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Strengthening Democracy and Democratic Institutions in Pakistan

Employment and Labour Market Issues in Punjab: Current Situation and Way Forward

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Pakistan Institute of
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PREFACE

Pakistan faces the challenge of weak enforcement of labour laws at both Federal and Provincial levels. Keeping in view the post 18th Amendment scenario, there is an urgent need to increase awareness levels among legislators about labour issues, importance of complying with international labour standards and related labour rights.

In this regard, this paper has been commissioned by PILDAT and authored by **Dr. Sabur Ghayur**, Chairman, Centre for Labour Advocacy and Dialogue (CLAD), Islamabad. The paper, PILDAT hopes, will contribute to building the capacity of Pakistani Parliamentarians and policymakers to develop legislation and policy on labour issues. With increased levels of awareness, policymakers and Parliamentarians will be able to improve their mechanisms of enforcing labour laws in Pakistan.

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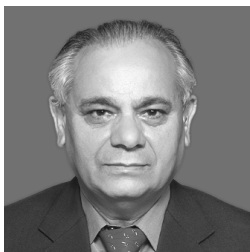
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Islamabad
June 2014

ABOUT THE AUTHOR



Dr. Sabur Ghayur is the Founding Chairman of the Centre for Labour Advocacy and Dialogue (CLAD), which was established in 2009. He carries over 35 years of experience in the field of management, research and training. He has authored more than 80 research papers out of which 70 have been published covering topics such as child labour, trade unions, industrial relations system, laws and administration, international migration, labour market information system, etc. Dr. Sabur Ghayur led the team that developed the first National Employment Policy of Pakistan in 2008, developed the first National Employment Strategy of Afghanistan in 2012 (draft), and developed the first National Emigration Policy of Pakistan in 2009. He has written over a dozen books as well as newspaper articles numbering over 155. Dr. Sabur Ghayur holds a PhD in Economics from the Southern Pacific University, Los Angeles, USA.

INTRODUCTION

Creation of environment that fosters generation of full and productive employment under decent work¹ conditions is critical for not only pulling working women and men out of poverty but for sustaining a benevolent socio-economic development. Social development and well-being of all, without any discrimination, has now come to be globally accepted as a “pre-requisite” to the progress of human society. This realization has been reinforced in the wake of global transformation and market-led liberalization. Human capital base, educated and trained workforce together with improved Human Development Indicators (HDIs) is critical for competitiveness and global standards' compliance.

The Constitution of Pakistan lays the foundation for a “rights-and commitment-based” approach. It declares the “State” responsible for enabling people to be engaged in employment. It also enshrines “just and humane conditions of work” together with developing a social security system that covers infirmity, sickness and unemployment. Its article-11 prohibits all forms of slavery, forced labour and child labour.

Indeed, the Constitution precludes the possibility of any gender based discrimination: article-25 guarantees that:

- i. All citizens are equal before law and are entitled to equal protection of law
- ii. There shall be no discrimination on the basis of sex alone, and
- iii. Nothing in this article shall prevent the State from making any special provision for the protection of women and children.

Article-37 provides for just and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex, and for maternity benefits paid to women in employment. Furthermore, its article-34 provides that “*steps shall be taken to ensure full participation of women in all spheres of national life.*”

The Industrial Relations System (IRS) provides enabling ground for a participatory work environment duly supported by regulatory framework and a mechanism that governs workplace relations. It also ensures a functioning bi- and tri-partism.

Indeed, a participative and mutually respecting industrial relations advance cooperation, enhance productivity and promote trust thereby reducing antagonism and exploitation. Whereas, employers' and workers' organizations are the key players in the IRS, an enabling environment is no doubt provided by the public policy and institutions.

The industrial relations need to be developed in such a manner that they promote harmony, peace, cooperation and collaboration amongst the two important players, namely: the employers and workers. Furthermore, it has to accompany well defined dispute settlement mechanism. Indeed, pursuit of a participatory approach for the whole process is critical. It is, for example, crucial in building consensus on employment protection, social security and nature and extent of labour market flexibility.

1. Decent work is defined by the ILO as comprising of: i) freedom, equity, security and rights. The four pillars are: employment creation and enterprise development, ii) social protection, iii) standards and rights at work, and iv) governance and social dialogue.

Decent Work

The Decent Work (DW) is defined by the International Labour Organisation (ILO) and endorsed by the international community as productive work for women and men in conditions of:

- i. Freedom
- ii. Equity
- iii. Security, and
- iv. Human dignity

The DW involves opportunities for work that is: productive and delivers a fair income, provides security in the workplace and social protection for workers and their families, offers prospects for personal development and encourages social integration, gives people the freedom to express their concerns; to organize and to participate in decisions that affect their lives, and guarantees equal opportunities and equal treatment for all.

Global Importance Attached to Decent Work

At the 2005 World Summit of the United Nations General Assembly, heads of State and Government of more than 150 countries made a commitment to implement a wide-ranging international agenda requiring global, regional and national action. In paragraph 47 of the 2005 World Summit Outcome, they declared:

This commitment was reaffirmed in July 2006 at the high-level segment of the substantive session of the United Nations Economic and Social Council (ECOSOC) on the theme of “creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all and its impact on sustainable development.”

“We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all, including women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies, as part of our efforts to achieve the Millennium Development Goals.”³

The ECOSOC Ministerial Declaration recognized DWA as an important instrument for achieving the objective of full and productive employment and decent work for all and resolved to make that objective central to their relevant national and international policies and national development strategies, as part of their efforts to achieve the internationally agreed development goals.⁴ Consequently, the whole multilateral system - including the funds, programmes

The four pillars of the Decent Work Agenda (DWA) which are inseparable, interrelated and mutually supportive are: i) promoting employment by creating a sustainable institutional and economic environment, ii) developing and enhancing measures of social protection – social security and labour protection – which are sustainable and adapted to national circumstances, iii) promoting social dialogue and tripartism, and iv) respecting, promoting and realizing the fundamental principles and rights at work, which are of particular significance, as both rights and enabling conditions that are necessary for the full realization of all the strategic objectives.²

and agencies of the United Nations system – was requested, and International Financial Institutions (IFIs) as well as the World Trade Organization (WTO) invited to support efforts to mainstream the goals of full and productive employment and DW for all in their policies, programmes and activities.

It is also important to point out that these areas are now critical for market access, which is increasingly linked with standards' compliance in the wake of globalization. Labour standards - integral part of the DWA - are important in the continued access of Pakistani products under preferential EU-Generalised Scheme of Preferences (GSP) + facility.⁵

2. ILO Declaration on Social Justice for a Fair Globalization, International Labour Conference 97th Session, Geneva 2008.

3. United Nations General Assembly Resolution 60/1 of 16 September 2005.

4. Report of the United Nations Economic and Social Council for 2006 (A/61/3).

5. The EU GSP + granted to Pakistan in December 2013 and became effective on 1st January 2014 is contingent upon compliance to 27 global standards in the area of: labour, human rights, environment and governance.

18th Constitutional Amendment and Labour-Related Provincial Responsibilities

The passage of 18th Constitutional amendment by the National Parliament in the year 2010 is a milestone in the legislative history in the country. The amendment, besides making the Constitution truly reflective of the aspirations of the federating units as well as general public, has also provided the long-awaited autonomy to the Provinces.

Punjab Labour Policy 2014 (draft)

Responding to the responsibilities and challenges, the Labour and Human Resource Department (LHRD) has prepared through a consultative process the first labour policy of the province. A draft of the policy was also shared with delegates - over 500 including over 70 from the SAARC countries – of South Asia Labour Conference (SALC) held in April 2014 in Lahore. This Policy is expected to be announced in the third quarter of 2014. Following section provide details about the policy.

The statement of “objects and reasons” of then proposed bill clearly stated that “*the equilibrium established by the Constitution between various organs of State was disturbed which led to weakening of democratic institutions ... deprived the Provinces of their legitimate Constitutional rights in governance and utilization of their natural resources. We are happy that the “legitimate Constitutional rights of the provinces stand restored.”*

The amendment touching upon 98 articles and two schedules of the Constitution also deleted the “concurrent” legislative list that had 47 entries inclusive of six related to employment and labour areas. The six entries that covered labour-related matters are as under:

- 1) Number-26: concerning welfare of labour, conditions of labour, provident fund, employers' liability, workmen's compensation, health insurance including invalidity pensions and old age pension,
- 2) Number-27: concerning trade unions; and industrial and labour disputes,
- 3) Number-28: concerning setting up and carrying out of labour (employment) exchanges, employment information bureaus and training establishments,

- 4) Number-30: concerning regulation of labour and safety in mines, factories and oil fields,
- 5) Number-31: concerning unemployment insurance, and
- 6) Number-45: concerning inquiries and statistics for the purpose of any matters in this list.

The legislative, policy and programme making, enforcement of laws and regulations in these labour related matters now fall under the domain of the Provinces.

A Brief Discussion on the Draft Punjab Labour Policy

The Labour Policy (LP) takes into consideration relevant Constitutional provisions and need for meeting international obligations by virtue of ratification of the ILO Conventions by the Government of Pakistan including its 12 fundamental Conventions. The policy also looks into meeting other international standards' compliance for greater access and penetration in the global market.

The vision of the LP is “*productive and remunerative employment opportunities in conditions of freedom, equity, security and rights fully protected.*” The mission set by the policy is “*a framework regulating employment and working conditions, and simultaneously augmenting economic activities, enterprise growth and productivity.*” The goal of the policy is “*making effective contribution towards building and sustaining a solid foundation for sustained industry, decent employment and economic growth in conditions of equity and social justice in the province.*”

The objectives of the policy are:

1. Improved working conditions demonstrating decent wages, minimum wage, accepted working hours, and health and safety measures
2. Employment creation with a stress on gender equality, employability (appropriately skilled and educated), and eradication of child and bonded labour
3. Social safety nets for the employed and their family members that include health insurance, pension, workmen's compensation, education and training, and maternity benefits
4. A functioning bi- and tri-partism with unions undertaking collective bargaining but with a focus on enterprise growth and productivity
5. Dispute settlement mechanisms that also incorporate alternate dispute settlement procedures
6. A level playing field and partnership based work relation and promoting “*fair (labour) practices*”
7. Policy coherence with industry, trade, investment/FDIs, education and TVET

Some of the salient features of the policy are:

- i. Reserving 33 per cent quota for women workers in all the tri-partite structures of labour-related institutions

- ii . Tackling multiplicity and mushrooming of unions at enterprise level
- iii . Re-inforced efforts for the elimination and rehabilitation of child and bonded labour
- iv . Extension of social security and workers' welfare benefits in phases to: contract workers, home-based workers, brick kiln workers, domestic workers, and working women and men in informal sector and agriculture
- v . Simplification and codification of labour laws
- vi . Ensuring occupational safety and health of working women and men through revamped inspection machinery, awareness creation, better equipped and resourced institutional structure, and establishment of provincial occupational safety and health council
- vii . Promoting tri-partism and making Provincial Tripartite Labour Conferences (PTLCs) a regular feature of the Government
- viii . Development of Alternate Dispute Resolution (ADR) mechanism that is exclusively for the work place related matters
- ix . According recognition to the right of employers with regard to: enterprise relocation, shift in production pattern, and hiring and firing but with due safeguards to workers
- x . Lending support for strengthening market-based design and delivery of vocational training
- xi . Introduction of “*Matric Vocational*” stream in secondary education
- xii . Tapping vast employment potential overseas, and
- xiii . Development of a comprehensive system of vocational guidance, career counselling, job placement, and labour market information and analysis.

This policy aims to make a significant contribution towards greater access and penetration in the market overseas through demonstrating compliance not only to labour but environmental standards at the work places.

The policy focuses on its effective implementation, a mechanism for monitoring implementation and yearly review to make necessary changes, if needed, to the emerging realities. It also stresses greater cooperation with policies, strategies and programmes of other provincial departments to foster synergies.

Employment and Labour Market Situation

National

The unemployment rate in the country has been hovering 5-6 per cent for years. (Table 1). This rate, however, is not reflective of the true nature and extent of underutilized workforce of the country. The pattern of employment points out serious issues besides gender imbalances (Tables 2-8). The share of industry in employment is about a-fifth; it absorbs 26.2 per cent of the males and 13.2 per cent of the females (Table 2). It may be pointed out that normally better wages and improved working conditions are associated with employment in the industry and manufacturing.

More than two-fifths are employed in the agriculture; it is however 74.9 per cent for females (Table 3). Whereas, service sector absorbs 35 per cent of the employed; the share of males and females respectively is 40.7 per cent and 13.9 per cent (Table 4). The share of wage and salaried employed is 39.8 per cent; it is 43.8 per cent for males and 24.9 per cent for females (Table 5). The own account workers are 34.9 per cent; the share of males and females respectively is 40.1 per cent and 15.9 per cent (Table 6). The non-agriculture informal sector dominates employment scene absorbing 73.3 per cent of the employed. The gender gap in the informal sector employment is minimal (Table 7). The employed working over fifty hours a week are 36.3 per cent; females are less in this category as only 7.3 per cent of them were working for excessive hours (Table 8).

Out of 41.3 million students enrolled in educational institutions, the students in secondary and higher level of education are as under:

- i) 2.82 million in secondary schools,
- ii) 1.38 million in higher secondary schools,
- iii) 0.56 million in degree colleges, and
- iv) 1.6 million in universities, (Table 9)

The enrolment in technical vocational education and training institutions is slightly over 300,000. To them are added 1.722 million enrolled in Deeni Madaris

To sum up, unemployment and underemployment are quite pervasive in the country. Still, the agricultural sector absorbs the largest proportion of the workforce, while the industry (manufacturing sector) depicts quite lesser absorption. About half of the workforce is illiterate and current enrolment pattern demonstrates higher degree of drop out at primary and secondary level. The unemployment and under employment situation could have been worse if there hadn't been a surge in employment overseas. The number of people who went abroad from 2003 to August 2012 is over 3 million. Imagine what unemployment and accompanying poverty conditions would be in the absence of overseas migration?⁶

The province boasts of 60% of Pakistan's industrial production and has industrial concentrations of textiles, leather and light engineering goods.⁷ It has more than 48,000 industrial units. The small and cottage industries are over 39000.⁸ It also boasts of numerous Small and Medium Enterprises (SMEs) clusters. The products of these clusters range from "low-tech" cutlery products, raw vegetables and fruits, handloom textiles, traditional carved furniture, and sports and surgical goods to "hi-tech" auto parts, value added food stuff and juices, modern textiles, mechanized balls, composite material sports goods, modern aesthetic design furniture and many more. It has about 29% of the land area: 57% of the cultivated and 69% of the total cropped area of Pakistan. It produces about: i) 83% of cotton, ii) 80% of wheat, iii) 97% of fine aromatic rice, iv) 63% of sugarcane, and v) 51% of maize. The province also accounts for the production of: 66% of mangoes, more than 95% of citrus, 82% of guava and 34% of dates.⁹ Service sector in the province is also vibrant.

Punjab Province

The population of the province is estimated to be 97.58 million. Of the provincial population:

- i. About a-third is young between the ages of 15 and 35¹⁰
- ii . A working age population - 15 years and above - of 58.95 million, and
- iii . A labour force of 34.36 million¹¹ (Table 1)

7. Other manufacturing industries include heavy machinery, electrical appliances, cement, vehicles, auto parts, I.T, metals, sugar mill and cement plants, agriculture machinery, bicycles and rickshaws, floor coverings, and processed foods.
8. Source: SMEDA
9. Source: Agriculture Department, Punjab. <http://www.agripunjab.gov.pk/index.php?agri=detail&r=0>
10. Source: Bureau of Statistics, Government of the Punjab (2011); Punjab Development Statistics.
11. Source: Punjab Employment Trends 2013

The workforce of the province is increasing annually by a million and quarter. This implies that the province is “well poised” to reap a demographic dividend provided new entrants to the labour market and youth are appropriately educated and skilled to enhance their employability, and the work environments carry necessary protections and safeguards.

The current situation in the province in the education and literacy area is discomfoting. Looking at the education attainment of the labour force, we observe the following:

- i) 44.62 per cent having only less than one year of education,
- ii) 3.69 per cent having pre-primary education,
- iii) 16.19 per cent having primary but below middle education,
- iv) 13.5 per cent middle but below matriculation education,
- v) 12.67 per cent having matriculation but below

Table-1
Population and Labour Force in Punjab
(MN)

	Both Sex	Male	Female
Population 10+	71.20	35.71	35.48
Labour Force 10+	34.36	24.90	9.48
Population 15+	58.95	29.30	29.65
Labour Force 15+	32.82	23.98	8.84
Total Population of the Province: 97.58			

Source: PBS, *Pakistan Labour Force Survey 2010-11*

Table – 2
Education Attainment in the Labour Force

Labour Force 15+	2007-08	2010-11
Less than 1 year of education	45.45	44.62
Pre-primary education	3.31	3.69
Primary but below middle	15.92	16.19
Middle but below matriculation	12.8	13.5
Matriculation but below intermediate	13.3	12.67
Degree	4.77	5.04

Source: Punjab Employment Trends 2013, ILO

- intermediate education,
vi) 5.04 per cent having a degree (Table 2)

Key Labour Market Indicators of Punjab

The labour force participation rate in the province is 55.54 per cent; it is 81.4 per cent for males and 19.6 per cent for females. Despite a lower participation rate, the incidence of unemployment is higher for females; it is 8.3 per cent for them compared to 5.2 per cent for males. Absorbing more than two-fifths of the employed, the agriculture sector becomes the dominant source of employment for females. About three-fourth of females are employed by the agriculture sector.

The industry and services sector respectively absorb about a quarter and a third of the employed. However, female absorption in these sectors barely touches double digit. The wage and salaried employment is available to about two fifths of the employed; it is 43.3 per cent for males and 27.7 per cent for females.

The own account work absorbing 35 per cent of the employed has significantly smaller proportion for females; only 16.5 per cent of them fall under this category. The informal sector in the non-agriculture employment dominates; both for males and females. The employed working over 50 hours a week are 37 per cent; this proportion for males and females respectively

Table – 3
Selected Key Indicators of the Punjab Labour Market

	(0%)		
	Both Sex	Male	Female
Labour Force Participation Rate	55.54	81.4	29.6
Employment to Population Ratio	52.00	77.2	27.1
Unemployment Rate	6.1	5.2	8.3
Share in Employment:	i: 23.9	i: 28.3	i: 11.5
i: Industry	ii: 43.5	ii: 32.4	ii: 74.6
ii: Agriculture	iii: 32.6	iii: 39.3	iii: 13.9
iii: Services			
Share of Wage/Salaried Employment	39.2	43.3	27.7
Own Account Workers	35.0	41.5	16.5
Informal Sector	76.5	76.8	74.0
Working Over 50	37.0	47.3	7.7

Source: PBS, *Pakistan Labour Force Survey 2012-13*

is 47.3 per cent and 7.7 per cent (Table 3).

It is important to note that less than half - 45.7 per cent - of employed having the employment status of “employees” have a regular paid employment with fixed wage rate; it is 48.2 per cent for males and 34.5 per cent for females. Casual paid employees are 28.1 per cent: males 33.3 per cent and females 14.1 per cent. Paid work by piece rate is carried out by half of the female employees as against 19.7 per cent by males, table-4.

The employed under vulnerable situations are 59.4 per cent. The employment of females is largely under the category of vulnerable employment, as high as 79.9 per

Agriculture is the backbone of the provincial economy and source of livelihood for more than two-fifths of the workforce and their families. Absorbing 45.39% of the provincial workforce, a large number of those employed are in vulnerable situation. Their employment income is insufficient and they remain uncovered under labour protection and welfare mechanisms, PET (2013). The vulnerable employment - measured as the proportion of own-account workers and contributing family workers in total employment - is the dominant feature of the provincial labour market affecting about 60 per cent of the employed. These employed neither have access to social security, old age and workers' welfare benefits as available to the workers in the formal sector nor are recognised as workers for the purpose of forming unions and collective bargaining; females being the major sufferer as more than three-fifths of them are employed under vulnerable conditions.

Table – 4
Employees by Categories in Punjab

(0%)

	Both Sex	Male	Female
Regular Paid Employees with Fixed Wage Rate	45.7	48.2	34.5
Casual Paid Employees	28.1	33.3	14.1
Paid Worker by Piece Rate	25.5	19.7	50.9
Paid Non-family Apprentice ¹²	0.7	0.7	0.5
	100.0	100.0	100.0

Source: PBS, Pakistan Labour Force Survey 2012-13

Table – 5
Share of Vulnerable Employment in Punjab

	2010-11	2012-13
Box Sexes	58.9	59.4
Male	55.2	54.9
Fe-male	79.5	79.9

Source: PBS, Pakistan Labour Force Survey 2012-13

12. The paid non-family apprentices are the traditional *shagirds* (trainees/apprentices) hired by the *ostads* (master craftsmen) for their economic activities which are mostly family based/owned – such activities fall under the informal sector (informal economy).

Labour Law Reform: An Unfinished Agenda

Labour laws, their effective enforcement and conformity to the ratified global instruments particularly of the ILO Conventions become important in the context of stress on standards' compliance and global focus on DWA. Viewed in this context, the vast nature of areas covered by the labour laws and ratification of ILO Core Labour Standards (CLSs) notwithstanding, coverage, implementation and enforcement of labour laws have been an area of concern in the country and province.

Cognizant of the need, initiatives and discussion have been underway prior to the 18th amendment aiming at rectifying the situation. The focus in particular was on the following crucial aspects:

- i) Improving and strengthening labour inspection to increase protection for workers, ensure safety at work places and improve working conditions,
 - ii) Progressively extending labour protection and improvements not only to workers operating under formal contracts of employment but also to the self-employed persons, agricultural workers, informal economy workers, contract workers, seasonal workers, brick kiln workers and home based workers,
 - iii) Making access of social security including retirement benefits universal,
 - iv) Ensuring basic rights of workers - freedom to join a trade union and bargain collectively,
 - v) Developing an alternate dispute resolution (ADR) mechanism to help in speedy and cost effective dispensation of justice, and
 - vi) Ensuring that labour laws conform to ILO Conventions especially those ratified by the Government of Pakistan (GOP);
- a. In this regard, expediting the process of labour law reforms, in particular, their classification and codification.

Lack of uniformity in the provincial laws and conformity with global obligations is an emerging area of concerns. This can be gauged by the industrial relations laws enacted by the provinces; they not only lack uniformity but are contradictory to the ratified ILO C-87 and 98. In case of the Punjab Industrial Relations Act (PIRA), for example, the right to organise and form unions is available to workers of establishments having 50 or more workers. This is inconsistent with the Constitutional provisions and the ILO Conventions 87 and 98 ratified by the Government of Pakistan.

These initiatives and discussion, however, did not lead into developing mechanisms, rectifying situation and effecting improvements in labour laws and their enforcements. The agenda remains unfinished.

Importance of Labour Laws and Emerging Concerns in Post 18th Amendment Period

Indeed, the hard, dedicated and successful accomplishment of the work of the “Constitutional Reforms Committee” (CRC) is a milestone in the legislative history of the country. The accomplishment and applaud notwithstanding, there exists a concern with regard to the following:

1. Effective implementation of global labour standards particularly of the ILO Conventions,
2. Obligations with regard to ILO Conventions, as yet, not ratified by the GOP, and
3. Modality with regard to the:
 - a. Reform of labour laws, uniformity and conformity,
 - b. Enforcement of labour laws,
 - c. Occupational safety and health,
 - d. Eradication and rehabilitation of child and bonded labour,
 - e. Labour Inspection and
 - f. Universal access and management of social protection/security institutions.

It is important to note that a ratifying member-state is required to show the extent to which the law and practice conforms to the provisions of the Convention: by legislation, administrative action, collective agreement or otherwise.¹³ Furthermore, while ratifying a Convention, a member-state agrees to make a detailed report to the ILO on the measures that it has taken with regard to the implementation of its different provisions.

The ILO “Declaration on Fundamental Principles and Rights at Work and its Follow up”, adopted at the 86th Session of the International Labour Conference (ILC), stipulates that all member-states have an obligation to respect in good faith and in accordance with the Constitution (of ILO), the principles concerning fundamental rights that are the subject of the Conventions¹⁴ covered under it. It also envisages the preparation and submission of progress reports by those members who have not ratified the relevant Conventions.

Under the scenario of non-compliance of a ratified convention, a complaint can be filed against a member state by another, according to articles 26 to 34 of the ILO Constitution.

A recent milestone in the history of EU-Pakistan trade relations is the granting of GSP+ status to Pakistan. This regime calls for compliance to 27 international conventions on human rights, good governance, labour and environmental standards by Pakistan. EU is the largest trading partner of Pakistan. Hence, it becomes the responsibility of the government to ensure compliance to all including of labour standards.

Whereas, coverage, implementation and enforcement of labour laws has been an area of concern, the 18th amendment has added new dimensions especially with regard to uniformity, enforcement, inspection, conforming to international standards/commitments, and ensuring compliance to global standards.

13. Pakistan is a member of the ILO for well over five decades; it has ratified 34 ILO Conventions; 33 are in force. The ILO Conventions, as we are all ware of, are international laws.
14. The Core Labor Conventions covered in the Declaration are: 1) C-87 on freedom of association and protection of the right to organize, 1948, 2) C-98 on right to organize and collective bargaining, 1949, 3) C-138 on forced labour, 1930, 4) C-105 on abolition of force labour, 1957, 5) C-100 on equal remuneration, 1951, 6) C-111 on discrimination (employment and occupation), 1958, and 7) C-138 on minimum age, 1973. Later, the C-182 on worst form of child labour, adopted in 1999 also became part of the Declaration.

Way Forward

In view of the above, the labour related matters needing attention and improvement can be summarized as falling under six broad groups, namely:

- i) Conducive industrial relations,
- ii) Labour laws, enforcement and workers' protection,
- iii) Social security and workers' welfare,
- iv) Equality and non-discrimination,
- v) Enabling environment, and
- vi) Gradual extension of labour protection and welfare (Table 7)

The key question is how to go about it? It is important to take note of the provincial labour policy draft. It is critical that its approval by the cabinet is expedited whereby it is put on implementation mode. The provincial government may consider constituting a high powered Task Force (TF) in the DLHR in consultation with and participation of key stakeholders including employers' and workers' organisations to look into issues/areas listed in section-5 and table-7 above. The TF may be tasked to steer the whole process that may comprise of the following seven steps.

1. It facilitates an early approval and implementation of the labour policy.
2. Based on the briefing paper, initial brainstorming sessions are organized by the DLHR with stakeholders including employers' and workers' organisations in the province.
3. Desk review is undertaken to prepare:
 - a. Salient features of twelve¹⁵ ILO fundamental Conventions and their conformity or lack of it with the provincial laws
 - b. A comparative statement of the labour laws developed/enacted by the province after the 18th amendment
 - c. A list of employment and labour-related Constitutional provisions
 - d. A note on the obligations of the country as member-state of the ILO and for the ratifying Conventions, and
 - e. Situation analysis with regard to current stage of legislative and institutional framework, issues, measures being taken and way forward for each of the twenty five elements belonging to six major groups of Table 6
4. Based on the above, preparing a Provincial

15. Twelve ILO fundamental Conventions are: i) 87 and 98 on freedom of association, ii) 29 and 105 on abolition of forced labour, iii) 100 and 111 on equal treatment and opportunities, iv) 138 and 182 on minimum age and worst forms of child labour, as well as the "governance conventions", v) 122 on employment policy, v) 81 and 129 on labour inspection, and vi) 144 on tripartite consultation.

Position Paper (PP) on "Developing a Consensus-based Labour Regulations and Labour Administration in the Post 18th Amendment Period: Ensuring Decent Work for All and Conformity to Global Labour Standards"

5. Organizing stakeholders' meetings including federal Ministry of Overseas Pakistanis and Human Resource Development (MoOPHRD) on the PP.
6. Organizing consultative meeting in the form of a 2-day workshop in Lahore wherein the revised PP is used as main discussion document.
7. Based on the feedback a Provincial Action Plan with timelines is prepared for "Consensus-based Labour Regulations and Labour Administration in the Post 18th Amendment Period: Ensuring Decent Work for All and Conformity to Global Labour Standards."

Table – 6
Share of Vulnerable Employment in Punjab

Sr.#	Major Groups	Elements of Groups
1.	Conducive Industrial Relations	<ul style="list-style-type: none"> · Fostering bi- & tri-partism, · Right to organise and collectively bargaining, · A dispute settlement mechanism, and · Workers' participation in management.
2.	Labour Laws, Enforcement and Workers' Protection	<ul style="list-style-type: none"> · Codified, simplified and classified labour laws, · Elimination of child labour and bonded labour · OSH, and · Reinvigorated labour inspection system.
3.	Workers' Social Security and Welfare	<ul style="list-style-type: none"> · Health care, · Maternity benefits, · Pension, and · Other welfare measures.
4.	Equality and Non-Discrimination	<ul style="list-style-type: none"> · Equality · Non-discrimination
5.	Enabling Environment	<ul style="list-style-type: none"> · Enterprise development · Raising TVET competence, · On-the-Job Training (OJT), · Employment facilitation and creation, · Labour Market Information System (LMIS), and · Managing Migration.
6.	Gradual Extension of Labour Protection and Welfare	<ul style="list-style-type: none"> · Home-based workers, · Domestic workers, · Brick kiln workers · Agriculture sector, and · Informal sector.

Source: Punjab Labour Policy 2014 (Draft)

APPENDICES

Annex Table – 1
Unemployment Rate in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	6.1	5.1	5.0	5.2	5.3	5.7	6.0
Males	5.2	4.2	4.0	4.2	4.1	4.8	5.1
Females	9.6	8.6	8.7	9.0	9.2	9.0	9.1

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 2
Share of Industry in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	21.2	21.4	20.6	21.0	21.4	21.8	22.8
Males	22.7	23.5	22.7	23.1	24.1	24.6	26.2
Females	15.1	12.6	12.2	12.7	11.6	11.5	11.3

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 3
Share of Agriculture in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	41.6	42.0	42.8	43.3	43.4	43.5	42.2
Males	35.6	35.0	35.2	35.7	35.2	34.9	33.1
Females	67.7	71.4	73.8	72.7	73.9	74.2	74.9

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 4
Share of Services in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	37.1	36.6	36.6	35.7	35.2	34.7	35.0
Males	41.8	41.5	42.2	41.2	40.7	40.5	40.7
Females	17.3	16.0	13.9	14.6	14.5	14.2	13.8

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 5
Share of Wage and Salaried in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	38.4	38.3	37.1	36.8	36.5	36.9	39.7
Males	41.2	41.5	40.6	40.5	40.7	41.2	43.8
Females	26.6	25.1	22.9	22.6	20.8	21.6	24.9

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 6
Share of Own Account Workers in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	36.8	36.0	35.9	34.8	35.6	36.3	34.9
Males	41.5	41.1	41.2	40.1	41.3	41.8	40.1
Females	16.2	14.3	13.9	14.0	14.5	16.6	15.9

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 7

Share of Informal Sector in Total Employment in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	72.3	71.5	72.4	73.0	72.9	73.5	73.3
Males	72.2	71.6	72.4	73.1	73.0	73.9	73.6
Females	73.1	69.9	71.7	71.6	72.7	70.6	70.9

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table – 8

Share of Employed Working Over 50 Hours a Week in Pakistan: Various Years

(0%)

Pakistan	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2012-13
National	41.0	40.0	39.3	38.0	39.5	38.5	36.3
Males	48.3	47.8	47.0	46.3	48.0	46.9	44.4
Females	9.4	7.7	7.6	6.0	7.8	8.4	7.3

Source: PBS, various years, *Pakistan Labour Force Survey*

Annex Table-9

Enrolment, Schools and Teachers by Levels in 2012-13

(0%)

S.No	Stage	Enrolment (Mn)	Schools	Teachers
1.	Pre-Primary	9.92	N.A	N.A
2.	Primary	18.75	154,650	427,371
3.	Middle	6.24	41,945	351,381
4.	Secondary	2.82	28,655	458,655
5.	Higher Secondary	1.38	4,415	97,633

There were 0.56 mn students enrolled in degree colleges and 1.6 mn in Universities. Total enrolment in 2012-13 was 41.3 million during.

Source: Pakistan Economic Survey, 2012-13



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