

Perception Survey of ICMA Pakistan Members on Government Priorities in the **Federal Budget 2021-2022**

A Report developed by Gallup Pakistan for ICMA Pakistan

Preamble

Almost one week before the announcement of the Federal Budget 2021-22 on 11th June 2021, ICMA Pakistan and Gallup Pakistan jointly carried out a 'Perception Survey' of the worthy members of the Institute to seek their valuable views as to what should be the government's priorities in the forthcoming budget. In this context, individual emails were sent by Gallup Pakistan to all the members along with a short link to the virtual survey. This was followed by reminders by both Gallup and ICMA Pakistan.

A detailed report of this survey is being published in the current issue [May-Jun 2021] of Management Accountant Journal for members' information. We hope you will get useful insight from the findings.

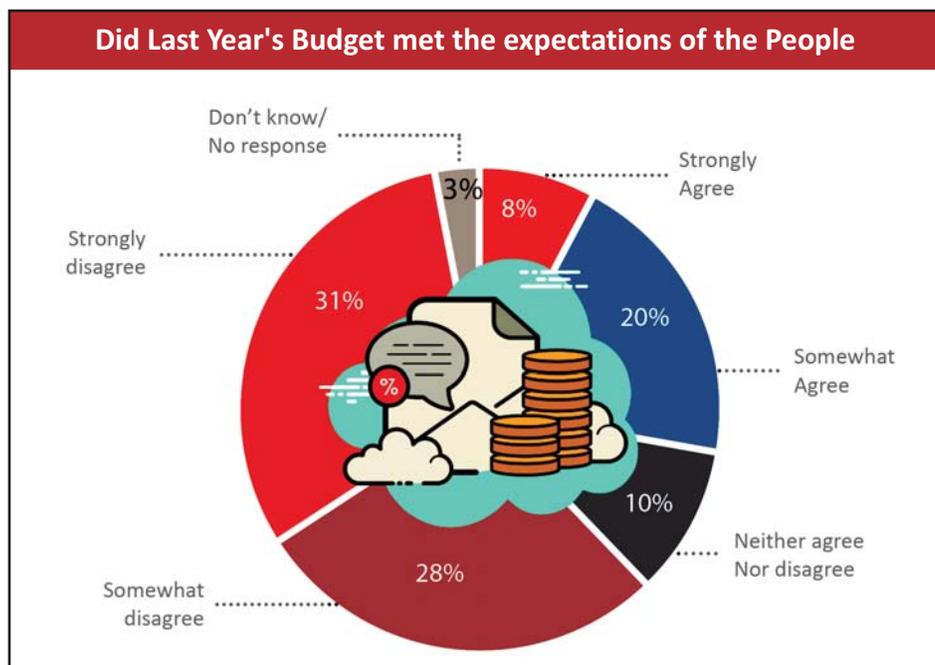
Survey Methodology

The survey questionnaire developed by the Research and Publications Directorate of ICMA Pakistan was hosted online after some value addition by Gallup Pakistan based on their prior experience of conducting Market and Perception surveys across Pakistan. The customized Questionnaire was scripted to an online survey software and disseminated through Gallup's server to all the members of ICMA Pakistan; followed by a reminder circular from the Institute after a few days. The survey was closed one day before the budget announcement. The responses received from the members have been carefully collated and analyzed by Gallup and the key findings from the survey are presented in this survey report.

Survey Results

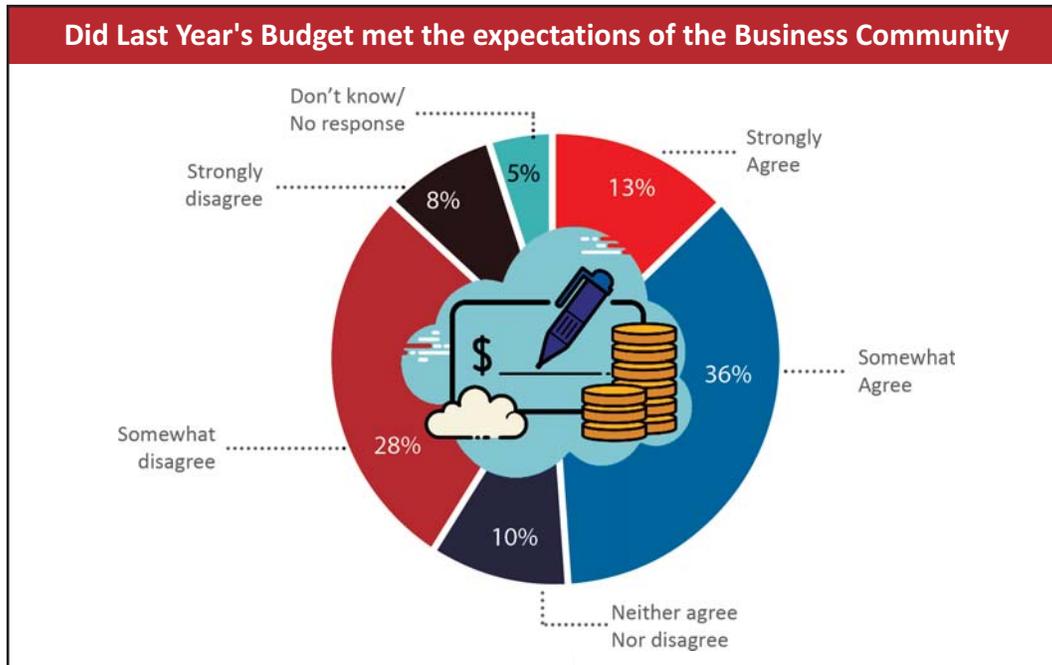
59% says last year's Budget did not meet general public's expectations

The ICMA Pakistan members were asked as to what extent they agree that the last year's budget by the Government met the expectations of the general public. Around **59%** of the members communicated that in their opinion it did not meet the public expectations [31% of them strongly disagreed with the given statement] whereas **28%** responded positively and stated that last year's budget was upto the expectations of the people, out of which only 8% strongly agreed with this statement.



49% says last year's Budget met the expectations of Business Community

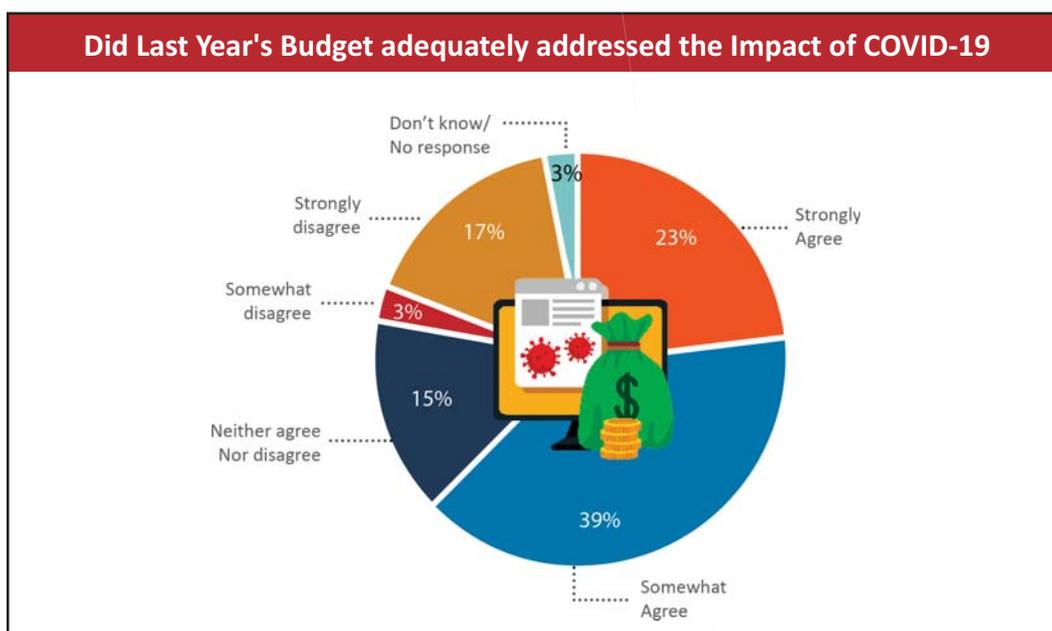
The Institute's members were enquired as to what extent they believe that the last year's budget by the Government met the expectations of the business community. Almost **49%** responded in affirmative whereas **36%** members differed with this opinion. Out of **49%** of members who noted that last year's budget met the expectations, **13%** strongly agreed while 36% somewhat agreed with the statement. Similarly, out of **36%** who disagreed, around **28%** of the members disagreed to some extent.



62% believes last year's Budget adequately addressed COVID-19 Impact

It was enquired from the members as to whether they agree that last year's government budget included concrete policy actions to address the impact of COVID-19 and ensure a speedy recovery. The majority of the members i.e. **62%** agreed with this statement, out of which **23%** strongly agreed and 39% somewhat agreed.

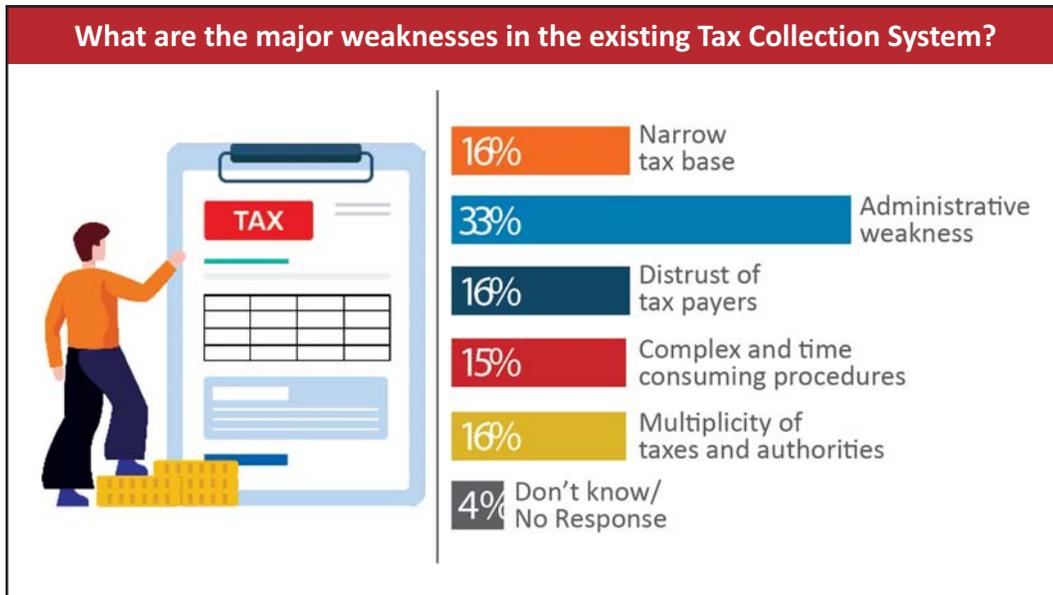
On the other hand, **17%** strongly disagreed that the government had included concrete policy actions addressing effects of the corona-virus and ensuring swift recovery while **3%** somewhat disagreed. **15%** of members neither agreed nor disagreed with the given statement.



33% points to Administrative weaknesses in Tax Collection System

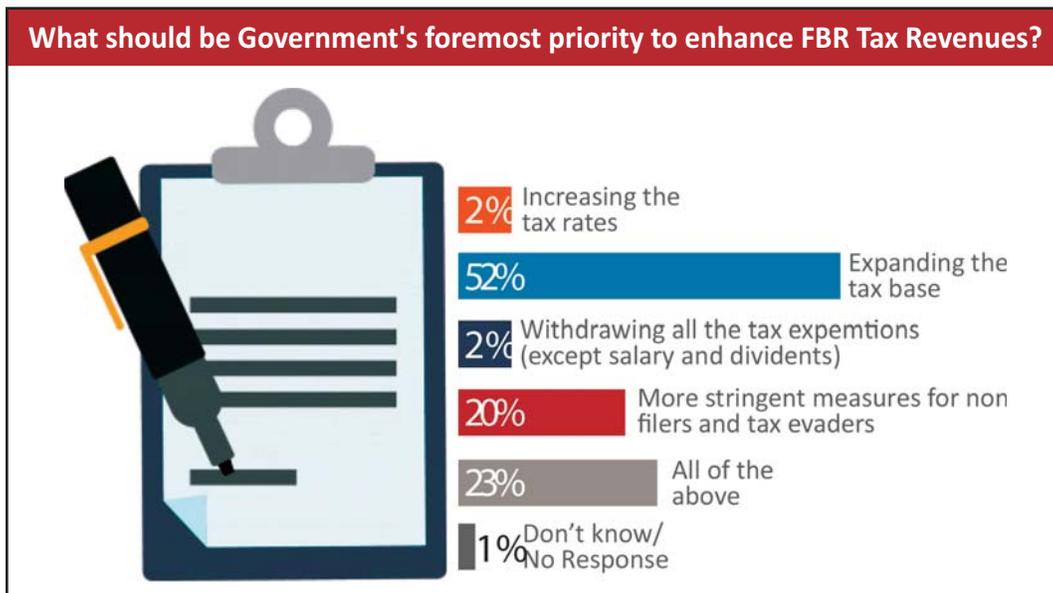
ICMA Members were asked what they considered the major weaknesses within the existing tax collection system of Pakistan. More than one-third of members (33%) pointed to 'administrative weaknesses' as the major defect of Pakistan's existing tax collection system.

Other major weaknesses voted by the members included having a narrow tax base (16%), distrust of taxpayers (16%), and multiplicity of taxes and authorities (16%). Around 15% of members also claimed complex and time-consuming procedures as the main fault within Pakistan's existing tax collection system.



52% says Government must expand tax base to enhance tax revenue

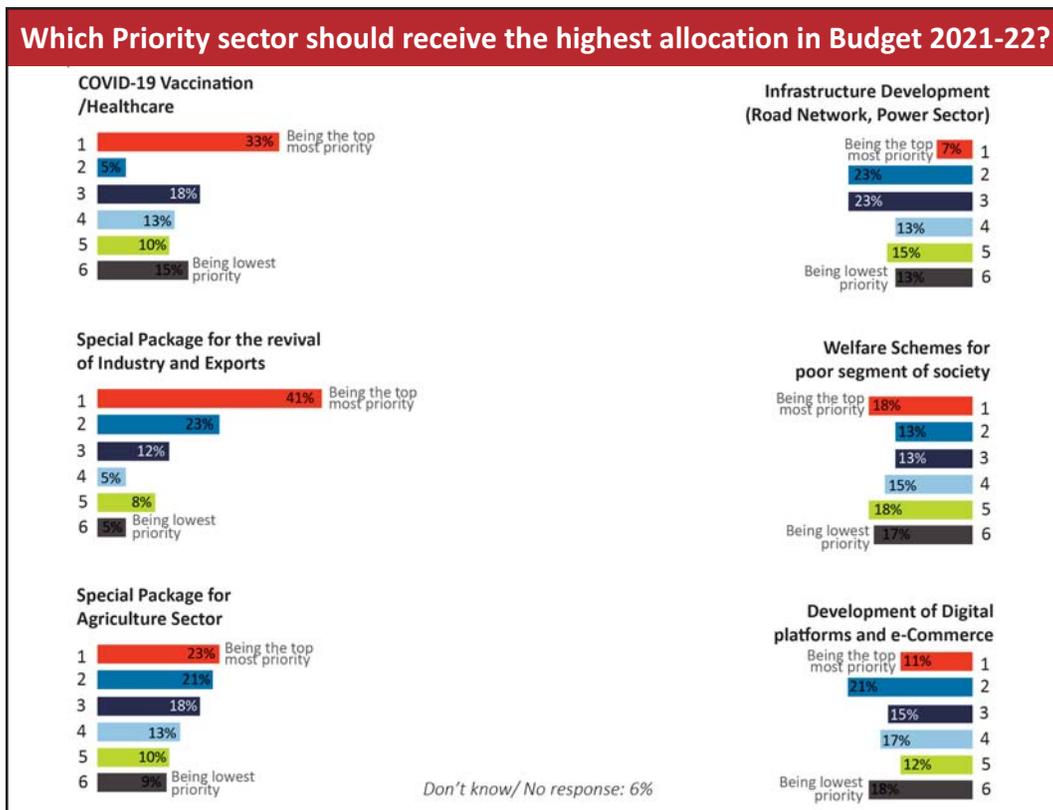
Members of ICMA Pakistan were asked what should be the Government's foremost strategy to enhance FBR tax revenues. More than half (52%) of ICMA members agreed that it should be to expand the tax base, followed by 20% of members claiming that it should be to introduce more stringent measures for non-filers and tax evaders. Around 2% of respondents believed that increasing the tax rates should be the government's foremost strategy while another 2% stated that their leading strategy should be to withdraw all tax exemptions (except salary and dividends). Similarly, 23% of members noted that all the given options should form the government's foremost strategy to enhance FBR tax revenues.



41% believes Government should announce special packages in the upcoming budget for the revival of industry and exports

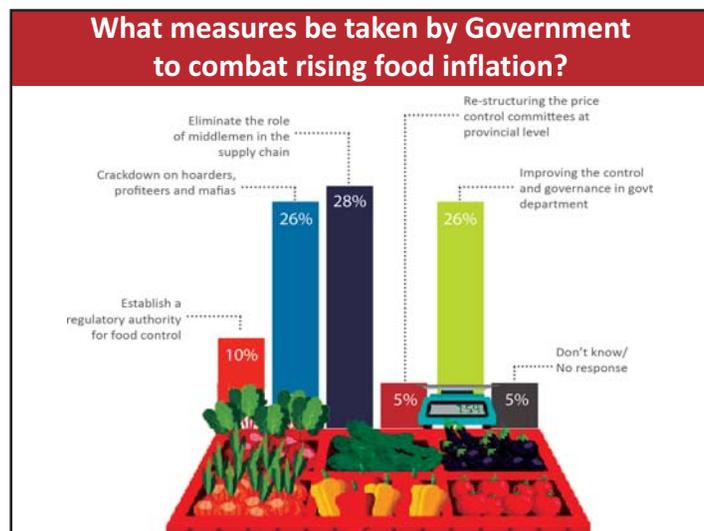
When asked to order the given priority sectors they believed should receive the highest allocations in the Federal Budget 2021-22, around **41%** of ICMA Pakistan members ranked special package for the revival of industry and exports as one that should receive the highest allocation, followed by **33%** members who chose COVID-19 vaccinations and healthcare as more of a priority.

Around **18%** ranked the development of digital platforms and e-commerce as the sector that should be considered the lowest priority when deciding upon the highest allocation for the 2021-22 budget. This was followed by **17%** of responses which indicated that welfare schemes for the poor should be the lowest priority when assigning the allocations for the Government's budget for FY2021-22.



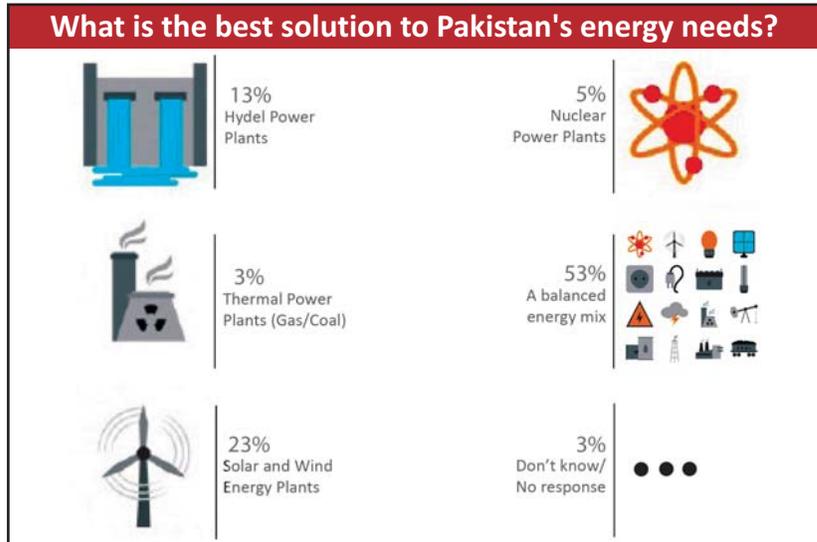
28% opines to eliminate the role of middlemen to control food inflation

It was asked from the members what measures the Government should take to control the rising food inflation in the country. Nearly 3 in 10 members (**28%**) responded that eliminating the role of middlemen in the supply chain could be beneficial in this regard, whereas **26%** of members claimed that there is a need to improve the control and governance in the government departments. Another **26%** stated that having a crackdown on hoarders, profiteers and mafias was important to combat food inflation within the country. Almost **10%** of respondents were of the view that establishing a regulatory authority for food control was central in dealing with increasing food inflation, though another **5%** believed that price control committees at the provincial level should be restructured to curb Pakistan's rising food inflation.

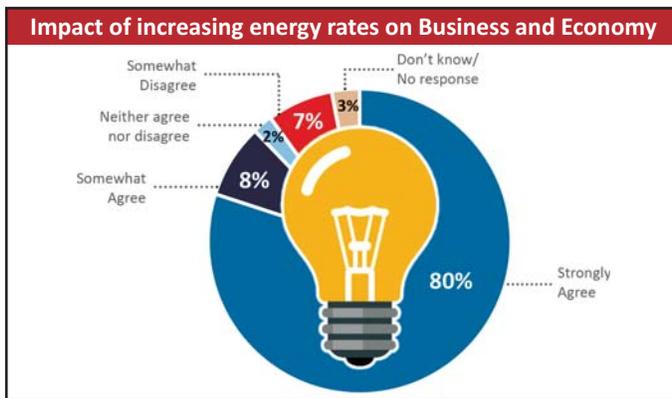


53% suggests a balanced energy mix to resolve power shortages

The members were provided few options of electricity generation sources such as hydel, thermal, nuclear, solar, and wind; and balance energy mix to respond to the best solution to the energy needs of Pakistan. More than half (53%) members were of the view that the best solution is to have a balanced energy mix, followed by 23% of members selecting the option of setting up solar and wind energy plants in the country. Almost 13% believed hydel power plants could be helpful while 5% thought it to be nuclear power plants. Only 3% said that the best solution to energy needs was thermal power that uses gas and coal.



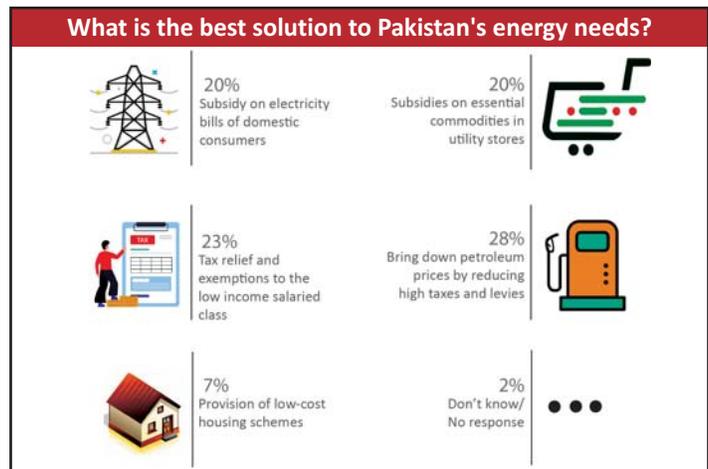
80% believes constant increase in energy rates hurting businesses



The Members of ICMA Pakistan were asked as to what extent they agree that constant increase in energy rates on the behest of IMF is hurting our business and economy. Around 80% of members strongly agreed with this statement whereas 8% agreed to some extent. Further, 7% of members somewhat disagreed that constant increases in energy rates are hurting our economy and businesses.

51% asserts that general public be provided relief in the Budget by reducing petrol prices and providing exemption to salaried class

When asked about what kind of relief the government should provide to the general public in the 2021-22 budget, 28% of ICMA Pakistan members voted in favour of bringing down petroleum prices by reducing high taxes and levies. This was followed by 23% of members claiming that the government should provide tax relief and exemptions to the low-income salaried class. 1 in 5 ICMA members (20%) stated that the government should provide subsidies on essential commodities in utility stores while another 20% asserted that the government should provide subsidies on the electricity bills of domestic consumers. However, only 7% of people chose the provision of low-cost housing schemes as an option.



DISCLAIMER: The views expressed by the survey participants do not necessarily reflect the official viewpoint of the Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan). Furthermore, Gallup Pakistan has conducted this poll according to the ESOMAR Code of Ethics and internationally recognized principles of scientific polling. The results of this Report do not represent views held by the authors or Gallup Pakistan. The results only represent public opinion, computed based on views expressed by anonymous respondents.