

Budget 2017-18 lacks measures to create 2.5m jobs per year



KARACHI: The federal budget fiscal year 2017-18 remained a number game with no incentives for industry, no any measures for job creation but more focus on revenue collection, representatives of business community viewed.

They said that government remained non-serious to explore new venues for revenue generation and no efforts had been taken to plug revenue leakages amounting in billions.

Federal Board of Revenue (FBR) failed in broadening of tax base instead of generating revenue from direct taxes that showed its intention to collect revenue through Withholding Tax.

Representatives of Pakistan Tanners Association, Pakistan Apparel Forum, Pakistan Yarn Merchants Association, All Pakistan Marble Mining, Processing, Industry and Exporters Association, Surgical Instruments Manufacturing Association Pakistan, All Pakistan Business Forum, sport goods and carpet sectors were of the opinion, budget is sans incentivise investors, broadening the tax net through documentation of economy, simplifying tax system and reorganising the FBR.

Promoting foreign direct investment, increasing the share of direct taxes in revenue and lowering the slab of indirect taxes could help achieve key economic targets set for fiscal year budget 2017-18.

Agha Saiddain and Anjum Zafar from tanning sector, Ghulam Rabbani from yarn sector, Sanaullah Khan from onyx sector, Ibrahim Qureshi from business forum and Jawed Bilwani from apparel sector said reduction of taxpayers in active taxpayers list clearly indicates the failure of FBR and the economic managers' approach.

It is evident that government in finalising the budget 2017-18 had focused more on revenue collection and less on the fulfillment of its major objective of giving a long-term direction to the economy.

Pakistan needs 2.5 million jobs annually but the government has taken concrete measures neither in federal budget for job creations for the unemployed youth.

The budget does not contain substance. Like the successive governments, budget 2017-18 too has refrained from bringing big fishes into the tax net or even taking measures to prevent major tax evasions.

The government has tried to clutch the neck of old taxpayers instead of taking efforts to bring new taxpayers into tax net.

The government has also been failed for not keeping its focus on resolving the energy crisis and allocating sufficient funds for the construction of reservoirs including Kalabagh Dam in national budget.

The policymakers would have to address the concerns of the public since they suffer the most as a result of the power crisis.

Tall claims of the government regarding reduction in unemployment, improvement in per capita income and improved energy situation remained failed.

The government is opening up the country's economy to imports. Lower duty on raw materials and inputs is needed, but duty free imports of machinery would result in huge spending of meager foreign exchange and jobs creations abroad and no jobs for Pakistanis.

Moreover, the government after increasing the tax rate for non-filers had admitted its failure to implement the concept of filer and non-filer introduced in the last budget.

They regretted that no corrective measures have been announced in the budget to increase direct taxation and more emphasis has been laid on indirect taxation.

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