

PBIF chief for restoring zero-rating regimes

President Pakistan Businessmen and Intellectuals Forum (PBIF), Mian Zahid Hussain, has expressed that government cannot reverse the exchange rate erosion but it can do a lot to shield the poor from its impact by reducing taxes and duties on edibles and necessities and expanding social protection programmes. Mian Zahid Hussain noted that bureaucracy is an impediment in the success of amnesty schemes as it adds anomalies in the draft which make such schemes unacceptable for the masses and the business community.

The devaluation didn't increase exports but poverty. Devaluing currency and some tax breaks will never infuse life in the stagnant export sector which is the last hope for the country, he said. Mian Zahid Hussain said that economic policies offer little incentive for exports while encouraging imports and consumption which must be reversed by the government.

He said that zero rating for the export sector should be revived and human involvement in tax and refund matters should be minimized through technology. He noted that borrowing from friendly countries and international institutions can delay a default but it is not a sustainable solution to the problem. The government should promote exports, discourage imports and promote local products as the private sector cannot enhance exports on its own.

The textile sector should be given first preference by introducing latest machinery and improved branding, designing, marketing so that it can compete in the international market. Technological gaps should be filled in all the export sectors while agriculture, livestock, and poultry sectors should be preferred for development to bring an end to food security and increase forex reserves.

The issue regarding fertilizer, pesticides, substandard seeds, transportation, storage and availability of ample water must be addressed, and an authority should be formed for comparison of input costs with regional countries, he demanded.

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