



SUMMARY ON THE PUBLIC HEARING ON THE IMPACT OF PRIVITISATION AND PUBLIC DEPT IN PAKISTAN

Introduction:

A public hearing on the impact of privatization and public dept in Pakistan was organised by the Friedrich Ebert Stiftung Pakistan (FES Pakistan), in collaboration with Public Service International (PSI) (South Asia) and the Sindh Human Rights Commission (SHRC). It took place on 3rd August 2023 at Avari Towers in Karachi, Pakistan.

This public hearing was organized in the backdrop of a severe economic crisis in Pakistan marked by combination of factors.¹ These include substantial external debt, the implementation of neoliberal strategies, poor financial management, an unfair trade dispute, the repercussions of the covid pandemic, recent inflationary pressures arising from the import of commodities, the destructive floods experienced in 2022, and the growing climate crisis.

Therefore, it became imperative to provide a platform to the people of Pakistan to discuss the intricate impact of privatization and loan conditionalities on service delivery jobs, labour dynamics, and local communities in Pakistan.

The momentous public hearing ignited a crucial discourse within the community. It initiated conversations about the pivotal role of the government in shaping the destiny of service delivery. The event envisioned an alternative panorama for public services, one that embodies inclusivity, equity, and responsive governance.

During the public hearing, PSI affiliates, trade union allies, workers, civil society organisations, peoples' movements, people who use public services, etc presented their testimonies on the impact of privatization and public debt in Pakistan.

The public hearing was chaired by senior judges and economic policy experts, who provided their recommendations after hearing the testimonies of the participants.

The public hearing was a testament to the power of collective engagement. It opened the door to a dialogue that is grounded in real experiences and aspirations, offering insights that guide the trajectory of public services in Pakistan. This summary contains key learnings, insights and recommendations of the panellists.

Layout of the Public Hearing:

The public hearing commenced with opening remarks by Mr. Abdullah Dayo, Program Advisor at FES Pakistan. He extended a warm welcome to all attendees. He greeted the distinguished panellists, PSI officials and affiliates, SHRC members and trade unionists, who had gathered for the public hearing.

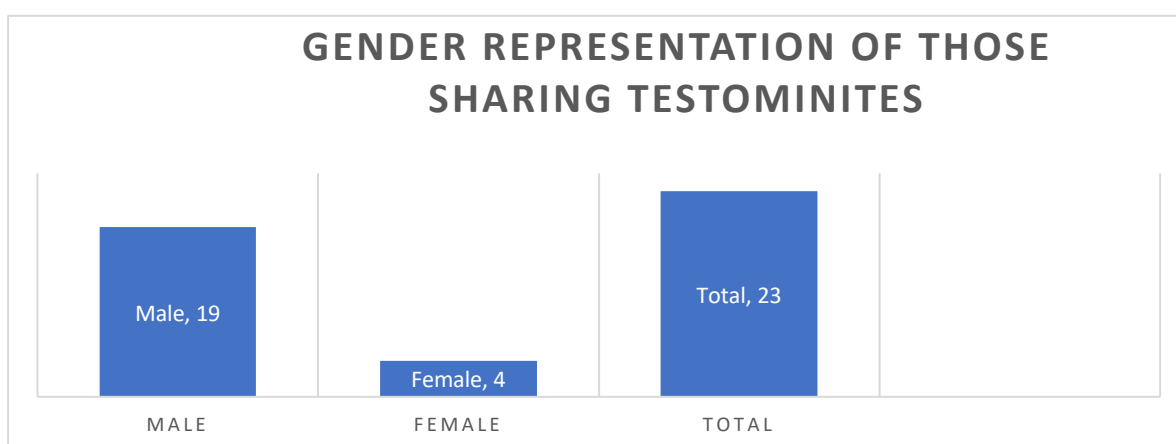
Thereafter, remarks were shared by Mr. Kannan Raman from PSI. He spoke passionately about his concerns regarding the effects of privatization. This was followed by opening remarks provided by Kate Lapin, a dedicated advocate for workers' rights and the Regional Secretary for PSI Asia and the Pacific.

The opening remarks were followed by testimonies of 23 individuals on the impact of privatization and public debt within their communities and across Pakistan. The individuals belonged to various backgrounds, age-groups and genders, bringing a diverse range of experience and expertise on how the privatisation of various sectors withing is having various impacts on public debt.

Finally, the panellists including retired judges (and current judicial members at the SHRC), Legal Expert, Senior Economists, Chairpersons SHRC and Sindh Commission of the Status of Women (SCSW) provided their recommendations based on the testimonies. The public hearing was officially closed by closing remarks and a vote of thanks provided by Mr. Abdullah Dayo.

Peoples' voices on the impact of privatization, service delivery and public services-Sharing of testimonies by the representatives of trade unions and other stakeholders:

The testimonies in the public hearing were shared by 23 individuals, of these 19 were male and 4 were female. The invitation and call for submissions (English and Urdu Languages) for testimonies of individuals were released prior to the public hearing.

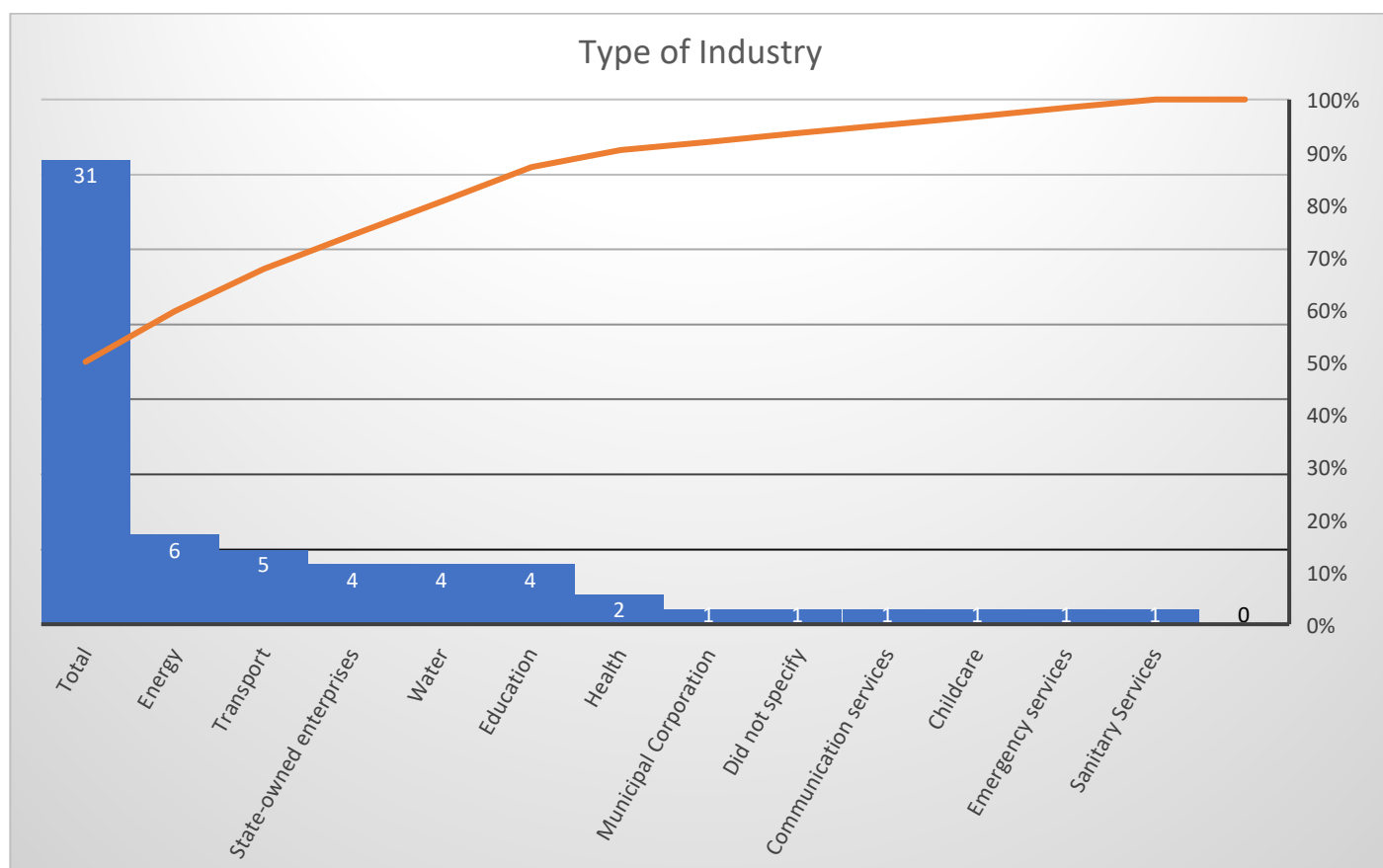


Those that submitted their testimonies belonged to various organisations working on labour rights and various trade unions. At least 2 individuals belonged to All Pakistan Affected Employees Action Committee and Railway Worker Union. Some individuals belonged to two organizations simultaneously, for example, Railway Worker Union and All Pakistan Affected Employees Action Committee. About 7 individuals either gave their testimony in their individual capacity or did not highlight affiliation with any organization. This data is represented in the table below:

Sr.no	Name of Organisation/ Trade Union	Number of Individuals
1.	All Pakistan WAPDA Hydro Electric Workers Union	1
2.	Public Sector Employees Federation of Pakistan	1
3.	All Pakistan Affected Employees Action Committee	2
4.	All Pakistan United Irrigation Employees Federation	1
5.	Sindh Lady Health Workers and Employees Union	1
6.	Not affiliated with any organization/ did not specify	7
7.	Baluchistan Labour Federation	1
8.	Pakistan Civil Association Authority	1
9.	Railway Worker Union	2
10.	LDA Employees Union	1
11.	National Trade Union Federation	1
12.	Authority Labour Federation	1

13.	Pakistan Federal Union of Journalists (PFUJ)	1
14.	All Pakistan Local Government Workers Federation	1
15.	Pakistan Institute of Labour Education and Research (PILER)	1
Total	14	23

The individuals submitted their testimonies related to 11 different industries. One individual selected all the industries stating: “ We are against privatization because it increases the hardships of workers. Privatization in this era of inflation is the same as economic/financial murder of the workers”. This highlighted that some showed complete disapproval of privatization across all industries. Meanwhile some selected two industries, for example ‘water’ and ‘state-owned enterprises’ to more accurately represent their type of industry. Some chose two completely differently industries, such as ‘water’ and ‘education’. Some added their own industries to the data, such as ‘municipal corporation’. This data is represented in the table below:



As seen in the chart above, at least 6 individuals selected ‘energy’, 5 selected ‘transport’, whereas 4 selected ‘water’, ‘education’ and ‘state-owned enterprises’. About 2 selected ‘health’ and 1 selected ‘communication services’, ‘childcare’, ‘emergency services’ and ‘sanitary services’ each. However,

the rest of the participants did not select or specify their category. However, based on the reading of the testimonies, one mentioned ‘civil aviation’ in their testimony, which can be categorized as a part of the ‘transport’ category.

Upon hearing the testimonies, the panelists provided their recommendations. Below is a summary of the key recommendations.

Summary of Key Recommendations:

- It is important to strike a balance between public-centric and private-centric approaches when considering privatisation.
- It is necessary to adopt collaborative efforts aimed at safeguarding workers' rights, advocating for a harmonious coexistence of both sectors for the nation's development.
- Comprehensive planning and procedural diligence should be conducted before embarking on any privatization endeavours.
- The protection of labour rights and state-owned profits must remain central during the process of privatisation.
- Before privatisations are done, clear mandates that align with national interests, contributing to increased foreign reserves and prioritizing economic growth through amplified exports should be ensured.
- It is important to ensure inclusion of women and trans individuals in policy-making processes.
- It is imperative to bridge the gender gap and effectively address the complex challenges of gender inequality and harassment.
- It is necessary to integrate women and trans individuals into policies to foster inclusivity and equal opportunities. Proactive measures must be taken to ensure that privatization processes do not inadvertently perpetuate or exacerbate existing gender inequities.
- Unsustainable public debt often has a negative impact on human rights and gender equality. Pakistan ranked at 142 out of 146 countries in the WEF's Global Gender Gap Index Report 2023. Women should be involved in public service leadership roles with an emphasis on public debt to ensure wider opportunities for them.

- The UN Independent Expert on Foreign Debt and Human Rights in 2018 noted that women in poor households spend more of their time performing unpaid care work than women in non-poor households. Therefore, cutting care services in the face of high debt servicing costs directly and disproportionately impacts women's lives.
- The SHRC can play a key role as it has newfound powers on "Business and Human Rights" under the Sindh Protection of Human Rights Act 2011 (and 2023 Amendment) to address human rights abuses within both public and private entities. This extended to the inclusion of labour laws in the scope of legal aid services.
- It is imperative to appoint female labour inspectors to ensure that the rights of women are upheld.
- To ensure the importance of transparency, child labour surveys should be published. This will put an end to child labour. Further, to eliminate child labour, dedicated committees must be established.
- Labour-related recommendations must be adopted into the Universal Periodic Review.
- Bonded labour system must be suspended as envisioned under the ILO Convention 44 and the Sindh Bonded Labour System (Abolition) Act 2015.
- Free legal aid should be provided in labour cases. Workers should report grievances. Further, a hotline for reporting non-payment or minimum wage violations must be established.
- The SHRC possesses the authority to refer labour related matters to other non-judicial mechanisms, including the provincial ombudsman. This interconnected approach ensures a comprehensive response to human rights violations, enabling a collaborative effort to address these critical issues.

Conclusion:

The 'Public Hearing on the Impact of Privatization and Public Debt in Pakistan' was a remarkable event that brought together all the relevant stakeholders to discuss the impact of hastily privatisations and its impact on the people of Pakistan. The panellists provided key recommendations that must be taken into account in order to ensure a peaceful, just and equitable society.