

By Our Correspondent

No major relief for SMEs

LAHORE: The All Pakistan Business Forum (APBF) has said that Pakistan needs millions of jobs annually but the government has not taken any concrete step in the federal budget for employment creation for the unemployed youth.

The APBF had submitted proposals with the federal government, urging it to come up with a relief-oriented budget in the face of Covid-19, but unfortunately no such announcement was made.

Commenting on the budget for 2020-21, APBF President Syed Maaz Mahmood termed it a bubble budget, apparently looking good but without any substance. He condemned what he called the economic managers' calculator approach to finalising the budget, which focused more on revenue collection and less on providing long-term direction to the economy.

Mahmood said, "The government will have to make a visible reduction in taxes to help revive the businesses which are near bankruptcy due to prolonged worldwide lockdowns amid the coronavirus," he added. "Major focus should have been on greater relief to the documented and registered SMEs."

The APBF president lamented that to save the economy from slowdown, the government should announce special incentives for the cash-strapped small and medium-sized industries, which represented more than 90% of around 3.2 million business enterprises in Pakistan.

"We request the government that through an amendment in the budget, it should allocate a sizeable amount for soft loans with maximum 3% mark-up, especially for the SMEs, as the rest of the world has been providing loans at zero mark-up to bail out their collapsing businesses."

He pointed out that no financial plan had been drawn up for the Covid-19-hit domestic and export industries, which had been severely affected by the prolonged lockdown.