularizes the employment status of its staff. At the Zilla level, the Rural Works Program Fund can then be granted directly to that level of local government to be implemented by the District Engineer. The staff of the Rural Works Program can then be made responsible for supervising the construction of only the infrastructure needs of the Thanas and Unions financed from the Program, from locally generated revenues and through voluntary schemes.

It should be noted that the reorganization discussed above is one possibility, it is not the only solution to the current problem of the Rural Works Program. As an alternative, a more centralized solution could be sanctioned which established the Rural Works Programs as a central government directorate responsible for the provision of all rural infrastructure now carried out by local governments. In this case, the District Engineer and the Thana Technical Staff would then be eliminated since their roles would be redundant. Local resources would be transferred directly to the Rural Works Program staff for implementation of projects. Another option would be to eliminate the staff of the Rural Works Program and implement the schemes directly with the staff of the local governments. As noted above, this would create no problems at the Zilla level since their staff is organized and competent. However, the Thanas and Unions would be placed under a severe establishments burden if each jurisdiction were required to employ a full time professional engineering staff to carry out what is essentially a part time program.

Regardless of the option chosen by the government the Rural Works Program staff clearly requires a change in status in order to eliminate the differential treatment and resultant low morale which now prevails.

The characteristics of local government in Bangladesh do not reflect a serious previous effort on the part of the central government to restructure rural power relationships in the political system toward the vitalization of local government and the establishment of popular control over the local level decision making process. There are two bases for the observation: First, although there are a number of levels of rural local government, the process of directly electing local government officials has been limited to the Union level; Second, the central government has not sanctioned finance instruments for local governments which allow them to carry out an appropriate array and level of public services. To some extent, progress has been made recently as reflected in the decision to form the Thana Development Committees, appoint District Development Coordinators and request that Zilla Parishads consult the members of Parliament from the district before finalizing their annual program. However, little progress has been made in redistributing the bureaucratic power to finance and manage the delivery of government services at the local government level. Local governments are still resource starved and ill equipped despite their desire to carry out a larger program. It is clear that while the government is moving toward decentralization, the bureaucracy does not yet realize that all of the problems are not central problems and that there are a number of functions which could be better administered and managed by the local councils.

In former times, when Bangladesh was a relatively simple rural economy the shift to central administration represented an administrative improvement over the essentially feudal local rule. However, today the economy of the country is becoming increasingly complex and central management is unable to encompass and effectively administer the myriad of local issues and problems which exist at the present stage of national development. On purely efficiency grounds, a vast number of local and regional decisions can no longer be reserved for a decision in Dacca since a continuance of this practice impinges on the central government's real role to determine national policy. Consequently, local government's responsibilities need to be redefined to enable them to manage local activities without further need to seek final approval from the central administration. Along with this decentralization must come the authority to tax or otherwise expand the resource base of local governments so that they are financially better linked to the economy's growth sectors and therefore able to carry out a responsible program of services.

One step in this process of bureaucratic decentralization could be, for example, simply an increase in the delegation of authority to Zilla Parishads to approve schemes and tenders greater than Taka 50,000 without seeking higher authority. A more profound step would be to make the higher authority a popularity elected council rather than a supervisory level of the bureaucracy. It is this last point which is at the heart of the question of local government and consequently deserves additional discussion.

It is commonly known that democratic government at the national level is a necessary condition for democracy to flourish at the local level. However, democracy at the national level is not a sufficient condition for democratic local government. Democracy at the local level requires the national level to genuinely divert itself of a number of responsibilities and delegate these to the local level for action at both the policy and the implementation level. It is interesting to note that while there has been a definite increase in the responsibilities of local governments for project implementation, particularly at the Union and Thana levels, each level of local government is still carefully controlled by a higher level approving authority. In the case of the Thana and Zilla Parishads, these higher level approving authorities are purely bureaucratic. The very curious situation is now emerging in which elected officials at the Union level of local government are charged with what is normally a bureaucratic responsibility to manage the implementation of local projects while the policy level approving authority which logically should be filled by popularity elected officials is staffed by non-elected bureaucrats. Thus, the fundamental rationale for local government is inverted in Bangladesh with the bureaucratic structure setting the policy and overseeing the actions of the popularly elected officials who manage the day to day problems of implementation. While Union level officials have thus far shown a willingness to tolerate this situation, it is unlikely that officials elected to the Zilla Parishad, when this occurs, will act the same way. The greater authority and resources of the Zilla Parishads will require its elected officials to possess greater policy authority both within existing functional responsibilities and in areas now managed by the field staff of the central government's ministries, directorates and corporations. It is most unlikely that elected officials at the Zilla Parishad level will quietly accept policy guidance and supervision from an overlying authority staffed by the bureaucracy.

As noted in the preface, this study was undertaken to describe and analyze the functioning of local government as part of an effort to design a rural roads project and an irrigation project which would be implemented by local government. While this purpose has been achieved, the study has identified and left unsolved a number of important issues which are intimately associated with the future of local governments in Bangladesh.