Poorer, and more unequal

Pakistan's latest Household Integrated Economic Survey (HIES) delivers a shocking—though not unexpected—revelation. Over the last six years (FY19 to FY25), poverty has increased and income inequality has widened between the "haves" and the "have-nots." A large segment of the population is paying a heavy price for successive governments' social and economic mismanagement—especially during the near hyperinflationary period between 2022 and 2024.

In FY19, 15.9 percent of households faced food insecurity; by FY25, this had risen to 24.4 percent. This is a clear indicator of rising poverty, with little room for ambiguity. Notably, the increase in food insecurity has been far sharper in urban areas, where it more than doubled to 20.6 percent in FY25 from 9.2 percent in FY19. While rural households remain poorer overall, the increase in food insecurity there was relatively smaller, rising from 20.0 percent to 26.7 percent.

Overall household earnings, measured in US dollar terms to account for massive PKR depreciation, have declined by 3.4 percent, falling from $305 per month in FY19 to $294 per month in FY25. In real terms, the country has become poorer over the past six years.

The quintile breakdown paints an even bleaker picture. Monthly earnings for the lowest income quintile fell by 12 percent to $150, while earnings for the top 20 percent rose by 7 percent to $499. This divergence highlights the growing vulnerability of poorer households. The trend is also visible in spending patterns: expenditures for the lowest quintile fell by 10 percent to $143 per month, while spending by the top quintile rose by 13 percent to $482 per month.

The gap between income and expenditure reflects household savings. The data clearly shows that savings have collapsed, as most income is now spent—primarily on essentials. Average household savings have fallen to one-third of earlier levels, from $32 per month to just $11 per month. Lower savings translate into lower investment, which partly explains weak capital formation and the widening savings-investment gap (i.e., the current account deficit).

Interestingly, the decline in savings is larger among higher-income households, possibly as they increase consumption to offset inflation and protect living standards in real savings mode.

The much-touted economic "recovery" and "stability" is therefore K-shaped: richer households are recovering, while poorer households continue to fall behind. This divergence has serious implications for the future productivity of Pakistan's young population. Although GDP per capita has edged up from $1,578 in FY19 to $1,606 in FY25, household spending patterns show reduced emphasis on education and health.

The share of consumption devoted to essentials—food, housing, energy, and transport—has increased from 66.6 percent in FY19 to 68.7 percent in FY25. In contrast, spending on health and education has fallen sharply by 19 percent, declining from 7.2 percent to 5.8 percent. Spending on discretionary and other items has largely stagnated, slipping marginally by about 2 percent.

This suggests that while richer households may still afford some discretionary spending, lower-income households are cutting back sharply on health and education. There are increasing indications that even middle-class families are shifting children to lower-tier private schools and postponing medical treatments.

Many readers have personally felt the strain of the past six years and have seen even harder stories among friends and family with lower incomes. Any claim of economic recovery or stability is hollow and incomplete when the quality of life for a population of over 250 million is deteriorating. The HIES findings should serve as a wake-up call for policymakers to refocus on basic food security and education for the masses, rather than relying on headline numbers and optimistic narratives.

Earnings (USD)

Quintiles	FY19	FY25	Change
1st	170	150	-11.9%
2nd	213	197	-7.3%
3rd	230	235	2.3%
4th	276	288	4.3%
5th	466	499	7.0%
Total	305	294	-3.4%

Expenditure (USD)

Quintiles	FY19	FY25	Change
1st	159	143	-10.1%
2nd	159	151	-4.1%
3rd	223	225	0.7%
4th	264	277	4.9%
5th	427	482	13.0%
Total	272	283	4.0%

Prevalence Rates of Food Insecurity

	2018-19	2024-25
Overall Households	16	24
Urban HH	9	21
Rural HH	20	27
Overall Individual	19	28

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Delegation of transporters from Karachi visits LCCI

RECORDER REPORT

LAHORE: A high-level delegation of transporters from Karachi, led by Chairman United Goods Transport Alliance Yaseen Nazir Malik, visited the Lahore Chamber of Commerce and Industry and held a meeting with LCCI President Faheem Ur Rehman Saigol and Senior Vice President Tanveer Ahmed Sheikh. Executive Committee Members of LCCI, Rana Muhammad Nisar and Amir Ali, were also present on the occasion.

The delegation included President Transport Goods Association Muhammad Tariq Gujjar, President Pakistan Goods Transport Alliance Malik Shahzad Awan, and Chairman All Pakistan Goods Transport Alliance Nasir Hussain Jeffery, along with Agha Zulfiqar, Lala Yasir, Abdul Mateen Sheikh, Malik Riaz Awan, Muhammad Umar, Chaudhry Muhammad Khalil, Haji Noor Muhammad Shehwani, Zahir Shah Yousafzai, Chaudhry Maqbool Hussain and Malik Jameel Ahmed.

Speaking on the occasion, LCCI President Faheem Ur Rehman Saigol said that the transport sector is the backbone of the national economy. He stressed that if the goods transport system does not function efficiently, it will adversely affect industrial production as well as the supply of food items and other essential goods. He emphasised the need for the immediate resolution of the genuine issues faced by transporters to fully restore economic activities.

Addressing the meeting, delegation head Yaseen Nazir Malik said that transporters have contacted all chambers of commerce across Pakistan and highlighted the need for transporters and the business community to stand united. He clarified that transporters have never blocked roads; instead, they have suspended their business by parking their vehicles as a form of protest. However, during government events, rallies and sit-ins, a large number of vehicles are stopped, and transporters are later forced to pay heavy fines to get them released. He urged the government to consult transporters' associations before making decisions so that sustainable and practical solutions can be achieved.

PHMA echoes a growing alarm across textile industry

RECORDER REPORT

LAHORE: Pakistan Hosiery Manufacturers Association (PHMA) on Tuesday echoed the growing alarm across the textile industry, warning that the country's export engine is approaching a dangerous tipping point and requires immediate, coordinated intervention.

Aligning with recent concerns raised by industry bodies, PHMA leaders say the continued erosion of competitiveness is now translating into factory slowdowns, workforce reductions and the steady loss of international buyers.

PHMA Zonal Chairman Abdul Hameed said the industry's difficulties are no longer theoretical and are being felt daily on factory floors. He noted that hosiery exporters, despite having capacity and confirmed orders, are struggling to remain viable due to soaring energy costs, delayed refunds and unpredictable policy changes.

According to him, exporters are being priced out of global markets where buyers are extremely sensitive to cost and delivery reliability. He warned that if the current trajectory continues, Pakistan risks surrendering hard-earned market share to regional competitors who offer more stable and cost-efficient production environments.

Former PHMA Chairman Shehzad Azam Khan stressed that the decline in exports should be viewed as a national economic warning rather than a sector-specific complaint. He said textiles, particularly value-added segments like hosiery, are among the few industries capable of generating large-scale employment and foreign exchange simultaneously. Any sustained contraction, he added, directly impacts foreign reserves, exchange rate stability and inflation. He argued that repeated short-term fixes and ad hoc measures have failed to address the core issue of competitiveness and that exporters cannot plan investments or retain buyers in an environment marked by uncertainty.

Former PHMA Zonal Chairman Naseer Butt highlighted the liquidity crunch facing hosiery manufacturers, noting that blocked refunds and rising financing costs have severely restricted working capital. He said many small and medium units are operating below capacity or have temporarily shut down because they cannot sustain production cycles without timely cash flows. Naseer Butt cautioned that closures in the hosiery segment have a cascading impact, affecting yarn suppliers, processors, transporters and thousands of workers linked to the value chain.

PHMA leadership collectively urged the government to treat exports as a strategic priority rather than a residual outcome of macroeconomic stabilisation. The association called for regionally competitive and predictable energy pricing for exporters, streamlined and automated refund mechanisms, and a stable policy framework that allows manufacturers to plan investments with confidence.

PMD rejects claims of extremely cold winter in Pakistan

RECORDER REPORT

KARACHI: The Pakistan Meteorological Department (PMD) on Tuesday dismissed widespread claims predicting an extremely cold winter in Pakistan, stating that both seasonal forecasts and observed meteorological data do not support such assertions.

The PMD said that unverified claims had circulated on social media, in print media, and on television talk shows ahead of the winter season 2025–26. However, these claims were neither backed by PMD's Seasonal Winter Forecast for December to February nor by regional and global climate indicators.

According to the department, observational data recorded so far are fully consistent with PMD's seasonal outlook for DJF 2025–26. The outlook developed using World Meteorological Organization (WMO) - supported regional and global climate prediction systems, projected near-normal to slightly below-normal rainfall, with temperatures expected to remain slightly above normal across most parts of the country.

The PMD reported that observations to date show overall below-normal rainfall, with only limited light to moderate precipitation in western and northwestern regions. Temperatures have remained predominantly above normal, particularly in Gilgit-Baltistan, Khyber Pakhtunkhwa, and Balochistan.

A summary of December 2025 data shows Pakistan received 10.3mm of rainfall against a normal of 15.8mm, reflecting a 34.8 percent deficit, while the national mean temperature stood at 13.8°C, which is 1.2°C above normal. Punjab recorded the largest rainfall shortfall at 73.2 percent below normal, while Sindh saw rainfall 71.7 percent above its long-term average. Temperature anomalies remained positive across all regions.

The department emphasised that the evolving winter conditions remain in close agreement with its pre-season forecast and clearly do not indicate extreme winter conditions.

The PMD advised the public and all stakeholders to rely on its official products for accurate, timely, and scientifically validated weather and climate information.

Daily Nai Baat
روزنامہ نئی بات کراچی

شاہراہوں پر کچرا جلانے کیخلاف سخت کارروائی، ایف آئی آر درج کرنے کا عندیہ

ایس ایم تحریک کی آصف انعام کو ٹیچرز میں ایس ایس جی سی حجتی پر سر اپا

اداروں کے پیشہ وارانہ انداز میں کام کریں، ہر چیلنج سے نمٹا جا سکتا ہے، اکرام راجپوت

یو بی ایل 14 ارب ڈالر کلب میں شامل، پاکستان کی سب سے بڑی لسٹڈ کمپنی بن گئی

375.57 ... 8 دسمبر 2025 ... 514.49

یاگو نے صارفین کیلئے حفاظتی اقدام متعارف کرا دیا

(PSCA) (Flag Priority)

ایل آر بی ٹی کے تحت فنڈ ریزنگ گالف ٹورنامنٹ میں شرکا کا گروپ فوٹو

ایل آر بی ٹی کے تحت نواں فنڈ ریزنگ گالف ٹورنامنٹ

معروف شخصیات، کارپوریٹ تنظیموں کے ذمہ داران اور مخیر افراد کی شرکت

کراچی (اسٹاف رپورٹر) رحمت اللہ بینوولینٹ ٹرسٹ (Layton Benevolent Rehmatullah Trust) ...

اردو یونیورسٹی نے پورے پاکستان میں پہلی پوزیشن حاصل کر لی

کراچی (پ ر) اردو یونیورسٹی آف آرٹس، سائنس اینڈ ٹیکنالوجی ... ہائر ایجوکیشن کمیشن (HEC) کے HEDP منصوبے کے تحت MAKTAB (ERP)، (LMS–Blackboard اور SLcM) ...

ہائر ایجوکیشن کمیشن کی جانب سے منعقدہ تقریب میں شرکا کا گروپ فوٹو

شائن ہیومینیٹی کی خاندانی منصوبہ بندی کی خدمات میں توسیع

کراچی (اسٹاف رپورٹر) شائن ہیومینیٹی (HumanitySHINE) ... (Vital Pakistan Trust) ...

ملکی سلامتی کی آخری جنگ مہاجر قوم لڑے گی، شوکت فاروقی

سندھو دیش اسمیت ملک مخالف ہر سازش کو ناکام بنائیں گے، مہاجر قومی موومنٹ

کے - الیکٹرک کا بجلی کی کارکردگی رپورٹ میں نمایاں کارکردگی