

Minister assures businesses of end to 'undue' taxes

LAHORE: Minister for Industries and Production Hammad Azhar on Saturday assured businesses of phasing out unnecessary taxes to help them grow and promote growth in trade and industry.

Azhar said the economy has taken a remarkable turnaround and economic indicators are portraying a positive picture.

"The industry is leading the economic revival," Azhar said while talking to the business community at the Lahore Chamber of Commerce and Industry (LCCI). Industrial components grew 7.5 percent in September year-on-year, he said.

Industries minister said demand and consumption of cement and urea fertiliser reached to their historic peak. Sales of automobile sector rose 43 percent year-on-year. Textile sector used to work round the clock even during Eid holidays. All sectors are showing more sales than the past, he said.

Azhar said the government made foreign exchange reserves stronger and international institutions made Pakistan's rating better.

The government had paid electricity bills of more than three million businessmen/traders for three months during the lockdown.

The minister said the government presented tax-free budget and relief packages for construction industry. Withdrawal of zero-rated tax facility would benefit exporters. The government abolished tariffs based on peak hours.

Azhar said new policy for small and medium enterprises will be introduced very soon. Chambers and associations would be taken on board for skill development. National coordination committee has been constituted to facilitate small and medium enterprises.

The minister said the Punjab government is establishing 13 special economic zones.

LCCI President Tariq Misbah said cost of land in the industrial estates has reached to the exorbitantly high levels.

"There is need for a simple lease policy through which the land in the existing/new industrial estates can be provided at reasonable rates," Misbah said.

LCCI president said any increase in gas tariff for industry will increase cost of doing business and dent their competitiveness. Gas tariff for industry should be kept at a reasonable level, he said.

Misbah further said the government certifications and testing laboratories are weak and they need for upgrade to bring them at par with international standards.

LCCI president said the export processing zones should be equipped with latest facilities like combined water and solid treatment plants, certification labs and one window facilitation. Skill development needs the urgent attention of the government.

“We recommend that the government should establish industry-led skill councils to help seek the input of private sector in designing and management of skill development programs,” he said.

Small and medium enterprises, particularly in the engineering sector, have not been able to contribute in exports due to limitations in access to technology. “This issue also needs immediate attention of the ministry.”

Misbah said mobile device manufacturing policy will help in enhancing the manufacturing base in hi-tech products.

The business community also asked the government abolish custom and regulatory duties on items that are not produced locally.