

# **Financial Strengthening of Union Parishad for Good Governance**

**By**

**Md. Toriqul Bashar**

**Master of Urban and Regional Planning**

**Department of Urban and Regional Planning**

**Bangladesh University of Engineering and Technology**

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The thesis title, “**Financial Strengthening of Union Parishad for Good Governance**” submitted by **Md. Toriqul Bashar**, Roll No: **040315048 F**, Session: **April 2003**, has been accepted as satisfactory in partial fulfillment of the requirement for the degree of **Master of Urban and Regional Planning** on **September ----, 2008**.

### **BOARD OF EXAMINERS**

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BUET, Dhaka, Bangladesh.
  
- 4.----- Member (External)  
**Professor Dr. Golam Rahman**  
Advisor, United International University  
House No: 80, Road No: 8A  
Dhanmondi R/A, Dhaka, Bangladesh

## **CANDIDATE'S DECLARATION**

It is hereby declared that this thesis or part of it has not been submitted elsewhere for the award of any degree or diploma.

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Md. Toriqul Bashar

*Dedicated to my beloved parents*

*Acknowledgement*

*Abstract*

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## **CURRENCY EQUIVALENTS**

Currency Unit            Taka (Tk)

## **ABBREVIATIONS AND ACRONYMS**

ADB	Asian Development Bank
ADLG	Assistant Director Local Government
ADP	Annual Development Plan
BCR	benefit-cost ratio
BUET	Bangladesh University of Engineering and Technology
BUPF	Bangladesh Union Parishad Forum
CBOs	Community Based Organizations
DC	Deputy Commissioner
DDCC	District Development Coordination Committee
FY	Fiscal Year
GoB	Government of Bangladesh
Km	Kilometer
LGED	Local Government Engineering Department
LGI	Local Government Institution
MLGRD&C	Ministry of Local Government, Rural Development and Cooperatives
MTS	Model Tax Schedule
NGO	Non-governmental Organization
NILG	National Institute of Local Government
NPV	Net Present Value
PIC	Project Implementation Committee
UDC	Union Development Committee
UDCC	Upazila Development Coordination Committee
UNDP	United Nations Development Programme
UNO	United Nations Organization
UNO	Upazilla Nirbahi Officer
UP	Union Parishad
Upazila	Development Coordination Committee
USAID	U.S. Agency for International Development
USAID	United States Agency for International Development
WB	World Bank

## **ABSTRACT**

Existing standing of local government structure follows the recommendation of the Local Government Commission of 1996, which consists of a four-tier system but, before the commencement of the commission report, local government has gone through a process of chronological change. Among the tiers, the Union Parishad is still a permanent catalyst of the local government.

A unit of local government must possess substantive autonomy particularly as reflected in the right to prepare a budget and raise the revenue necessary to meet it. But, the Union Parishad has been facing enormous problem regarding its fund. Day by day, UP is lessening its power to collect tax from its internal resources that makes weak governing system.

This research focuses on Union Parishad: how it works, its sources of funding and expenditures, exploring possible new sources of funding and how it can be used for strengthening UP as a means of good governance. In the research, it have been tried to search the reasons for deficit of fund, problem of fund collection, discrepancy between income and expenditure, priority program needed in the area and finally some recommendations have been provided considering social, political and economic point of view.

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## CHAPTER 1

### INTRODUCTION

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#### 1.1 Background of the Study

Bangladesh is rural based country—majority of the people still live in villages. and Union Parishad (UP) is the plays an important role flarorma of as local government set up in the rural areas. It is at the lowest of the three-tier local government system in Bangladesh i.e.: Zila Parishad, Upazila Parishad and Union Parishad. Being close to the grass root people, an efficient and effective Union Parishad (UP) might serve better by improved service deliveries and hence generatimproving social awareness and economic development with social in tandem to achieve theaiming at national goals of the country—economic emancipation of the poor. Additionally, itThus UP could might play an important role to makemaking the life of its people happy and healthy. It that could ultimately bring the balanced development improved social, economic and cultural harmony to the people living in the areasin society reducing existing inequality between rich and poor. However, four UPs,: namely i) Uzangram Union of Sadar Upazilla;, ii) Panti Union of Kumarkhali Upazilla;, iii) Samashpur Union of Khoksha Upazilla; and iv) Mokarimpur Union of Bheramara Upazilla under the Kushtia district, have been taken under study.

UP receives very little a small amount from the central government in respect toregardless of its its inhabitants population. and iIn fact, it is decreasing over the population growthyears. Bureaucratic enforcement, pressure of ministers and member of parliaments,Pressure of central government and absence of efficient leadership in UP etc. are misleading the UP inform becoming an ineffective local government body in the country. G—getting rid of all these impediments is crucial for its effective role functioning. At the same time, transparency and accountability in the UP areis also necessary. On the one hand, incomerevenue of the most UPps , which are about entirelyalmost dependents on central Ggovernment., is very few, almost nil, o On the other hand, in many cases there are serious allegation of

misappropriation of fund against the UP officials and elected representatives. Announcing annual budget publicly, responses to the public demands need of the people, participation and awareness of the grass root voices are some key factors in ensuring transparency and accountability—all those issues are the factors of malgovernance of UP. Therefore, to become an efficient and transparent institution with an example of good governance, the UP should have to focus on its financial aspects.

### **1.2 Goal**

This study intends to focus on UP:--its functioning how it works, its sources of funding and fields of expenditures,. It also intends to explore possible new potential sources of fundings and how it can be used properly for strengthening UP as a means of good governance.

### **1.3 Objectives**

The broad objectives of this research are to better understand of UP's activities, income and expenditure, to find out potential financial sources of income as means of good governance.

The specific objectives of the proposed study are as follows:

- To analyze activities of the Union Parishad (UP) and its sources of financial revenue;
- To identify existing problems pertaining to income and expenditure;
- To understand the relation between financial condition and good governance.; and
- To explore potential sources of financing of the UP.; and

### **1.4 Review of Literature Related to This Thesis**

Research The study on rural local government finance has been drawn very little attention to experts, researchers, specially, in fundamental research,-- hence, studies are mainly focused on generalized problems related to administration, sources of fund, development etc. To have theoretical better understanding of UP's finance ,

information related to the thesis was and other aspects, information has been collected from all available existing books/journals, unpublished paper, seminar paper, magazine, newspapers etc. The study also used recommendations of different study reports related with the thesis---; it was also helpful to collect opinions of different researchers in this regard. Some literatures on the issue may be written as follows:

Saqui, Qadir and Khan (1982) in their paper “ Government Grants to Local Bodies” an attempt was made an attempt to analyze the grants from the central government. From the previous studies they showed that on an average the quantum of government grants increased gradually but the income from its own sources lagged behind. The main objective of their paper was to analyze the receipt, utilization and importance of government grant to Union Parishad. They focused some issues like- firstly, different sources of government grants and comparison of different sources, and secondly, the relationship between government grants and Union Parishad’s sources of incomerevenue. From the findings of this paper it can be showedseems to be that, the greater portion of government grants and a substantial amount of own income of Union Parishads were exhausted for paying honorarium to chairman and members, staff salary and the costs of establishment—development works remain untouched.

Noor, A (1984) in his paper “Pattern of Expenditure of the Union Parishad in Bangladesh” tried to analyze the expenditure pattern of the Union ParishadsP in order to find out their financial adequacy in performing the development taskworks that have been assigned to them. The study was based on the case study of two Union Parishads e.g. Amrul and Majira Union Parishad. One significant finding of the study was that the expenditure on establishment constituted a much higher percentage in the total expenditure of Majira Union Parishad when compared to Amrul Union ParishadUP. This was because Majira Union is almost half in size both in area and population compared to Amrul Union. Owing to this difference, the income of the two Parishads UP also varied considerably.

Bilquis, A (1987) in the paper titled “Problems of Local Government Officials: The case of the Secretaries of Union Parishads” attempted to present some background information about the sSecretaries of Union Parishads and to explore the problems faced by them relating primarily to their incumbent’s job situation. In this paper, the author analyzed about the age, working experiences, education, and training of the Ssecretaries to understand their efficiency,. This paper on UP secretaries may be regarded as quite rudimentary and exploratory in nature.

Noor (1994), A (1994) in the paper titled “Resource mobilization by the Union Parishad in Bangladesh: Past Experience and Future Dimension” attempted to examined the adequacy of the UpsP in the mobilization of resources from internal sources, identified problems and suggested policy initiatives for resource mobilization by them. In this paper, resource mobilization by the local government has been defined as the raising of necessary finance which can be locally mobilized by the local body for carrying out its assigned responsibilities. Discussion of this paper is mainly primarily concerned with the resource mobilization, by the Union ParishadP from the sources authorized by the central government.

Tareque (1994) in his paper titled “Union Parishad: Some Aspects of its Management Problems”made an attempt was made to identify the major management problems of Ups within a theoretical and empirical framework and to suggest some remedial measures. This paper assumed that a Union Parishad being the lowest level covers an optimum area at which a minimum sense of community exists and induces people participation in local development is possible. In rural Bangladesh, the assumption of presence of minimum sense of community feelings within a UP does not preclude the presence of social stratification and factional rivalry.

From the following literatures, it can be envisaged that in our country although the government is unitary, local government is recognized in constituruction and it is the nearest interface for citizens that constitute the government, but the government are is very reluctant tothe progressively to decentralize political and financial autonomy

of these bodies to UP. The expectations that are raised at the Union local level are frustrated by the sustained legal and administrative restrictions on Union governance and financial affairs UP. The neighboring countries like India and Pakistan are federal decentralized in character, character. They provide grants to the local body from both federal and provincial sources. where sometimes political forces parties play a vital role influence of the amount to be sanctioned in allotment of grants. Failure to of collection of revenue the from own revenue own sources is also common to them like Bangladesh.

Increasing trend of dependency of the UP of the local government bodies will leads central government to take more control to more control over them by central government it. The government will have needs to provide them UP more funds but should give some sorts of autonomies, . Moreover, strategies should be taken so that in the long run it becomes self sustained which may not be possible on long-term basis for a poor country like ours. The above discussion on UP's various aspects, specially financial base, necessitate more research in this field.

There is a lack of in depth study research on UP, e.g. in better understanding of UP's activities, income and expenditure, and potential financial sources of income as means of good governance. Small number of study has so far been undertaken based on influence of demographic and structural factors in resource mobilization---there has been little theoretical investigation or analysis of UP data. The present study is an attempt to focus on UP's financial aspects: how it is works functioning, its sources of funding revenue and expenditures, exploring possible new potential sources of funding and how it can be used for strengthening UP as a means of good governance.

### **1.5 Rationale behind the Study**

Strong financial base is the most important aspect of any institution dealings with public affairs-- e.g. economic, social or physical development activities. Both sources of income revenue and as well as expenditure must be

translucenttransparent, and use of this public fund should be utilized properly to avoid any controversy and which will help ensure good governance.

But at present, tax realization within UP's jurisdiction is very small in amount to meet its internal demand; it even can not meet 50% of the establishment cost to run its businesses. Absence of efficient local resource mobilization, inadequacy of revenue sources, faulty system of assessing the holding tax, and unsatisfactory system of tax collection, etc. all are responsible, contributeing much to UP's lower revenue generation. On the other hand, government grant comes through different stages of administrative bureaucracy that are causing tardy in executing activities, and also creating bottlenecks in the activity schedules, particularly development activities. Moreover, grant allocated by the central government are not sufficient enough to meet the local demand (Saqui, 1994). Where While the four UPs under study needed an average amount of Tk 3,00,000.00 but it received only Tk 63,000.00 in 2004-2005 fiscal year from central government that is only 21% percent of total the demand.

Capacity building of UP depends on many factors; among them self-financing is the most important and very primary one. If UP's financial base waswould strong enough then it could run the businesses efficiently--y-consequently, couldan earn more revenue, to spend handsome amountmore in development activities and ensuring good governance finally. According to US Bureau of Census, a unit of local government must possess substantive autonomy particularly as reflected in the right to prepare a budget and raise the revenue necessary to meet it (Arn, 1984). SoTherefore, to build up the capacity of UP, more emphasis should be given on self-financing to enhance the pace of development at local level and good governance as well.

However, a number of studied have been accomplished by a number of local government experts on UP's income and expenditure, capacity, various financial discrepancies, misuse of UP's fund, state of governance and so on. But this study aims ato approaching good governance through financial strengthening of UP—how

financial strengthening can improve the state of governance, is an initial dent to explore financial sources as a substantive means for of good governance.

### **1.6 Scope of the Study**

The scope of the study is limited to the financial aspects of UPs. It mainly studies the budgetary allocation and sources of money revenue. Among many other problems of UP, this study basically primarily focus focuses on the problems pertaining of to finance and resource mobilization at the local level and tries to identifies possible way outs at the local and global (national) perspectives.

### **1.7 Limitations of the Research**

This is a partial study of the UP's general condition. In this research, only a few (four) UPs of Bangladesh a district were covered taken under consideration and the sample sizes used for household survey purpose were also limited small in number.; Hence the result from this research may not reflect the actual general picture of UPs of the country. It is anticipated that more coverage of more UPs will provide more accurate picture state of UP.

### **1.8 Organization of the report**

#### Chapter 1: Introduction

This chapter contains a description of the study and a statement of its objectives the rationale behind the study, the scope of the study and the basic problem that was faced during the research and report preparation.

#### Chapter 2: Existing rural Local Government in Bangladesh

It contains the evaluation of the local government system, politics and governance system, the urban policy framework in Bangladesh. It also describes the present local government categories and their hierarchy and major characteristics of the urban local government focusing on UP.

### Chapter 3: Methodology of the Sstudy

This chapter highlights the overall step-by-step procedure that was followed by the study from starting to reaching at the final stage. during the preparation of the report and the research. It describes the methodology, which was used to measure the existing financial conditions of the UPs.

### Chapter 4: Study Aarea Pprofile

In this chapter, a general ideas on demography, infrastructures, and various social as well as physical attributes of the about the study areas are givenhave been articulated. It gives an over all idea about the demographic condition (population, density, etc), geographical information (area, number of villages etc) and physical infrastructure (water supply systemsanitation, drainage and electricity, etc., etc).

### Chapter 5: Activities Performed and Influencing Factors

It includes the services actually provided by the UPs and the social, financial and economic factors, that influence itthem.

### Chapter 6: Sources Of Income And Expenditure Pattern

This chapter points out all the financial aspects that focus on the income and expenditure of the UPs.

### Chapter 7: Problems and Potentials of Resource Mobilization

The chapter studies the existing capacity of the UP, specially the officials and the system of the interaction with the communitiesy.



### Chapter 8: State of Governance at UP

The chapter focuses mainly on the state of governance prevailing at UP—it tries to estimate the level of governance and how much financial aspect contributes to it.

### Chapter 98: Recommendation and Conclusion

It points out all finding and their necessary interpretation, which was obtained from the budget data, UP officials and residents HH survey analysis. This chapter also proposes some recommendations, which would be helpful to strengthen the financial condition of the UPs. Considering the existing organizational capacity and performance of some selected UPs, this chapter draws a general conclusion based on the analysis, findings and recommendations of the research.

## CHAPTER 2

### **EXISTING UNION PARISHAD AND GOVERNANCE**

---

#### **2.1 Local Government**

Local government can be defined as sovereign units within a sovereign nation employed for specific functions in their jurisdiction (Tarek, 1988). The local government bodies in Bangladesh are basically of two types: Rural Local Government (RLG) and Urban Local Government (ULG). Rural Local bBodies from bottom are: Union Parishad (UP), Upazila Parishad and Zila Parishad (Siddiqui, 2000)..

##### **2.21.1 Evolution of Local Government System**

By the end of the 1920s, district boards were functioning under the stewardship of non-official chairmen. During the formative years of Pakistan as an independent nation, the provincial government of East Pakistan initiated some important changes. General Ayub Khan introduced a system of local government known as Basic Democracy. But the concept of Basic Democracy, a four-tier system had lacking in novelty and innovation. It bore a clear resemblance of two layers, the union councils and municipal committees of the British days (Khan, 1997).

Since iIndependence in 1971, a number of attempts have been made to tinker with the local government system in Bangladesh. Changes were made from time to time in terms of the nomenclature of tiers of local government, but almost nothing was done to strengthen local governments. Therefore, the structure of the local government system remained more or less unchanged.

Immediately after iIndependence in 1971, the name of the Union Council was changed to Union *Panchayat* and an administrator was appointed to manage the affairs of the *Panchayat*. The name of *Thana* Council was changed to *Thana*

Development Committee while the District Council was named *Zila Board* or District Board. Again in 1973, Union *Panchayat's* name reverted to Union *Parishad*. A more significant change in the local

**Table 2.1: Change made in local government bodies in Bangladesh**

Period	Tiers of Local Government				
	Division	District	Thana/Upazila	Union	Village
Colonial Era	-	Dist. Board	Local Board	Panchayet	-
Pakistan Period	Divisional Council	Dist. Council	Thana Council	Union Council	-
Awami League Govt.	-	Zila Board	Thana Devt. Committee	Union Panchayet	Multipurpose Cooperative
BNP Govt.	-	Zila Parishad	Thana Parishad	Union Parishad	Swanirvor Gram Sarkar
Jatiya Party Govt.	-	Zila Parishad	Upazila Parishad	Union Parishad	-
BNP Govt.		Zila Parishad	Thana Devt. & Coordination Committee	Union Parishad	Gram Sabha
Awami League Govt.		Zila Parishad	Upazila Parishad	Union Parishad	Gram Parishad
BNP led Alliance Govt.		Zila Parishad	Thana Development and Coordination Committee	Union Parishad	Gram Sarkar
Army backed Caretaker Govt.		Zila Parishad	Thana Development and Coordination Committee	Union Parishad	-

Source: Adopted from Siddiqui, (2000),

government system was brought about in 1976 through the Local Government Ordinance. This ordinance provided for a Union *Parishad* for a union, a *Thana Parishad* for a *Thana* and a *Zila Parishad* for a district. The Union *Parishad* comprised of one elected Chairman and 9 elected members, two nominated women members and two peasant representative members. The *Thana Parishad* consisted of the Sub-Divisional Officer being the ex-officio Chairman, the Circle Officer and a Union *Parishad* Chairman. The *Zila (District) Parishad* was to consist of elected members, official members and women members whose numbers were determined by the government. Its term of office was five years. However, no elections were held and government officials ran the *Parishad*.

Three tiers of local government is the present standing of local government recommended by the Local Government Commission in 1996. But, before the commencement of the commission report, local government has gone through a process of chronological change.

Local government has gone through a process history of changes. From the chronological changes it is found that UP is the common local government tier since 1855 in different political regime. Other bodies of local government have been demolished and renovated time to time. So, it can be envisaged that the Union Parishad is the vital and most wanted body working for development at local level in Bangladesh. Past experiences suggest that the local government body faces difficulties from financial, administrative or political point of view, as there is conflict between elected members and the bureaucrats. Here, prevails an imbroglio of power. However, to perform their mandated functions, the UP has to depend mostlargely on central government. But central government can not meetfulfilled desired required financial demand in most of the cases (Ministry of Law and Justice, 2000). Consequently, development, at local level could not take place with expected pace. Good governance is necessary for development but in time, sufficient finance is prerequisite for it. Without exploring the option of self-financing, it is quite difficult to meet the financial needs of the Union Parishad.

### **2.1.23 Legal Framework and Its Different Aspects**

Bangladesh is divided into six divisions each of which is subdivided into several districts; there are 64 in all. In the rural areas, there are theoretically fourthree tiers of local government. with the *zila* (district) Pparishad at the top. Next comes the Uupazila Pparishad. An ordinance to provide for the constitution of Union Parishads for the unions in rural areas was made in 1983, namely, The Local Government (Union Parishads) Ordinance, 1983. Though there has been an ordinance for more than 20 years, it has not been implemented wholly substantially. The provision of the constitution of the Standing Committee is a glaring example that laws are not

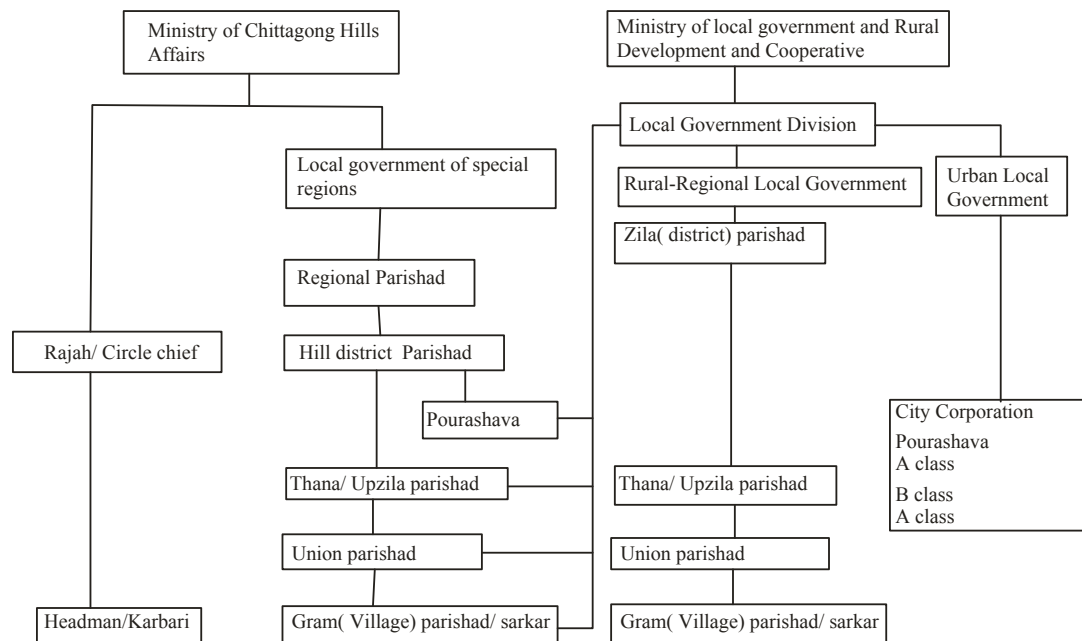
implemented in our the country properly. T However, the country has a long tradition of local government, and the union parishadUP is its oldest component.

There are 469 upazila parishads and approximately 4,483 Union Parisads are in the country. The fourth tier is the *gram sarker* (village level). It is not active everywhere although there are plans to have 39,768 of them. In 1973, each union parishadUP was divided into three wards. Each ward elects one member to represent the ward in the union parishad.

### 2.1.34 Local Government Hierarchies and UP

There are two bodies of local government in Bangladesh; they are the Rural Local Government and the Urban Local Government. The rural/regional local government as proposed by the latest commission on local government would have three tiers (Source: Siddiqui, 2000):

- Union Parishads (44083);
- Thana/Upazila Parishads (460); and
- Zila Parishads (64)



### **Figure 2.1: Local Government System in Bangladesh**

UPs are controlled under the supervision of the Ministry of Local Government, Rural Development and Co-operatives. UPs, except under the Ministry of Chittagong Hills Affairs, are sounder in administrative control. Figure 2.1 shows the Local government system in Bangladesh.

The system of local government in the Hill Districts is a complicated one and therefore, is much complexity in the administration. The UP administration in the Hill Districts is mainly controlled by the Ministry of Local Government although certain aspects of such UPs are under Hill administration.

#### **2.51.4 Present Form of UP**

The Area of the UP generally consists of ten to thirteen villages, in a close contact making an administrative boundary. The UP consists of a chairman, nine elected and three women members, one secretary, one *Dafadar* and nine *Chawkiders*. *Dafadar* and nine *Chawkiders* work as tax collectors in the Union. Chairman and members were elected in 2003 and till then they are working in the UP. Members and chairman are elected for a term of five years through direct vote of the people. They are not apt of their duties and functions. electorates.

Elected members and chairman are directly involved in the local socio-economic affairs of union. They are aware of well known about the demand of the local electorate as they, generally, live in the area close contact. The responsibilities of the elected members and chairman is an important aspect that sometimes insists them to do good deeds jobs in favour of the people locale. As they are directly elected by the votes of the people electorates, good deeds in favour of local interest in his/her regime will bring them benefit a chance to win for in the following election. Additionally, people are also well known about functions of their representatives. In addition, a chair and vice-chair were elected from the general ward population. In 1976, provision was made for two women and a farmer's representative to be

nominated. In 1983, the system was altered with the passage of the Local Government (Union Parishad) Ordinance. Subsequent changes have occurred; the most recent is 1997 Act Number 20. Each union is now composed of 13 elected representatives including a chair, 9 members (1 from each ward) and 3 women elected to reserved seats based on 1 female representative for every 3 wards.

One third of the total UP's members are women. Their involvement in the UP has ensured participation of woman in the decision making process in the rural area. The people of the area directly elect them and they have the right to take part in decision making about the local matter. Officials and employees can directly be recruited by the UP.

Standing committees undertake and execute the various functions of each UP. There are 13 committees in all. Women are to head one third of them and are further mandated to head the committee on women's and children's welfare, culture, and sports.

## **2.2 Governance**

"Governance is the exercise of political, economic and administrative authority to manage a nation's affairs. It is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations, and mediate their differences." (UNDP)

"Governance is the manner in which power is exercised in the management of a country's social and economic resources for development. Governance means the way those with power use that power." (ADB)

Broad definitions of governance are rather vague and vary in different strata of governments. There is a very considerable literature that discusses how, precisely, the concept of governance might be defined; for the purposes of this thesis this literature may be summarized as following:

- The processes by which governments are chosen, monitored, and changed.

- The systems of interaction between the UP and the executive legislature.
- The ability of government to create and to implement public policy.
- The mechanisms by which citizens and groups define their interests and interact with UP and with each other.

### **2.2.1 Good Governance**

How an organization controls its actions. Governance describes the mechanisms an organization uses to ensure that its constituents follow its established processes and policies. It is the primary means of maintaining oversight and accountability in a loosely coupled organizational structure. A proper governance strategy implements system to monitor and record what is going on, takes steps to ensure compliance with agreed policies, and provides for corrective action in cases where the rules have been ignored or misconstrued. Perhaps the most striking thing is how broad the topic of good governance really is but this research will just try to make a sense on how and to what extent financial crisis of UP may hamper achieving good governance in the chapter 8.



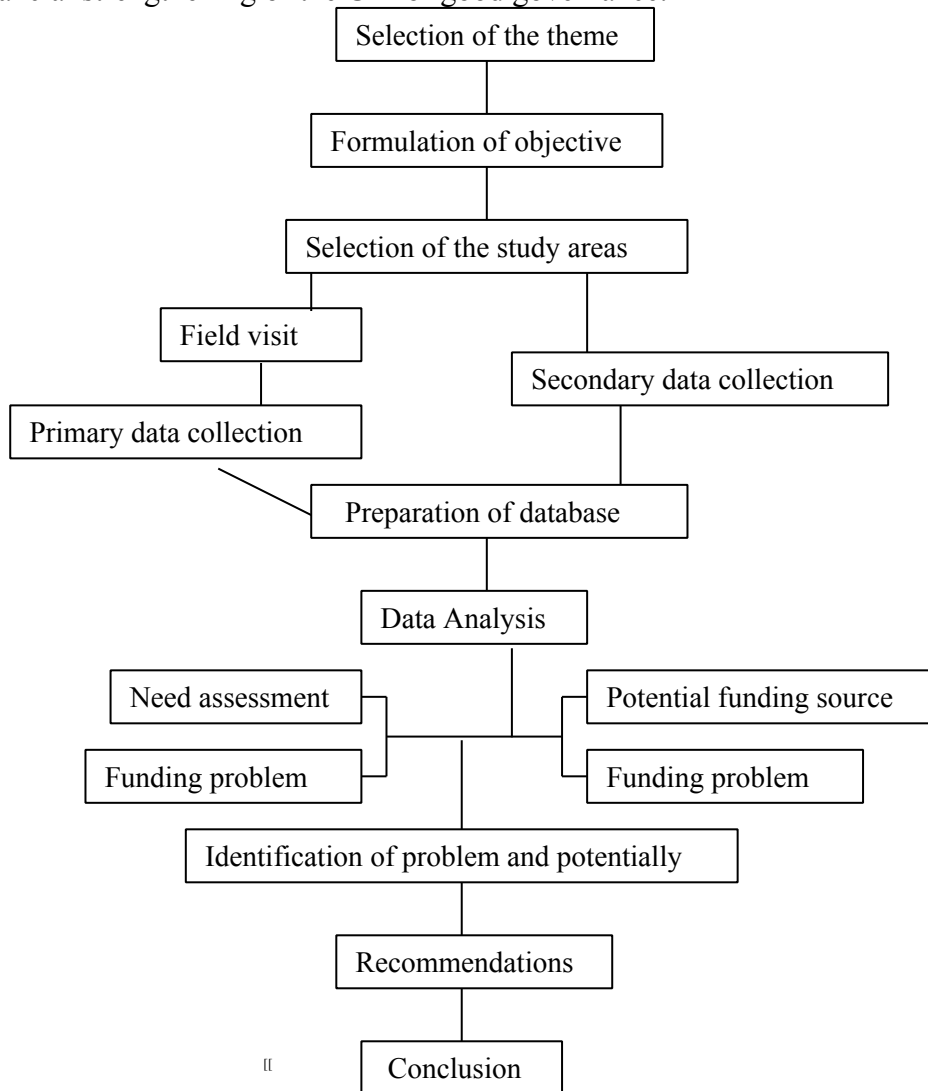
## CHAPTER 3

### METHODOLOGY

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#### 3.1 Selection of Project Theme

It is found that the condition of the UP is too poor regarding their revenue sources as well as their capacity to serve their locality by good governance. On the other hand, poor dwellers raise questions about the services of UP. However, to serve its people, UP requires to have a good financial base as well as capacity that indicate the point to become - financially solvent. So, this research study focuses on the financial strengthening of the UP for good governance.



**Figure 3.1: Methodology of the study**

### **3.2 Formulation of Objectives**

To carry out this research the study work effectively and efficiently, and to reach the goals, three objectives were confronted formulated before the commencement of the research. in the study area. The objectives were to measure the find out problems of funding, effectiveness of services of the UP, as well as to see the potential sources of funding in the UP.

### **3.3 Selection of the Study Areas**

To measure find the funding problems of the UP, four UPs were selected as study areas. All are from four upzilas of Kushtia districts, but in different Upazila. Because Kushtia is my home district, and it is easy for me to carry out the research work here. The selected Union's are Uzangram Union (under Kushtia Sadar Upazila), Samaspur Union under (Khoksha Upazila), Panti Union under (Kumarkhali Upazila), and Mocarimpur Union under (Bheramara Upazila).

### **3.4 Data Collection**

To analyze the financial condition of the UP, data were collected both from both of primary sources as well as secondary sources. Primary data were collected from field level through structured questionnaire survey and the data were documented at UP.

#### **3.4.1 Literature search**

The information has been collected from different published documents such as journal articles, books, statistical reports, different study reports etc. on present form of UP, sources of financing, administrative structure, problems regarding collection of tax/rate of the UP. The literature has provided a conceptual framework of financing of the UP and some possible way to manage it.

#### **3.4.2 Field visit and reconnaissance survey**

All the UPs have been visited in order to collect necessary information about the different source of financing through structured questionnaire survey. The view of UP chairmen, members, and secretary has been taken to gather relevant information for the research. Information regarding fund and sectoral expenditure has been collected from enumerated from UP budgets and discussion with different members, chairmen and secretary of the UP as well as general people of the community.

### 3.4.3 Primary data collection

#### 3.4.3.1 Questionnaire survey of the inhabitants

UP is responsible for providing and maintaining necessary facilities to its residents. But, in most of the cases it is seen that the UP is failing to fulfill the demand of its inhabitants. Therefore for documenting public opinion on UP's onus to its people, questionnaire survey Questionnaire on the inhabitant is seem to be the best way. to find out the problems regarding funding, It also provides a chance to recheck if any anomaly found in UP's data. The table 3.1 below shows the key respondents of the sample. various facilities, duties and functions of local representatives, etc.

**Table 3.1: Survey type and sample size**

Survey on	Sample size	Survey Type	Sampling Method	Locations
Inhabitants	120	Structured Questionnaire	Random	Uzangram Union, Samaspur Union, Panti Union, Mokarimpur Union
Officials	40			
Key Informant Survey	4	Interview	Specific	One in each UPs

#### 3.4.3.2 Questionnaire survey of the officials

The survey was carried on chairmen as well as members. The questionnaire survey on the officials has was done to find out the inherent matters of the each aspects of UP. The questionnaire carried out among the chairmen as well as members. During the field visits, chairman, most members of the council officer were interviewed. and r Relevant financial documents (such as thee.g. executed revised

budgets) were collected and reviewed. These documents were in the local (Bengali) language and had to be translated and transcribed in English.

### **3.5 Preparation of Database**

Data, which was that were collected in the from field survey observation and questionnaire survey, was used to prepare complete database. This database was developed using SPSS 11.0 and Microsoft Excel software and further data analysis supporting the objectives of the study was conducted..

### **3.6 Data Analysis Focusing on Several Aspects**

#### **3.6.1 Need assessment**

Depending on previous sources of fund and expenditure profile of the UP' fiscal budgets, financial needs for the development activities have been assessed. The fields, nature and extent of the revenue, and expenditure have been taken under consideration to determine the priority needs. The structure of the cash flow in of the previous years is examined based on official budget of UP. cross-checked with field investigations.

#### **3.6.2 Identification and analysis of the existing problems regarding fund**

UPp's fund is collected from a multitude of various sources. But, there are complains of procrastination in government allocation, imbroglio of power, faulty system of tax collection and mismanagement of the collected revenue. However, current this study intends to investigate on the exact nature and extend of the problems with respect to financial management of the UP. The analysis also has tried to find out any inconsistency exists between required and available fund.

#### **3.6.3 Identification of potential sources of fund**

Interview with the UP chairman, members, secretary as well as the local people has been made conducted to get an outline of possible financial sources for necessary expenses of the UP. However, the views of different stakeholders have been crosschecked with actual field findings and within themselves. From this, the research has tried to make an estimate of possible income of the UP. Then the findings have been compared with the previously assessed needs and past records of UP's earning. The comparative research is expected to give substantive insights with respect to financial strengthening of UP.

#### **3.6.4 Ensuring accountability and transparency**

In the context that Bangladesh is suffering from a systemic deficiency in ensuring corruption free financial practices; it is acknowledged that all financial reform practices should also come up with adequate measures for accountability and transparency. This is also a central concern of good governance. In this respect, this research has tried to analyze and propose a mechanism to ensure accountability and transparency of the process of financial mobilization and wide public participation.

#### **3.7 Findings and Recommendation**

Considering the diagnosis of the collected information, some general findings were drawn from the data analysis which focused on the needs and financial aspects of the UP. and bBased on those findings the study has tried to draw a level of governance, and finally, some general recommendations were proposed for resolving the problems and –for the financial strengthening of the UP.

#### **3.8 Preparation of Report**

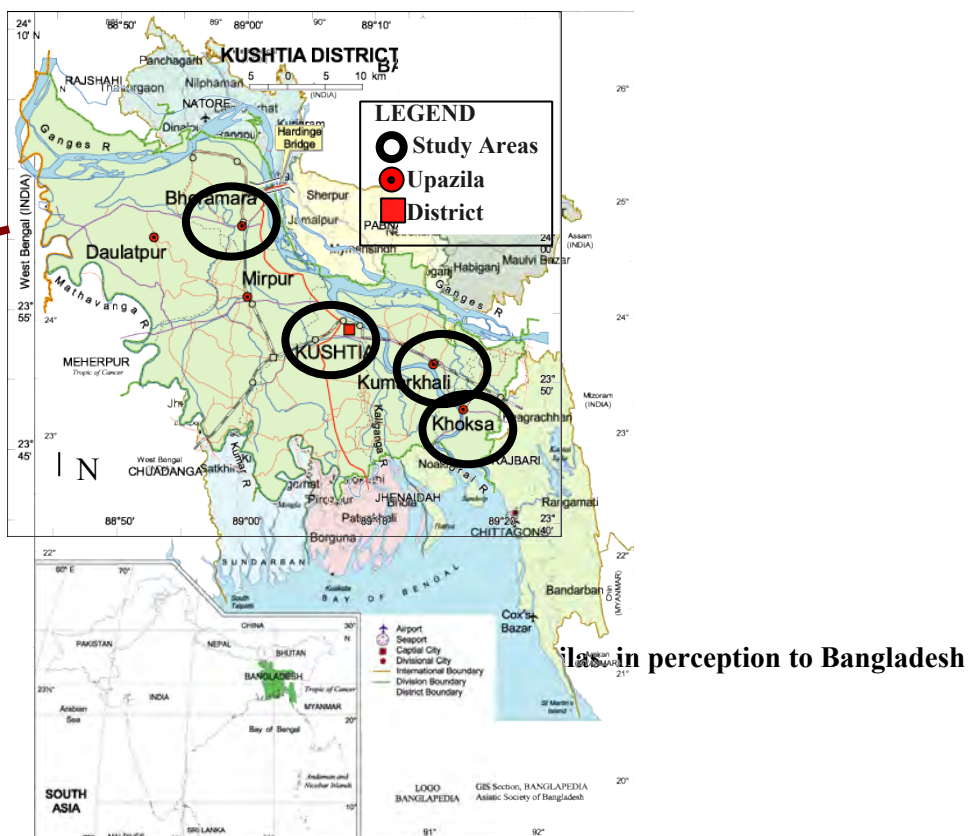
In At the end, all the information along with the findings, analysis and general recommendation has been documented to produce provided in the a report.

## CHAPTER 4

## STUDY AREA PROFILE

## 4.1 Location of the Study Area

All the studied four Unions are in the Kushtia district under Khulna division. Kushtia District with an area of 1621.15 sq km is bounded by RAJSHAHI, NATORE, PABNA districts on the north, CHUADANGA, JHENAIDAHA districts on the south, RAJBARI districts on the east, West Bengal of India and MEHERPUR district on the west. Main rivers flowing in and around the district are: Ganges, Garai, Mathabhanga, Kaliganga and Kumar.



## 4.2 Profile of the Study Areas

## 4.2.1 Uzangram Union, Kushtia Sadar Upazila

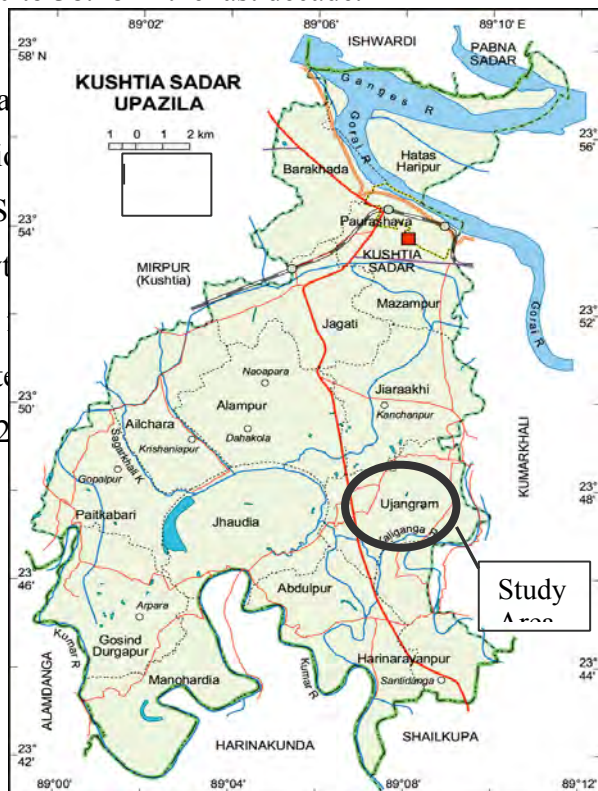
*Master's Thesis on "Financial Strengthening of UP for Good Governance"*

#### 4.2.1.1 Area and Demographic Profile and Situation of Holding Tax Collection

The name of one of the study unions is Uzangram. The study area is located at the Southeastern part of the Kushtia Sadar Upazila. The UP office is located by the side of Asian highway between Kushtia and Jhinedah districts. The Union comprises of thirteen villages covering the area of around 5,294 (approximate) acres. According to the statistical report of BBS Population Census 2001T, the total population of the area Union is around 20,053 - in number-- . They are mainly Muslim. There are a small percentage of Hindu is found living in different parts of it. The primary occupation of the people of the area is agriculture, and others occupations include day labor, petty business, fishing, carpentry, and pottery etc..

As the total area of the union is 5,294 acres and the total number of population is 20,053 (BBS 2001), the density of population is 3.79 ~around 4 people / acre. If, the population is projected based on the data of BBS 2001 and at present growth rate for the year 2007, it will be 21,433 swelling up density of population. Fortunately, the literacy rate increased from 20.30 to 38.28 in the last decade.

The trend of population growth can be seen over the last few years. Population of Uzangram Union was 20,053 in accordance to the BBS 2001 respectively. However, an annual growth rate of 10 per /thousand and decreased to 10 per /thousand growth will remain at the present rate. The population will be 22,409 in 2011 and 25,042 in 2015.



Location Map 4.2: Uzangram Union

### Location Map 4.2: Uzangram Union

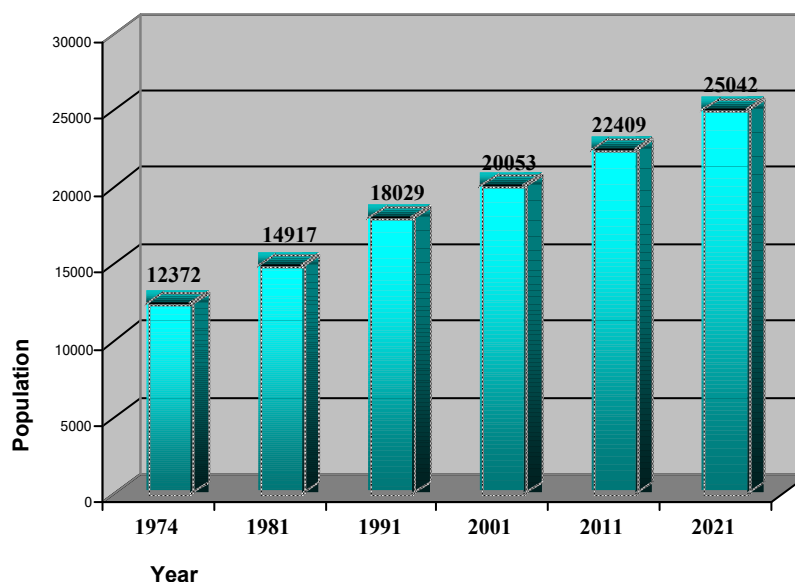
**Table 4.1: Demographical information of Uzangram Union**

Sl. No.	Census Year	No. of Household	Population	Literacy Rate
1.	1974	1862	12,372	10.65
2.	1981	2316	14,917	9.48
3.	1991	3317	18,029	20.3
4.	2001	4535	20,053	38.28

Source: BBS Community Series 1974, BBS Community Series 1981, BBS Community Series 1991, BBS Community Series 2001

According to BBS Population Census Report 2001, more than 30% households of the Union do not own agricultural land; and –it willis increaseing over the years. Today,At present, each household hasowns 1.167 acres of land and it will decrease to 0.934 acre/household by 2021 as the sliting rate of HH and population is increasing day by day .

According to BBS Zila Series1991 for Kustia, about 56% of the total household's house roofs of houses were either tile, CI sheet or cement made. T—the percentage has increased as the overall



**Figure 4.1 Population Trend of Uzangram Union**



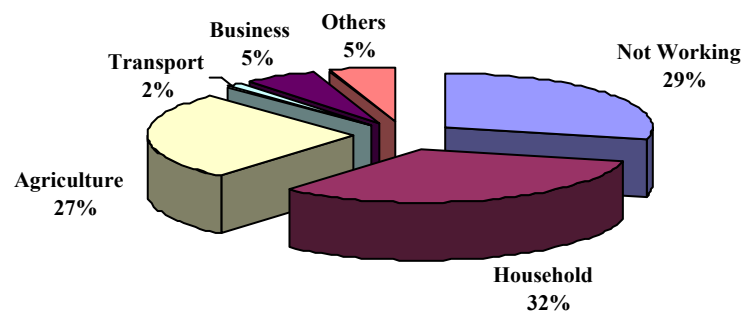
socio-economic condition of the population has improved. Let If, it goes up to 60% (although actual situation will must be better); then, the total number of households using tiles, CI sheets or cement on their house roof will be 2909. The people using tiles, CI sheet or cement on their house roof are seem capable to pay their holding tax to Union Parishad.

If we assume that the people used tiles, CI sheet or cement on their house roof are capable to they pay holding tax to Union Parishad, and average holding tax/rate of each family is Tk 40, then total amount it is possible to generate will be the amount of at least Tk 21,0016, 000378 each year (the average holding tax/rate of each family is estimated to be Tk 40-80). But, presently, Union Parishad demands Tk. 1,00,500 per year which is less than the assessed estimated amount. It seems indicates that the UP lacks the eagerness to collect tax from the stakeholders.

On the other hand, holding tax collection by the collector is less than the money spent for collection. Here, the reason seems puzzling to identify. –Transparency and accountability must be ensured. So, collection of tax and accountability of this tax to the general public is very much essential for good governance. Providing adequate information about the revenue and expenditure to public can ensure this.

#### *4.2.1.2 Main Economic Activities of the People*

Total number of workable population (10 years and above) in this Union is 15,768. ; Out of this population, 4,519 persons (28.66% of the total) are either do not have work or look for work. The reason is lies greatly on macro economic policies of the country which don't encourage unavailability of rural job opportunities. Other 11,249 persons are engaged in different professions like household work, agriculture, industry, construction, transport, business, etc.



**Figure 4.2 Income source of population of Uzangram Union**

#### *4.2.1.3 Main Sources of Income*

In the Union, Out of 4,518 households, agriculture, forestry or livestock are the main primary sources of income of 2,312 (50%) households, out of 4,518 households. Remaining 729 and 653 households' main source of income is agriculture labor and business respectively. Other 824 households' main sources of income include live on fishery, non-agriculture labour, handloom, industry, transport, construction, etc. (Appendix-C, Table 4.7)

### 4.2.2 Samaspur Union, Khoksha Upazila

#### 4.2.2.1 Area and Demographic Profile and Situation of Holding Tax Collection

Total area of Samaspur Union is 8,177 acres and the total number of population is 37,107. The density of population is estimated to 4.54 ~ 5 persons / acre. If, the population is projected at present growth rate for the year 2007, it will be 39,694 swelling up density of population—it will add more number to dencity. And Tthe literacy rate of population in the union is 38.68.

The trend of population can be of Statistics. Populations of this census year 1974, 1981,1991 thousand of population (from growth will remains at present 40,818 in 2011 and 44,991 in 20



Table 4.2: Demogra

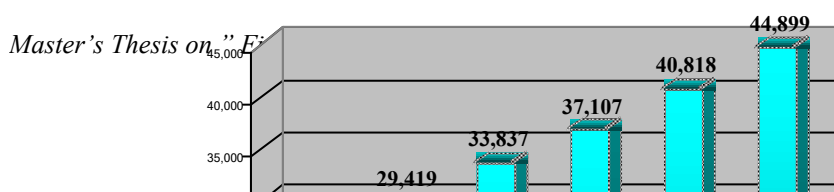
Sl. No.	Census Year
1.	1974
2.	1981
3.	1991
4.	2001

Source: BBS Community Series 1974, BBS Community Series 2001

Location Map 4.3: Samaspur Union

According to BBS Ppopulation Ccensus Rreport- 2001, more than 48% households of the Union do not own agricultural land--; and itnumber of landless people willis increaseing gradually over the years as population will increase and land will be used for plinth of homestead use. Today, each household owns 1.08 acres of land and it will also decrease with the growth of population.

Population Trend of Uzangram Union



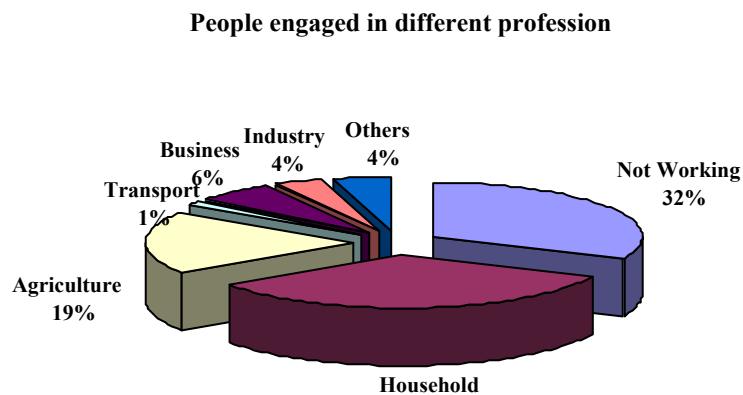
### **Figure 4.3 Population Trend of Samaspur Union**

According to BBS Ppopulation Ccensus report-1991, 55% of the total household's house-s roofs were are made by tile, CI sheet or cement. The percentage has increased as the overall socio-economic condition of the population has improved (source: field surveyobservation). Let,If, it goes up to 60%-- (although actual situation will be better);, then the total number of households used tiles, CI sheets or cement on their house roof will be more than 4500. And, Tthe people used tiles, CI sheet or cement on their house roof seem isto be capable to pay holding tax to Union ParishadUP.

If we assume that the people used tiles, CI sheet or cement on their house roof are capable to pay holding tax to Union Parishad, and the average holding tax/rate of each family is Tk 640-100,, then total amount will be more than Tk 21,580,000. But, presently Union ParishadUP demands Tk.1, 10,000 which are is almost half of the less than the assessedestimated amount. It seems bizarredue to the lack of eagerness to collect tax from the stakeholders.

#### *4.2.2.2 Main Activities of Workable Population*

According to the Population Census Report 2001, total workable population (10 years and above) in this Union is 27,826. Out of this workable population, 8,822 persons (31.70% of the total) either do not work or looking for work.—unemployed rate Among them women is high compared to its counterpart,.



**Figure 4.4 Income source of population of Samaspur Union**

female are in the prominent part. The reason is unavailability of job opportunity. Other 19,004 persons are engaged in different profession like household work, agriculture, industry, construction, handloom, transport, business, etc—they are mostly male.

#### *4.2.2.3 Household's Main Sources of Income*

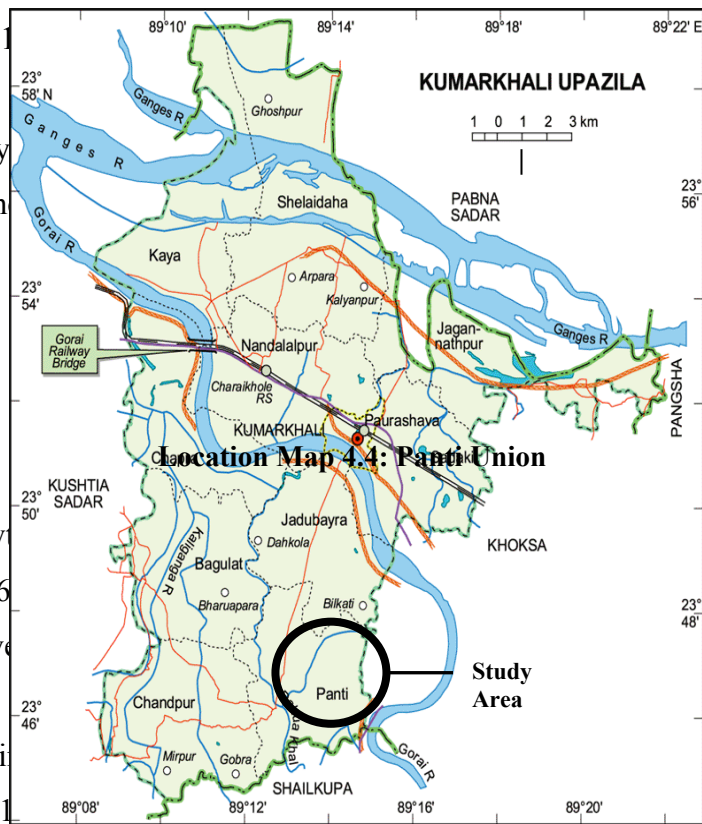
Out of 7,573 households, agriculture, forestry or livestock are the main sources of income of 2196 household. 1,695, 1,152 and 992 households' main sources of income are agriculture labour, businesses and handloom respectively. However, more than 6% of the total households earn from regular employment.

Other 1,078 households' main sources of income include fishery, non-agriculture labour, handloom, industry, transport, construction, etc. (Appendix-C, Table 4.7)

### 4.2.3 Pantı Union, Kumarkhali Upazila

#### 4.2.3.1 Area and Demographic Profile and Situation of Holding Tax Collection

Total area of the union is 5,831 bighas. The density of population is 45 persons per bigha. The present growth rate for the year 2001 is 16.62%. The literacy rate in 2001 is 39.52%.



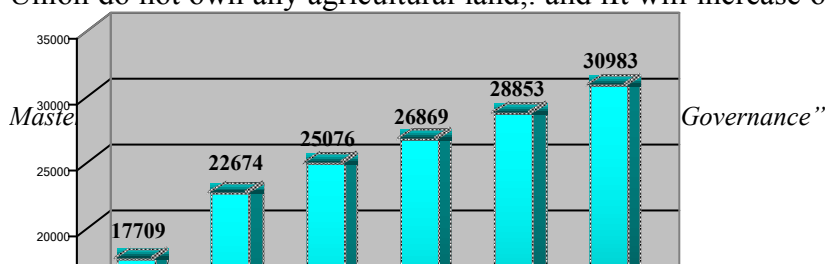
The trend of population growth in Pantı Union are 17,709, 22,674, 25,076, 26,869, and 30,983 in 1974, 1981, 1991, 2001, and 2011 respectively. The population growth rate (2001-2011) is about 7 per thousand. The population growth will remain the same. The population in 2011 will be 28,853 in 2011.

**Table 4.3: Demographical Information of Pantı Union**

Sl. No.	Census Year	No. of Household	Population	Literacy Rate
1.	1974	2,878	17,709	16.73
2.	1981	3,522	22,674	16.62
3.	1991	4,698	25,076	24.0
4.	2001	6,109	26,869	39.52

Source: BBS Community Series 1974, BBS Community Series 1981, BBS Community Series 1991, BBS Community Series 2001

According to BBS population census report 2001, about 48% households of the Union do not own any agricultural land; and it will increase over the years. Today,



each household owns 1.167 acres of land on an average and it will decrease to .934 acre by 2021.

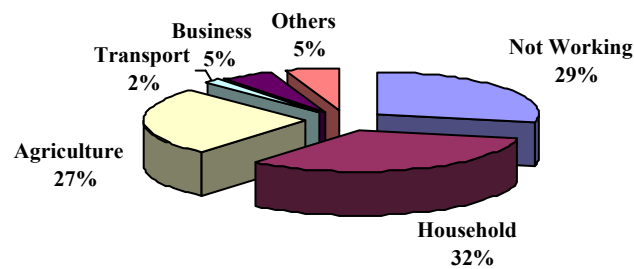
According to BBS population census report-1991, 56% of the total household's house roofs were made by tiles, CI sheet or cement. The percentage has increased as the overall socio-economic condition of the population has improved. Let, it goes up to 60% (although actual situation will be better); then the total number of household used tiles, CI sheets or cement on their house roof will be 36,65. The people used tiles; CI sheet or cement on their house roof is capable to pay holding tax to Union Parishad.

If we assume that the people used tiles, CI sheet or cement on their house roof are capable to pay holding tax to Union Parishad, and average holding tax/rate of each family is Tk 40, then total amount will be Tk 1,46,600. But, presently Union Parishad demands Tk.1,00,700 which is less than the assessed amount. It seems to lack of eagerness to collect tax from the stakeholder.

#### *4.2.3.2 Main Activities of Workable Population*



According to BBS Population Census Report 2001, total workable population (10 years and above) in this Union is 20,865. Out of this workable population, 6,320 persons (29% of the total population) either do not work or look for work. The reason is unavailability of job opportunity. Other 14,545 persons (71% of the total population) are engaged in different profession like household, agricultural, industry, construction, transport, business, etc.



**Figure 4.6 Income Source of population of Panti Union**

#### *4.2.3.3 Main Sources of Income*

Out of 6,089 households, agriculture, forestry or livestock are the main sources of income of 2,433 households. 811 and 910 households' main source of income is agriculture labour and business respectively. Other 937 households' main sources of income include fishery, non-agriculture labour, handloom, industry, transport, construction, etc. (Appendix-C, Table 4.7).

#### 4.2.4 Mokarimpur Union, Bheramara Upazilla

##### 4.2.4.1 Area and Demographic Profile and Situation of Holding Tax Collection

Total area of the union encompasses 9,250 acres and the total number of population is 31,062. Therefore, the density of population is 3.35 ~ 3 persons / acre of land. If, the population is projected at present growth rate for the year 2007, it will be 34,852. swelling up density of population. The literacy rate increased from 25.9 to 40.23 in the last decade.

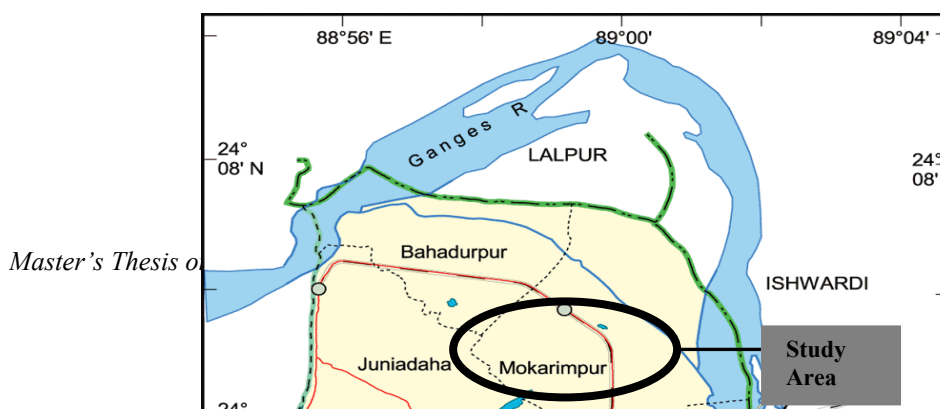
Population of Mokarimpur Union are: 15,703 in 1974, 18,520 in 1981, 24,774 in 1991, and 31,062 in 2001, according to the Population Census of Bangladesh Bureau of Statistics year 1974, 1981, 1991 and 2001 respectively. Annual growth rate of population (from 1991 to 2001) is 25 per thousand –decreased by 9 per thousand from previous decade. Let, the population growth will remain at the present rate; then the population of the Union will be 37,724 in 2011 and 45,647 in 2021.

**Table 4.4: Demographical information of Mokarimpur Union**

Sl. No.	Census Year	No. of Households	Population	Literacy Rate
1.	1974	2,697	15,703	14.82
2.	1981	2,997	18,520	15.59
3.	1991	4,636	24,774	25.9
4.	2001	6,618	31,062	40.23

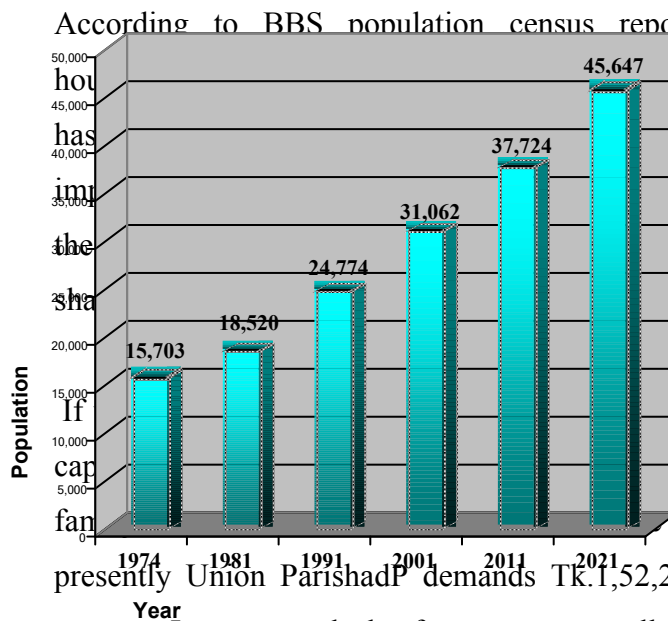
Source: BBS Community Series 1974, BBS Community Series 1981, BBS Community Series 1991, BBS Community Series 2001

According to BBS Population Census Report 2001, more than 57% of the total households of the Union do not own agricultural land; and it will increase over the years. Today, each household owns .796 acre of land and it will decrease day by day.



**Location Map 4.5: Mokalimpur Union**

**Population Trend of Mokalimpur Union**



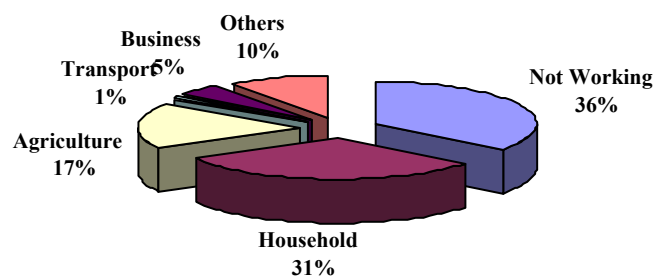
According to BBS population census report-1991, 65% house-of the total hou has imp the sha If cap fan

house- of the total sheets or cement. The percentage condition of the population has actual situation will be better); then sheets or cement on their house roof

et or cement on their house roof are and average holding tax/rate of each Tk 1,84,576260,000 or more. But, presently Union Parishad demands Tk.1,52,200 which is less than the assessed amount. It seems to lack of eagerness to collect tax from the stakeholder. On the other hand, holding tax collection by the collector is less than the money spent for this purpose.

*4.2.4.2 Main Activities of Workable Population*

Total number of workable population (10 years and above) in this Union is 23,556. Out of this workable population Among them, 8,404 persons (36% of the total workable population) either do not work or look for work. The reason is lies unavailability of job opportunities in rural areas. Other 15,152 persons are engaged in different profession: like household work, agricultural, industry, construction, transport, business,es, etc.



**Figure 4.8**Income source of population of Mokarimpur Union

#### *4.2.4.3 Main Sources of Household's Income*

Out of 6592 households, aAgriculture, forestry or and livestock are the main sources of income of 1,387 households. 1,699 and 919 households' main source of income is agriculture labourlabor and businesses respectively. Other 2,587 households are involved' main sources of income include in fishery, non-agriculture labourlabor, handloom, industry, transport, construction, regular employment etc. (Appendix-C, Table 3.6)

### 4.3 Facilities and Actors Available in the Study Area

The average number of houses in the rural area is 2/HH for per family but most of them are kutcha-- . 85% of the houses of the study area has found to be in kutcha condition: wall is mostly made with earth or bamboo and floor is mostly earthen. ThisThe most of the HHs means that they are poor and have not enough access in the various facilities liketo good housing communication, healthy environment, healthcare facilities, educational institutions etc.

Healthcare facility is an important factor to people, costitutionally comes after food of four basic needs of people of the counrty. The healthcare facility of the union is not enough to support the population,. sEspecially, the case it is severe in the case offor infant and their mothers. Healthcare facility is an important factor of people, comes after food of the basic needs of human beings. Though, a union healthcare center is found, but there is an absence of doctor and medicine in that healthcare center. Sometimes villagers have to go to quack doctor,, which causes experiencing awful treatment. to the people. Lack of sanitary latrines is common view in the rural area, they use unhygienic latrine made up of hole and bamboo.

Different NGOs like *Green Umbrella* are working beside the union health complex. NGOs are providing effective role in healthcare facility in the rural areas of Bangladesh. Union health complex does not provide sufficient service because of absence of doctor and available medicine. So, assurance of heath care service comes first for the betterment of the rural people. Infrastructure of the healthcare center is the first priority in this regard.

*Hat-bazar*, school-collage, playground, agricultural land, mosque/ mondir/ church are the places of social gathering of the people and found almost every village. They share their view here through discussion. Different clubs arrange different games like *gadon*, *ha-du-du*, football, cricket, and other indoor games. Sometimes they organize competition, offering prize-giving ceremony. It brings relationship among

people of different villages. It gives great amusement for the villagers that they enjoy much.

Access to finance is one of the most important actors for economic activities. In this regard, many number of microfinance institutions have been operating financial cooperatives have been introduced in the rural areas to build up enhance the ir fate economic condition of rural marginal poor. They are providing deal with micro-credit for making the rural people to meet up their financially capable gap. Beside, the NGOs rural people have been making fund for their own interest. They collect money weekly or monthly from the members of the cooperative to create this to generate fund. They take loan from this fund by turn and invest it in their businesses. Through the creation of these cooperative microcredit, the socio-economic condition of the villagers is being strengthened improved. Exception canis also be found that many of the few microfinance borrowers members of such type of cooperative' economic condition is aggravating. loose all of belonging.

Better infrastructure is one of the most important indicators of development mechanism of any region area. Unfortunately, the rural basic infrastructures are not developed yet. , Specially, communication road network has not been improved for easy transport of goods and people. It is very much necessary for the development of rural economy and will could also bring rhythm in rhythm economic activities in life of the villagers.

Different government departments are working at union level; most of them are indirectly involved in development activities in the villages. Family planning, health care services, sanitation, irrigation, road construction, plantation, etc. are the main government activities of the government but they are not working efficiently. Beside the government organizations, NGOs are working for the development of the local people. Among all the activities of the NGOs micro-credit and awareness of women are working well for the development of villagers.

#### **4.3.1 Union specific major facilities- Uzangram Union**

#### *4.3.1.1 Drinking Water*

Total number of households HHs in the Union is 4518. Among them, 4198 have either shallow tube-well or , deep tube-well or tap facility to collect their drinking water. Other 320 households do not have this facility. T; they collect their drinking water either from pond or river. But, a big amount of Union Parishad's budget has been kept provided to provide give tube-well for the poor people in the Union. In this Union tube-well is the prime source of drinking water is predominate. Here-- 92.19% percent of the total households use tube-well water,. Others 0.53% use tap water, 0.2% D.Tube- well water, 0.24% pond water and 6.84% from other sources according to BBS statistics in of 2001. The usages compared to were documented as: 92.73% drink from tube well water, 0.03% from tap water, 4.98% from dug well water, 1.45% from pond water, 0.81% from river water in previous census year. It is observed The data reveal that the trend of drinking water from tap usage is has been increased. and drinking water from pond water is decreased over the decade.

#### *4.3.1.2 Toilet Facility*

Conference on "Sustainable Development" in Johannesburg, South Africa 2002 focused on the provisioning of sanitary latrine for 240 crore of deprived people across the world. In this regard, government of Bangladesh has taken initiative to provide sanitary latrine to 100% people with the help of different GoB and NGOs. The types of latrines in the area varied: the majority, about 48.27% percent of the total households used sanitary latrines, other used non-sanitary e.g. hanging latrine. The sanitary facility coverage effort has a great success during the decade 1991-2001---. 48.72 percent of the total households having sanitary latrines in 2001, compared to only 7.66 percent in 1991 census. It is caused for dramatic rise of sSanitary latrine use in of the Union increased dramatically. On the other hand Consequently, the households having non-sanitary latrines and no toilet facility is decreased respectively from 33.61% to 28.49% and 58.69% to 22.79%.

#### *4.3.1.3 Electricity Connection*

Despite its greater importance in economic development of in our daily lives, most of us rarely stop to think what life would be like without electricity. But, still around 50 percent of the population of the union remains beyond the electricity connection. According to the 1991 census, only 0.9 percent of the total households have been brought under rural electrification. On the other hand, the situation improved in the 2001 census,--now around 51 percent of the total households have been brought under rural electrification. In 2001 compared to 1991, a considerable increase of electricity connection has been found in the Ujangram Union.

#### *4.3.1.4 Others Infrastructure Facilities*

Various facilities like communication (e.g. national highway, regional highway, Zilla road, Upazilla road, union road, village road, post office, etc.), educational (e.g. primary school, high school, *madrassa*), health complex care, growth center and *hat-bazar* are found disproportionately across the union (Map-4.6: Infrastructure (road) map of Kushtia Sadar Upazilla)—in this union, there are 4 primary schools, three high schools, two *madrashas*, two growth centers to serve 20,053 people. Other facilities are very limited to the people in the Union, particularly the healthcare facility. There is an absence of a planned communication network among growth centers and different Upazilla and headquarters (e.g. Upazilla Quarter, District Headquarters).

### **4.3.2 Union specific major facilities- Samaspur Union**

#### *4.3.2.1 Drinking Water*

Pure drinking water is very much essential for everyday life. The total number of households in the Union is 7,573. Among them, 7,254 HHs have shallow tube-well, deep tube-well or tap facility to collect their drinking water. Other 319 households do not have this facility. They collect their drinking water either from pond or river. The population census report of 1991 reveals that the situation has been deteriorated in the next census. It shows that the total number of households did not have



the access of pure drinking water was 20. But, a big amount of Union Parishad's budget has been kept to provide tube-well for the poor people in Union.

#### *4.3.2.2 Toilet Facility*

Government of Bangladesh has taken initiative to provide sanitary latrine to 100% people in the country with the help of different departments of GoB and NGOs. The types of latrines in the area varied: overall 51.54 percent of the total households have access to sanitary latrines, other used non-sanitary e.g. hanging latrine. The sanitary facility coverage effort has a great success during the decade of 1991-2001. It has caused for dramatic rise of sanitary latrine use in the Union. On the other hand, the households have non-sanitary latrines and no toilet facility is 30.54% and 17.92% respectively.

#### *4.3.2.3 Electricity Connection*

Most Majority of the rural people are still living without electricity— where the electricity line is present, the supply is very poor there— they get , two to five hours in a day available to use . The erratic nature of electricity supply causes very problems to the daily life. Uninterrupted electricity connection is much demanded in today's modern world for development, but, according to census report of 2001, only 13.87 % of the total households in this study area have been brought under rural electrification.

#### *4.3.2.4 Others Infrastructure Facilities Infrastructure Facilities*

Different facilities like communication (e.g. national highway, regional highway, Zilla road, Upazilla road, union road, village road, post office, etc.), educational (e.g. primary school, high school, *madrassa*), healthcare complex, growth center and *hat-bazar* are found disproportionately across the union (Map-4.7: Infrastructure (road) map of Khoksha Upazilla)—in this union, there are 3 primary schools, two high schools, one *madrashas*, one growth centers to serve 37,107 people. Others facilities are very limited to the people in the Union. There is also absence of planned

communication network among growth centers and different headquarters which is considered to be the wheel of economic growth of the area (e.g. Upazilla Headquarter, District Headquarter).

### **4.3.3 Union specific major facilities- Panti Union**

#### *4.3.3.1 Drinking Water*

Pure drinking water is very much essential in everyday life. Total number of households in the Union is 6,089. In this Union tube-well as a source of drinking water is predominant. Most of the households are using tube-well water—it should be noted that. Here 97.08 percent of the total households use tube-well water,. Rest others use different sources: 1.25% uses tap water, 0.31% uses D.T well water, 0.15 % uses pond water and 1.21 % from other sources. in 2001 compared to The situation slightly has improved compared to earlier census in 1991: 94.67 % used drink tube well water, 0.02 % used tap water, 5.18 % used dug deep well water, 0 % pond water, and 0.13 % from river water. It is observed that drinking water from tap; and tube well and pond water is increased over the decade time.

#### *4.3.3.2 Toilet Facility*

In this Union, 2,854 households have sanitary toilet facility. Rest 2,317 household use unhygienic latrine or open ground. The types of latrines in the area varied: the majority, about 46.87 percent of the total households, used sanitary latrines, other used non-sanitary e.g. hanging latrine, or open space. The sanitary facility coverage effort has a great success during the decade 1991-2001. 46.87 percent of the total households having sanitary latrines in 2001, compared to only 7.62 percent in 1991 census. It is caused for dramatic rise of sanitary latrine use in the Union. On the other hand, the households have non-sanitary latrines and no toilet facility is has been decreased respectively from 49.75 % to 35.75 % and 42.62 % to 17.38 %.

#### *4.3.3.3 Electricity Connection*

Out of 6,089 households, 2,492 About 41% of the households have access to electricity connection. But, still 59 more than half of the percent people are remain beyond the connection. According to census 1991, 2.85 percent of the total households have been brought under rural electrification. On the other hand, in 2001 censuses, around 40.93 percent of the total households have been brought under rural electrification. In 2001 compared to 1991, considerable increase of eElectricity connection has been found in a good state in the last census compared to earlier in the Pantithis Union.

#### *4.3.3.4 Others Infrastructure Facilities*

Facilities like communication (e.g. national highway, regional highway, Zilla road, Upazilla road, union road, village road, post office, etc.), educational (e.g. primary school, high school, *madrassa*), healthcare complex, growth center and *hat-bazar* are found disproportionately across the union (Map-4.8: Infrastructure (road) map of Kumarkhali Upazilla)—in this union, there are 10 primary schools, three high schools, one *madrashas*, one growth centers to serve 26,869 people, comparatively better condition . Others facilities are very limited to the people in the Union.

### **4.3.4 Union specific major facilities- Mokarimpur Union**

#### *4.3.4.1 Drinking Water*

Pure drinking water is very much essential in everyday life. Total number of households in the Union is 6,592. Among them, 5,932 has shallow tube-well, deep tube-well or tap facility to collect their drinking water. Other 660 households do not have this facility. They collect their drinking water either from pond or river. The population census report of 1991 reveals that situation has been deteriorated in the next census. It shows that previously, total number of household did not have the access of pure drinking water was 13. But, a big amount of Union Parishad's budget has been kept to provide tube-well for the poor people in the Union.

#### *4.3.4.2 Toilet Facility*

The types of latrines in the area varied: the majority about 46.87 percent of the total households used sanitary latrines, other used non-sanitary e.g. hanging latrine. In this Union, 1,428 households have the sanitary toilet facility. Rest 5,164 (more than 78% of the total households) households use unhygienic latrine or open ground.

#### *4.3.4.3 Electricity Connection*

Despite great importance of electricity, the consecutive government/ policy maker rarely stopped thinking about what the life of rural people would be without it. In this Union 1,713 households that is 26% of the total households have electricity connection—other 4,879 households are yet to get electricity connection. So, electricity for all should be ensured for economic development of the people as well as the country.

#### *4.3.4.4 Others Infrastructure Facilities*

Infrastructure facilities like communication (e.g. national highway, regional highway, Zilla road, Upazilla road, union road, village road, post office, etc.), educational (e.g. primary school, high school, *madrassa*), health complex, growth center and *hat-bazar* are found disproportionately across the union. The following Map-4.9: Infrastructure (road) map of Bheramara Upazilla shows the actual infrastructure condition prevailing in the Union.

## 4.4 Different Aspects of the Study Area

### 4.4.1 Social aspects

Villages in a Union P make an invisible boundary of the area and people are mentally confined in a sense of unity within its jurisdiction. Cohesion among the people of closer distant is high and the vice-versa. ; Uunity among people of UP is proportionally varied with distance.

More than 50 percent Majority of the rural people live on daily labor in agriculture sector. But, Unfortunately, theyir wage is less compared to industrial sector do not get their actual wages regularly from their landlords, their payment is also irregular. The amounts they get hardly meet their daily needs of. As a result, they are not able to send their children to school rather they send them for laborwages. Marginal farmers are also living in a tough situation financial crisis because the production from the land does not make them benefited, as input costs are higher.

Religious sentiment is high in the rural areas comparing to the urban area. Most Majority of the people are dedicated for their religion. So, execution of religious doctrine is easy here e.g. early marriage, refraining female from outdoor works, etc. which hinder economic progress of the country. Marriage cremony in the rural area is another event of social cohesion. :H host invites the people of the society beside kith and kinrelatives who. They help to arrange the whole occasion. They do it as their own occasion. Though, lighting and motor car, as found in city's community center, are absent there but amusement like gathering of people is completely natural. Dowry is an important part of village marriage often causes difficulty for poor.

### 4.4.2 Political aspect

UP are the lowest political institute deals with village affair. Decentralization of administrative power in different regions is one of the basic criteria of democracy. Every local government unit generally practices power as autonomous body. UP is

such a democratic institution should play vital role to ensure democracy in the country.

UP works under the supervision of *Upazilla Nirbahi Officer* (UNO). As per rule, UNO will investigate schools and UP's activities in a regular basis. But, the government official hardly visits the area due to excess pressure. Why some of the duties of UNO are not shifted on the UP? UP comprises of elected representatives' represent the area. Moreover, UP members and chairmen are involved in local affair, so they are aware of the area better than UNO. As an inhabitant of the locality, UP members and chairman have the common interest with general public that will not be found in other government officials offrom outsides. On the other hand, they have to go to door of the general public before election. So, they are keen to common interest of the people. However, if the duty to investigate school is shifted on the UP, it seems to be better.

UP is accountable to Assistant Director of Local Government (ADLG) office. So, members and chairmen of the UP are busy to keep touch with the ADLG office. UNO supervises the UP and its activities. So, they also have to keep contact with him. As a result, UP chairman, members, secretary are not keeninterested sometimes toin local affair rather interested to tie up with Upazilla and ADLG offices as the government grant, major share of the UP's development activities is allotted fromthrough them. Since, the government grant is allotted based on political biasness, so elected members and chairman shows their inclination towards political party in power to get the grant. If, the elected chairman comes from opponent party, generally gets small or nothing of the grant.

The union under study consists of one chairman; twelve (three reserved for women) members, one secretary, nine *chawkidars* and one *dafadar* are accountable for peacekeeping and development activities of the area. They collect revenue from internal sources and get grant from government to run their activities. But recently, revenue collection has decreased much from UP's internal sources. So, they have to

depend on central government for their fund, it's activities which comes via through uUpazilla. Eventually, they spend most of their time to maintain link with Uupazilla and ADLG (Assistant Director of Local Government) offices for getting grant rather generating fund from internal resources of the union. They are not giving time to materialize their activities in the area. They are hardly seen in their office. They only go to office in the morning before start for the upazilla parishad or ADLG office.

Now, general public common people of the union are directly or indirectly involved in national politics. They are divided into more than one two faction within the village. It has been found that the village leaders are president or secretary of the union committee of major political parties i.e. Awami League, BNP etc. They motivate the general people of the villages, particularly in the national election. So, it can be envisaged seems that the local leaders have a strong role in the national election and political turn over. They influence the ignorant and poor people sometimes giving money to cast votes in favor of their candidate.

## CHAPTER 5

**ACTIVITIES PERFORMED BY UP AND INFLUENCING FACTORS**

This chapter includes looks into the information about the services that are actually served by the UP, the activities performed by UP, reasons behind for improper service deliveries and the peoples' reaction about it. The observed data have been extracted from key informants surveys, and some residents' view points have been used to find out the gap gap in aspiration and functioning between the people and their UP representatives about aspiration and function.

**5.1 Activities of UP****5.1.1 Activities Supposed to be Performed**

The responsibility of socio-economic development of the locality is primarily vested onin the UP. Keeping this goal in mind, following activities are supposed to be performed by UP as per ordinance.

**Table: 5.1 UP's activities as per ordinance and activities actually performed**

Sl.No.	Supposed to be Performed	Activities Performed Shown in Budget	Actually Performed
1.	To prepare plan for short and long-term development	√	√
2.	To protect roads from damage	√	√
3.	To preserve public space, open space, garden, play field etc.	X	X
4.	Plantation	√	X
5.	Irrigation	√	X
6.	Donation	√	√
7.	Sanitation	√	√
8.	Education	√	X



9.	Sport	√	X
10.	Development of <i>Hat-Bazar</i>	√	X
11.	Construction & repairing of surface drainage	√	X
12.	To take care of graveyard, public property, etc.	X	X
13.	To protect roads from land grabber	X	X
14.	To control illegal trade	X	X
15.	To manage water resource	X	X
16.	To control development	X	X
17.	To help the national government in implementing socio-economic development project	√	√
18.	To create good environment for food production	X	X
19.	etc.	X	X

### 5.1.2 Activities Actually Performed

Although, quite a good number of activities are supposed to be performed by UP, in reality only a small number of them are being performed, because of financial inadequacy (as UP collects very small amount of revenue from their own sources), limited constitutional power, unskilled manpower, lack of awareness among locale, etc. As a result, UP can't run its business properly. For instance, none of the UPs under study has any development plan; it depends unscrupulously on central government. Central government determines which UP should undertake development activities to what extent. On the other hand, UP neither has skilled manpower to prepare development plan nor is financially capable to hire such manpower to do it. Consequently, most of the designed noble activities remain untouched forever.

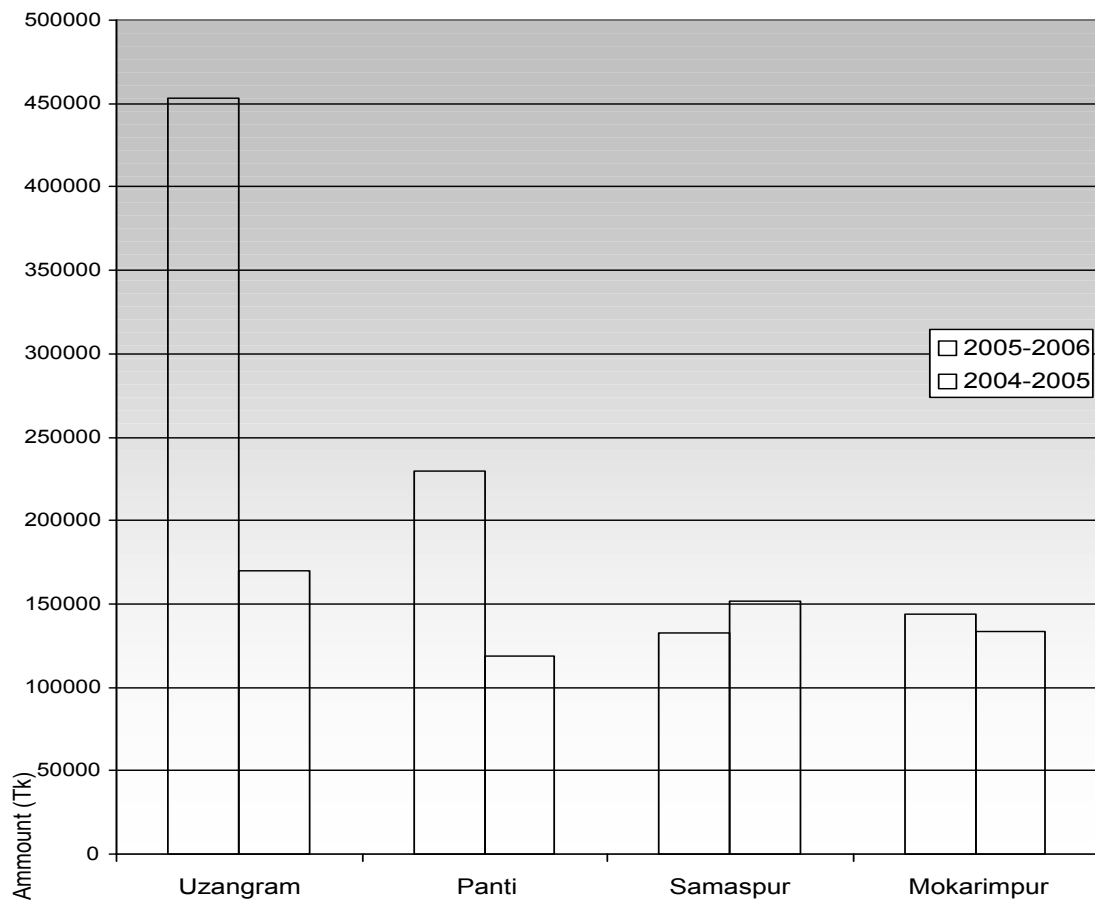
However, few development works that are being undertaken by the UP includes mainly the construction and repairing of rural roads. Others are sanitation, tree plantation, and irrigation in a small scale. Such works primarily are financed under the Rural Development Programs, Food for Works and Rural Maintenance Program etc. sponsored by external agencies and coordinated by the central government ministries. The table 5.1 shows sector wise development activities that took place in the four UPs under study.

**Table 5.1: Development works of 2005-2006 of four Union Parishads**

Development works	Uzangram Union(Tk)		Panti Union(Tk)		Smaspur Union(Tk)		Mokarimpur Union(Tk)	
	05-06	04-05	05-06	04-05	05-06	04-05	05-06	04-05
Road Repair and Maintenance	1,00,000	50000	2,14,000	100000	1,12,000	15160	50,000	60000
Tube-well	1,00,000	30000	5,000	6000	-	-	20,000	30000
Development of <i>hatt-bazar</i>	60,000	30000	-	-	16,000	-	20,000	15500
Plantation	3,000	4000	3,000	4000	5,000	-	4,000	2000
Surface drainage	40,000	-	4,000	5000	-	-	-	-
Sanitation	150,000	56000	4,000	4000	-	-	50,000	26000
Total	4,53,000	1,70,000	2,30,000	1,19,000	1,33,000	15160	14400	13350
	0	0	0	0		0	0	0

Source: Financial Budget of 2005-2006 of four unions

From the table 5.1, it can be envisaged that every UP had their regular program of road repairing and maintenance; they spent a large portion (e.g. Uzangram union spent Tk.1,00,000 in 2005-06 and 50,000 in 2004-05, Panti spent Tk. 2,14,000 in 2005-06 and Tk. 1,00,000 in 2004-05) of their development expenditure on roads. Other programs e.g. sanitation, drinking water, and development of *hat-bazar* etc., UP performed as irregular development activities and spent less compared to road repairing and maintenance.



**Figure 5.1 Development Expenditure of Four Unions**

Figure 5.1 above shows the comparative expenditure on development activities of consecutive two years of four unions. Expenditure of three unions out of four has increased however; it has decreased only in Samaspur Union.

However, except the collection of union rate, distribution of relief work, distribution of some tube-well and repairing and maintenance of some earthen road under the food for work program, UP has virtually little activities to do. Government fund is the main source of the UP for these sorts of development works.

### 5.3 Services Supposed to be Provided

Households living within the jurisdiction of UP must pay tax to UP and the UP shall provide services in lieu of the tax. According to ordinance, UP should provide a number of services in favor of the residents. They are listed below:

**Table 5.3 UP's services as per ordinance and services actually provided**

Sl.No.	Supposed to be Performed	Activities Performed Shown in Budget	Actually Performed
1	To provide light for road and government places	X	X
2	To keep UP environment friendly	X	X
3	To support the UP at the crucial time (e.g. flood, drought, earthquake, etc.)	X	X
4	To provide relief work	√	√
5	To facilitate primary healthcare facility	X	X
6	To mediate local disputes	X	√
7	To issue national certificate	X	√
8	To issue birth certificate	X	√
9	To reply government letters	√	√
10	etc.	X	X

### 5.4 Services Actually Provided

From the field survey it is revealed that no UP under study is providing electric light on roads or other government places. Additionally, UPs don't provide any services to clean the UP. However, mediation in local disputes, issuing of national and birth certificates, distribution of relief work are the main services of UP.

### 5.5 People's Perception About UP's Activities and Services

According to data extracted from field survey on stakeholder, such development works, shown in table 5.1 above, have not been carried out in the area properly, and when asked the local people, about 89% of them said that most of the development works were not implemented at all, except the road repairing. However, a number of factors are responsible for non-implementation the works properly.

### 5.5.1 Dependency on grant

It is noticeable that the allocation of block grants to the UP through Upazilla never exceeds 2% of the total ADP allocation (Khaium, 1995). But, the UP is heavily dependant upon it that makes them more vulnerable to political influences. The table 5.2 below shows the share of government grant compared to total expenditure.

**Table 5.2: Government grant in the study areas for consecutive fiscal years**

Unions	Fiscal year	Total Expenditure(TK)	Govt. grant(TK)	% of total expenditure
	2005			
Samaspur Union	2006	2,95,900	1,25,000	42%
Uzangram Union		8,32,870	2,30,800	28%
Panti Union		4,81,959	2,00,235	41%
Mokarimpur				
	2004			
	2005			
Samaspur Union		1,69,325	1,50,000	88%
Uzangram Union		5,01,300	0	0
Panti Union		2,49,972	0	0
Mokarimpur Union		3,04,415	1,02,000	33%

Source: Budget of 2004-2005, 2005-2006 of four UPs

Therefore, UP chairman and secretary are very much busy with channeling grant through lobbying with Upazilla Development and Coordination Committee. They have little or no time to hear the people. Consequently, UP office remain closed most of the time and people don't get necessary feedback according to their requirement.

## 5.5.2 Socio-political factor

### 5.5.2.1 Incompetent UP Representatives

It is often alleged by the locale that the UP election is not accomplished fairly because the candidates are local elites and they use force to get election result in their favour. The past experience also shows this and the candidate of bigger center (having more votes) usually won the race. But, fairness in election is very important to elect an honest and efficient leader for the Union. Therefore, absence of good representatives in many cases leaves the Union without development.

### 5.5.2.2 Local Biasness in Development Activities

Local biasness and vested interest of the elected chairman in development activities are found severely within UP's jurisdiction, especially, between the areas of elected chairman and the defeated opposition. Development works were implemented at the area of elected chairman keeping other areas untouched (*Field survey 2007*).

### 5.5.2.3 Lack of Transparency and Accountability

It is also largely alleged that chairman is not fair-haired in disbursement of the UP fund. The use of this fund chiefly depends on his will. From the budget, it is revealed that out of four Unions, three spent Tk. 6000 each on oil for easy movement of chairman; the other spent 4000 in 2005-2006 financial year (see table 6.5). On the other hand, the amount spent on other sectors such as development of *hat-bazar*, electricity bill, supply of book to library, plantation, etc. is questionable because in reality development of *hat-bazar*, plantation, local library etc. can hardly be found in the locality.

### 5.5.2.4 Bad Intension of the Chairman

It is alleged that chairman is elected to hoard wealth-using power. It is contended that chairman doesn't distribute total amount of relief among the poor; he sells large portion of the amount. So, poor people are being deprived of their right. It is

important to note that, grants e.g. Vulnerable Group Feeding (VGF), Food for Work (FFW) etc, for the aged people, widow, the disabled and the poor, is also a good initiative taken by the central government. By this money, they can survive marginally.

But, selection of this vulnerable people to whom grant should be allotted is not fair totally. Elected members and chairman allot this grant to their relatives or others affiliated with them. Elected representatives can fairly select the vulnerable people because the people of the village are very familiar to them (Key Informant: *Rezaul Ahmed*, Panti Union) but, they are reluctant to do that.

Additionally, chairman also uses his power to earn money in other ways. Observation during the field survey shows that *Hamidur Rahman*, an ex-chairman of Uzangram union had cut more than 50 trees worth Tk 2,00,000. They were planted alongside the approach road of a proposed bridge on the river in 1987 in his regime. Unfortunately, that bridge is yet to be built on the river Kaligonga to merge the road network between two Unions namely Uzangram and Chandpur for the clash between two elites of the regions.

#### *Low Level of Education of UP Officials and the People*

The percentage of educated person is worst in rural area and it is higher among older group compared to the young. Educational qualification of elected members and chairmen is also not good which has a great impact on UP's development. It is found that a number of UP members don't have any formal level of education- they only can write their name in most of the cases. On the other hand, many chairmen have HSC level education. Even, they are not fully aware of their role and responsibility to the public. Eventually, it is often found that, the secretary of the UP influences elected chairman in their functions.

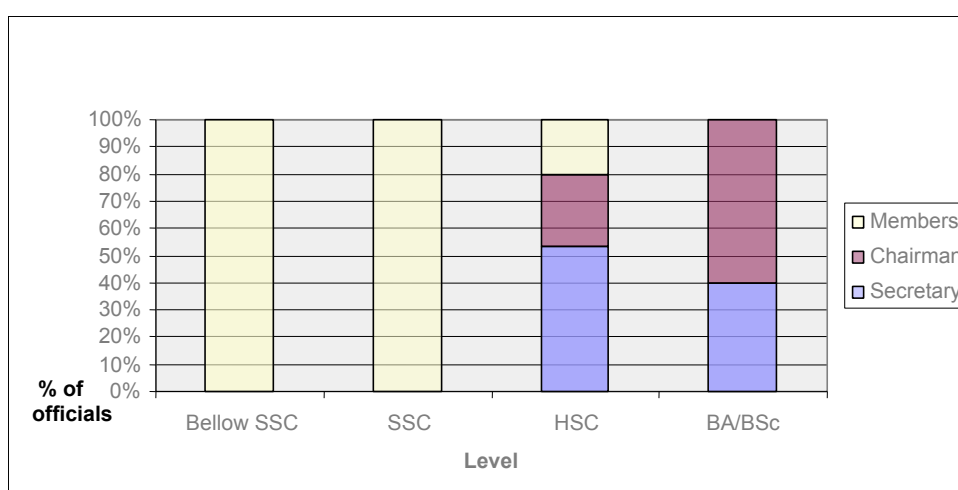
Moreover, UP members and chairman have to deal with the officials of the government who are usually well educated. The educational qualification of the UP

members and chairman are not good compared to those. The figure below shows the educational level of chairman, member and secretary of the Ups.

**Table 5.3: Level of Education of Chairman, Member and Secretary of UP**

Sl. No.	Official	SSC	HSC	BA/BSC
1.	Chairman	0	1	3
2.	Member	11	15	6
3.	Secretary	0	2	2
4.	Total	11	18	11

Source: Field survey 2007



**Figure 5.2 Educational Qualifications of the UP Officials**

Few members are found having HSC; most of the members are below that level. In figure-5.2, there is a comparison of educational qualification of elected representatives and officials of the unions where it is found that, no member of the unions has graduate level qualification. Panti is such a union where both highest and lowest level of educational qualification of the member is found. And, in Mokarimpur union, 28 percent of the members are below SSC and the same percentage has SSC.



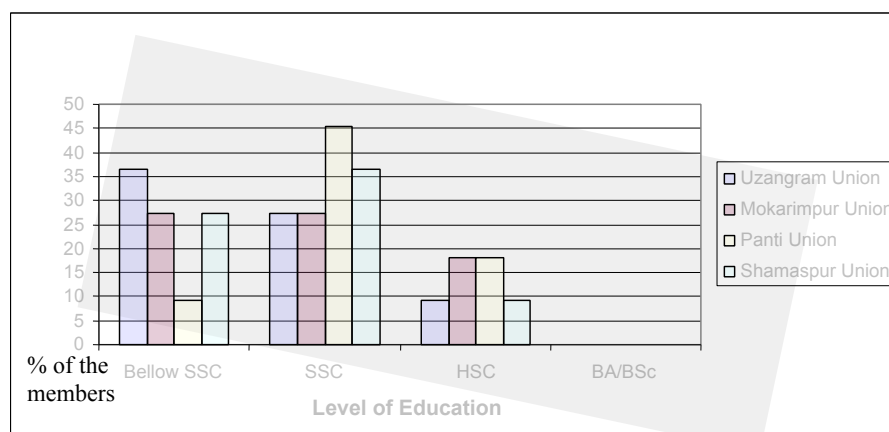


Figure 5.3 Union wise Educational Qualification of the Members

#### 5.5.2.5 Poor or No Training

Though the National Institute of Local Government (NILG) trains the officials of UP, but theoretical training, sometimes, does not work well. Additionally, most of the officials of the UP don't get training about their function and activities they should play. From the field survey, it has been found that out of 4 chairmen, 2 get training at NILG; other members and secretary remain untrained. The table 5.3 shows the statistics of officials got training.

Table 5.4: Number of UP Official Gets Training

Chairman		Member		Secretary	
Total	Trained	Total	Trained	Total	Trained
4	2	32	0	4	1

Source: Field Survey 2007

#### 5.5.2.6 Lack of Human Resources

Institutional capacity of the UP is very weak. It does not have better establishment to run its office. Available and efficient manpower is needed for collecting revenue from internal resources and other activities (Moinoddin Bishash, Chairman, Uzangram Union addressed this issues when interviewed during field survey) causing rise in annual holding tax arrears of the union day by day.

#### *5.5.2.7 Lack of Responsibility to UP*

Social factor is one of the most important reasons behind tax arrears. People are habituated with not paying the holding tax regularly, particularly; influential people of the society generally do not pay tax. Law enforcement authority is totally absent in rural area. So, it becomes difficult for UP to collect tax from people as it beyond their capacity. On the other hand, poor are not capable to pay their tax since they do not have a regular income source.

#### *5.5.2.8 Political Rivalry*

Presently, inter and intra village clashes are common phenomenon in the union. Each village is alienated into two or more factions. From the field survey, it has been found that, in the village Mrittikapara of Uzangram Union, the villagers are divided into three groups: one faction is led by Hamidur Rahman, ex-chairman of Uzangram Union, and other groups are led by Nur Mohammad and Saidur Rahman respectively. Each leader is financially influential and has big land property. Poor people have to unite under one of the factions, since they have to depend on the leaders. For instant, the poor people have to live on selling labor on the land of landlord. So, poor have to follow the leader's intention sometimes involve in clash between factions. It most of the time results economic loss of the poor. However, the leader gets benefit from there.

Generally, in the UP election, more than one candidate competes against one post of member and chairman. Apparently, elected members and chairman become happy with the result but the defeated candidate raise the question of fairness about the election. Therefore, they do not take their defeat normally. They try to hamper the

activities of UP. They should be involved in the UP activities as they hold a large group of people in the society. Their views are also important for the UP activities. They think the elected member is their opponent and try to disrupt elected member's initiatives i.e. they do not want to pay tax to UP and encourage their supporters not to pay.

#### *5.5.2.9 Exclusion of Women Member from Decision Making*

The people of the area directly elect women member and they have the right to take part in decision making about the local matter. But, contention has always been heard against their male counterpart. They are neglected in making decision and doing function; they are not allotted fund to implement function and invited in important meeting of the UP.

### **5.6 Conclusion**

To avoid the problems, UP should mobilize internal resources to be financially well up. It will also reduce dependency on central government grant. However, to do this a number of factors should be taken under serious circumstances. Firstly, level of education should be made higher especially among UP officials so that UP official can deal all the matter efficiently and people to be aware of their right and responsibilities to UP. Secondly, UP official should be trained up to strengthen capacity of the UP to earn revenue; it will help realize revenue from internal resources and bring grant from central government. Thirdly, UP suffers from inadequacy of manpower and establishment. To strengthen institutional capacity, available manpower should be deployed and necessary establishment should be built up. Moreover, defeated candidate should be incorporated in the mainstream of UP's activities. Involvement in UP's activities will also make them a sense of belongingness. It will help to run UP smooth i.e. collecting tax, mitigating local dispute etc.

## CHAPTER 6

# SOURCES OF INCOME AND EXPENDITURE PATTERN OF UNION PARISHAD

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UP is accountable to form UP fund to run its business and this fund is managed from holding tax realized from stakeholders, fees from registration of vehicles and grant awarded from central government, etc. However, depending upon its fund UP postulates its annual expenditure. Therefore, UP's dynamism chiefly depend on UP fund.

### 6.1 Financial Structure

According to the constitution (section 43), for every UP there shall be formed a fund which shall be known as Union Fund (Ministry of Law and Justice, 1990). In subsection (2), it has been specified the sources of fund placed –

- a. The balance of such fund as on the coming into force of the ordinance is at the disposal of the UP of which UP concerned is the successor;
- b. The proceeds of all taxes, rates, fees and other charges levied by the UP under the ordinance;
- c. All rent and profit payable or accruing to the UP from the property vested in or managed by the UP;
- d. All sums received by UP in the performance of its function under the ordinance or under any other law for the time being in force;
- e. All sums contributed by individuals or institutions or by any local authority;
- f. All receipts accruing from the trusts placed under the management of the UP;
- g. All grants made by government and other authorities;
- h. All profits accruing from investments; and
- i. Such proceeds from such sources of income as the government may direct to be placed at the disposal of UP.

The main sources of revenue of UP are taxes and rates, non tax-revenues, voluntary contributions and government grant. However, government grant has become a main source of fund of all UPs. And this grant is provided to pay honorarium to the chairmen and members of the UP, salaries to the staff, undertake essential development activities e.g. construction and repair of earthen roads, bridges, culverts, repair and maintain facilities created i.e. if a road is newly constructed, it requires maintenance work, and purchase of office equipment and furniture (Saqui, 1994). The second most important financial sources of UP's is holding tax contribute much to form UP's fund. Although there are nine fields of revenue from where UP might receive revenue to form UP fund but in reality most of them are very weak sources from which UP can hardly receive revenue.

## **6.2 Revenue of UP**

Income of UP is very small in amount compared to other local government e.g. Pourashava, City Corporation, but it serves a large area and population living its jurisdiction. The average income of these four UPs is Tk 4,77,827 to serve the average population of 28,772. However, UP's income comes in two ways: (i) from UP's internal resources mobilization; and (ii) from central government grant.

### **6.2.1 Revenue earned from internal sources**

Sources of revenue that might be realized from UP's internal resources may be classified as:

- (i) tax on the annual value of homestead;
- (ii) tax on the professionals;
- (iii) tax on the cinemas and theatrical shows,
- (iv) fees for licenses and permits;
- (v) fees from *hats*, *bazaars* and ferries; and
- (vi) fees from *jalmahals*.

However, the effectiveness of these sources can be evaluated on the basis of the revenue earned from UP's internal sources of the past few years. The Table below shows the revenue earned by four UP from its internal sources in last two years.

**Table 6.1: Revenue earned from UP's internal sources**

Union Name	Fiscal Year	Total Revenue	Percentage of Total Income	Rate on profession /business/calling	Fee on hat/ Ghat	Tax on Land and Housing
Samaspur	2004-2005	19,325	11%	2,500	-	16,765
	2005-2006	1,69,100	57%	1,390	10,000	1,07,000
Uzangram	2004-2005	5,01,300	100%	6,000	2,300	3,40,000
	2005-2006	6,02,070	72%	5,000	2,300	4,07,470
Panti	2004-2005	2,49,972	100%	2,000	5,000	1,73,151
	2005-2006	2,81,724	58%	10,000	10,000	2,11,959
Mokarimpur	2004-2005	2,02,415	64%	20,000	3,300	64,600
	2005-2006	2,00,480	57%	3,000	2,300	47,400

Source: Financial budget of four UPs

Average 65 percent of the total income came from the UP's internal sources but sometimes UP has to depend fully on its own sources i.e. Uzangram Union (2004-2005), Panti Union (2004-2005). However, the main sources of internal revenue are tax on holding, land transfer fee, rate on professions/business but holding tax is the most important among the three. Because of less economic activities, rate from profession/business is very less. Other sources such as *jalmahal*, hat/bazaar/ferry, theatrical shows are either absent or difficult to realize revenue i.e. *jalmahal* in Uzangram is acquired by underworld parties.

Nevertheless, the performance of Uzangram union of realizing revenue is better compared to other unions under study i.e. it earned average 86% of the total income from its internal sources in two consecutive fiscal years. Additionally, total amount

earned from its internal sources is also higher than other unions. Moreover, revenue earned from holding of this union is higher manifold i.e. 6 time of Samaspur, 6.5 times of Mokarimpur, than other unions. But, number of households of these three unions is more than Uzangram union i.e. no. of household of Uzangram is 4535, whereas others are Smaspur 7590, Mokarimpur 6618, Panti 6109; therefore, they should earn more than Uzangram.

### 6.2.2 Amount of tax collection

The primary own-sources of revenue for UPs are taxes, fees, and other incomes. Taxes are levied by the local authority on an item specified in the ordinance that does not relate to a service rendered. Examples include the holding tax, property transactions, and the amusement tax. Rates are charged for services rendered by the UP and include water rates and garbage collection rates. Fees are applied to specific services (e.g., licenses). Current revenues are complemented by central government transfers that provide support to cover salaries and personnel fringe benefits.

**Table 6.2: Source of revenue in the budget of Uzangram Union of the fiscal year 2005-2006**

Sl. No.	Sources of revenue	Amount(Tk)
1.	Holding tax	4,07,470
2.	Tax on commercial organization	16,000
3.	Tax on <i>hat-bazar</i>	80,900
4.	Tax on the professions, trade and callings	5,000
5.	Fees for licenses and permits	5,000
6.	Rental value of shops	18,000
7.	Tax on property transferred	70,000
8.	Development grant	2,30,000
<b>9.</b>	<b>Total</b>	<b>8,32,870</b>

*Source: Financial budget of Uzangram union for the fiscal year 2005-2006*

To describe the amount of tax collection by UP, one detail example of Uzangram Union has been discussed which is followed by the comparative tax collection from major sources and analysis in different Unions of two consecutive fiscal years. From different sources of revenue, budget estimation for the fiscal year 2005-2006 has been shown in the table 6.2.

#### *6.2.2.1 Holding Tax*

The major sources of UP's revenue is holding tax. According to the schedule, UP can collect tax up to 7% of annual rental value of the household. But, complexity arises when determination of the rental value of household becomes complicated, as house is not rented in rural area. It makes the assessment of holding tax intricate. As a result, assessment made by the UP dispatches from the actual and the public bother to pay their tax. They also have the logic that they do not get any service from the UP, why will they pay tax? As a result, arrear is increasing over the years. However, the UP is silent because it would cost in the following election if they forced to pay the arrear. In the fiscal year 2004-2005 and 2003-2004, the UP collected the amount from holding tax, Tk. 23,40,000 and 8,357 respectively. In the budget of 2005-2006 fiscal year, Tk. 4,07,470 has estimated to come out from holding tax in which Tk. 2,90,100 is come from arrear.

#### *6.2.2.2 Fees from Hat-Bazar*

Another important source of revenue of UP is *hat-bazar*. There are four *hat-bazar* in Uzangram union. Among them two are very big. UP generated a large amount of money (according to UP chairman it is around Tk. 2, 00,000 yearly) from this source till 2003. So, the UP was not dependent on holding tax or government grant at that time, but. However, UP was not active to collect holding tax that made a bad tendency among the people of this area. Recently, the UP has lost its right to collect revenue from *hat-*



*bazar*; it belongs to Upazilla. The UP gets 5% of the total revenue earned from *hat-bazar*, rest of the money is generated in the Upazila fund. In the fiscal year 2003-2004, the UP collected Tk. 1, 50,000 from *hat bazar* but for the year 2005-2006, Tk. 15,000 is collected. So, UP's fund has been confiscated.

#### *6.2.2.3 Fees on Profession, Trade and Calling*

Another source of UP's revenue is tax on the professions, trade and callings. Though, the rural economy is based on agriculture but petty shop keeping and trade insist it. From the field survey, it has been discovered that the tax on shop and trade is not collected properly and regularly (According to Secretary of UP). It can be an important source of UP's fund because many small and big shops are available in the rural area. UP can collect a good amount from there. Unfortunately, little amount came from this sector in the previous year. However, the UP collected Tk. 5,850 and Tk. 5,350 respectively in the fiscal year 2003-2004, 2004-2005 and decreased to Tk 5,000 in 2005-2006 fiscal year.

#### *6.2.2.4 Land Registration Fee*

UP gets 1% of total land registration fee from the Land Registrar office according to the schedule. But, some times, this fee is not given to UP in the name of office expenditure. In the revised budget of 2003-2004 fiscal year Tk. 40,000 was estimated to come from this source. But, UP got Tk. 17,000 from this source.

#### *6.2.2.5 Fees on Licenses, Permits*

In the UP, there are a number of motorized and non -motorized vehicles. The UP has the right to collect yearly fees for licenses and permits from vehicles. But, the union under study does not collect the fee from the vehicle regularly. Elected members and chairman excuse that they have no manpower to do this. However, They collected Tk. 5,920 in 2003-2004 and Tk. 5,000 2005-2006 fiscal year.

#### *6.2.2.6 Tax on Brick Kiln, Petrol Pump*

Model Tax Schedule permits UP to levy tax on brick kiln and petrol pump within its jurisdiction. The study area has two brick kilns and one petrol pump. From these kilns and pump UP gets tax. But, the amount UP gets is not followed the schedule. It is collected as the will of chairman and does not shown in the budget. According to the statement of owner of brick kiln, Mr, Shalim Ahmed, it has been alleged that this amount goes directly into the pocket of chairmen.

#### *6.2.2.7 Jalmahal*

The UP has the provision to earn revenue from *jalmahal*. The area has a river and a wetland that can be a source of fund of UP. Though, the UP earned Tk. 18,400 in fiscal year 2003-2004 but failed to earn estimated Tk. 9,000 in 2004-2005 fiscal year. After that, amount from this source has not been kept in the budget. According to the chairman of Uzangram Union, the UP has no *jalmahal* but general people said that the illegal party now occupies it.

#### *6.2.2.8 Tax on Recreation*

The UP can collect revenue from recreation. The tax schedule permits the UP to collect tax on cinemas and theatrical shows, but it is yet to earn small amount from this sector yet. Out of four UP, only Panti union has a cinema hall but UP gets nothing from there.

#### *6.2.2.9 Other Sources*

Besides the above sources, there are also some sources from where the UP collects revenue. For instance, Uzangram UP has 83 decimal of land, on which shops cover 62 decimal. From the shops, the UP earned Tk. 60,000 in 2004-2005 fiscal year and Tk. 18,000 in fiscal year 2005-2006. The UP gets additional amount from other sources like deposit of the election, amount from development grant and commercial organization.

Now a comparative analysis has done for more convenience to get idea about the comparative income sources in the consecutive years.

**Table 6.3: Comparative collection of taxes, fee of four UPs**

Union Name	Fiscal Year	Govt. Grant	Rate on profession /business/calling	Fee on <i>hat/ Ghat</i>	Tax on Land and Housing
Samaspur	2004-2005	1,50,000	2,500	-	16,765
	2005-2006	1,25,000	1,390	10,000	1,07,000
Uzangram	2004-2005	0	6,000	2,300	3,40,000
	2005-2006	2,30,000	5,000	2,300	4,07,470
Panti	2004-2005	0	2,000	5,000	1,73,151
	2005-2006	2,00,000	10,000	10,000	2,11,959
Mokarimpur	2004-2005	1,02,000	20,000	3,300	64,600
	2005-2006	1,00,000	3,000	2,300	47,400

The Principal source of income is the government grant, which is average Tk 1,02,000 each per year. The main use of this fund is to fill gap between expenditure and income. However, other most important source of UP's income is holding tax. But negligence and inefficiency in realizing holding tax have made big arrear. Additionally, revenue from other sources e.g. license fee / permit, *hat/ Ghat*, Land development fee and housing and commercial land fee also contribute to form UP fund.

Although, there have provision to earn revenue from *jalmahal*, but unions under study had collected very few revenue from this source. Similar circumstance happened for entertainment rate. Out of four unions, no one could earn a single amount from these fields (See Appendix-3). Therefore, both people and UP representatives together should take earnest initiative to make these fields potential for revenue through participatory approach

### 6.2.3 Other revenue sources

Due to inadequacy of funds from UP's own sources, UPs are largely dependent on government grants and hence, have to work within the framework set by the donor of such grants. Though holding tax is the major source of UP's income but tax realization hardly exceeds 50% of the total estimated revenue e.g. Uzangram Union holding tax collection is 48% of the estimated amount according to secretary of UP. There are also some potential sources i.e. fees from hat-bazaar, ghat etc. that is currently not in the hand of UP might be an important source as holding tax. However, Upazila and Zilla Parishads hardly tap any tax sources to UP (Siddiqui, 2000). Consequently, UP is found in poor financial condition with a burden financial deficit which are Tk. 1,25,000 of Samaspur, Tk. 2,30,800 of Uzagram, Tk 2,00,235 of Panti and Tk 100,000 of Mokarimpur in 2005-2006 fiscal year followed by Tk,1,50,000, 0, 0 and Tk 1,02,000 in 2004-2005 physical year respectively. However, from the table below, it might be made clear about average deficit of income of two consecutive years.

**Table 6.4: Expenditure vs Income in the study areas for consecutive fiscal years**

Union Name	Fiscal Year	Total Expenditure (Tk)	Total Income Except Grant(Tk)	Deficit (Expenditure-Income)(Tk)	Average Deficit	Deficit Increased
	2005-2006				<b>1,64,000</b>	<b>160%</b>
Samaspur		2,95,900	1,69,100	1,25,000		
Uzangram		8,32,870	6,02,070	2,30,800		
Panti		4,81,959	2,81,724	2,00,235		
Mokarimpur		3,00,480	2,00,480	1,00,000		
	2004-2005				<b>63,000</b>	
Samaspur		1,69,325	19,325	1,50,000		
Uzangram		5,01,300	5,01,300	0		
Panti		2,49,972	2,49,972	0		
Mokarimpur		3,04,415	2,02,415	1,02,000		

In fiscal year 2004-2005, the average deficit of these four unions was Tk. 63,000. And, it had increased to Tk. 1,64,400 for the next year. So, yearly deficit increase and confiscating UP's potential sources of revenue have made UPs more vulnerable to the government grant.

So, UP has to depend on central government. As a result, government control over local elected bodies is extensive and rigid. This control has many forms and the relationship between central government and UP is a superior-subordinate one. The former is the prescribing authority for the later.

But, the elected members of the UP are reluctant on pressurizing the local inhabitants that incur annual property tax arrears of UP. Local leader do it only as it might cost them popularity and votes in the following election. On the other hand, UP gets more than 50% fund from the central government as block grant for rural development. But in practice, fund is allocated mainly to strengthen the political party in power rather than development. From the above circumstances it has been revealed that elected incumbent members and chairmen are affiliated to the political party in power and consider popularity rather than collecting revenue and development in the area. At present, the chairman fixes up the amount to be collected, and it is distributed to member of different ward.

## **6.3 Expenditure of UP**

### **6.3.1 Application of UP fund**

- a. In the payment of salaries and allowances of the officers and employment of UP;
- b. In meeting the expenditure charged on the Union Fund under this ordinance;
- c. In the fulfillment of any obligation and in the discharge of any duty imposed on UP under this ordinance or under any other law for the time being in force; and
- d. In meeting the expenditure declared by the UP with the previous sanction of the Deputy Commissioner to be an appropriate charge on the Union Fund.

### 6.3.2 Charged Expenditure

1. The following expenditure shall be charged on a Union Fund, namely:
  - i. All sums to be paid, or in connection with employment of, any Government servant who is or has been in the service of UP;
  - ii. Such sums as the UP may be required by the Government to contribute towards the conduct of elections, the auditing of accounts such as other matters as may, from time to time, be specified by the Government;
  - iii. Any sum required to satisfy any judgment, decree or award against the UP by any court of tribunal; and
  - iv. Any expenditure declared by the Government to be so charged.
2. If the expenditure charged on a Union Fund is not paid, the Government may, by order, direct the person or persons having the custody of the Union Fund to pay such amount, or so much thereof as may, from time to time, is possible, from the balance of the Union Fund.

### 6.3.3 Fields of Expenditure

The UP members are not very analytical about different heads of expenditures, expenditure patterns, resource generation and future plan of income. Different expenditures have been analyzed to give an idea about the expenditure items.

Government grant is one of the most important sources of UP's fund and it is increasing day by day. In the fiscal year 2004-2005, average government grant was 30% of the total expenditure. However, it has increased by 6% in the following year. In the table below government grant in comparison to total expenditures is shown.

**Table 6.5: Government grant in the study areas for consecutive fiscal years**

Name of Unions	Fiscal year	Total Expenditure(Tk)	Govt. grant(Tk)	% of total expenditure	% of Average	Percentage Increased

	2005-2006				36%	6%
Samaspur		2,95,900	1,25,000	42%		
Uzangram		8,32,870	2,30,800	28%		
Panti		4,81,959	2,00,235	41%		
Mokarimpur		3,00,480	1,00,000	33%		
	2004-2005				30%	
Samaspur		1,69,325	1,50,000	88%		
Uzangram		5,01,300	0	0		
Panti		2,49,972	0	0		
Mokarimpur		3,04,415	1,02,000	33%		

Source: Financial Budget of Four UPs

In the budget of 2005-2006 of Uzangram Union, total expenditure has been estimated to Tk. 8,32,870. From the budget below, it is noticed that Tk.2, 56,000 is spent as establishment cost out of total budget. Among it, around Tk 80,000 is used for tax collection purposes. And four development projects costs Tk. 4, 40,000. Rest 1, 35,025 Tk. is used for other purposes like conveyance, plantation, supplying of book to library, etc. The sectoral expenditure has been shown in the table 6.5 below.

### 6.3.3.1 Sector Wise Expenditure

Each UP has some common fields of expenditure such as establishment cost, cost pertaining tax collecting, tree plantation, repair and maintenance of road, distribution of tube-wells, *sheresta* fuel for chairman, implementation of sanitation program, electricity bill, etc. Table below shows the expenditure under different headings.

**Table 6.6: Sectoral expenditure of budget of four Unions**

Sectoral expenditure	Amount (Tk)							
	Samaspur UP		Uzangram UP		Panti UP		Mokarimpur UP	
	2005-2006	2004-2005	2005-2006	2004-2005	2005-2006	2004-2005	2005-2006	2004-2005
Establishment cost	70,000	12450	1,76,000	182000	97,400	96900	97,300	106400
Cost in collecting tax	16,425	3622	85,585	85,000	31,793	25972	30,580	33000
Conveyance	-	-	3,000	4,000	-	5100	1500	2000
Tree plantation program	5,000	-	30,000	9000	3,000	4000	4000	2000
Repair of road	1,12,000	151600	1,00,000	50000	2,14000	100000	50,000	60000
Education	-	-	50,000	5000	-	-	5000	5000
Distribution of tube-well	-	-	1,00,000	30000	5,000	6000	20,000	30000
Announcement	500	-	3,000	4000	-	-	3,500	2500
<i>Sheresta</i>	7,000	4,450	7,480	5000	6,000	25000	5,580	5000
Surface drainage	-	-	40,000	-	4,000	5000	-	-
Oil for the motorbike	6,000	6,000	6,000	6000	6,000	6000	4,000	4000
Supply of book through gram sarkar for library	-	-	16,750	-	-	-	-	-
Implementation of sanitation program	-	-	1,50,000	56000	4,000	4000	50,000	26000
Development of <i>hat bazar</i>	16,000	-	60,000	30000	-	-	20,000	15500
Electricity bill	2,400	-	1,500	15000	-	-	2,020	2015
<b>Total expenditure</b>	<b>2,95,900</b>	<b>169325</b>	<b>8,32,870</b>	<b>501300</b>	<b>3,71,000</b>	<b>249972</b>	<b>2,62,980</b>	<b>304415</b>

Since expenditure depends upon income of UP, therefore, it varies among different UPs and years as income varies; the total expenditure of Uzangram, Panti and Samospur has increased by 66%, 49% and 75% respectively, on the other hand, expenditure of the rest other has decreased by 14%. However, fields of expenditure of all unions are similar in nature.

From the table it is obvious that expenditure on establishment is highest e.g. 62% in Samaspur, 21% in Uzangram, 26% in Panti, among all other fields except the development expenditure. Then comes expenditure on tax collection; it is 15% in Smaspur and around 1% in other unions. And the expenditure on these two fields is regular for every year for each union. However, the union spent more on collecting tax, realized more revenue. For instance, Uzangram union spent comparatively more on



collecting tax and realized more than other unions. Other fields of expenditure are irregular; it varies year to year.

Beside administrative expenditure, development expenditure on road repair and maintenance, sanitation, water supply etc. is very common in all the UPs. However, major development activities include repair and maintenance of road and development of *hat-bazar*. However, transparency and accountability in financial transaction are very less since participation of people is totally absent.

#### 6.4 Financial Performance Analysis of UPs

For the expense of tax, UP delivers some sorts of services such as development of road network, issuing national and birth certificates etc. Out of four UPs, service delivery expenditures compared to total expenditure are high in Uzangram (Tk. 7,35,870) and Panti (Tk. 3,84,659) unions. On the other hand, it is less in Mokarimpur union (Tk. 1,29,930). The service delivery expenditure ratio to total expenditure of four unions is 0.76, 0.88, 0.79, and 0.43 for Smaspur, Uzangram, Panti and Mokarimpur respectively. Rest part of the expenditure is used for administrative purpose. So, the union spent more on services, more development took place in that region. In this regard, more development activities were implemented in Uzangram than the other three; and least development activities took place in Mokarimpur. However, the situation of Mokarimpur Union is very bad; it spends about 60% for expenditure delivery service. Table 6.6 below shows the ratio of service delivery expenditure and administrative expenditure.

**Table 6.7: Ration of service delivery vs. administrative expenditure for 2005-2006 years**

Union Name	Service Delivery Expenditure	Administrative Expenditure	Ratio (Service/Total)	Ratio(Administrative/Total)	Ratio(Administrative/Service)
Samaspur	2,25,500	70,400	0.76	0.24	0.31
Uzangram	7,35,870	97,400	0.88	0.12	0.13

Panti	3,84,659	97,300	0.79	0.21	0.25
Mokarimpur	1,29,930	1,70,550	0.43	0.57	1.31

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Source: Financial Budget of Four UPs

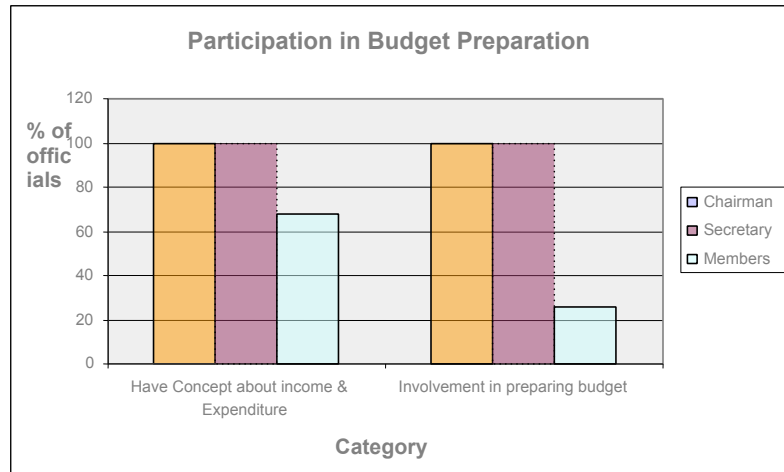
If the four unions are compared, the better condition can be found in Uzangram union since per capita service delivery expenditure is Tk. 37 in this union. On the other hand, Samaspur, Panti and Mokarimpur unions received Tk. 6, 14 and 4 respectively.

### 6.5 Budget Preparation and Analysis

According to the Local Government Ordinance, every unit of LGs will prepare their own budget before starting of the fiscal year and get the budget approved by from concerned authority. Usually, the budget incorporates recurrent expenditures, investment, revenue earnings, funds available from different sources etc. Practically, the budget is a forecast of next year's income and expenditure of the current year. In case of UP, the budget should be drafted within mid of May and made it public through meetings or hang in the notice boards. There is provision that the people may comment on the draft budget and if the comments are acceptable to the UP then they may change the budget amount or make any adjustment required between the line items. Upon having the comments from public, the UP prepares the final budget in their full meeting and within first week of June, sends it to Deputy Commissioner (DC) through Upazila Nirbahi Officer (UNO) for approval. The Deputy Commissioner should approve the UP budget within one month and send back to UP. If, there is any comments or recommendation, they should inform the concerned UP. If the DC does not return the budget within one month (first week of July) then it would be considered as approved.

However, in practice, the UP budget is quite non participatory and it rarely submitted to DC in time. On the other hand, DC is rarely interested to go through the budget of UP and in very few cases they approved and returned the budget to UP. In most of the UPs, the budget is prepared by UP Chairman and Secretary and hardly shared with members.

The figure below shows the participation of UP officials and representatives in UP's budget.



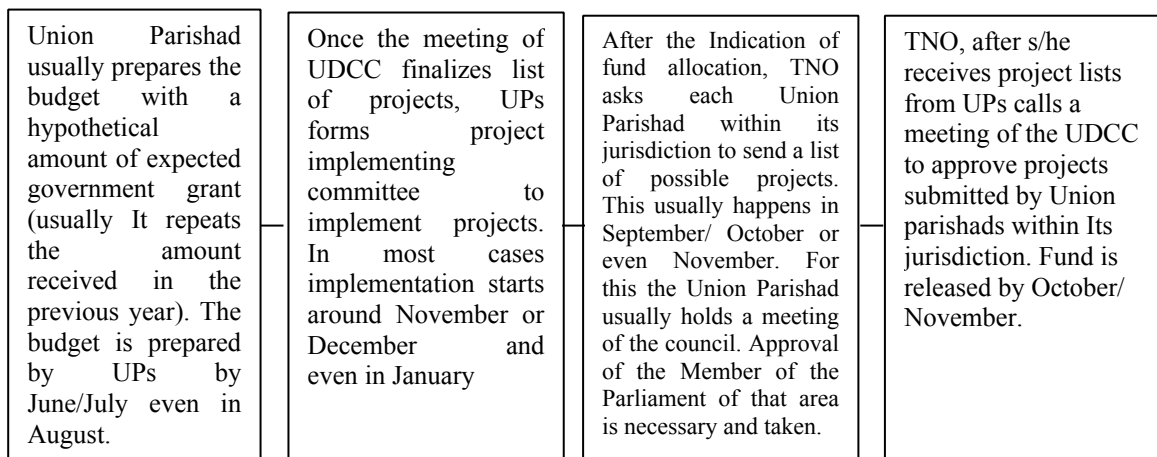
**Figure 6.1 Participation of officials in Budget preparation**

The figure above shows the overall participation of the officials where the members have 63% participation rate but only 29% cases involvement in budget preparation. In fact, the chairman and secretary mostly prepare the budget.

## 6.6 Allocation of Fund to UP and the Existing Condition

Government Grant comes from two ways. The first way is by LGRD through the district council and then it is allocated. The second one is from ADP. ADP is the main source of fund for development activities at local level. Fund under the ADP is allocated to the Upazila as Block Grant. The Upazila Development and Coordination Committee (UDCC) distribute grants to the UPs. UDCC is constituted by the UP chairmen and presided over by the chairman by turn according to the alphabetical order of their names.

Usually, under the Five-year Plan framework, the line agencies generate the project idea and formulate the Project Concept Papers (PCPs). Sponsoring ministry then scrutinizes the PCPs and submits to Planning Commission for appraisal. The approved project is listed into ADP for implementation (Quadir, Saqui etal, 1982). In reality, the Ministry of Local Government, Rural Development and Co-operatives (LGRD) releases the first quarter of ADP allocation in the month of November. The following diagram 6.2 explains the steps.



**Figure 6.2 Grant allocation systems**

The Thana Nirbahi Officer (TNO) after getting the first allotment convenes the meeting of UDCC and informs the UP Chairmen about the ADP allocation. UP accordingly prepares the project proposals under the ADP allocation and guidelines. In this meeting, detailed discussion takes place. MPs also remain present in most cases. UP chairpersons are allowed to make comments on total planning and development works of the Upazila so that duplications are avoided as far as possible. It tries to settle any dispute and attempts to integrate entire development works. However, it is necessarily true that it achieves result all the time, but some exceptions.

The whole process takes two to three months to complete. Sometimes, it requires additional time to obtain MP's consent to formalize the Project Implementation Committee (PICs). In most cases, after the completion of all formalities, ADP projects get implemented during January to March, under the guidance of the TNO and Upazila Engineer. Project Implementation Officer is involved in the supervision and monitoring of the ADP projects. UPs can only implement projects costing up to Tk. 50,000 through the PIC of UP; if the project cost is more, then, the work is done through floating open tender. But majority of the project is kept below Tk. 50,000 to avoid the floating of the tender. UPs are now claiming to waive this condition (limit of Tk.50,000).In most cases, project objectives, source of funds, implementing authority are displayed to inform the people (UNDP, 2003).

### 6.7 Allotment of Government Grant

The population of the union does not determine allotment of government grants. From the table 6.7, it has been found that it is varied in union to union.

**Table 6.8: Per Capita Grant Allocation for the four UPs**

Name of Union	Allotted Grant (Tk)	Total Projected Population	Per Capita Grant Allocation (Tk)
Samaspur	1,25,000	39,6,94	3.15
Uzangram	2,30,800	21,012	10.98
Panti	2,00,235	28,042	4.57
Mokarimpur	1,00,000	43,852	2.28

Source: Financial Budget of Four UPs

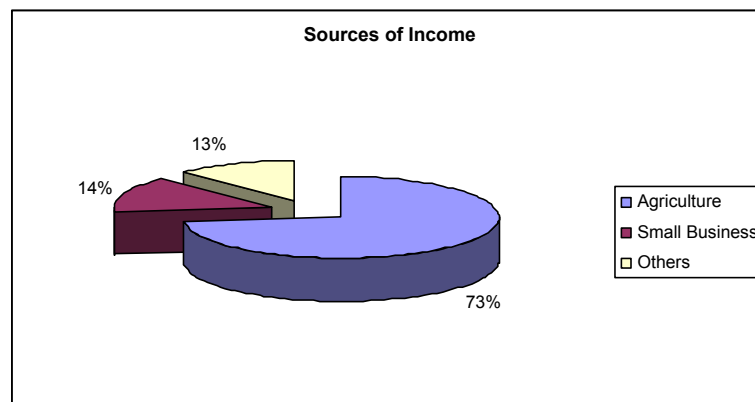
In the four study unions, Uzangram union gets the highest allotment of government grant, around Tk 11per person. On the other hand, Mokarimpur gets the lowest allotment of Tk. 2.28 of the four unions. The average allotment of the government grant is Tk 2.25.

### 6.8 Scenario of Realizing Arrear Tax

The performance of holding tax collection of the UPs is not good. So, arrear is increasing over the years. There are some reasons in collecting tax mentioned below.

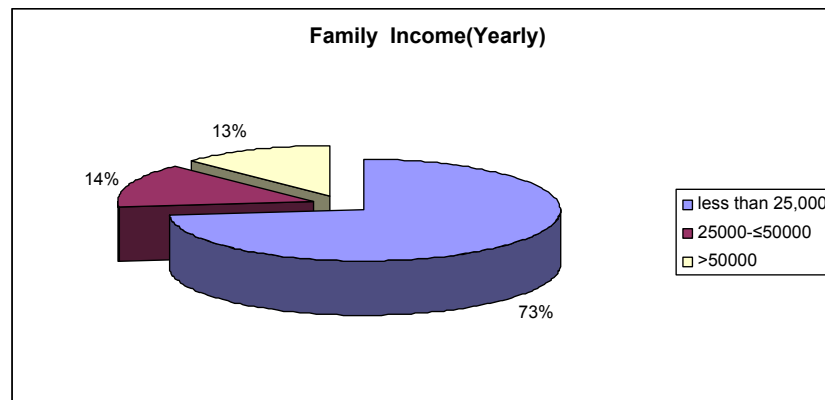
### 6.8.1 Residents are poor income earner

The population in those areas is very poor having major sources of income from agricultural sectors; most of the people have small land for agriculture. Very few people are found in the small business and other sectors. About 73% people earn from the agricultural sector and 13% of the total is found in the small business sector.



**Figure 6.3 Sources of income of the residents**

As the agriculture is the prime source of income, the family income of the most population is not high. The 73% of the population earns less than 25,000 Tk in a year.



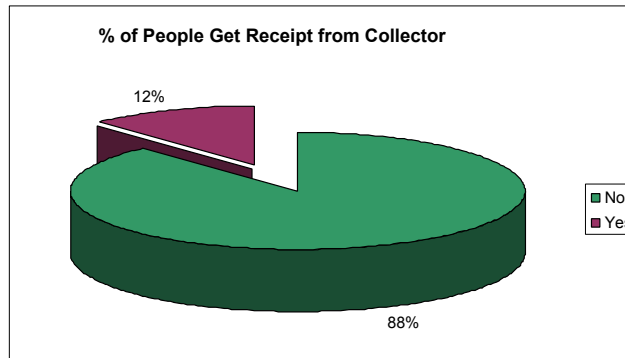
**Figure 6.4 Yearly family incomes of the residents**

This means that their monthly income is about 2000 Tk per month. And, the lowest population has the highest income level.

### **6.8.2 Bribery and corruption**

The creation of an effective taxation system appears to be one of the most challenging problems for economies in transition. In this day, tax collector's interest has over rides compared with their official interest in the performance of their duties; consequently affect revenue generation for UP.

The losses in revenues and thus subsequently in public spending are often completely out of proportion to the amounts paid as bribes. One of the other effects of corruption in this field is that it reduces the distributive function of tax collection and hence contributes to increasing income inequality.



**Figure 6.5: Percent of people get receipts**

From study area it is found that there are symptoms of the corruption. People in that area are poor and most of the collectors are local. They don't provide receipt of holding tax regularly to the people, which makes doubt in accountability of UP.

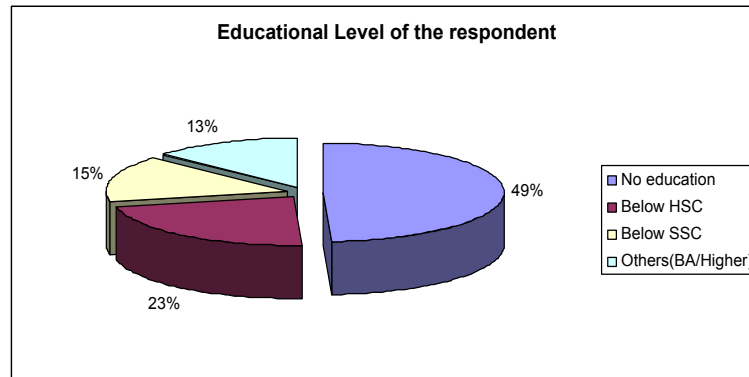
### 8.8.3 Incompetent representatives

The Local Elected Bodies (LEB), Citizen's Committee members, local civil society members and organizations, and general people do not have adequate knowledge on the Local Government Institutions (LGI), its operations, mandates, links with central government, its sources of power, budget, etc. After being elected, the representatives of UPs felt (mostly) accountability to the Upazila or district Bureaucratic bosses rather to the community while they never practices any transparent system like open budget meetings, information sharing with community, public hearing for UPs income–expenditure are never been consult with community regarding planning, implementation of development projects. As a result, it may not reflect the LGIs to plan and budget for the activities with consultation with the concern authorities in advance.

### 6.8.4 Inadequate knowledge



Most of the people are in these area are very poor and they are illiterate and have not enough knowledge about the government facilities and functions of the UP.

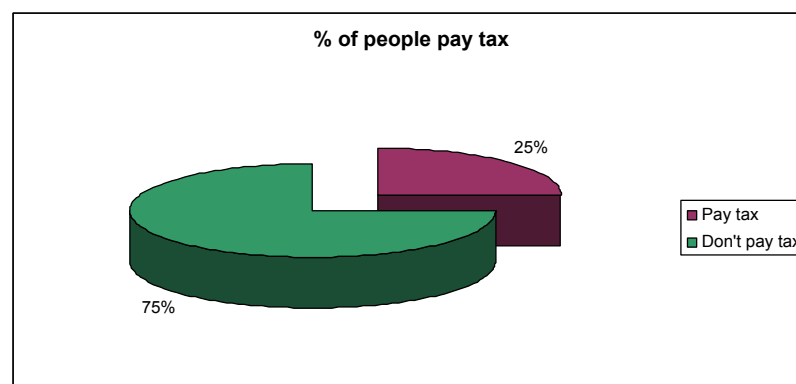


**Figure 6.6 Educational qualifications of the respondent**

In study area, it is found that only 51% of the total people is literate whose major share are below SSC. A large number of populations here are illiterate.

### 6.8.5 Lack of proper system and regular assessment

Lack of adequate staff or manpower to carry out the assignment efficiently has contributed to the low revenue generation for UP. In the present system, tax is collected by two kinds of people- *chawkidar* and collector. They are not regularly collecting taxes from the people and 100% residents provide opinion regarding this matter.

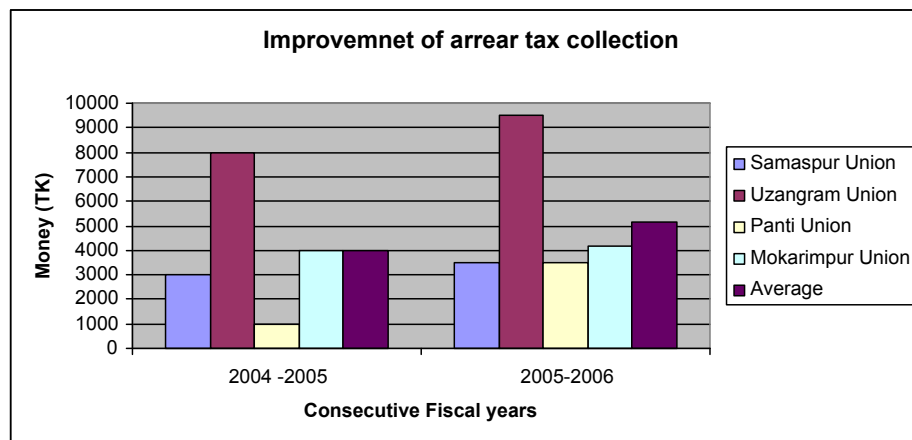


**Figure 6.7 Percent of people pay taxes**

In the study area, 100% people don't pay tax regularly but some of them pay if the collectors go to them. In this study area, 25% people are found to provide taxes to UP when collectors or *chawkidar* come to realize tax.

### 6.8.6 Capacity to realize arrear

The UP failed to attain the annual target of revenue collection in every financial year. The chairman reviews the tax collection including the recovery of arrears, current demand, regular collection and assessment in every budget. The efforts made by chairman during the past few years of four unions under study were not mentionable. Consequently, the arrear was not collected successfully.

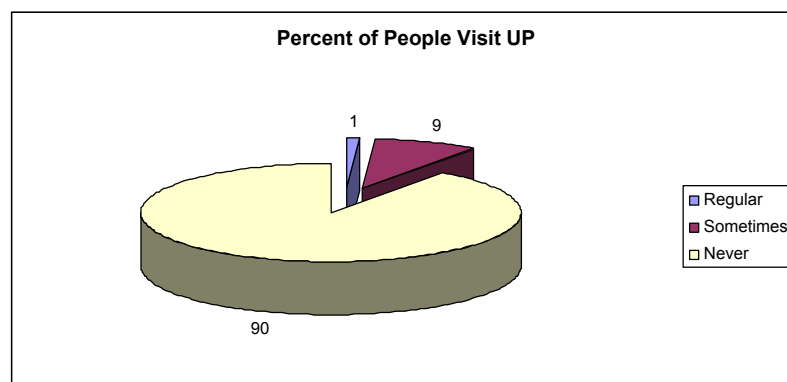
**Figure 6.8 Arrear tax collections**

The arrear tax collection has increased in 2005-2006 in respect to the collection of previous year. The reason behind the improvement in collection is deployment of more manpower. The figure shows that the rate of arrear tax collection of Uzangram Union is

better compared to other three and worse condition sustained in Panti union. It would be higher, if officials were earnest to do that. The officials said that the department would be accelerated the tax collection, including recovery of arrears from the assessment during the next six months.

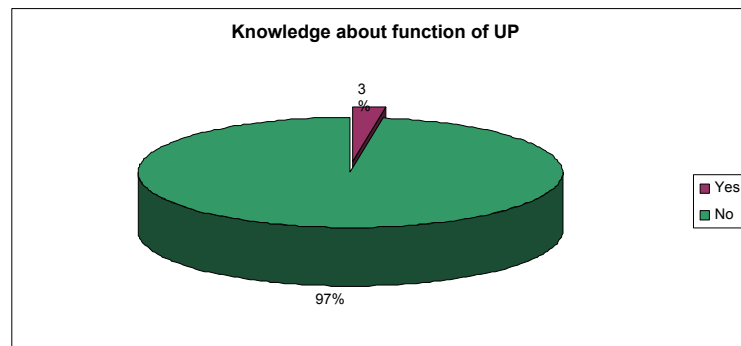
### 6.9 Community Perception

Some of UP representatives are unaware and reluctant to introduce accountability and transparency. They even don't know about their responsibility to the people and the UP. The people of the UP have some knowledge about it and they hardly visit UP. This scenario must give bad perception of the people about UPs.



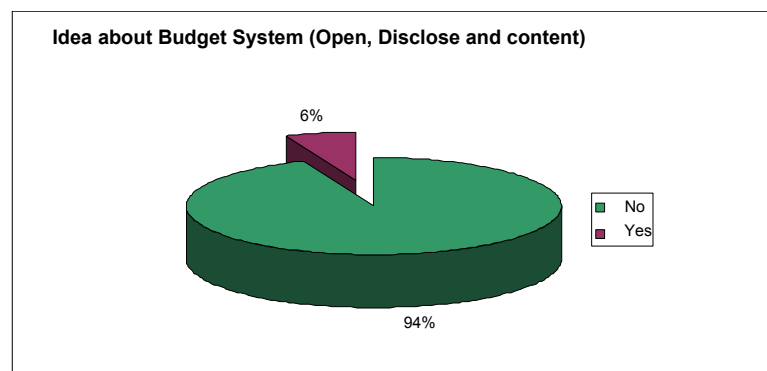
**Figure 6.9 Percent of people visit UP**

It is found that 90% people never visited in the UPs. On the other hand, only 1% people regularly visited this place and 9% visited in some occasion. It is now assumed what will be the knowledge about UPs of the people. Only 3% people know about its' functions but in a little depth about those functions.



**Figure 6.10 Percent of people have knowledge about UP**

Local authorities have statutory responsibilities to consult and involve the public in relation to certain issues, such as selection of priority of road repairing, through public meetings and consultation. But the UP doesn't do this. Lack of awareness of people and lack of responsibility of UP members and chairman are accountable for this reason.



**Figures 6.11 Percent of people have idea about the budget**

People's participatory in budgeting is an instrument for democratization of the decisions of UP. But, the local level involvement in decision-making is not mentionable yet now.

The survey suggests that a total of around 6% have idea about annual budgets; they only know that UP prepare budget. Others have no idea about it. It reveals that the highest numbers of people are not involved with UP activities. So, the community perception is very poor in all cases of UP.

### **6.10 Conclusion**

In fact, UP is financially weak; it seems like poor fallen into vicious cycle of poverty. It doesn't have money to deliver services to people nor can they realize tax from public. However, for the development of UP, revenue from UP's internal sources should be enhanced beside the government grant and potential revenue sources should be explored. Moreover, service delivery expenditure should be made bigger to strengthen financial capacity of people creating various economic activities.

## CHAPTER 07

### **PROBLEMS AND POTENTIALS OF RESOURCE MOBILIZATION**

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Though UP faces a number of problems, particularly, financial problem, but it has potentials of realizing revenue from its own sources to contribute to local development as well as the country. The chapter describes various problems pertaining to UP's revenue—causes of problems, dimension of the problems, beside, it tries to find out potential sources of revenue.

#### **7.1 Problems**

In one hand, UP has very limited number of revenue sources from which it can earn; on the other hand, its officials are not so efficient to explore new sources of revenue, to run its business—both make the UP a worst local government. Details have been described below.

##### **7.1.1 Problem Pertaining Direct to the Government Grant**

###### **7.1.1.1 Dependence on Central Government**

The inclination towards centralization by successive regimes of central government restricted the development of the local government bodies, particularly the UP, resulting it to become resource poor to resource poorer. This means that the central government has been withdrawing the UP's right to generate revenue by confiscating the source of income that are in their favor i.e. total income from *hat-bazar* was realized by UP earlier, but presently UP gets only small percentage of the total; rest of them is deposited to Upazila fund. .

The central government has always been reluctant to relinquish control over local bodies. Since Ayub regime to late 1980s almost all local government bodies were used by the central government to bolster their political support. The military rulers did it more often. Ayub's Basic Democrats dictated him with the needed support

from the countryside. Zia used UPs to create a Civilian Support (Kaium, 1995). As a result, corruption and patronage has engulfed the UPs. The intervention of the state in the name of 'decentralization' has promoted over the years, which has made a new pattern of dependency on central government.

UP has become subservient to administrative apparatus of central government at Thana and District levels as well. On the advent political patronage, distribution of fund through central government bodies, the whole development process has changed. Institutional corruption has become a common phenomenon enduring nexus among politicians, administrators and local government functionaries in a truncated vision of development.

Local government bodies have been winning bid of construction works in the name of disguise firm of his or her relatives. As a result, quality of work sacrificed and the people are the ultimate losers. The PIC failed to bring any change as the committees are usually formed bypassing common people. Increasing trend of dependency of the UP will lead to more control over them by the central government.

### **7.1.2 Problems in mobilization of local resources**

Resource Mobilization by UP is done to fulfill the following activities.

- (i) It is necessary to effectively perform the responsibilities entrusted to local bodies;
- (ii) It reduces the dependency on central government;
- (iii) It increases the autonomy of the local government; and
- (iv) Resource mobilization at different local levels ultimately helps the national government to reduce its dependency on external aid.

#### **7.1.2.1 Resource Mobilization by the UP**

At present, domestic resource mobilization at local level (Union and Thana) is estimated to be only five percent of the total national revenue (Saqi, 1998). Recent

amendment has authorized the UPs to levy taxes on six items. But these sources can not yield handsome amount for UP fund. These are:

- (i) Tax on the annual value of homestead or union tax;
- (ii) Tax on the professions, trade and callings;
- (iii) Tax on cinemas and theatrical shows;
- (iv) Fees for licenses and permits;
- (v) Fees from *hats-bazars* and ferries; and
- (vi) Fees from *jalmahal*.

However a number of problems that are associated with income of UP. Following headings might be identified as major factors responsible for inadequacy of income of UP.

#### **7.1.2.2 Ancient System**

*Chawkidar* and *Dafadar* are involved in the UP's tax collection; they are not educated. Therefore, there is inadequacy of skilled manpower to collect tax. On the other hand collecting system is ancient (i.e. collectors move on walk or bicycle which require hard work. So, it becomes difficult to collect tax from all households regularly) and not computer based (i.e. they can't maintain record of demand, collection and arrear up to date). Moreover, UP doesn't maintain systematic way to collect and maintain its income.

#### **7.1.2.3 Inadequacy of the Revenue Sources**

With the exception of the holding tax, most of the other sources yield very little revenue. This is because, many of the sources incorporated in the schedule, i.e. taxes on cinemas and other entertainments are not found practicable in the rural situation.

All land and permanent structures sold in a union are subjected to the levy of the local government tax at the rate of 1% of the value of the property transferred. This tax is collected by the Sub-Register (Official of Ministry of Law and Land Reforms located at Thana level). Deducting 3% as administrative cost and rest of the amount



is credited to zilla fund. Union Parishad does not get any share from this immovable property transfer tax (Haque & Hossain, 1997).

Since 1919, local rate (additional land revenue collected by the officials of the central government) had been an important source of revenue. It was constituted by the 12% of the annual rental value of the land and distributed between Zila Parishad and Union Bodies in equal proportion (Noor, 1984). After demolished of local rate in 1977 with the introduction of Land Development Tax, Union bodies are deprived of this substantial amount of income.

An important source of UP's fund is land revenue. The UP is obliged to help the revenue officials in collecting this tax. But UP does not get any share from it.

It has been frequently alleged by the UP that most of the revenue sources enlisted in the ordinance are inelastic (i.e. *hat-bazar*, *jalmahal*) and directly imposed on the people (i.e. holding tax: it directly affect the household's income). The fear of losing popularity makes it further difficult for the elected leaders of the UP to levy and realize this revenue from the electorates. And thus many of the optional tax sources (like tax on birth, feasts, slaughtering of animals etc.) are found unexplored by the UP. Even the fees for some of the utility services (i.e. the fees for issuing nationality certificates are not collected properly and recorded by the UP).

UP had right to bid call tender of *hat-bazar* valued up to Tk. 1 lac, of *jalmahal* limited to 20 acres and of *ferry ghat / kheyra-ghat* up to Tk. 20,000 within its jurisdiction. And collected money was deposited direct to UP's fund. So, a great portion of UP's fund came from these fields. But provision has been abolished and Up has to depend only on holding tax.

However, the adequacy of financial resources of the UP, not only depends on the number of revenue sources but also on the extent to which UP properly can exploit them.

#### **7.1.2.4 Faulty System of Assessing the UP Tax**

The key source of revenue of the UP is found to be the ‘holding tax’- a tax on the valuation of homestead land and building combined with the traditional *Chwakidary* tax. Every UP is required to prepare annual valuation list of all buildings (any shop, house or stable building of any material and used for any purpose) within its jurisdiction once in every five years. According to the UP Training Manual (NILG 2003), *holding tax* will be 7% of the annual valuation of the homestead land and building occupied by the resident. But UPs are generally not found to have prepared any valuation list as per instruction (Azam & Hossain, 1979). Usually, Union Rate levying by the UP is followed as following steps. At first, total amount of the ‘holding tax’ is fixed at the Parishad meeting. Then, the amount is distributed among the electoral wards taking population into consideration. And finally, the amount fixed over the wards again distributed among households. The task of distribution of total amount among the individual household is done based on presumption without any fixed economic basis, leaves sufficient leverage for under assessment. It is acknowledged from the informal interview with UP officials that if the assessment of tax is made on the basis of actual valuation of buildings, it would be three or four times higher than the present value.

#### **7.1.2.5 Unsatisfactory System of Tax Collection**

Estimated tax of the UP is not collected properly. The reasons might be the UP has not any trained and regular employee to collect tax or UP collect tax by the layman appointed on commission basis are not serious in collecting tax as their job is temporary in nature and uncertainty of income from tax collection (Arun, 1984). On the other hand, recording of demand, collection and arrear is hardly followed the financial guideline developed by the LGRD; due to lack of accountability of Chairman and irregular payment of UP official, it might be happened.

The annual tax arrears of the UP is more than 50% in most of the cases. But elected members and chairman hesitate to realize tax from the local inhabitants by pressurizing them to realize tax, as it might cost them popularity and votes in the

following election (Saqui 1995). They are generally reluctant in issuing ‘distress warrant’ in realizing arrears but it is a prolific way of collecting tax. According to field survey 2007, factors contributing much in creating problem in collecting tax are:

**Table 7.1: Problem in realizing holding tax collection**

SI No.	Problems	Percentage Respondent	of
1.	Poverty	85	
2.	Chairman’s fear of loosing votes	70	
3.	Deficiency of tax collectors	65	
4.	Unstable politics	60	
5.	Lack of services	50	
6.	Deficiency of consciousness among the people	45	
7.	Natural hazard	40	
8.	Lack of public participation	30	
9.	Pre-election manifestation on relaxing tax	30	
10.	Local conflict	30	
11.	Interference of local elites	20	
12.	Nepotism and partiality	20	
13.	Reluctance to pay tax among the people	15	
14.	No confidence of public on UP	10	

Source: Field Survey 2007 (multiple responses)

The reason for non-realization of arrears may be attributed from non-accountability of UP to any authority. Although, it is not an encouraging sign for the UP to become a self-government institute, a certain amount of pressure from higher authority sometimes might give positive result to realize arrear and it was found that the annual tax collection of the UPs was almost doubled during the year of 1981-82 (Saqui etal, 2003). The circumstance might be happened due to marshal law of Ershad regime; certain initiative was taken at that time to strengthen local government.

### **7.1.2.6 Inappropriate Model Tax Schedule (MTS)**

UPs are asked to assess different taxes following the MTS, which was formed, based on the economic condition of the sixties (Tareque, 1995). After that there have been lots of inflation and depreciation to the value of money and the expenditures of the UPs has increased manifold but tax assessment still follows this schedule.

### **7.1.2.7 Negative Effect of the Government System**

Government grant is an integral part of UP's finance in Bangladesh which comes from the treasury of central government to assist a part or whole of development activities of the UP. It becomes a regular source of income that has constituted more than 50% of total expenditure of the UP. As a result, UP is not induced in maximizing their revenue from its internal sources. Even, UP gets 75% of the government grant, though it fails to realize less than 75% of the estimated revenue (ARD, 2003).

### **7.1.3 Absence of transparency and accountability**

Rural people are not only skeptical by and large in supervising UP's activities, but also they think that there is a lack of transparency in UP's business. Ineffectiveness of UP in fulfilling the demands of the people is the main reason for this dissatisfaction. However, activation of Standing Committees would help UP bring in transparency in financial management with better service delivery.

The survey reveals that the UP collected holding tax from the households are not shown in record book. In response to question, they always told that the amount they collected was spent to pay the salary of the collectors. But, discrepancies have been found in it. The allegation has always been heard that UP members and chairman are not fair to spend UP's fund, according to Azahar Uddin, a resident of Panti Union. The UP works as a legal authority to deal with local affairs and it has scope to misuse revenue. However, it collects tax from a number of sources and gets various funds

from the central government. So, local people have to be involved in financial matter for proper utilization of UP's fund. It will increase the sense of responsibility in financial management of UP chairman and officials.

#### **7.1.4 Women, participation and empowerment**

Albeit the constitution guaranteed the equal rights for women, the reality is that they are not seen as equal, their roles are closely tied to their reproductive and household activities only. From the survey, it has showed that women are considered as unfit to perform political and community affairs. This is due to lack of clarity in the constitution on the role of women in local government. A common complaint regarding women's reserved seats is that the law does not specify what their roles and responsibilities are to be. Although women have equal political rights to participate as voters and representatives, in reality they can be actively discouraged to do so. Still there is a gender imbalance in the ration of men and women in the Union Parishad. As a result the elected women members have very limited scope to influence decisions.

#### **7.1.5 Need assessment**

Most of the budgets of UP, include more than one development programs like sanitation, tree plantation, irrigation, road repair, education. But, for the deficiency of fund, many programs are not implemented finally. So, it should prioritize works to be done and include them accordingly in the budget. For example, from the informal discussion with the people, road repairing comes first followed by sanitation and education. And tree plantation project is opposed in the rural area because large area in the village is covered with tree or green; therefore expenditure on tree plantation is less productive compared to others.

#### **7.1.6 Inconsistencies between income and expenditure**

The UP prepares a budget every year, but finally, it becomes very small in size in revised budget. For instance, the final budget of 2003-2004 and 2004-2005 fiscal year were of Tk. 1,76,971 and Tk. 2,25,748 whereas the amount in the original

budget was almost two times more. However, proper utilization of this budget should be ensured through financial transparency and accountability.

Although, balance of income and expenditure shown in the budget comply with each other, but inconsistency is seen from the field data of 2007. According to Mizanur Rahman of Durbachara, there have been no work under UP in the last three years. But, the UP had shown a large amount of expenditure on development. However, major sectors of expenditure shown in budget were commission for collection of tax; salary of *chwakidar*; and expenditure of different development programs such as plantation, sanitation, irrigation etc. that are not consistent with the actual. No such kind of program has been found in the study area with exception in case of road repair in some places.

The UP has to pay commission for collecting holding tax. Nine *chwakidars* and one *dafadar* collect tax of the UP get 15% of the collected tax. As the final budget of 2003-2004 fiscal year, UP collected Tk. 8,357. So, the commission value of the amount should be Tk. 1,254 but UP paid Tk. 2,191. When the chairman of Uzangram Union, Md. Moinuddin Bisshwas was asked, he informed that UP couldn't pay them salary regularly. So, they were told to collect tax and from there they would take their salary. According to the statement, UP earned Tk.8, 357 in a whole. But, discrepancy is seen when Tk. 7,419 had been shown spent tax collection.

#### **7.1.7 Incorporating local leader in development activities**

Generally, in the election, more than one candidate competes for a post of member and chairman; but one candidate wins the race. Therefore defeated candidates don't get any interest in UP's affair. Additionally, elected candidates don't like their involvement. They think, the elected member is opponent and try to hamper the UP's initiatives. So, they should be incorporated in the mainstream development activities of the UP as they hold a group in the society; it will help to run UP smooth such as collecting tax, growing awareness among people, etc.

## **7.2 Potential Sources**

The study area is high land; economic potentiality of the union is also high. Flash water never causes damage to crops in this area and other natural hazards are almost absent. But, economic growth is not noteworthy in this region now. However, poor economic condition disrupts the people to pay the tax. So, first of all, the economic condition of the poor should be improved. To overcome the poor economic condition of the rural people and the UP, following strategies might be considered.

### **7.2.1 Increase the collection from sources**

#### **7.2.1.1 Increasing Holding Tax Collection**

The UP does not follow the rules of MTS in assessing holding tax. Assessment should be based on real economic condition of the people. That can be done considering the number of income earners beside the number of houses. It will relieve the poor people from the burden of excess tax as well as help the UP earn good amount from the people who are economically stronger. For doing this, the UP can invite representatives from the villages in assessing holding tax.

For example, according to BBS Population Census (Community Series) report-1991, 56% of the total household's house roofs of Uzangram Union were tiles, CI sheets or cements. The percentage has increased as the overall socio-economic condition of the population has improved. Let, it goes up to 60% (although actual situation might be better); then, the total number of household use tiles, CI sheets or cement on their house roof would be 2909. So, the people used tiles, CI sheet or cement on their house roof is capable to pay their holding tax to Union Parishad. If the average holding tax of each family is Tk 40, then total amount would raise to Tk 1, 26, 378. But, presently UP demands Tk. 1,00,500 which is less than the actual. It indicates lack of eagerness in assessment and collecting tax from the households.

In the villages, tax collection is not made regularly (Key informant Habubur Rahman of Katlagari village in Panti Union). This irregularity invites arrear of

holding tax. Regular collection of tax should be ensured so that people become conscious about their responsibility to pay yearly holding tax.

It has been seen that tax is collected by *chawkidar*. They are very poor and have no influence in the society. When they come to people for collecting tax, a member of households usually do not pay tax, even behave roughly with them. Elected members of the wards do not help them in this regard, because they are elected by public votes and wouldn't do any work that might costs in the election. So, responsibility of tax collection should be transferred to another body that is dependable and accountable to UP.

Additionally, collectors should be trained up on tax collection so that they can collect tax efficiently. Moreover, condition (e.g. they should not be given salary from holding tax) may be applied which can stimulate them to collect tax.

However, since the arrear is increasing over the years, UP should encourage the villagers in paying tax in different ways. For instance, best taxpayer can be given award that may promote others paying their tax or discount on total amount might work as catalyst in collecting arrear.

#### **7.2.1.2 Increasing Collection Fees from Hat-bazar**

*Hat-bazar* is a financial hub of the UP. Various financial activities are carried out in *hat-bazar*. Among them exchange of goods of daily needs is the main and other businesses take place here. So, development of infrastructure like electricity, high land and shaded place for raw goods sellers at *hat-bazar* is needed to enhance activities. Through this, value of *hat-bazar* will be increased, eventually, income of UP will be increased.

It was alleged that UP was not fair in tender of hat-bazar. UP was accused of bad dealing of tender money. The UP had the right to earn revenue from *hat-bazar* but recent schedule does not allow UP to earn revenue from it. The UP gets only 5% from hat-bazaar and rest of them is accumulated in the Upazila fund. Ensuring accountability of revenue collected from *hat-bazar*, total amount should be given to UP.



### **7.2.1.3 Increasing Collection of Land Registration Fee**

According to the UP's members and chairman, tax on land should be given to UP that can be an important source of UP's fund. They accused that tax is collected from union and deposited to Zilla fund. However, they claim that it should be taken by the UP. The UP gets 1% of land registration fee. This percentage is very small for UP's fund and sometimes it is alleged that this small amount is not paid to UP. So, ensuring this percentage, income of UP may be increased manifold.

### **7.2.1.4 Increasing Collection of Taxes on Vehicles**

In the UP, there are a lot of motorized and non-motorized vehicles. The UP has the right to collect fees for licenses and permits from vehicles. But, UP under study does not collect fee from the vehicles regularly. Elected members and chairman excuse that they have no manpower to do this. For healthy revenue, UP need people or agent in this regard.

### **7.2.1.5 Collecting Fee on Certificates**

It is observed from the field survey that fees on citizenship certificate, birth certificate is not taken by the UP. This may be an important source of UP's fund. The upazilla parishad or other tier of government takes fee for the same certificate. Therefore UP can take initiative to earn money from this source.

## **7.2.2 New fields of revenue**

As the UP is not economically healthy, so, new fields of revenue should be added with the tax schedule.

### ***7.2.2.1 Tax on Marriage***

At present UP don't get tax on marriage. It may be a good sources of income of UP. Tax on marriage, divorce should be included in the UP tax schedule.

### 7.2.2.2 Entertainment Tax

Entertainment tax has never been taken by the UP because of loosing votes of elected members and chairman. UP should take initiative to collect this tax. For example, *Jatra, exhibition etc.* are exhibited in the union. But, tax on this theatrical show is not collected. It might increase the fund of UP, if collected properly.

### 7.2.2.3 Improved Physical Infrastructure

The improvement of physical infrastructure in the rural area will encourage economic activities through new investment. Particularly, rural road network should be improved for easy communication of goods and services. It will help people to run financial activities in the area. Consequently, income of UP will increase because it can collect tax easily from the people, if financial condition of the people develops. Additionally, a number of trucks will enter into the union to transport goods outside. If better road network is developed, entry of other vehicles must increase. From there, UP can collect a big amount of fee from registration of those vehicles also.

### 7.2.2.4 Use of Khash Land

**Table 7.2: Khash land in different Unions**

Sl. No.	Union Name	<i>Khash Land (Acres)</i> (Estimated)
1.	Samaspur	32.5
2.	Uzangram	26.5
3.	Panti	23.0
4.	Mokarimpur	27.0

Source: Field Survey 2007

A number of *khash* land are available in the unions. UP can use *khash* land for income generating activities. Plantation or other activities on *khash* land may be an

important source of income. It will not only increase the income of the UP, but also improve the environmental quality of the region.

#### **7.2.2.5 Set up Rural Based Subsidiary Industries**

UP can encourage large industries, which require cheap labour to set up subsidiary industries. It will not only improve the economic condition of the poor but large industries would be benefited. Because, the low-cost labor is available in the rural areas and the industries can produce its product cheaply.

#### **7.2.2.6 Other sources from where UP can Increase Income**

Rural economy is basically based on agriculture (See figure 6.3). So, economic development at rural area would not be enhanced neglecting agricultural production. Recently, farmers of the study area have started cultivation of banana and vegetable. These have become a cash crop of the study area. Supplying quality seeds, sufficient irrigation equipment and new technology, production can be increased. It will improve the economic condition of the rural poor and UP would be benefited in the long run; the rural people will be capable of paying tax to UP.

The UP has a number of *jalmahal* (i.e. Uzangram Union has 3 *jalmahals*, Panti Union has 4 *jalmahal* ) and river within its jurisdiction. Pisciculture is a profitable business that UP can do it in participation with local people. It can help the rural poor creating source of income, on one hand and it will also supply nutrition to the people in the area, on the other hand.

Every homestead in the village may be considered as a farm for nurturing cattle. Huge grassland covers the area. Major investment is not needed for this but have great impact on economy. Livestock farming, especially, cow and goat farming can improve the economic condition of the rural poor. So, it can be a profitable sector for the rural people and the UP as well. Livestock can play a vital role in rural economy. However, hybridization of cattle is needed in rural area; UP can play an important role arranging the facility to people. Through this UP can raise additional income from its internal sources.

## CHAPTER 08

# **THE STATE OF GOVERNANCE IN UNION PARISHAD**

### **8.1 Introduction**

The test of good governance of UP lies mainly on the its goals and objectives of the rural local government, on its policies and programs, on the manner of their execution, on the result achieved and above all on the general perception of the people about quality of functioning, their attitude and behavior towards the people/electorates, their sincerity, honesty and their commitment towards the public duties. Good governance implies accountability to the local people and their involvement in decision-making, implementation and evaluation of projects, programs and public policies. In this perspective, transparency and accountability become invaluable components of good governance as well as of good administration.

#### **8.1.1 Accountability and Transparency**

Accountability means a relationship between the people and their elected representatives. Accountability and transparency of operations and functions of the LG local government (LG) units are essential for ensuring their credibility to the electorates. This can only be achieved through adequate supervision and monitoring. The relevant LG regulations prescribe that UPs are to ensure public display of (in the UP notice board) the budget and major decisions of the UP meetings particularly with regard to development projects. But this practice is almost absent in these UP.

Transparency makes sure that people know exactly what is going on and what is the rationale of the decisions taken by the UP at different levels. The assumption behind the benefits of transparency is that full information about UP functions allows citizens to hold their representatives accountable. Accountability and transparency are at the heart of effective governance. Elections naturally provide a political connection between voters and their representatives in public office. Voters require

reasonably open access to information in order to make choices in elections and to hold UP officials accountable. Free and fair elections should, in other words, lend themselves to relatively transparent and accountable governments. Ensuring transparency and accountability in democratic systems often requires a combination of factors to oblige officials to provide the information and mechanisms necessary for citizens and other actors to evaluate their performance and hold them accountable.

### **8.1.2 Financial Accountability and Sustainability**

Financial accountability is the obligation of anyone handling resources, public office or any other position of trust, to report on the intended and actual use of the resources or of the designated office. This includes ensuring transparency in the process and procedures to achieve that obligation. Financial Accountability on several levels is necessary for the effective control of resources. An independent audit system strengthens expenditure control by exposure and sanctions against misspending and corruption. It can extend to monitoring and evaluating public expenditure programs for effectiveness and performance. It can help control overall spending.

### **8.1.3 Records Management**

Documents provide the foundation for accounting and the audit trail needed for the various functions, activities and transactions of the UP in dealing with its peoples, the public and other organizations, and for individuals, organizations and institutions in dealing with themselves. The recording systems has three phase:

- Creation: It includes receipt of externally created records (e.g. tax rate receipts)
- Maintenance and use: during this phase, records are managed at the file folder and records series levels
- Disposition: requires storage and records centers, archives and ultimate disposition.

#### **8.1.4 Participation**

Participation is chiefly concerned with increasing the role of citizens in choosing their local leaders and in telling those leaders what to do—in other words, providing inputs into local governance. People's participation should be viewed as an active process in which people take initiatives and action that is stimulated by their own thinking and deliberation and which they can effectively influence. It is a development approach, which recognizes the need to involve local people in the design and implementation of policies concerning their well-being.

#### **8.1.5 Women Participation**

Empowering women is good (for) governance. Local Govt. has initiated different programs to encourage women's participation in governance. Women ward commissioners mainly deal with women's issues, particularly for poor women. Now the focus is on agenda of good governance i.e. increased influence of women over wider decision-making processes; and simultaneously increased responsiveness of governments to their voices. Women's Participation is both a right and a means for ensuring effective governance. Women with active participation can actually deepen democracy and influence the agenda of good governance.

#### **8.1.6 Administrative Accountability and Transparency**

Administrative accountability includes critical systems of control internal to the UP, which complements and ensures the proper functioning of checks and balances supplied by the constitution and citizenry. These include service standards and incentives, ethics codes, criminal penalties, and administrative review as well as fulfillment of necessary position.

#### **8.1.7 Human Resource Development**

Human resource development is "organized learning activities arranged within an organization in order to improve performance and/or personal growth for the

purpose of improving the job, the individual, and/or the organization". Human resource development includes the areas of training and development, career development, and organizational development.

Building institutional capacity is key to facilitating development and fostering longer-term sustainability through the empowerment of local actors. Institutional capacity building is defined as the provision of technical or material assistance designed to strengthen one or more elements of organizational effectiveness. The elements of organizational effectiveness include governance, management capacity, human resources, financial resources, service delivery, external relations and sustainability.

### **8.1.8 Self-dependency**

Dependency for grant can potentially undermine the quality of governance—theory is ambiguous with respect to grant's impact on the quality of governance. Therefore, self-dependency can ensure autonomy and good governance.

## **8.2 Choice of Factors Influencing the Level of Governance**

A number of factors may influence governance but the following factors in the table have been considered to conceptualize the level of governance of UP. The choice of these factors is based on those influencing governance of the study areas. Besides, a number of factors, may have great influence on it, have been come up with from the review of various literatures, are also considered. The following table shows factors influencing governance and the situation prevails in UPs under study:

**Table 8.1: Factors Influencing Governance**

SI No.	Factors	State of Governance	Value

		Excellent (1.0)	Good (0.75)	Moderate (0.50)	Bad (0.25)	Very Bad (0)	
1	2	3	4	5	6	7	8
1	The system of interaction between UP and executive legislature			√			0.5
2	The interaction between the UP members and their electorate				√		0.25
3	Gender equity					√	0
4	Public participation					√	0
5	Election process		√				0.75
6	Administrative accountability				√		0.25
7	Recording of income & expenditure				√		0.25
8	Transparency				√		0.25
9	Budgeting			√			0.50
10	Availability of skilled manpower				√		0.25
11	Training of officials				√		0.25
12	Education of elected people			√			0.50
13	Balance between revenue and expenditure					√	0
14	Public Awareness					√	0
15	Self-dependency				√		0.25
16	Revenue from own sources				√		0.25
17	Development activities				√		0.25
18	Public services			√			0.50
19	The mechanisms by which citizens and groups define their interests and interact with UP and with each other.			√			0.50
20	Govt. grant				√		0.25

\* Value in the parenthesis denotes the weightage of the factors to governance.



It is difficult to measure the level of governance numerically, because the factors are more subjective. Hence for convenience here is an attempt to quantify the state of governance to conceptualize its level—it has been categorized into five levels such as: excellent, good, moderate, bad, and very bad.

Ideal situation is to be assumed that factor is performed as per ordinance but 10% less performance is allowed. When the level of performance of a factor is more than 90% then the state of governance falls into excellent, like as 76-90% falls into good, 51-75% falls into moderate, 26-50% falls into bad and below 26% falls into very bad.

Therefore, to measure the level of the governance, the category “excellent” has been taken as the ideal situation and its weightage has been given 1 (highest value). The weightage of the rest of the categories are as follows: Good=0.75, Moderate=0.50, Bad=0.25 and very bad=0.

### **8.3 Distribution of Points among the Factors Influencing Governance**

The factors chiefly influence governance of UP are grouped into some categories. To visualize the status of the ordinal measures, influence of factors is tried to be quantified. Therefore, depending on the weight, values have been provided against each factor—consequently, factors having greater influence get higher value and vice versa. The values of these factors have been distributed within 90 points out of 100—rest 10 points are leaved for other factors that are not included here but might have directly or indirectly influence on UP’s governance.

### **8.4 Measuring the Aggregate Weightage of Governance**

Aggregate value of each factor has been multiplied by the weightage of each factor, and lastly then the sum of the multiplied value has been come out calculated here.

**Table 8.2: The aggregate weightage to governance**

Indicators	Points	Value	Given Value	Weightage for Factors (Col 3 × Col 4)
1	2	3	4	5
<b>Awareness</b>	10	0.10	0	(0)
<b>Participation</b>	10	0.10		(0.02)
Public participation in UP's activities	6	0.06	0	0
The mechanisms by which citizens and groups define their interests and interact with UP and with each other.	4	0.04	0.50	0.02
<b>Administrative Transparency &amp; Accountability</b>	20	0.20		(0.074)
Administrative accountability	4	0.04	0.25	0.01
Availability of manpower	7	0.07	0.25	0.018
Training of officials	3	0.03	0.25	0.008
Education of elected people	6	0.06	0.50	0.03
<b>Financial Accountability &amp; Sustainability</b>	30	0.30		(0.076)
Recording of income & expenditure	5	0.05	0.25	0.013
Transparency	5	0.05	0.25	0.013
Budgeting	3	0.03	0.50	0.015
Balance between revenue and expenditure	3	0.03	0	0
Self-dependency (financial)	10	0.10	0.25	0.025
Govt. grant	4	0.04	0.25	0.01
<b>Gender Equity</b>	5	0.05	0	0
<b>Regulatory Aspects</b>	10	0.10		0.069
The system of interaction between UP and the executive legislature	5	0.05	0.50	0.025
The interaction between the UP members and their electorate	2.5	0.025	0.25	0.006
Election process	2.5	0.025	0.75	0.019
<b>UP's Services</b>	5	0.05		0.019
Development activities	2.5	0.025	0.25	0.006
Public services	2.5	0.025	0.50	0.013
<b>Aggregate value</b>				<b>0.258</b>

$$\begin{aligned}
 \text{Aggregate Level of Governance} &= \sum_{i=1}^n (X_i \times W_i) + \epsilon \quad [ \epsilon \leq 0.1 ] \\
 &= \{(0)+(0.02)+(0.074)+(0.076)+(0.069)+(0.019)\} \\
 &= 0.258 + \{0.258 \times 0.10\} \quad [\text{Let the state of unidentified factors appear as of identified, therefore, the value of } \epsilon \text{ value may be calculated as } (0.258 \times 0.10)] \\
 &= \mathbf{0.284}
 \end{aligned}$$

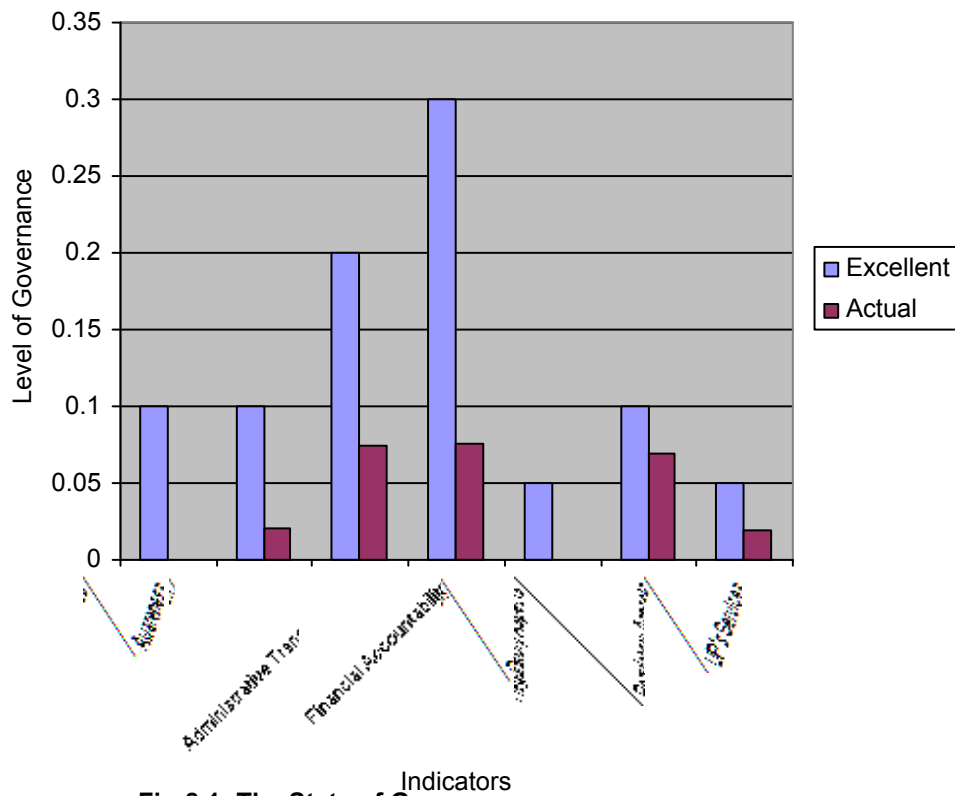
Here,

**n**= number of factors influencing UP’s governance

**X**= level (value) of influence of factors on UP’s governance

**W**= status (value) of the factors

**ε**= value appears from unidentified factors



**Fig-8.1: The State of Governance**

The figure 8.1 above shows the actual comparative level of governance against the ideal (excellent) situation—most of the indicators show very poor level of governance where as awareness and gender equity remains unachieved. So, the ultimate state of governance prevails in the UPs under study be quantified as the given value level 0.284 ( estimated from the equation above) which means a bit better than bad situation but far below than moderate state. Here slope of the level of governance needs to be figured out to visualize the trend over the time. The situation needs to be developed to accelerate the democratic norm of the country to ensure fundamental rights as well as human rights of the rural economically backward people.

### **8.5 Conclusion**

Only strong financial base of UP can help improve the governance a lot—it directly strikes on administrative transparency and accountability, financial Accountability and sustainability, and UP's services. These indicators of governance take on 55% of the total influences. Therefore, it makes clear that the level of governance can be improved by more than 50 percent through improving financial condition of UP. Although improvement of other indicators is not dependent solely on strong financial base of UP but indirectly require it.

## CHAPTER 09

# **RECOMMENDATIONS AND CONCLUSION**

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### **9.1 Recommendations**

Local governance seems to be very complicated—it is then the result of all factors associated with UP's businesses. To ensure good governance of the UP, following major aspects might be identified noted as the significant indicators that might influence in increasing revenue and , on transparency an.:

- a. Public Awareness and Participation;
- b. Preparation of Priority Development Plan;
- c. Women's' Participation;
- d. Integration of the Rural Poor;
- e. Financial Accountability and Transparency;
- f. Realistic Allocation of Government Grant; and
- g. Increase in Holding Tax.

#### **9.1.1 Public Awareness and participation**

To ensure good governance, involvement and participation of citizens in planning, implementation, monitoring and review of the activities are much needed. In these regards existing information disseminating system should be strengthened. To fill the objectives, there might be formed a committee consisting of villagers, ward members and secretary headed by UP chairman. The committee may will disseminate information as per decision in the monthly or quarterly meetings.

#### **9.1.2 Preparation of priority development plan**

To ensure proper development in the region, priority works should be identified based on the actual needs and views of the local people. It might also be identified in consultation with local people in attend the meeting. According to the priority,

ranking of the development programs should be selected, so that actual demand of the community is reflected and it should be updated on regular basis.

### **9.1.3 Women's participation**

To ensure mainstreaming of gender into development activities, participation of women, as beneficiaries and agent, and for enhancing productivity and equality of the services, are is very much needed. To do that, delineation of responsibility of female ward members of UP have to be ensured. Additionally, gender committee may be formed led by female ward members in each ward to deal with women of the villages regarding various gender sensitive issues e.g. dowry, early marriage, suppression by their male counterpart, legal support, etc.

### **9.1.4 Integration of the rural poor**

To improve the quality of living standard of the poor, rural people should be integrated. The goals might be achieved by raising their income level, improving the non-income aspect of poverty e.g. health and sanitation, literacy, access to safe water, etc. as well as ensuring their participation in designing and implementing UP's programs. It will not only improve the economic condition of the poor but have a positive impact on UP in realizing holding tax.

### **9.1.5 Financial accountability and transparency**

It is the most vital part of effective utilization of UP's revenue as. To ensure improved financial management of UP, emphasis on transparent accounting system both in income and expenditure is crucial. Additionally, regular financial audit should be done by autonomous body that might be formed in association with local people.

### **9.1.6 Realistic allocation of government grant**

Government grant is not allotted according to people of the area (See table 6.8). So, it should be ensured that fund of central government would be allotted in ratio with the population of the Union. Otherwise, equal development of all Unions would not be guaranteed.

### **9.1.7 Increase in holding tax**

#### *(1) Direct Collection*

- Assessment should be based on real economic condition of the people. In the villages, holding tax should be collected regularly to avoid people's bad habit to fall into arrear.
- Prepare tax collection plan in consultation with local people detailing area-wise holdings and setting targets for collection by each of the tax collectors.
- Monitor tax collection progress every month based on tax collection format.
- Carry out interim assessment regularly on an ongoing basis along with scheduled assessment
- Issue bill book/computerized bill every year.
- Encourage payment of tax through designated bank.

#### *(2) Focused Group Discussion and Campaign*

- An approach might be taken to aware female members of the households to pay tax through necessary briefing in the meeting organized by female member of the UP.
- Create public pressure on big defaulters, by making and disseminating list of defaulters, averting from issuing certificates etc. to realize arrear.
- Demonstrate awareness raising campaign amongst the public for realizing tax through meeting, organizing rally, miking and distribution of leaflets at village level with involvement of male and female ward members.
- Motivation program should be made using various organization e.g. school, mosque etc. to encourage people giving holding tax.

### *(3) Training for Collectors*

The basic training program should be provided to tax collectors which might include the following courses:

- Procedures for collecting taxes.
- Act and other statutes related to the imposition and collection of taxes.
- Auditing.
- Accounting.
- Professional ethics.
- Computerization.
- Recent court decisions affecting the imposition and collection of taxes.

### *(4) Other Own Source Collection should be Achieved Through*

- Upgrading rates of other source revenue, e.g., fees, lease, rent etc. in accordance with the latest Model Tax Schedule.
- Tax should be based on local settings and potentialities.
- Assessing demand according to the readjustment

### *(5) Administrative Transparency and Accountability*

- Develop adequate staff structure (according to size and needs) within the framework of existing organogram with detail job descriptions to enable the Union Parishad to effectively undertake its current and future obligations; and
- Provide training programs for the officials including elected members and chairman.

### *(6) Budget Reservations for Monitoring and Evaluation*

To ensure the quality of works of the UP in a sustainable manner, provision of budgetary allocation for expenditure related to routine maintenance and evaluation should be kept in the priority list. It will ensure proper utilization of UP's limited



fund. Additionally, routine maintenance of development work would save money in a cost effective way.

#### *(7) Other Factors Having Indirect Effect on Tax*

Since most of the people in the rural area are illiterate, therefore, UP should take initiative to educate people. It will not only improve economic condition but also increase awareness among the people about their responsibilities to UP.

Peoples' participation is necessary in the UP's activities like collecting holding tax, budgeting, and implementing different development programs. Social motivation will help UP in collecting fund and implementing their activities. So, involvement of the local people in the mainstream activities should be ensured. That will increase awareness among the people about their responsibility and make sense of belongingness.

Rural people are deprived of basic needs. Health is one of the basic needs of human beings. Level of healthcare facility is one of the indicators of development. Healthy people are fit for work and can earn money for their living. So, available healthcare facility should be ensured that will make the people stronger to earn. It will enhance the economic condition of the rural people as well as UP in the long run.

## **9.2 Conclusion**

Local government in a democratic country enjoys autonomous power in making decision within in its jurisdiction. But, local government in Bangladesh is tied up with central government---they neither have adequate skilled manpower to make future plan of activities for the area nor are capable to generate finance them. venue. There are many reasons behind the weaknesses:. Onin one hand, elected members and chairman are not so qualified to make their decision--the central government imposes its decision which invites central government's influences on them. On the other hand, local government has not enough funds to implement any plan it takes.

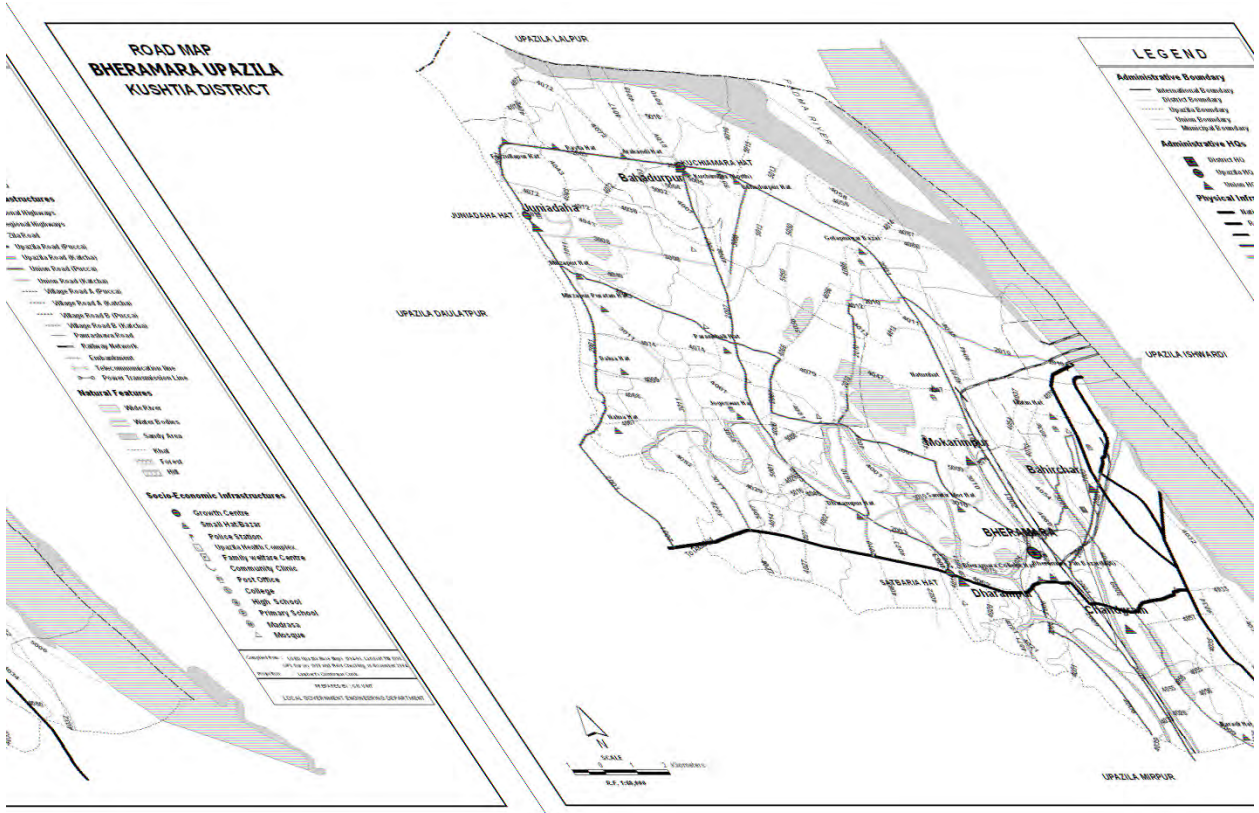
Moreover, the central government is not so interested to hand over power to the local government to decentralize the state power. Consequently, they have to depend on the central government. So, strong financial base, handsome revenue, well qualified representatives, and central government's initiative to strengthen local government are which could recruit qualified manpower is very much needed for strengthening UP.

As regards to the current financial practices of UP, finding suggests that inadequacy of financial base and inefficiencies in expenditure are two major shortcomings of UP. Therefore, UP has to search for the additional financial sources to overcome the deficit besides proper utilization of the present revenue for better functioning.

To be true to say that the grant allotted from the central government is being misused. And the ways through, most of the time, grant is allotted, are also tortuous; thus the grant is being misused in the name of goat farming projector or other sort of such initiatives. Proper utilization of the grant must be ensured rather strengthen political affiliation at grass root level--otherwise, development will be held back at the local level keeping state of governance standstill.

To ensure good governance, decentralization of power is crucial---there should be a strong UP which will be free from central government and will generate handsome revenue from its internal resources. Additionally, local government should have ample power to run the UP properly (i.e. it should have required number of skilled officials to handle financial expenditure, adequate assets to generate revenue etc.)-. Unfortunately, UP really lacks most of all. In fact, UP would not be strengthened until all lacking areas being obviated that are the result financial crisis of UP. Both social motivations (i.e. tendency to pay holding tax, involvement of defeated candidates in development activities, etc.) and self-urge of UP to bailout financial crisis are subjects matter.





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LOCAL GOVERNMENT ENGINEERING DEPARTMENT









## **GLOSSARY**

“Fiscal Year” means the Recipient’s Fiscal Year commencing on July 1 and ending on June 30 of the following year.

“LGD” means the Local Government Division of the recipient’s of Ministry of Local Government, Rural Development and Cooperatives.

“NILG” means the National Institute of Local Government, which is responsible for capacity building, training and research on local government.

Holding Tax means Tax on household property

Block grants means- A central grant in general aid of local government services, distributed on one or more of the criteria of local needs, resource equalization, or relief of local taxation.

LG means local government.

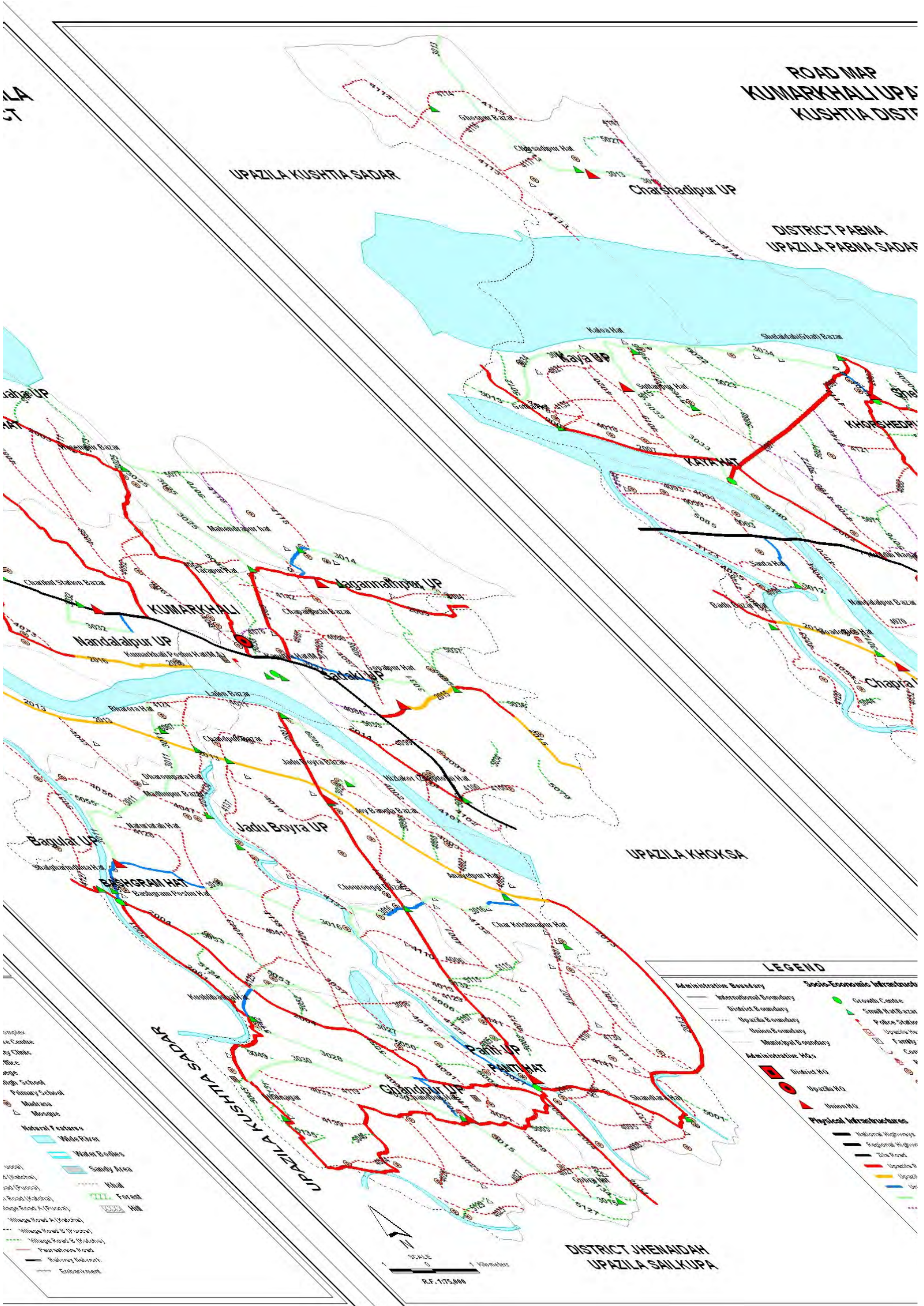








**ROAD MAP  
KUMARKHALI UP  
KUSHTIA DIST**



51  
51A

UPAZILA KUSHTIA SADAR

Charshadipur UP

DISTRICT PABNA  
UPAZILA PABNA SADAR

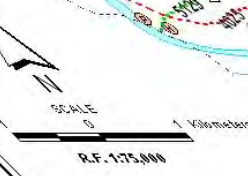
UPAZILA KHOKSA

DISTRICT JHENADAH  
UPAZILA SAILKUPA

**LEGEND**

- |                                |                                      |
|--------------------------------|--------------------------------------|
| <b>Administrative Boundary</b> | <b>Socio-Economic Infrastructure</b> |
| International Boundary         | Growth Centre                        |
| District & secondary           | Small Water Body                     |
| Upazila & secondary            | Police Station                       |
| Union & secondary              | Dispensary                           |
| Municipal & secondary          | Family Care                          |
| <b>Administrative HQs</b>      | Post Office                          |
| District HQ                    |                                      |
| Upazila HQ                     |                                      |
| Union HQ                       |                                      |
|                                | <b>Physical Infrastructures</b>      |
|                                | National Highways                    |
|                                | Regional Highways                    |
|                                | Traffic Road                         |
|                                | Upazila Road                         |
|                                | Union Road                           |
|                                | Other Road                           |

1. Government College  
 2. Private College  
 3. High School  
 4. Primary School  
 5. Madrasah  
 6. Mosque  
 7. Natural Features  
 8. Wide River  
 9. Water Bodies  
 10. Sandy Area  
 11. Hill  
 12. Forest  
 13. Hill  
 14. Railway Network  
 15. Embankment





# ROAD MAP KHOKSA UPAZILA KUSHTIA DISTRICT

DISTRICT PABNA  
UPAZILA PABNA SADAR

UPAZILA KUMARKHALI

DISTRICT RAJBARI  
UPAZILA PANGSA

DISTRICT JHENARAH  
UPAZILA SANKHUPA

## LEGEND

### Administrative Boundary

- International Boundary
- District Boundary
- Upazila Boundary
- Union Boundary
- Municipal Boundary

### Administrative HQs

- District HQ
- Upazila HQ
- Union HQ

### Physical Infrastructures

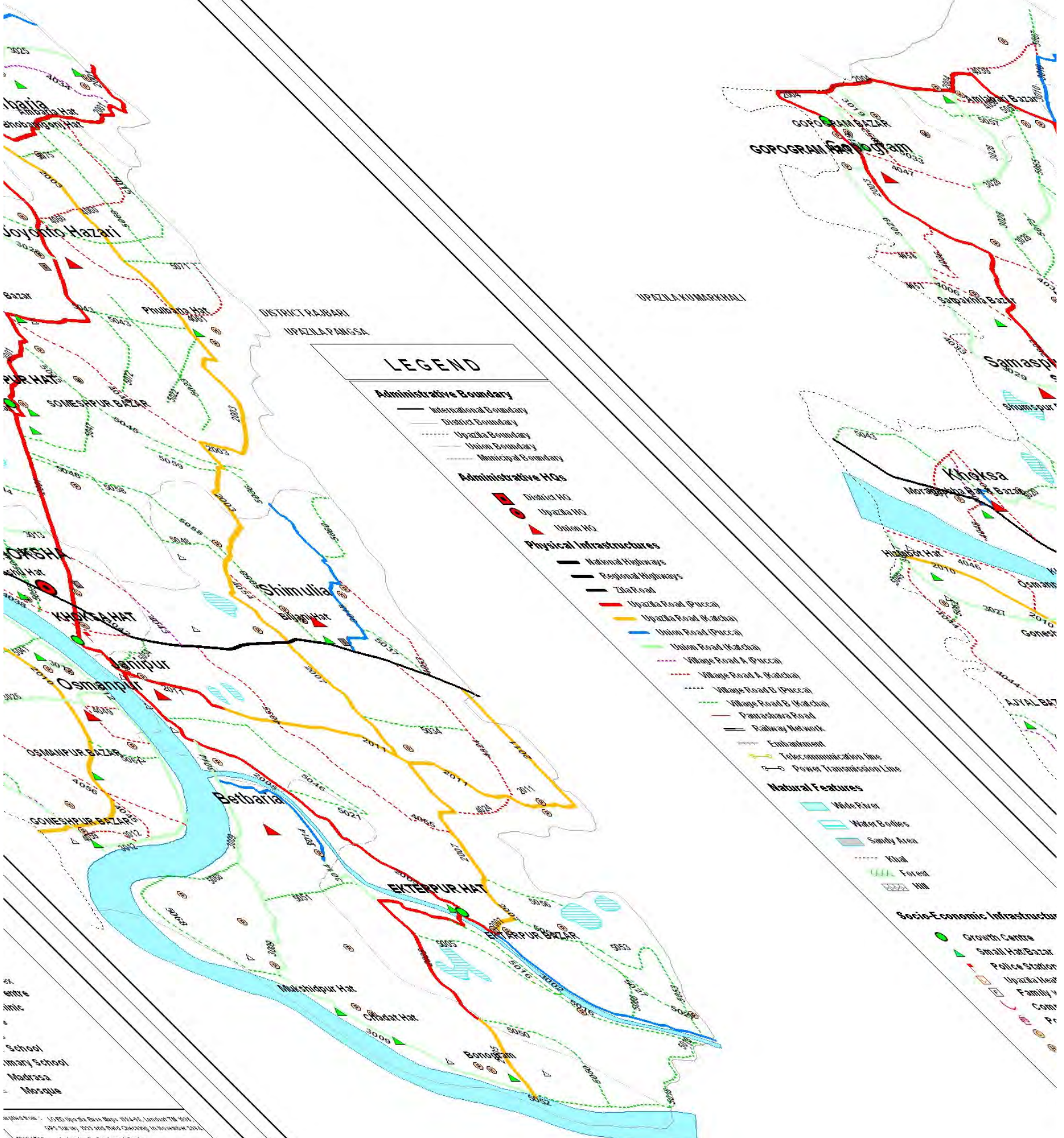
- National Highways
- Regional Highways
- Tra Road
- Upazila Road (Pucca)
- Upazila Road (Kachha)
- Union Road (Pucca)
- Union Road (Kachha)
- Village Road A (Pucca)
- Village Road B (Kachha)
- Village Road B (Pucca)
- Village Road B (Kachha)
- Pastachara Road
- Railway Network
- Embankment
- Telecommunication line
- Power Transmission Line

### Natural Features

- Wide River
- Narrow River
- Water Bodies
- Sandy Area
- Khal
- Forest
- Hill

### Socio-Economic Infrastructure

- Growth Centre
- Small Hat/Bazar
- Police Station
- Upazila Head
- Family Centre
- Pr



Scale: 1:55,000

Prepared by: USAL Government Engineering Department

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<http://www.dailyoped.com/>

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## Appendix –A

### 1. Questionnaire for UP officials

#### Questionnaire Survey on Chairmen/member/Secretary in the Union Parishad

[The goal of this survey is to assess UPs present activities, sources of funding, expenditures, problems relating fund, potential new sources of fund for a research purpose. Your response is confidential and your name will not be recorded if you do not wish to be.]

**Name of Union:**

**Village:**

**Date:**

1. Name of the respondent:

2. Religion: Islam/ Hindu/ Other

3. Age:

4. Designation:       Secretary       Member       Chairman       Other (--)

5. Educational Qualification:    Below SSC    SSC       HSC       Degree or above

#### *Part I: Questions on Holding Tax*

1. How many staff(s) is there in the UP to collect holding tax?       Yes

No

2. Are they trained up on how they will collect the tax?       Yes

No

3. Is holding tax assessed regularly?    Yes    No

If 'yes' who does: -----

If 'No', reason:-----

4. What is the basis of assessing holding tax? -----

5. Does the UP collect holding tax regularly?    Yes       No

If 'Yes': who collect:-----

If 'No', reason:-----

6. Does the UP maintain cashbook?  Yes  No
7. What are the difficulties the UP faces to collect holding tax?  
 (i)-----  
 (ii)-----
8. What was the amount of holding tax arrear in the last fiscal year?  
 60% -50%  50%-40%  40%-30%  below 30%
9. Please, mention the important reasons behind the tax arrear?  
 (i)-----  
 (ii)-----
10. Had you taken any initiative to collect the arrear?  Yes  No If 'Yes', what type of initiative:-----
11. Did you declare any 'distress warrant' against the person accused of not paying the tax?  
 Yes  No If 'No' reason:-----

***Part II: Questions on Government Grant and Others Revenue Sources***

1. How much grants does the UP get from the central government?  
 60% -50%  50%-40%  40%-30%  below 30% of the total revenue.
2. What are the difficulties does the UP face to get Government grants?
3. How many/much *hat-bazar* and *ghat* in the UP's jurisdiction?  
*a. Hat-Bazar:* *b. Ghat:* *c. jalmahal:*
4. How do you bid tender of *hat-bazar*, *ghat* and *jalmahal* ?  
 Announcing  Circulating on paper  Other
5. What is the public procurement to gets the tender? : -----
6. What are the potential sources of revenue?  
 i)-----ii)-----



iii)-----iv)-----

7. Please, mention the reasons supporting your answer: -----

**Part III: Questions on Budget**

1. Revenue collected in last fiscal year from different sectors:

Fiscal year	Govt grant (000)	Union Rate (000)	Rate on profession /business/calling	Rate on entertainment	Fee on lisenche/ permit	Fee on hat/ ghat	Fee on Jalmahal
04-05							
03-04							

2. What were the expenditures of UP in the last fiscal year?

Establishment cost	Development expenditure	Expenditure for peach keeping	Judicial expenditure	Others (Please mention)

3. What amount of fund did the UP lapse in the budget of last fiscal year? Tk.-----

4. What are the reasons of budget lapses?  
-----

5. Does the UP ensure public participation in pre budget meeting?

Yes     No    If 'No', reason:-----

6. Does the UP disclose budget to public?     Yes     No

If 'No', Mention the reason:-----

**Part IV: Questions on Other Related Aspects**

1. Does the UP has *Union Parishad Complex*?     Yes     No

2. How a *Union Parishad Complex* can facilitate the UP for financial activities? :

(i)----- (ii)-----

3. Is health care facility available in UP?     Yes     No

If 'Yes', who is the donor? -----

4. Does the village have *Gram Sarkar*?     Yes     No

5. What are the functions of Gram Sarkar it play? -----

6. Do you think that **Gram Sarkar** is needed in the village:       Yes     

No

Reason: -----

-----  
Name of the interviewer

## Appendix –B

### 2. Questionnaire of the UP residents

#### Questionnaire Survey on Residents in the Union

[The goal of this survey is to assess UPs present activities, sources of funding, expenditures, problems relating fund, potential new sources of fund for a research purpose. Your response is confidential and your name will not be recorded if you do not wish to be.]

**Name of Union:**

**Village:**

**Date:**

1. Name: \_\_\_\_\_
2. Education: \_\_\_\_\_
3. Occupation: \_\_\_\_\_
4. Sources of income: \_\_\_\_\_
5. Yearly income: \_\_\_\_\_
6. No. of houses:  Kutcha-----  Pucca-----
7. Which facilities do you get from UP? Ans:-----
8. What type of development activities does UP take?
  - i)-----
  - ii)-----
  - iii)-----
9. Do you know about the function of UP?  Yes  No
10. If “yes’ please mention:
  - i)-----
  - ii)-----
  - iii)-----
11. Have you any idea about budget of UP?  Yes  No
12. Have you attended the budget preparation meeting? ?  Yes  No

13. What amount of holding tax is fixed for you? Ans.-----Tk

14. Do you give holding tax?  Yes  No

15. If “Yes”, how much: -----Tk

16. If “No”, reason for not to pay tax:-----

17. Who collect the tax?  Collectors  *Chawkider*  others

18. Do the collectors give receipt?  Yes  No

19. If “No” please write the reasons:

20. Have you ever been to UP?  Yes  No

21. If “Yes” purpose to visit UP:

-----  
Name of interviewer

### 3. Study Area profile

**Table 3.1:** Area, Household, Population and Literacy of **Uzangram Union, Kushtia Sadar Upazila**

Upazila	Union/Village Name	Area in Acres	Household	Population			Literacy Rate (7+ yaers)		
				Total	Male	Female	Total	Male	Female
Kushtia Sadar	Uzangram Union	5294	4535	20053	10413	9640	38.28	40.46	35.91
	Baraitupi	1244	567	2606	1329	1277	40.88	44.94	36.69
	Durbachara		335	1460	769	691	43.63	46.48	40.44
	Baruipara	622	341	1517	799	718	31.20	33.93	28.17
	Ranzitpur		230	1003	502	501	30.04	28.85	31.21
	Gaznabipur	308	342	1494	791	703	37.19	38.07	36.16
	Madhupur	1100	233	961	522	439	30.07	31.17	28.76
	Bittipara		356	1559	799	760	57.31	58.44	56.07
	Mahishdanga	199	163	699	353	346	32.61	37.46	27.81
	Mrittikapara	656	483	2225	1167	1058	37.69	38.81	36.44
	Karimpur		195	917	474	443	33.55	36.76	30.03
	Sonaidanga	537	544	2122	1097	1025	44.65	45.33	43.93
	Shyampur	149	160	787	413	374	40.65	43.14	37.99
	Uzangram	479	586	2703	1398	1305	29.93	33.50	26.11

**Table 3.2:** Area, Household, Population and Literacy of Samaspur Union, Khoksha Upazila

Upazila	Union/ Village Name	Area in Acres	Hous chold	Population			Literacy Rate (7+ years)		
				Total	Male	Female	Total	Male	Female
<b>Khoksha</b>	<b>Samaspur Union</b>	<b>8177</b>	<b>7590</b>	<b>37105</b>	<b>18,766</b>	<b>18,339</b>	<b>38.68</b>	<b>42.42</b>	<b>34.88</b>
	Amlabari	284	477	2241	1144	1097	36.25	39.27	33.19
	Baraichara	381	226	1041	511	530	31.90	35.88	27.87
	dangi para		110	521	259	262	29.52	29.86	29.20
	Bhaduri Chak	96	19	84	42	42	36.36	35.48	37.14
	Buzruk Mirzpur	463	332	1711	860	851	55.82	60.30	51.21
	Chak Haripur	222	256	1294	663	631	43.71	44.08	43.32
	Chhoto Gopogarm	18	12	39	19	20	9.38	21.43	0.00
	Dhusandu	404	285	1417	734	683	35.90	39.17	32.39
	Gopagram	434	889	4414	2235	2179	44.16	48.46	39.85
	Shangang		170	817	422	395	39.44	37.83	41.25
	Shantoshpur		181	877	435	442	40.73	46.22	35.60
	Jaynti hazra	1059	325	1629	823	806	28.12	32.70	23.63
	Radhanagar		175	919	458	461	41.26	45.29	37.20
	Jhalukadaha	120	57	221	110	111	32.56	36.25	29.35
	Kadirpur	298	186	847	417	430	59.23	67.77	51.28
	Khurda Shadhua	343	196	974	509	465	34.34	37.14	31.33
	Muraripur		82	359	181	174	28.18	29.05	27.27
	Kismat Fulbari	262	231	1137	592	545	24.19	26.06	22.22
	Mahish Bathan	201	192	997	495	502	23.98	29.00	19.23
	Mamudhanipur	458	239	1171	600	571	43.62	46.97	40.21
	Masilia	249	244	1311	659	652	32.34	36.53	28.09
	Nischintabari	327	293	1427	733	694	39.12	41.85	36.13
	padmabila	274	180	975	493	482	46.09	52.30	39.75
	Padmajani	95	45	232	123	109	47.00	52.34	40.46
	Purba Gopalpur	207	159	706	368	338	18.13	20.53	15.52

Upazila	Union/ Village Name	Area (Acres)	H.H.	Population			Literacy Rate (7+ yaers)		
				Total	Male	Female	Total	Male	Female
				Samaspur	569	539	2707	1322	1385
<b>Khoksha</b>	<b>Samaspur Union</b>								
	Santoshpur	124	211	1026	521	505	30.84	34.81	26.89
	Satpakhia	309	525	2366	1214	1152	36.26	40.21	32.02
	Uthali	525	331	1546	768	778	29.43	35.16	23.56
	Bhabanathganj		192	985	480	505	29.95	34.78	25.42
	Uttar Radhunathpur	120	77	340	184	156	46.23	48.21	43.80
	Uttar Shyampur	335	154	774	392	382	49.85	51.18	48.48

**Table 3.3** : Area, Household, Population and Literacy of Mokalimpur Union, Bheramara Upazila

Upazila	Union/ Village Name	Area in Acres	Household	Population			Literacy Rate (7+ yaers)		
				Total	Male	Female	Total	Male	Female
<b>Bheramara</b>	<b>Mokalimpur</b>	<b>9,250</b>	<b>6,618</b>	<b>30,062</b>	<b>15,811</b>	<b>15,251</b>	<b>40.23</b>	<b>41.93</b>	<b>38.46</b>
	Char Golapnagar	1400	157	717	363	354	39.05	43.00	34.75
	Solemania		114	560	274	286	24.53	30.70	18.31
	Dhakupara		202	1017	523	504	20.87	24.49	17.14
	Char Mokalimpur	998	100	504	261	243	34.53	33.03	36.18
	Fakirabad	695	932	4372	2232	2140	32.10	32.32	31.87
	Golapnagar	3152	886	4212	2120	2092	46.43	50.11	42.75
	Madhya Golapnagar		602	2828	1486	1342	34.31	36.41	31.99
	Islampur		444	1914	982	932	35.35	37.45	33.16
	Maharaipur		438	1956	964	992	48.94	52.38	45.53
	Gopinathpur	2879	535	2773	1428	1345	51.37	53.06	49.61
	Ramkrishnapur		461	2218	1156	1062	46.70	46.60	46.81
	Khemir Diar		1179	5422	2727	2695	39.72	40.55	38.87

Nowda Khemir Diar 568 2569 1305 1264 41.81 43.07 40.53

**Table 3.4:** Area, Household, Population and Literacy of **Panti Union, Kumarkhali Upazila**

Upazila	Union/Village Name	Area in Acres	Household	Population			Literacy Rate (7+ yaers)		
				Total	Male	Female	Total	Male	Female
<b>Kumarkhali</b>	<b>Panti Union</b>	<b>5831</b>	<b>6109</b>	<b>26869</b>	<b>13692</b>	<b>13177</b>	<b>39.52</b>	<b>43.57</b>	<b>35.31</b>
	Baghbaria	266	282	1357	658	699	32.07	34.92	29.50
	Bhaluka	831	886	3884	1988	1896	41.07	45.53	36.37
	Biri Kaya	221	184	795	398	397	57.74	63.27	52.30
	Dakshin Mulgram	430	361	1493	758	735	37.00	42.70	31.08
	Dakshin Ramnagar	182	262	1151	594	557	40.79	48.23	33.26
	Dansa	377	319	1408	702	706	38.21	37.56	38.86
	Dasbasi	224	103	534	282	252	38.26	41.42	34.62
	Janbasi	94	73	319	160	159	37.97	34.09	41.79
	Khagorabaria	219	195	803	421	382	38.80	40.95	36.42
	Khurda Bhaluka	312	331	1480	769	711	42.59	50.00	34.66
	Krishnapur	552	124	581	298	283	27.66	29.88	25.33
	Char krishnapur		247	1107	579	528	35.61	38.91	31.90
	Nagar Kaya	503	253	1185	601	584	33.03	34.10	31.88
	Panti	517	1474	6080	3110	2970	40.56	45.72	35.18
	Pitambarbashi	254	249	1172	575	597	36.50	40.24	32.88
	Raj Narayanpur	268	263	1262	647	615	34.77	36.62	32.76
	Ramdia	123	165	686	356	330	47.32	52.00	42.29
	Sandiera	191	92	416	207	209	56.62	63.58	50.00
	Tushar Maliat	46	26	101	45	56	26.25	30.56	22.73
	Wasi	220	220	1055	544	511	40.22	42.80	37.41



**Table 3.5:** Household by Dwelling Unit by Source Drinking Water, Toilet Facility, Electricity Connection and Ownership of Agricultural Land

Upozilla	Name of Union	Total Household	Source of Drinking Water					Toilet Facility			Household Reporting	
			Tap	Tube Well	Deep Tube Well	Pond	Others	Sanitary	Others	None	Electricity Connection	Own Agri. Land
Kushtia Sadar	Uzangram	4518	24	4165 (92.19%)	9	11	309	2201 (48.72%)	1287	1030	2301 (50.93%)	3167 (70.10%)
Khoksa	Samaspur	7573	70	7103 (93.79%)	81	0	319	3903 (51.54%)	2313	1357	1050 (17.87%)	3899 (51.49%)
Bheramara	Mokarimpur	6592	111	5932 (89.99%)	22	2	525	1428 (21.66%)	4189	975	1713 (25.99%)	2799 (42.46%)
Kumarkhali	Panti	6089	76	5911 (87.08%)	19	9	74	2854 (46.87%)	2177	1058	2492 (40.93%)	3366 (55.28%)

**Table 3.6:** Household in Dwelling Unit by Main source of Income

Upazila	Union	H. H	Main Source of Income														
			Agri./ Forestry /Livestoc	Fish- ery	Agricul- ur-e Labour	Non- agri. Labour	Hand- loom	Indus- try	Bussi- ness	Haw- k-ing	Tran- s- port	Const- r- uction	Religio- us Service	Regula- r Employ- ment	Re- nt	Remi- ttance	Ot- h- ers
Kushti a Sadar	Uzangr-am	4518	2312	28	729	83	58	25	653	1	150	52	6	198	6	11	206
Kumar -khali	Panti	6,089	2433	81	811	143	988	57	920	5	164	103	10	234	10	5	125
Bhera- mara	Mokari- mpur	6,592	1387	54	1699	317	42	65	34	213	919	159	5	622	5	11	106 0
Khoks h-a	Samasp-ur	7,573	2196	19	1695	307	992	114	1152	8	277	81	7	460	6	7	252

#### 4. Budget of Three Fiscal Years

**Table 4.1:** Collection of Revenue from different sectors of **Uzangram Union Parishad, Kushtia Sadar Upazila**

Sources of revenue	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Taxes-</b>	<b>4,40,070</b>	<b>3,56,000</b>	<b>19,627</b>
Holdings & land	4,07,470 (Arrear=2,80,100)	3,40,000 (Arrear =2,65,00)	Arrear = 8,357
Commercial Institutions	16,000	-	-
Hat-bazar	6,600	-	-
Professions, trade and callings	5,000	6,000	5,350
Non-motorized Vehicle	5,000	10,000	5,920
<b>Fee-</b>	<b>92,300</b>	<b>79,800</b>	<b>1,61,377</b>
Rent of shop	18,000	60,000	3,680
Development of Hat-bazar	60,000	-	60,000
Hat-bazar	2,300	2,300	78,000
Advantageous location of Hat-bazar	12,000	17,500	19,697
<b>Others-</b>	<b>3,00,000</b>	<b>1,40,000</b>	<b>29,050</b>
Property transfer fee (1%)	70,000	1,40,000	17,000
Forfeit money of candidates	-	-	6,750
Celebration of national days	-	-	5,000
Union Parishad development fund	2,30,000	-	-
<b>Total</b>	<b>8,32,870</b>	<b>5,75,800</b>	<b>2,25,748</b>

**Table 4.2:** Different Sectors of Expenditure of **Uzangram Union Parishad**, Kushtia Sadar Upazila

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Establishment -</b>	<b>1,76,550</b>	<b>1,82,000</b>	<b>96,950</b>
Honourium of Chairman	12,000	12,000	31,740
Honourium of Members other	94,950	96,400	
	(Arrear=44,550)	(Arrear=46,000)	
Celebration of National Days	-	-	5,000
Camp Expenditure for Joint Forces	-	-	16,410
Salary of <i>Gram Mhalla</i>	43,800	43,800	43,800
Festival	7,300	7,300	-
Homourium of PSC committee	-	4,000	-
RSP	18,500	18,500	-
<b>Collection of Tax-</b>	<b>85,585</b>	<b>85,000</b>	<b>7,419</b>
Commission	64,585	68,000	2,191
Land Rate ( <i>Khazna</i> ) of UP	15,000	8,000	-
Entertainment	6,000	5,000	3,308
<b>Village Police (Local Travel)</b>	<b>3,000</b>	<b>4,000</b>	<b>1,920</b>
<b>Agriculture-</b>			
Irrigation	-	18,000	2,000
Plantation	30,000	9,000	-
<b>Donation</b>	<b>3,000</b>	<b>5,000</b>	<b>5,250</b>
<b>Compose</b>	<b>-</b>	<b>-</b>	<b>3,025</b>
<b>Road Repair</b>	<b>1,00,000</b>	<b>50,000</b>	<b>42,000</b>
<b>Education</b>	<b>50,000</b>	<b>5,000</b>	<b>-</b>

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Tube-well</b>	<b>1,00,000</b>	<b>30,000</b>	-
<b>Sports</b>	-	5,000	-
<b>Surface drainage</b>	40,000	-	-
<i>Seresta</i>	7,480	5,000	8,814
<b>Announcement</b>	3,000	4,000	1,500
<b>Current bill</b>	1,500	1,500	1,581
<b>Fuel</b>	6,000	6,000	4,803
<b>Allocation for <i>Gram Sarkar</i></b>	-	1,000	1,500
<b>Books for library</b>	16,750		
<b>Sanitation</b>	<b>1,50,000</b>	<b>56,000</b>	-
<b>Development of Hat-bazar</b>	60,000	30,000	-
<b>Total</b>	<b>8,32,870</b>	<b>5,01,300</b>	<b>1,74,842</b>

**Table 4.3:** Revenue of Panti Union Parishad, Kumarkhali Upazilla

Sources of Revenue	Ammount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Taxes-</b>			
Holdings & land	2,11,959 (Arrear=1,31,959)	1,73,151 (Arrear=93,151)	1,30,000 (Arrear=50,000)
Import goods	-	-	-
Commercial Institutions	-	-	-
Hat-bazar	-	-	-
Professions, trade and callings	10,000	2,000	5,000
Non-motorized Vehicle	10,000	2,000	1,000
<b>Fee-</b>			
Rent of shop	-	-	-
Development of Hat-bazar	-	-	-
Hat-bazar	10,000	5,000	20,000
Advantageous location of Hat-bazar	-	-	-
<b>Others-</b>			
Property transfer fee (1%)	20,000	10,000	20,000
Forfeit money of candidates	-	-	-
Celebration of national days	-	-	-
Union Parishad development fund	2,00,000	-	-
Others	20,000	57,821	57,821
<b>Total</b>	<b>4,81,959</b>	<b>2,49,972</b>	<b>2,33,821</b>

**Table 4.4:** Expenditure of *Panti* Union Parishad, Kumarkhali Upazilla

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Establishment -</b>	<b>97,400</b>	<b>96,900</b>	
Honourium of Chairman	12,000	12,000	12,000
Honourium of Members	50,400	50,400	50,400
Celebration of National Days	6,000	2,000	2,000
Furniture	6,000	8,000	20,000
Salary of <i>Gram Mohalla</i>			
RMP (Rural Maintenance Project)	23,500	23,000	3,000
<b>Collection of Tax-</b>			
Commission	31,793	25,972	19500
Land Rate ( <i>Khazna</i> ) of UP	-	-	-
Entertainment			
<b>Village Police (Local Travel)</b>	51,100	51,100	-
<b>Agriculture-</b>			
Plantation	3,000	4,000	4,000
<b>Donation</b>	2,000	5,000	5,000
<b>Road Repair</b>	10,000	10,000	12,000

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Repair of <i>Sahko</i> (Bridge made of bamboo)</b>	4,000	6,000	6,000
<b>Tube-well</b>	5,000	6,000	6,000
<b>Sports</b>	2,000	4,000	-
<b>Surface drainage</b>	4,000	5,000	2,000
<b>Stationary (<i>Seresta</i>)</b>	6,000	25,000	10,000
<b>Fuel</b>	6,000	6,000	6,000
<b>Development Works</b>	2,00,000	-	-
<b>Health</b>	4,000	4,000	5,000
<b>Clean</b>	4,000	3,000	-
<b>Total</b>	<b>4,81,959</b>	<b>2,49,972</b>	<b>1,62,900</b>



□

**Table 4.5:** Sources of Income of Shomoshpur Union Parishad, Khoksha Upazilla

Sources of Revenue	Ammount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Taxes-</b>			
Holdings & land	107,000	16,765	
Professions, trade and callings	2,500	1,390	-
Non-motorized Vehicle	2,200	1,170	-
<b>Fee-</b>			
<i>khoar</i>	1,200	-	-
<i>Palli</i> Civil works	1,500	-	-
Hat-bazar	10,000	-	-
<b>Others-</b>			
Property transfer fee (1%)	25,000	-	-
Govt Grant	1,25,000	1,50,000	
Additional Development tax	1,000		
Budget deficit	1,000		
Loan	15,000		
<b>Total</b>	<b>2,95,900</b>	<b>1,69,325</b>	<b>-</b>

**Table 4.6:** Expenditure of Shomoshpur Union Parishad, Khoksha Upazilla

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>General Establishment -</b>	<b>70,400</b>	<b>12,450</b>	
Honourium of Chairman	12,000	8,000	
Honourium of Members	50,400		
Celebration of National Days			
Furniture			
Salary of <i>Gram Mohalla</i>	1,000	-	
Stationary ( <i>Seresta</i> )	7,000	4,450	
<b>Establishment (Collection of Tax) -</b>			
Commission	16,050	3,622	
Collection Commission	375	-	
<b>Village Police (Local Travel)</b>			
<b>Agriculture-</b>			
Plantation	5,000	-	
<b>Donation</b>			
Civil Works	1,03,000	50,000	
Road Repair	5,000	1,01,600	
RMP (Rural Maintenance Project)	4,000		

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
Boat making	3,000	2100	
Religious Festival	1,000		
Current Bill	2,400		
Announcement	500		
<i>khagna</i>			
Development of Hat Bazar	16,000	-	
Repair of Office	5,000		
Furniture	6,000		
Relief/ Financial Donation	5,000		
Return of Loan	15,000		
Bank Charge	200		
Assessment cost	500		
Fuel of Chairman	6,000		
<i>Gram Sarkar</i>	-		
Miscellaneous	5,000		
Opening balance	2,000		
<b>Total</b>	<b>2,95,900</b>	<b>169,325</b>	

**Table 4.7** Different sectors of Revenue of Mokalimpur Union Parishad, Bheramara Upazila

Sources of Revenue	2006-2007	2005-2006	2004-2005	2003-2004
<b>Taxes-</b>	<b>84,900</b>		<b>99,100</b>	<b>82,900</b>
Holdings & land		47,400	64,600	50,400
Commercial Institutions		20,000	20,000	20,000
Hat-bazar		12,500	10,500	10,500
Professions, trade and callings		3,000	2,000	2,000
Non-motorized Vehicle		2,000	2,000	-
<b>Fee-</b>	<b>67,300</b>		<b>43,300</b>	<b>63,680</b>
Rent of shop		35,000	40,000	3,680
Development of Hat-bazar		30,000	-	10,000
Hat-bazar		2,300	3,300	50,000
<b>Others-</b>	<b>148,280</b>		<b>162,015</b>	<b>29,553</b>
Property transfer fee (1%)		58,280	60,015	15,000
Forfeit money of candidates		-	-	-
Celebration of national days		-	-	-
Union Parishad development fund		1,00,000	1,02,000	14,553
<b>Total</b>	<b>3,00,480</b>		<b>3,04,415</b>	<b>1,76,133</b>

**Table 4.8:** Different Sectors of Expenditure of Mokarimpur Union Parishad, Bheramara Upazila

Different Sector of Expenditure	Amount (Tk)		
	2005-2006	2004-2005	2003-2004
<b>Establishment -</b>	<b>97,300</b>	<b>1,06,400</b>	<b>97,950</b>
Honourium of Chairman	12,000	12,000	32,740
Honourium of Members	54,500	54,400	
Celebration of National Days	2000	3000	-
Camp Expenditure for Joint Forces	-	-	16,410
Salary of <i>Gram Mhalla</i>	-	30,000	43,800
Festival	8,300	7,000	-
Homourium of PSC committee	-	4,000	-
RSP	20,500	-	-
<b>Collection of Tax-</b>	<b>30,580</b>	<b>33,000</b>	<b>6,300</b>
Commission	20,580	20,000	2,000
Land Rate ( <i>Khazna</i> ) of UP	5,000	8,000	1000
Entertainment	5,000	5,000	3,300
<b>Village Police (Local Travel)</b>	<b>1,500</b>	<b>2,000</b>	<b>2,000</b>
<b>Agriculture-</b>			
Irrigation		-	2,000
Plantation	4000	2,000	-
<b>Donation</b>	<b>3,000</b>	<b>5,000</b>	<b>5,250</b>
<b>Compose</b>	<b>-</b>	<b>-</b>	<b>3,025</b>
<b>Road Repair</b>	<b>50,000</b>	<b>60,000</b>	<b>40,000</b>
<b>Education</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>

Different Sector of Expenditure	Amount (Tk)		
	2006-2007	2005-2006	2004-2005
<b>Tube-well</b>	<b>20,000</b>	<b>30,000</b>	-
<b>Sports</b>	4000	5,000	-
<b>Surface drainage</b>	-	-	-
<i>Seresta</i>	5,580	5,000	8,800
<b>Announcement</b>	3500	2500	2500
<b>Current bill</b>	2020	2015	2005
<b>Fuel</b>	4,000	4,000	4,803
<b>Allocation for <i>Gram Sarkar</i></b>	-	1,000	1,500
<b>Books for library</b>	-	-	-
<b>Sanitation</b>	<b>50,000</b>	<b>26,000</b>	-
<b>Development of Hat-bazar</b>	20,000	15,500	-
<b>Total</b>	<b>3,00,480</b>	<b>3,04,415</b>	<b>1,76,133</b>