

Centre failed to achieve revenue targets, says CM

Recorder Report Updated 19 Mar 2021



KARACHI: Under the constitution, the provinces have assigned the task of tax collection to the federal government and then distribute the collected amount among the provinces as per agreed formula, Sindh Chief Minister Syed Murad Ali Shah said.

“But, sorry to say, the federal government has completely failed to achieve its revenue targets during its entire tenure of over two and half years, as a result the provinces have to suffer.”

The chief minister was talking to the media after visiting Teachers Training Institute, Hussainabad, Karachi. He was accompanied by Sindh Education Minister Saeed Ghani.

To a question, the chief minister said during the last eight months (July 2020 to Feb 2021) the Sindh government has faced a shortfall of Rs80 billion in federal revenue transfers. “This is not a small amount and it has badly affected the provincial budget and its development commitments,” he said.

The CM said under the constitution, the provinces have given the task of tax collection to the federal government and then distribute 57.7 percent of its total collection among the federating units as per NFC formula. “...PTI govt transferred Rs80 billion shorter than agreed amount to the Sindh government during the last eight months,” he said.

Murad Ali Shah said he has been requesting the federal government to hand over collection of Sales Tax to the province and give them a collection target. “The provinces are closer to the consumers and they can collect more effusively and efficiently than the FBR,” he said and added but all his requests have fallen flat on the deaf ears, as a result the provincial governments were facing shortfall in federal revenue transfers from the last two and half years.

Lauding the performance of Sindh Revenue Board (SRB), he said it was capable enough to collect Sales Tax on behalf of the federal government, if it was allowed. He added that the federal government used to give hardly Rs15 billion to the Sindh government before the creation of SRB around eight years ago. “This year, the SRB is going to achieve its collection target of Rs130 billion – this is what it is called ‘the performance’ of the provincial tax collecting body,” he said.

The CM said during 2016 to 2018 mega development activities were undertaken in the city but from last two and half years his government was faced with financial constraints to continue its uplift endeavors at the same pace.

The CM Shah said despite shortage of resources, his government has undertaken some important development activities in the city. The federal funding for cleanliness of the nullahs has not been trickled down to the extent as it was committed, he deplored.

Replying to a question, the chief minister said there was no urgent plan to reshuffle the provincial cabinet.

To a question, Murad Ali Shah said the PPP was preparing for a long march to Islamabad scheduled on March 26 when the PDM leadership took up the issue of resignations from the parliament in its last meeting held in Islamabad. “Our central executive committee has already suggested the party to use their resignations as the last option so that the selected government could be sent back to home,” he said and added “we have got some time from the PDM leadership to consult again with our CEC.

The chief minister, to a question said the Elementary College, Hussainabad was not functioning from the last many years. “Around two years ago we have made it functional on Public Private Partnership (PPP) mode and various private partners were supporting it,” he said and added this institute would create best teachers and resource persons by imparting them training in latest teaching methods.

Murad Ali Shah said the provincial government has 29 teachers training institutes all over Sindh and we want to make them best institutions by adopting the on-going experience of Hussainabad college working on PPP mode, he concluded.