

MINUTES OF THE 25TH MEETING OF THE IMPLEMENTATION COMMITTEE
FOR REORGANIZING THE FEDERAL GOVERNMENT
HELD ON 27-02-2020

The 25th meeting of the Implementation Committee was held on 27-02-2020 at 02:00 p.m. in Institutional Reforms Cell (IRC), the P.M. Office. It was chaired by Dr. Ishrat Husain, Advisor to the Prime Minister on Institutional Reforms and Austerity. The list of the participants is annexed. The agenda of the meeting was as under: -

- (i) Discussion on revamping of Defence Production Division.
- (ii) Briefing by Finance Division on the draft summary on enhancement of salary packages.
- (iii) Briefing by Finance Division on streamlining the process of opening of Assignment Accounts.
- (iv) Progress report by Establishment Division on the selection of Technical Advisors in 17 Ministries / Divisions.
- (v) Discussion on Management Training for ex-cadre officers in the Federal Government.

Agenda Item No.I Discussion on revamping of Defence Production Division

2. On the request of the Ministry the agenda was deferred to subsequent meeting.

Agenda Item No.II Briefing by Finance Division on the draft summary on enhancement of salary packages

3. On the invitation of the Chair, the representative of the Ministry of Finance started the presentation. He presented the different proposals worked out so far for the consideration of the Committee. He stated that it is up to the forum to recommend any of the proposals. He explained details of each option, containing its financial impact on various pay grades. He also addressed the various queries raised by the members of the Committee. In reply to a query, he stated that out of 1.4 million employees in the Federal Government, 1.1 million were already receiving enhanced pay packages and there is a need to enhance the pays of the remaining 0.3 million. After exhaustive discussion, the Committee recommended two proposals with financial impacts of Rs.4.0 billion and Rs.2.9 billion, respectively. Besides this immediate relief, the Committee also directed the Ministry for the immediate constitution of

a PAY & Pension Committee to study and recommend a comprehensive solution for the existing pay discrepancies in Federal and Provincial Governments and also to address the critical problem of rapidly increasing pension payments.

Agenda Item No.III Briefing by Finance Division on streamlining the process of opening of Assignment Accounts

4. The representative of the Ministry explained the procedure for opening of 'Assignment Accounts' and their operationalization which includes placement of ceiling in assignment account and authorization of funds by AGPR to NBP. He stated that this system was introduced in 2008 with lapsability feature and was revised in 2012 and then in 2018. He further explained all the steps for opening of the account and placement of ceiling. The Chair inquired about the reasons due to which it was not possible to start both the processes simultaneously to remove the duplication and make the process faster. He also commented that a number of stakeholders have repeatedly complained to him about extraordinary delays in connection with opening of such accounts. The representatives assured the Committee that they will revise the procedure in the light of direction / guidance as given by the Committee.

Agenda Item No.IV Progress report by Establishment Division on the selection of Technical Advisors in 17 Ministries / Divisions

5. The representative of the Establishment Division stated that filling the post of Technical Advisor was made conditional with the abolishment of a post in the Ministry / Division concerned. The condition has created a logjam as a large number of ministries either did not have similar positions or were unwilling to surrender a permanent post. In order to overcome this conundrum, a summary was submitted to P.M. Office for relaxation / exemption of the condition of surrender of a post. The summary has been approved and now it is expected that the process for filling these posts of Technical Advisor in the remaining Ministries / Divisions would be expedited.

Agenda Item No.V Discussion on Management Training for ex-cadre officers in the Federal Government

6. The agenda was deferred to the next meeting.

Decisions

- i. For immediate relief, the Committee recommended that Finance Division should urgently move the summary for enhancement of salary packages recommending the two options with financial impacts of Rs. 2.9 billion and Rs. 4.0 billion respectively.
 - ii. For the comprehensive rationalization of pay and pension packages, the Finance Division should immediately initiate the proposal for the constitution of a Pay and Pension Commission consisting of *inter alia* the representatives from all the Provinces and from the private sector so that the Commission can come up with recommendations, well before the next financial budget.
 - iii. The Committee directed Finance Division to revise and streamline the procedure of opening of assignment account and make the process faster. The revised process may be shared with Committee, after one month.
 - iv. The forum was informed by the Chair that the Federal Cabinet has desired that all proposals for institutional reforms will first be discussed in the Implementation Committee and the recommendations of the Committee will be placed before the Federal Cabinet for approval. A notification to this effect would be issued by the Cabinet Division for general information.
7. The meeting ended with a vote of thank by the Chair.

**List of participants of the 25th Meeting of Implementation
Committee held on 27-02-2020**

- i. Dr. Ishrat Husain, Advisor to the PM on Institutional Reforms & Austerity, Islamabad.
- ii. Syed Fakhar Imam, Chairman, Special Committee of the National Assembly on Kashmir, Islamabad.
- iii. Dr. Safdar Sohail, Special Secretary, Cabinet Division.
- iv. Mr. Awais Manzur Sumra, Additional Secretary, Establishment Division, Islamabad.
- v. Dr. Arshad Mahmmod, Additional Finance Secretary (Exp), Finance Division, Islamabad.
- vi. Mr. Muhammad Humair Karim, Additional Secretary, M/o Planning Development and Special Initiatives, Islamabad.
- vii. Mr. Saad Fazal Abbasi, Joint Secretary, Finance Division, Islamabad.
- viii. Mr. Muhammad Umer Aziz, Joint Secretary, M/o Law & Justice, Islamabad.
- ix. Mr. Qamar Zaman, Joint Secretary, Institutional Reforms Cell (IRC).
- x. Malik Aman, Deputy Secretary, Finance Division, Islamabad.
- xi. Ms. Lubna Said Ghias, Deputy Secretary (Coord), Establishment Division, Islamabad.
- xii. The Deputy Secretary, IRC, Prime Minister's Office, Islamabad.
- xiii. Mr. Rashid Ahmad, Section Officer, Finance Division, Islamabad.