

Parliamentary panel to probe massive surge in foreign debt

ISLAMABAD: Prime Minister Imran Khan chairs a meeting of the federal cabinet at PM Office on Thursday.—APP

ISLAMABAD: The federal cabinet on Thursday decided to form a parliamentary commission to conduct an inquiry into the surge of the country's foreign debts from Rs6,000 billion to Rs30 trillion during the last 10 years.

A meeting of the cabinet, presided over by Prime Minister Imran Khan, agreed that responsibility should be fixed on those people who were responsible for the fast-increasing foreign debts.

“If we are getting more loans to retire previous loans obtained by our predecessors, we should know why the amount of loans went so high in the last 10 years and for which purposes it was used,” the prime minister said.

Similarly, the cabinet decided to initiate an inquiry into mega development projects like the New Islamabad Airport, which had been completed at a cost of over Rs100bn against its initial cost of Rs38bn, Information Minister Fawad Chaudhry told a press conference after the cabinet meeting.

Cabinet approves appointment of heads of PIA, Privatisation Commission and Baitul Maal

“We know who benefited in this contract.”

“The prime minister and the cabinet have decided that a thorough audit of the project should be conducted, including a performance audit,” the minister said. Referring to the collapse of a boarding bridge at the newly-built airport the other day, he said the incident had raised questions on the quality of the construction work.

Indirectly blaming the previous Pakistan Muslim League-Nawaz government, Fawad Chaudhry said the Pakistan Tehreek-i-Insaf (PTI) government knew which construction company had been assigned the contract. “Ishaq Dar Sahib, Munir Sahib, everywhere you look, you will find one of their people.”

Appointments

The cabinet also accorded approval to the appointment of heads of Pakistan International Airlines (PIA), Privatisation Commission and Baitul Maal.

The information minister said the cabinet approved appointment of serving Air Marshal Arshad Khan as PIA chairman. “Mr Arshad is a seasoned officer of the air force and it is expected that he will manage to overcome increasing losses in the organisation,” he said.

The government had also initiated a process to appoint permanent chief executive officer of the national flag career, which would take some time, the minister said.

“The finance minister has also prepared a plan for the restructuring of the PIA which will be unveiled by him after his return from a foreign visit,” Mr Chaudhry said, adding no employee of the PIA would be laid off.

As per other decisions of the cabinet, Muhammedmian Soomro has been appointed chairman of the Privatisation Commission and PTI leader Aun Abbas head of the Baitul Maal.

Exit Control List

The cabinet also decided to revisit Exit Control List (ECL) which carries names of 3,000 people, including those who are said to be innocent and politically victimised.

The information minister said several people among the 3,000 had filed applications for removal of their names on the ground that they had been placed on the list due to political victimisation or personal differences.

Responding to a question, Mr Chaudhry claimed that neither former prime minister Nawaz Sharif nor any of his family member had filed any appeal for removal of their names from the ECL.

Housing scheme

The National Database Registration Authority (Nadra) has claimed that the Naya Pakistan Housing Programme had received a significant response not only from the country, but also other parts of the world. As many as 150,000 application forms had been downloaded on Thursday, Nadra said in a press release. The applicants will have to pay Rs250 registration fee at the time of submission of the forms to the prescribed Nadra offices and the authority will start receiving forms from Oct 22 simultaneously from all districts of the country.

Under mortgage financing model, the information minister said, state land would be used as the collateral on which houses would be constructed. This way, the banks will also have a safety net (to recover credit if need be).

He claimed the government was not investing any money in the housing programme.

Tax reforms

Mr Chaudhry said it had been found that 89 per cent of taxes levied on cigarettes, amounting to around Rs77 billion, were paid by two companies only. “The remaining companies are illegally selling cigarettes,” he said and promised a crackdown on those companies soon.

Similarly, the tax collected from paint companies shows that only two or three companies are paying tax and the rest are not.

Mr Chaudhry noted the country received remittances of \$40bn every year, but only \$10bn came in through legal channels. “The prime minister has summoned representatives of the State Bank tomorrow for a discussion on how we can go about increasing our remittances. If there is an increase of \$10bn even, it will go a long way to addressing our deficit issues,” he said.

Syed Irfan Raza