

Thal, NFC award not in Sindh's interest

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By Mohammad Anwar & Raza Haroon

(The following is the Muttahida Qaumi Movement's stand on the Greater Thal Canal project and the National Finance Commission.)

A UNANIMOUS water accord was signed by the provinces on March 16, 1991, which was endorsed by the Council of Common Interests. From Sindh, the accord was signed by the then provincial chief minister Jam Sadiq Ali and law minister Syed Muzaffar Shah.

In 10 daily allocations forming part of the accord, Punjab provided specific allocations for the greater Thal canal for the Kharif season from its share which was increased from 54.52 million acre feet (MAF) to 55.94 MAF. Sindh was also allocated an additional 5.23 MAF of water.

The greater Thal canal originates from RD-180 on the right side of the Chashma-Jhelum Link Canal. Its head regulator has already been constructed for a discharge of 10,500 cusecs of water. It will irrigate about 1,56,0021 acres in the Bhakkar, Khushab, Jhang and Lieah districts of Punjab.

In his article titled "Why no to Greater Thal Canal", Abrar Kazi writes: "The basis of the 1991 water accord was the 1977-82 average usage in 10 daily blocks. There was no greater Thal canal during 1977-82, hence there could not have been any mention of water allocated for the canal. However, when Punjab presented its proposals for the 1991 accord, they included water allocation for the Thal canal. Sindh objected to it and, as usual, Punjab prevaricated. Later it got an opportunity under President General Pervez Musharraf's military government to regularize this injustice.

There are recognized interna-

Chashma-Jhelum Link Canal? And what will happen if a dam is built on the River Kabul in Afghanistan?

The only solution is to shift emphasis from development to conservation of water resources. Money should be spent on modernizing Pakistan's creaking irrigation network and lining canals, distributaries and watercourses in Sindh and southern Punjab than on building a Rs 30 billion project.

The Sindh Assembly unanimously adopted a resolution opposing construction of the greater Thal canal. The assembly recommended to the Sindh government to make a complaint to the Council of Common Interests against the construction of the greater Thal canal and to request the federal government to stop construction.

During two days of heated debate on the issue, it was contended that even in the controversial 1991 water accord, the participants had maintained that there was no allocation for the Thal canal project. The thrust of the discussion was that Sindh's share of the Indus water system was being illegally and unilaterally diverted for the benefit of Punjab and many projects had been executed in Punjab despite the non-availability of water for Sindh. The members' contention was that when there was not enough water to cater for the needs of the lower riparians, how could water be provided for the project area. The legislators pointed out that the project was being constructed without the approval of the Council of Common Interests. If the project was completed, it would turn a vast area of Sindh into a desert and its millions would be deprived of their means of livelihood, they contended.

The MQM submitted a resolution to the Sindh Assembly secretary demanding that work on the canal be stopped. However, work on the project continues. On June 16, MQM chief Altaf Hussain expressed his concern over the greater Thal canal and suggested that a roundtable conference of leaders of political parties, nationalists, experts, intellectuals and representatives from all walks of life be called to discuss the issue.

follows: Punjab 22.9 per cent, Sindh 67.73 per cent, NWFP 5.92 per cent and Balochistan 3.44 per cent. The percentage share received by Sindh from taxes collected in the provinces has been far less. To illustrate, in 1997-98, its share was 23.3 per cent, in 1998-99, 24.8 per cent and in 1999-2000, it was 27.3 per cent.

According to the formula adopted by the 1996-97 NFC, it was recommended that out of the divisible pool, 62.5 per cent would be apportioned by the federation, while 37.5 per cent of the revenues were to be distributed among the provinces on the basis of their population (Census 1981: Punjab 57.88 per cent; Sindh 23.28 per cent; NWFP 13.54 per cent and Balochistan 5.30 per cent).

During 1999-2000, under the revised budget, Rs 519.402 billion was estimated as the gross revenue receipts of the federal government. On the basis of the NFC formula, the net provincial share in taxes (of the divisible pool) was calculated to be Rs 122.700 billion, the distribution of which was to be effected as follows: Punjab Rs 71.018 billion; Sindh Rs 28.564 billion; NWFP Rs 16.613 billion; Balochistan Rs 6.503 billion excluding the straight transfers of royalty on crude oil, surcharge on gas, excise on gas and royalty on gas).

In contrast, the revenues generated by the provinces in the corresponding period were Punjab Rs 77.912 billion; Sindh Rs 189.461 billion; NWFP Rs 22.046 billion; and Balochistan Rs 7.800 billion.

It will thus be noticed that Punjab with a population of 57.88 per cent, with revenue generation of Rs 77.912 billion, received Rs 71.018 billion, whereas Sindh with a population of 23.28 per cent, generating revenues to the tune of Rs 189.461 billion, received only Rs 28.564 billion.

No provincial government would make any conscious efforts to plan/control or reduce the size of population, when reduced size means reduced allocation of revenues. The population criterion alone for the allocative strategy would have a dampening effect on economic growth. The National Finance Commission will thus be well advised to adopt such a criterion

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