

Govt decides to present next budget after Eid

ISLAMABAD: With change of all key members of the economic team and ongoing parleys with the IMF for finalising a staff level agreement this week, the PTI-led government has decided to present the next budget for 2019-20 after Eidul Fitr.

The Ministry of Finance has officially sent out a proposal to Prime Minister Imran Khan that the date of upcoming budget 2019-20 should be fixed to June 11, 2019. “We have sent the file to PM Imran Khan for presenting the coming budget on June 11, 2019,” confirmed one top official of the Finance Division on Wednesday.

The ministries/divisions were making preparations of the upcoming budget on May 24, but the Finance Ministry high-ups convinced the newly-inducted Adviser to PM on Finance Dr Abdul Hafeez Shaikh that the IMF team would continue parleys till May 10, so all top officials would remain engaged in finalisation of staff level agreement. They requested the Adviser to PM on Finance that the date of next budget should be fixed after Eid.

The whole economic team has changed as adviser to PM on Finance took charge after resignation of Asad Umar. Then the State Bank of Pakistan government and FBR chairman were replaced, so sufficient time is required by them to understand the dynamics of the country’s economy before taking formal crucial decisions.

The IMF team is currently negotiating programme for next three years under the Extended Fund Facility (EFF), and the next budget would be reflection of the agreed IMF programme. Without finalising a staff level agreement, the main points of the budget making process could not be firmed up, so more time was sought to finalise the salient features to the coming budget. Both sides are expecting that the staff level agreement will be struck on Friday (tomorrow) after which, the budget-making process would be run in full swing.

If the budget is presented before the National Assembly on June 11, 2019, then there would be much less time available to hold debate on it in the both Houses of Parliament. After laying of budget, the Senate is required to send its recommendations on budget in 15 days under a constitutional requirement in the aftermath of 18th Amendment.

“The government will have to manage well in order to ensure smooth approval of the budget from the National Assembly,” said the official sources and added that without proper coordination, it could prove hard for the government to pass the budget in smooth manner due to paucity of time.

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