

# Saarc chamber calls for measures to revive economy

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ISLAMABAD: The Saarc Chamber of Commerce and Industry (Saarc CCI) on Wednesday greeted Dr Shamshad Akhtar on assuming the charge of the federal minister for finance, revenue and economic affairs in the caretaker set up, and demanded corrective measures on war footings to help revive the economy.

In a statement issued, Saarc CCI Senior Vice president Iftikhar Ali Malik said that sound economy was the prerequisite for the survival of the country and strengthening of democratic system.

He expressed the hope that the caretaker government would address the fundamental economic and social challenges, which were ignored by the political leaders in the past.

“The first and urgent goal must be to end human suffering in the country. One-thirds of the population lives below the UN’s ‘poverty line’, he said, adding that Pakistan’s social ‘indicators’ for health, education, child mortality, the status of women are among the worst in the world.

“What is most alarming is that poverty has increased, not decreased, over the last few years,” he said, and suggested the finance minister for taking measures to impose spending cuts, ‘zero budgeting’; a comprehensive GST (with the aim of raising tax-to-GDP ratio from 8.5 percent to 15 percent over five years); full autonomy for the State Bank of Pakistan; and ‘inflation targeting’, implementation of NFC Award, measures to increase tax on agricultural incomes, full review and rationalisation of financial subsidies provided by the federal and provincial governments and reforms, especially of public-sector enterprises, which are incurring annual losses larger than the development budget.

Malik assured Dr Akhtar of all-out support of the business community in removing the bottlenecks, which are hampering speedy development.

“We hope Dr Akhtar, who also holds the portfolio of federal commerce minister, will make every effort to accomplish economic revitalisation and an escape from deflation, while steadily implementing growth strategies,” he said.

He urged the government to offer special package of power and gas tariffs for rapid industrial growth on the pattern of China.

Malik also demanded the government to immediately abolish export development surcharge.

The export development surcharge was levied as per the EDF Act 1998 and 0.25 percent was being deducted by banks from export proceeds, which is deposited in the federal treasury, he added.

This is a matter of concern for the country that despite GSP Plus window, exports of the country are showing declining trend and related workforce is losing their jobs.

The government should adopt pro-export policies and ensure their effective implementation so that the country could continue its journey to development and prosperity.

Exports were major source of providing employment and earning foreign exchange for the country but they are under heavy internal and external pressures; therefore, they should be given priorities in solution of their problems so that economic prosperity can be achieved.