

# 7th NFC AWARD

GB is a tax free zone. budget: 1196 bn Bs.

Art: 156: NEC. atleast 2 meetings in 1 year. economic vision.

• NSC by Musharraf.  
Basic function

• NFC → federal finance minister heads it.

→ 4 provincial finance ministers are members.

GB and AJK are state controlled. share given through Federal Consolidated Fund.

7th NFC → historical award.

before it distribution on basis of 82% population.

In 7th NFC, with population → 5% revenue gen,

1% KP for WOT. 46 → 57.5% provincial share. Inverse population density 2.7%.

\* Balochistan max benefit

Punjab	51.74%
Sindh	24.55%
KPK	14.62%
Balochistan	9.09%

population density: no. of ppl living in per sq km.

→ Unanimity principle of NFC.

If one member gives dissenting vote, NFC doesn't pass through.

Inverse population density increases of under developed areas.

→ Ahmed Yousaf Khan of Kallat suspicion of wanting of secede.

→ Zardari: public apology for Balochistan.

Aghaz-e-Hakook-e- " package.

30 Dec, 2009. Shaunkat Tareen: NFC head.

9.9% acc. to new share.

Finance Minister.

83 bn Rs to be given.

Obj raised by Balochis: political advantage, what abt absolute share? depends on total tax revenue.

If share less than 83 bn Rs then remaining amount will be given by Federal govt. said Zaidai.

- vertical distribution: federation
- horizontal " : inter-provincial

→ 15% tax collection to be increased.

→ financial discipline.

→ Provincial tax machinery not upto the mark. (federal is better)

→ Q# NFC decision on 7th award good or not?

In principle, good.

In achieving targets, NO.

→ Inter provincial ~~feed~~ fragmentation increased. benefit to small provinces.

→ Auditor gen. of Pak: accountability of provinces. provinces: not mechanism.

~~Q#~~

→ NFC 30 Dec, 2009, helped in implementation of 19 April, 2010 18th Amendment.

→ human development: responsibility of provinces.

→ state's goal: public welfare through 18th Amendment.

→ GIB Revenue Authority objection.

**"No taxation without representation!"**

GIB resources:  
3.5 bn Rs.  
2002-119.328 bn  
2023 Rs  
total  
budget  
Authorities.  
/ \  
CM GIB  
and Provincial Council  
authority.