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**The plight of steel workers**

The indifference of Pakistan’s ruling elite towards the plight of Pakistan Steel Mills’ workers is deplorable and reflects their hypocrisy.

When they are in opposition, they make solemn promises to serve the toiling masses and people on the bottom layer of social stratification but once they are in power, they tend to serve cartels, the vultures of private capital and the most powerful elements of society. For them then the hapless masses no more exist.

The wretched souls populating our remote areas, impoverished villages and inhuman dwellings called slums become invisible for them. The elite suffer from a strange kind of dementia that only makes them remember their donors and financial backers. The rest is consigned to the dustbin of history.

This is what happened to thousands of workers of the Pakistan Steel Mills, who were given assurances by PTI leader Asad Umer and its chief Imran Khan regarding the restoration of the PSM and payment of their outstanding dues.

Khan would often taunt Nawaz Sharif, wondering why the largest industrial unit was incurring unimaginable losses while the manufacturing facilities of the Sharifs were churning out profit. Kaptaan had promised to turn it into a profitable entity and look after the marginalised section of society but unfortunately the beacon of hope has turned out to be a messenger of despair and hopelessness.

Today, not only are the workers of the Steel Mills suffering but millions others are as well. Under Khan’s government, they have witnessed nothing but a skyrocketing price hike, demolition of their little abodes in various slums of the country and unemployment of more than a million people which is likely to increase towards the end of this year. The much-vaunted conversion of the prime minister, governor and chief minister houses into places of learning is yet to be materialised.

But let us focus on the demise of the Steel Mills. This was the jewel of Pakistan’s industrial world. The pride of thousands of workers who turned it into a profit-earning entity through their industrious efforts. The source of revenue for state and its exchequer. Its destruction has raised several questions and anyone who loves this country and believes in its bright future must ponder over the factors that led to its decline.

Pakistan Steel was inaugurated in the 1970s, starting production in 1985. Despite having the capacity to produce 1.1 million, the production facility – spreading over more than 19000 acres of land – has been lying dysfunctional for years. All of its 20 processing plants have come to a halt. More than 5000 tons of metals jus went wasted. Top officials of the government, trade unionists and vested interests from private capital all played a role in destroying this national asset. It is the workers of this industrial entity who suffered a lot because of this plundering.

At one time, the facility offered employment to more than 23,000 workers. Thousands of others were also affiliated with the PSM indirectly. But today they are all without the source of their livelihood. Those who plundered this national asset may enjoy a luxurious life but the toiling labourers who worked day and night to make it functional are living in abject poverty.

Those who retired in 2013 have not been paid their gratuity and the employees who retired in 2015 have been without gratuity and provident fund. The number of such unfortunate workers is 6,000. Around 900 are set to retire this year, adding to the number of unfortunate souls. Medical allowance of the employees has almost been non-existent for years and the PSM’s only hospital is also facing shortage of everything. No one seems to be accountable for the Rs40 billion embezzled amount collected under the head of provident, benevolent and gratuity funds.

But this was not always the case. After the Pakistan Steel Mills was inaugurated in the mid-1980s, its productive capacity was gradually to be raised to three million tons. The (former) USSR, which had gifted this national asset, had shown an interest in establishing another industrial facility but Zia’s government not only ignored that offer but also failed to make any effort to raise capacity.

That could have been because people in his government were firm believers in a free market economy, and did not want the state to do business despite the fact that the facility was gifted by a socialist state that not only ran businesses but turned a devastated country in 1945, which lost 27 million people and suffered one of the biggest invasions of history, into the second most industrial country of the world in 1956. Unfortunately, all governments after Zia also seemed to have blind faith in the gospel of the free market, defunding state entities and leaving everything at the mercy of the market.

This philosophy greatly harmed the industrial facility in the coming years and decades. The PSM could not earn profit between 1985 and 1996 but it was not incurring huge losses either and a few steps by the government in 1997 turned it into a profit-making entity for the following years. This proves that if the state wants, it can not only do business but can do it successfully.

According to an investigative report published a few years ago, “In 1999-2000, the Mills made an annual loss of 1.141 billion rupees, taking its total accumulated losses to 9.326 billion rupees. By 2005, the accumulated losses were all gone. On the other hand, the Mills had an accumulated profit of 4.866 billion rupees. The production capacity also increased in that period: from 76 per cent in 1999-2000 to 86 percent (in 2000-2001); 81 percent (in 2001-2002); 92 percent (in 2002-2003); 94 percent (in 2003-2004) and 89 percent (in 2004-2005).”

In 2005, the government again decided to privatise Pakistan Steel. Governments in Pakistan have always claimed that they want to privatise loss-making entities. So under what moral authority did they decide to sell off an industrial entity that had become a profit-making entity? It was this ill intention of the ruling elite that pushed the PSM towards the verge of destruction in coming years to justify its privatization.

The 2008-13 tenure of the PPP witnessed the worst time for the Pakistan Steel Mills. In the financial years 2006-2007 and 2007-2008, it was running at a capacity of 82 percent and 89 percent, respectively. Its net annual profit stood at 3.159 billion rupees in 2006-2007 and at 2.081 billion rupees in 2007-2008. In the following year, the production capacity fell to 65 percent. The PSM incurred a loss of 26.526 billion rupees in 2008-2009. By the end of 2012-2013, its productive capacity had fallen to 12 percent.

Today the vultures of private capital are again advocating the privatization of the Pakistan Steel Mills but experience shows that a little effort on the part of the government in 2015 pushed production to 60 percent of its capacity; the Sui Southern Gas disconnected gas connection after that, bringing it to almost a complete halt. It is interesting to note that a private power facility owes more than 90 billion rupees to a gas supply company but it did not dare disconnect its supply.

So, instead of selling this national asset, the government should make hectic efforts for its restoration. After the 18th Amendment, there is no point in retaining several ministries at the federal level. The state can abolish these ministries, diverting money towards entities like the PSM to make it functional. That is the only way to end the suffering of the workers. Governments have spent more than Rs1400 billion on less important projects like the Motorways since the 1990s. Even a little percentage of this with sincere efforts could be enough to make the Pakistan Steel Mills functional again.

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