

**TOP-PRIORITY
PERSONAL ATTENTION**



No. FD.SO(GOODS)44-4/2016
GOVERNMENT OF THE PUNJAB
FINANCE DEPARTMENT

Dated Lahore, the: 27th August, 2020.

To,

1. The Chairman, Planning & Development Board, Punjab.
2. The Senior Member, Board of Revenue, Punjab.
3. The Secretary to Governor, Punjab, Lahore.
4. The Secretary to Chief Minister, Punjab, Lahore.
5. All Administrative Secretaries to Government of the Punjab.
6. The Registrar, Lahore High Court, Lahore.
7. The Secretary to Provincial Assembly, Punjab, Lahore.
8. The Secretary, Punjab Public Service Commission, Lahore.
9. All Divisional Commissioners in the Punjab.
10. All Deputy Commissioners in the Punjab.
11. The Chief Pilot, VIP Flight, Lahore.
12. The Chief Inspector of Treasuries, Punjab, Lahore.
13. The Provincial Director, Local Fund Audit, Punjab, Lahore.
14. All Heads of Attached Departments in the Punjab.
15. All Heads of Autonomous Bodies / Corporations / Public Sector Companies in the Punjab.

Subject:- AUSTERITY / ECONOMY MEASURES FOR THE FINANCIAL YEAR 2020-21.

Sir,

I am directed to refer to the subject noted above and to state that the Provincial Government has decided to observe utmost austerity in usage of public money through prudent financial management, observance of financial discipline, judicious reduction of the expenditures without compromising the essential and core organizational functions/activities. Expenditures shall be required to be realigned with the organizational goals to make them target-based, cost effective and efficient.

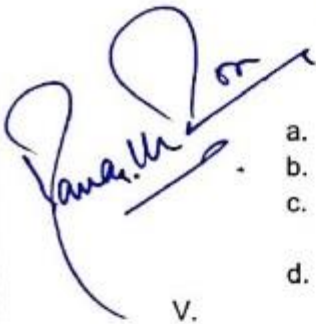
2. In pursuance of approval of Standing Committee of the Cabinet on Finance & Development in its 38th meeting held on 05.08.2020, the Provincial Government has decided to introduce the following economy measures during the financial year 2020-21, which shall be applicable on all **Government Departments, Lahore High Court, Local Governments, Public Sector Companies & Authorities, Autonomous Bodies, Attached Departments and Special Institutions** with immediate effect:

1. **Placement of Funds in Bank Accounts of Entities:** Unnecessary parking of public funds provided by the Provincial Government from its budgetary allocation in the commercial bank accounts of Companies, Authorities, and Autonomous


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SO(GOODS/LAW)
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Bodies shall not be allowed. Finance Department will release funds to such entities in relevant SDAs or through normal release mode. These funds will be further transferred from SDAs into commercial bank accounts of such entities as per cash flow requirements of entities to avoid un-necessary parking of funds.

- II. **Air Travel:** There shall be a complete ban on foreign visits of Ministers, MPAs and Government Officers / Officials through Government funding. Cases for foreign visits shall be placed before the Austerity Committee for its recommendations and subsequent approval of the Chief Minister through submission of a Summary. The Provincial Ministers and Civil Servants while undertaking official tours shall travel in "Economy Class" on domestic flights. For International visits, ministers shall travel in one class below their entitlement.
- III. **Treatment Abroad:** There shall be a complete ban on treatment abroad at Government's expense. However, under inevitable situations, approval of the Chief Minister will be required for treatment abroad on Government's expense.
- IV. **Ban on Purchase of New Vehicles:** There shall be a complete ban on procurement of locally assembled new and imported vehicles out of current and development budgets. Under un-avoidable circumstances, the vehicles, **except listed below**, shall be procured with the prior concurrence of the Austerity Committee and subsequent approval of Chief Minister through submission of a Summary:
- a. Ambulances for Hospitals;
 - b. Buses and Coasters for Educational Institutions;
 - c. Tractors / Trolleys, Dumpers, Water Bowsers, Fire Fighting Vehicles, Flood Relief & Rescue Equipment(s) / Vehicles;
 - d. Motorcycles.
- V. **Ban on Purchase of Air Conditioners:** Air Conditioners shall not be allowed to be procured except with the prior approval of the Austerity Committee.
- VI. **Ban on Furnishing of Houses and Discretionary Grants to the Provincial Ministers:** The earlier withdrawal of furnishing grants allowed to the Provincial Ministers for furnishing their houses and discretionary grants shall remain withdrawn during financial year 2020-21.
- VII. **Contingent Paid Staff:** Contingent Paid staff can be hired only in extremely emergent cases according to powers specified in delegation of Financial Powers Rules, 2016. However, departments shall remain within the budgetary allocations for the purpose under object head "A01277-Contingent Paid Staff". Moreover, no additional funds as supplementary grant shall be provided for this head during financial year 2020-2021 and no re-appropriation shall be allowed/made without recommendation of the Austerity Committee.
- VIII. **Ban on Up-gradation of Posts:** There shall be a complete ban on all types of up-gradation of posts except the powers delegated under Delegation of Financial Powers Rules, 2016.



Workshops/Seminars: There shall be a complete ban on holding workshops/seminars in five (05) star hotels through Government funds.

- X. **Advertisement Charges:** Advertisement Charges for development projects would be met within the project cost only and departments/autonomous bodies shall not charge such expenditure to the non-development budget.
3. Strict Compliance of the aforesaid austerity measures shall be ensured by all concerned for the financial year 2020-21.
4. The above instructions / guidelines supersede the ones earlier issued on this subject vide this Department's letter No.FD.SO(GOODS)44-4/2016 dated 09.08.2019

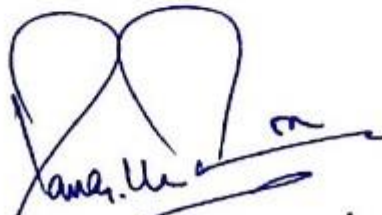


(ABDUL SABOOR THAKUR)
SECTION OFFICER (GOODS/LAW)

No. & Date Even:

A copy is forwarded for information & necessary action to:-

1. The Accountant General, Punjab Lahore.
2. All District Accounts Officers in the Punjab/TO, Lahore.
3. All Officers in the Finance Department.



(ABDUL SABOOR THAKUR)
SECTION OFFICER (GOODS/LAW)