

Apex trade body demands to reverse electricity price hike

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Karachi: The Federation of Pakistan Chambers of Commerce and Industry (FPCCI) has demanded immediate withdrawal of recent increase in the prices of fuel, gas and electricity, and termed it detrimental not only for export-oriented industries, but other sectors as well.

The FPCCI, in a statement issued on Thursday, said that this decision would defeat the prime minister's vision of improving the ease of doing business to promote industrialisation in the country.

It would in fact, affect the overall economic growth as well as the local consumer of gas, the statement added.

FPCCI Senior Vice President Syed Mazhar Nasir said the two percent hike in per unit price of electricity, and rise in gas and petroleum would increase the production cost and as a result, Pakistani products would not be able to compete in the international market.

He pointed out that the manufacturing concerns and export-oriented industries would be the main victims of this decision, for they would not be able to improve upon the 14 percent increase limit.

"The exports are already on the declining trend due to the high cost of business, while further increase in production cost would disturb the situation," he added

The FPCCI demanded immediate withdrawal of increase in the prices, as repeated increase of petroleum prices in the recent past has badly eroded Pakistan's competitiveness, due to which the country was losing attraction for investment.

"This situation would further destabilise the economy," the FPCCI stated.

The FPCCI senior official Nasir said that the increase in the prices of petroleum and gas had come as a big shock for the poor people, industrialists, as well as traders.

This increase, he added would have a hefty negative impact on the inflation-stricken masses and the fragile economy.