

**REPORT NO. 03 / 2021**



**REPORT OF THE SENATE STANDING COMMITTEE ON  
PETROLEUM ON A POINT OF PUBLIC IMPORTANCE  
REGARDING CANCELLATION OF LEASE AGREEMENTS OF  
COAL MINES IN BALOCHISTAN AND PMDC'S  
ADVERTISEMENT FOR LABOURERS RAISED BY SENATOR  
MANZOOR AHMED KAKAR DURING SITTING OF THE  
SENATE HELD ON 3<sup>RD</sup> JUNE, 2021**

**PRESENTED BY:**

**SENATOR MUHAMMAD ABDUL QADIR  
CHAIRMAN COMMITTEE.**



## SENATE SECRETARIAT

### REPORT OF THE STANDING COMMITTEE ON PETROLEUM ON THE POINT OF PUBLIC IMPORTANCE REGARDING THE CANCELLATION OF LEASE AGREEMENTS OF COAL MINES IN BALOCHISTAN AND PMDC ADVERTISEMENT FOR LABOURERS RAISED BY SENATOR MANZOOR AHMED KAKAR.

1. Senator Muhammad Abdul Qadir, Chairman Standing Committee on Petroleum has the honor to present on behalf of the Committee, this report on the point of public importance regarding cancellation of lease agreements of coal mines in Balochistan and PMDC's advertisement for labourers/ contingent staff, raised by Senator Manzoor Ahmed Kakar during the sitting of the Senate held on 3<sup>rd</sup> June, 2021 and referred to the Standing Committee for consideration and report.

2. The composition of the Committee is as under:-

1.	Senator Muhammad Abdul Qadir	Chairman
2.	Senator Fida Muhammad	Member
3.	Senator Mohsin Aziz	Member
4.	Senator Aon Abbas	Member
5.	Senator Prince Ahmed Omer Ahmedzai	Member
6.	Senator Sarfaraz Ahmed Bugti	Member
7.	Senator Qurat ul Ain Marri	Member
8.	Senator Engr. Rukhsana Zuberi	Member
9.	Senator Saadia Abbasi	Member
10.	Senator Afnan Ullah Khan	Member
11.	Senator Atta ur Rehman	Member
12.	Senator Kauda Babar	Member
13.	Minister for Energy	Ex-officio Member

3. The Committee took up the issue in its meeting held on 26<sup>th</sup> July, 2018 which was attended by the following members:

1.	Senator Muhammad Abdul Qadir	Chairman
2.	Senator Fida Muhammad	Member
3.	Senator Mohsin Aziz	Member
4.	Senator Aon Abbas	Member
5.	Senator Prince Ahmed Omer Ahmedzai	Member
6.	Senator Sarfaraz Ahmed Bugti	Member
7.	Senator Engr. Rukhsana Zuberi	Member
8.	Senator Saadia Abbasi	Member
9.	Senator Afnan Ullah Khan	Member
10.	Senator Kauda Babar	Member
11.	Senator Sardar Muhammad Shafeeq Tareen	Special Invitee

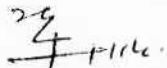
4. Senator Sardar Muhammad Shafeeq Tareen informed the Committee that according to the lease agreement for coal mines in Balochistan, the rate of royalty is increased @ 5% annually. But now the PMDC has increased it to 20% due to which a number of lease holders have stopped

work on the coal mines in Balochistan. He also informed that PMDC has published an advertisement in the press for appointing a third party service provider for contingent staff. He was of the view that contingent employment is the right of locals but by placing the advertisement in the press for the same, it will deprive the locals of their rights. He requested that the advertisement should be withdrawn and the services of existing contingent workers should be regularized.

5. The MD, PMDC informed the Committee that the Board of Directors, PMDC has observed that the net margins being received from the lease holders is not adequate as compared to the market price and has advised the management to negotiate improved margins formula. He stated that accordingly negotiations are going on with the contractors in this regard but no lease agreement has been cancelled by PMDC. He also informed that the Board has asked the management to streamline the contingent staff issue by appointing a reputed third party service provider. He assured that this arrangement will not deprive the locals of employment opportunities. The Secretary Petroleum Division requested Senator Sardar Muhammad Shafeeq Tareen to give him his points/observations in writing and he will place the same before the BoD of PMDC for consideration.

6. The Committee observed that the issue of coal mines workers is very important. The Committee was of the view that in most of the coal mines the safety measures for workers are not adequate and needs to be improved and up-graded. The Committee directed the Secretary Petroleum to place the issues raised by Senator Sardar Muhammad Shafeeq Tareen before the BoD of PMDC for speedy and sympathetic consideration. The Committee also directed that the Secretary Petroleum may hold a meeting with the Chief Secretaries of the Provinces to review the safety measures taken/being taken for the coal mines workers and to devise a monitoring mechanism for the same.

7. **Recommendation:** After thorough discussion, the Committee disposed off the matter with direction to the Secretary Petroleum Division to place the issues raised by Senator Sardar Muhammad Shafeeq Tareen before the Board of Directors of PMDC for speedy and sympathetic consideration. The Committee also directed that the Secretary Petroleum may hold a meeting with the Chief Secretaries of the Provinces to review the safety measures taken/being taken for the coal mines workers and to devise a monitoring mechanism for the same.

  
(RAFIULLAH)  
Secretary Committee

Islamabad, the  
28<sup>th</sup> July, 2021.

  
( SENATOR MUHAMMAD ABDUL QADIR )  
Chairman Committee