

‘Agriculture ignored in budget’

ISLAMABAD: Minister for Food Security Sikandar Hayat Khan Bosan and members of National Assembly Standing Committee on Finance decried the Ministry of Finance and the Federal Board of Revenue (FBR) for ignoring the agriculture sector in the budget.

The committee meeting after briefly discussing budgetary measures for the agriculture sector agreed that each province should establish agriculture banks to ensure smooth flow of credit to their farming community.

“This is a technical committee and we have tried to discuss issues on merit,” said Qaiser Ahmed Sheikh, chairman of the committee.

He asked the special invitee the food security minister to brief the committee on the farming community concerns.

The minister noted that the FBR had not been fair with the agriculture sector. “The banking sector too has not been supportive as farm loans entail highest rate of mark-up, and most credit is disbursed to traders and middlemen instead of farmers,”.

Secretary Finance Tariq Bajwa indirectly defending the banking sector said that the cost of processing farm loans and associated risks are significantly high.

It was agreed that the provinces needed to establish their own agriculture banks and provide subsidies to the farmers at the provincial level.

The other issue highlighted by the minister was what he called ‘irrational subsidies on fertilisers’.

“The subsidies clash with the announcements made by the finance minister in his budget speech,” he said. The prices of other supplements based on nitrogen like urea were not slashed, he informed the committee.

“It created an awkward situation as it is hard to justify why prices of other fertilisers were not cut like urea,” he said.

Jehangir Tareen of PTI observed that the subsidy was on nitrogen based fertiliser and should cover all not just urea.

Bosan added that the price of DAP fertiliser has been rationalised but nothing has been done for other ‘phosphate’ based fertiliser.

The committee would meet relevant officials and the representatives of fertiliser companies to address the anomalies, the secretary finance assured.

Pervaiz Malik of PML-N criticised the budget for not accommodating the issues raised for revival of industries.

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