

Govt not providing credible financial support since 2005: MD

# PIA 2009 losses seen reducing 25-30pc

**ISLAMABAD:** Minister for Labour and Manpower Syed Khurshid Shah said Pakistan International Airlines (PIA) suffered a massive loss to the tune of Rs35 billion in 2008, and its was still in doldrums; in last quarter, it had a deficit of Rs5.8 billion.

Replying to a supplementary question in the National Assembly on Wednesday the minister, however, said this loss had gradually started reducing.

He hoped this year the loss of PIA would be reduced by 25-30 percent.

Shah said currently there isn't any proposal to procure new aircrafts, however, he

said more planes would have to be purchased in future to meet the growing demand.

Earlier Managing Director, PIA Ejaz Haroon while talking to private news channel had admitted that PIA has turned into a bankrupt institution. He said, PIA, as far as balance-sheet is concerned, is technically bankrupt, that is true, there is no denial to it', adding, the situation had not surfaced in a year or two, rather the institution had been facing crisis since 2000.

In 2000, PIA was going through financial crisis, but as a fact, the government didn't want to close it, so it received support from gov-



PIA suffered a massive loss of Rs35bn in 2008 and had a deficit of Rs5.8bn in last quarter

ernment on multiple occasions.

He further said that PIA suffered a loss of Rs13 billion in 2001 after which a handsome amount was injected by the government into PIA which helped it curtail losses in 2002, 2003 and 2004.

Captain Ejaz had also said that no credible financial support since 2005 from government had pushed the institution towards the state of deterioration.

Khurshid Shah said two new airports are being constructed namely, New Benazir Bhutto International Airport (NBBIA) Islamabad and New Gwadar

International Airport (NGIA).

The NBBIA, he said, will be constructed by CAA through its own resources. The project is estimated to cost Rs37 billion and NGIA will be constructed under the Public Sector Development Programme for which the government has already provided Rs1.5 billion to purchase of land. The project is estimated to cost around Rs7.5 billion.

The minister said PIA had leased a total of eleven aircrafts for Hajj and Umra during last year, while for this year it intends to conduct Hajj and Umra operation through its own fleet. -APP