

Living in fantasy

IT SEEMS like wealth plundered through corruption and money laundering by some political party leaders holding public offices is being cogently collected from honest people.

This is very unfair and has devastated the confidence of the people in the government. Ad hoc policy measures are being taken to extract money from the people on the pretext of documenting the fractured economy.

In the budget, emphasis is laid on increasing revenue through taxes in line with latest agreement with IMF. Spiralling inflation has touched 12.25 per cent and is currently recorded at 10pc against four per cent in the last two years.

The IMF has predicted the inflation rate to surge to 12.25pc.

The current unemployment rate is six per cent against three in the last two years, poverty 39pc in 2015-2016, GDP has alarmingly dropped to 3.3pc from 5.8pc, while the closure of industries has paralysed the entire business activity.

The country is facing a complex economic situation as all targets have been unmet. The industrial sector, which contributes 20pc to GDP, grew by a meagre 1.4pc against a target of 7.6pc. The manufacturing sector slid by 0.27pc and large-scale manufacturing suffered an alarming decline of 2.06pc against a target of 8.1pc.

The agriculture sector, the backbone of the economy, grew by only 0.8pc against a target of 3.8pc, while services fell to 4.7pc against a target of 6.5pc, according to the Economic Survey of Pakistan.

The most serious adverse impact of the budget include drastic increase in utility tariffs, petrol prices, gas prices (increased up to 168pc), CNG prices (increased by Rs20 per kg), five per cent tax imposed on ride-hailing services, adding further sufferings to the people's existing hardships.

No relief has been given to senior citizens whereas salaries of government servants have been raised insignificantly compared to inflation rate. Amusingly, EOBI pension benefit to a grade 20 officer having served the public sector for 25 years receive Rs6,500 as pension amount.

Although the rupee depreciation helped shrink trade deficit by 7.3pc, it had a fatal cascading affect on inflation and higher fuel prices.

It is time the government took notice of these alarming failures in governance and improved its competence if it is to continue.

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