

# DAWN

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## **Sindh faces Rs80bn shortfall from federal transfers, says Murad**



Sindh Chief Minister Syed Murad Ali Shah on Thursday said that under the Constitution the provinces were assigned the task of tax collection for the federal government. — DawnNewsTV/File

**KARACHI:** Sindh Chief Minister Syed Murad Ali Shah on Thursday said that under the Constitution the provinces were assigned the task of tax collection for the federal government and then the federal government distributes the collected amount among the provinces as per agreed formula.

“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,” he added while speaking to journalists after visiting the Teachers Training Institute in Hussainabad, Karachi.

The chief minister said that over the past eight months (July 2020 to Feb 2021) the Sindh government 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 added.

Mr Shah said that under the Constitution, the provinces had been given the task of tax collection for the federal government and then the federal government distributes 57.7 per cent of its total collection among the federating units as per the National Finance Commission formula.

“But, the present PTI-led government, ever since it has come to power, has failed to achieve its revenue targets, therefore it has transferred Rs80 billion short than the agreed amount to the Sindh government during the past eight months,” he said.

Mr Shah said that he had been requesting the federal government to hand over collection of sales tax to provinces and give them a collection target. “The provinces are closer to consumers and they can collect more efficiently than the FBR,” he said and added that all his requests had fallen on deaf ears.

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 said that the federal government gave hardly Rs15bn 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.

### Karachi uplift affected

The CM said that during 2016 to 2018 mega development activities were undertaken in Karachi, but for last two and a half years his government was faced with financial problems to continue its uplift work at the same pace.

He said that despite shortage of resources his government had undertaken some important development activities in the city. “The federal funding for cleaning of drains has not trickled down to the extent as it was committed,” he deplored.

### No cabinet reshuffle

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

“The cabinets are reshuffled when they are required to be,” he said and added “we would also reshuffle when its requirement is felt.”

## Elementary College Hussainabad

Replying to another question, the chief minister said that the Government Elementary College of Education, Hussainabad was not functioning for the last many years. “Around two years ago we have made it functional on public-private partnership mode and various private partners are supporting it,” he said and added this institute would create best teachers and resource persons by imparting training in latest teaching methods.

Mr Shah said that the provincial government had 29 teachers’ training institutes all over the province and his government wanted to make them best institutions by adopting the ongoing experience of Hussainabad College.

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